

WIDE CIRCULATION DRAFT

BUREAU OF INDIAN STANDARDS
(DRAFT FOR COMMENTS ONLY)

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**Sustainability Reporting and Disclosure Requirements —
Part 7 — Resource Use and Circular Economy**

ICS 03.100.02

Social Responsibility Committee, MSD 10	Sectional	Last Date for receipt of Comments is December 2024
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Foreword

This Indian Standard was adopted by the Bureau of Indian Standards, after the draft finalized by the Social Responsibility Sectional Committee had been approved by the Management and Systems Division Council. This standard specifies the requirements for Sustainability Reporting and Disclosures.

This standard provides requirements on various aspects of Sustainability Reporting, especially covering topics concerned with the title of the standard. This is the first time such standards have been attempted by any organization in the country.

This standard (Part 7) is a part of IS ____ under the general title ‘Sustainability Reporting and Disclosure Requirement’. Other parts in this series are:

Part 1	Glossary and acronyms
Part 2	General requirements
Part 3	General disclosures
Part 4	Climate change and pollution
Part 5	Water and marine resources
Part 6	Biodiversity and ecosystems
Part 8	Own workforce
Part 9	Stakeholders engagements
Part 10	Worker in the value chain
Part 11	Affected communities
Part 12	Consumers and end-users
Part 13	Business conduct
Part 14	Governance and internal controls

Part 15 Performance indicators and impact assessment for SDGs

The Bureau of Indian Standards (BIS) with the sole directive to formulate National Standards to assess and certify products, systems and services in the country, undertook the responsibility to devise Indian Standard on ‘Sustainability Reporting and Disclosures’. BIS further realized the need to make criteria based standards for Sustainability Reporting and Disclosures, which will act as strengthened framework for organizations to report their disclosures on ESG across environment, social and governance issues.

The composition of the Committee responsible for the formulation of this standard is given in Annex

Introduction

Introduction given in Part 1 of this standard shall apply (IS _____ (Part 1) : XXXX – Sustainability Reporting and Disclosure Requirement - Glossary and acronyms)

Draft Indian Standard
Sustainability Reporting and Disclosure Requirements —
Part 7 — Resource Use and Circular Economy

1 Scope

This document sets out the disclosures requirements for resource use and circular economy and applies to all organizations of all types and sizes regardless of their sectors of activities. This document provides requirements for organizations to provide information about their operations and circular economy implemented in the organization.

This document entails how the organization affects resource use and prevents or mitigates actual or potential material negative impacts arising from it and circular economy. It further entails how the organization adapt its business strategy and model to the principles of circular economy.

NOTES:

- 1) Regardless of requirements given in this standard, the organizations shall also comply the disclosures requirements given by the regulator.
- 2) For any dispute arising out of the declarations made by an organization, the provisions of the regulations and the decision of the regulator shall be final.
- 3) This document is complementary and interoperable with existing voluntary and regulatory frameworks.

2 Normative references

There are no normative references in this document.

3 Terms and definitions

The terms and definitions given in Part 1 of this standard (IS XXXX (Part 1):2024 – Sustainability reporting and disclosure requirements – Glossary and acronyms) shall apply.

4 Leadership

The top management shall establish, implement, review and maintain policies and processes to monitor, measure and make effective use of resources and reduce the use of non-renewable resources. The top management shall make its strategy and business model(s) in line with circular economy principles. The documented information shall be maintained.

The top management of the organization shall be committed to sustainable production and consumption and shall provide necessary resources to implement it. The top management shall maximize and maintain value of the resources, products and materials by creating a system that allows for renewability, reuse, refurbishment, re-manufacturing, recycling and biodegradation.

Top management shall ensure that the responsibilities and authorities for relevant roles to implement the policies and processes are assigned and communicated at all levels within the organization and maintained as documented information.

5 Impact, risk and opportunity management

5.1 The organization shall identify processes and assess material resource use and circular economy related impacts, risks and opportunities.

5.1.1 The organization shall disclose its policy for managing its impact materiality, risks and opportunities related to resource use and circular economy.

The organization shall indicate how its policies and processes address the following:

- a) Transiting away from use of non-renewable resources
- b) Use of renewable resources in production /services

The organization shall disclose its actions related to 5.1 above for addressing impacts, risks and opportunities in its operations and value chain (upstream and downstream) along with the target it has adopted and the resources allocated for achieving the targets.

6 Key performance indicators (KPIs)

6.1 The Organizations shall report annually on the Key Performance Indicators (KPI) related to material resource use and circular economy. Reports shall include both absolute figures and intensity metrics (e.g., per unit of production or revenue) (See Annex A).

Notes:

- 1 Annexes A and B give the detailed formulae for calculation of KPIs as per SEBI's BRSR Core and its format respectively, which may be followed in case of declaration as per requirements of format of BRSR Core.
- 2 Disclosure as per Annex II – Section C (Principle 2, disclosures 2, 3 and 4 of essential indicators, disclosure 1 to 5 of leadership indicators; principle 6 disclosure 1, 3 and 10 of essential indicators and disclosure 4 of leadership indicators) of BRSR Core is applicable to this part and hence is addressed in Annex B.

6.2 The organization shall describe its material inflows and material outflows used in production process (including packaging) as follows:

- a) overall total weight of products and material used in production process along with their weight in both absolute value and in percentage
- b) overall total weight of reused and recycled products and materials used in production process along with their weight in both absolute value and in percentage
- c) the above KPIs shall be for both renewable material used and non-renewable material used
- d) the methodology used in to calculate the data. Percentage of recycled input materials used can be calculated as follows:

$$\text{Percentage of recycled input materials used} = \frac{\text{Total recycled input material used}}{\text{Total input material used}} \times 100$$

- e) the methodology used to calculate percentage of reclaimed products and their packaging materials within reporting period can be calculated as follows:

$$\text{percentage of reclaimed products and their packaging materials} = \frac{\text{products and their packaging materials reclaimed}}{\text{total products sold}} \times 100$$

6.3 The organization shall describe key products and materials that come out of its production products and are its manufacturers using circular economy principles, as follows:

- a) overall total weight and percentage of material that come out of production process as products and in its manufacturing using circular economy principles:
- i) durability
 - ii) reusability
 - iii) repairability
 - iv) disassembly
 - v) remanufacturing or refurbishment
 - vi) recycling
 - vii) recirculation by biological cycle
 - viii) other potential optimization of product and material used
- b) overall total weight and percentage of material that come out of production process including packaging, even not meeting above requirements (6.2 a), but are designed to enhance/enable circular economy for customers down the value chain.

6.4 The organization shall disclose the information related to total amount of waste generated on its own operations during the reporting period, in upstream and downstream in its value chain, as follows:

- a) Total amount of waste generated. Total waste is sum of following waste:
- i) plastic waste
 - ii) e-waste
 - iii) bio-medical waste
 - iv) construction and demolition waste
 - v) radio-active waste
 - vi) other hazardous waste
 - vii) other non-hazardous waste

- b) Waste intensity to be calculated as follows:

$$\text{Waste intensity} = \frac{\text{Total waste generated}}{\text{Total revenue earned from waste}}$$

- c) For each category of waste generated total recovered through recycling, reusing or other recovery operations.

$$\text{Intensity} = \frac{\text{Total waste recycled or recovered}}{\text{Total waste generated}}$$

7 Disclosure requirements for resource use and circular economy

7.1 General disclosures

The reporting entity shall disclose the processes used to identify and assess material resource use and circular economy related impacts, risks and opportunities. In doing so, the following information should be provided:

- a) the methodologies adopted, along with any assumptions made to assess actual or potential material negative impacts arising from resource use and circular economy.
- b) the tools (e.g., software, surveys etc.) used for such assessment.
- c) the interlinkages between material risks and opportunities and impacts and dependencies.

7.1.1 The reporting entity shall disclose internal policies and actions implemented to manage material impacts, risks, and opportunities related to resource use and circular economy. In particular, the following information should be disclosed:

- a) the steps taken to transition away from extraction and use of virgin non-renewable resources.
- b) the steps taken to secure and contribute to regenerative production of renewable resources.
- c) the steps taken in alignment with recommendations included in any existing Indian strategy of policy document on resource use and circular economy
- d) the resources allocated for resource reuse and circular economy actions of the reporting entity.

7.2 Metrics and targets

The reporting entity shall disclose internal metrics and targets related to resource reuse and circular economy. In particular the following information should be disclosed:

- a) year-wise internal goals and targets for resource reuse and circular economy, including on circular design, circular material use rate, and waste management etc.
- b) the applicable domestic, voluntary or mandatory, goals and targets for resource reuse and circular economy.
- c) the applicable global, voluntary or mandatory, goals and targets for resource reuse and circular economy.

7.3 Products and materials

The reporting entity shall disclose internal policies and actions implemented for resource reuse and circular economy related to different materials used and different products (including bi-products and co-products) manufactured. In particular, the following information should be disclosed:

- a) the key materials used by the reporting entity.
- b) the key products manufactured by the reporting entity, including bi-products and co-products.

- c) details of the recyclability of the products and/or product components.
- d) details of the recycled content in products and/or product components.
- e) details of any assessment of the products and/or product components on repairability, durability, reusability, disassembly, design for environment, and recycling.
- f) details of different critical minerals used by the reporting entity.

7.4 Waste

The reporting entity shall disclose internal policies and actions implemented for resource use and circular economy related to waste management. In particular, the following information shall be disclosed:

- a) the strategy for waste management and circular economy in detail, including different stages of product or process life cycle (pre-consumption, during consumption, post-consumption) and/or different approaches (e.g., reduce, reuse, repair, recycle, refurbish, remanufacture, reimagine).
- b) any inter-firm collaboration for circular economy.

7.5 Applicable waste management legal/regulatory mandates

The reporting entity shall disclose different waste management regulations and rules applicable. In particular, the following information should be disclosed:

- a) the different domestic waste management rules and guidelines the reporting entity is mandated to comply with.
- b) the details of the different domestic waste management rules and guidelines the reporting entity is mandated to comply with (e.g., frequency of submission of compliance report, requirements from the reporting entity etc.).
- c) whether the reporting entity complied with the laid down waste management rules and regulations in the reporting year.
- d) whether any action was taken against the reporting entity on non-compliance with the laid down waste management rules and regulations in the reporting year.

ANNEX A
(Clause 6.1)

BRSR Key Performance Indicators (KPIs)

The KPIs under climate change and pollution ESG attributes as per BRSR core (Annex I) for reporting and disclosure by organizations are as follows:

Sl. No.	Attribute	Parameter	Measurement	Data & Assurance Approach
1	Embracing circularity - details related to waste management by the entity	Plastic waste (A)	Kg / MT	Absolute weight of the packaging material (Bags, Bottles, Pallets etc.) discarded as defined under the plastic waste management rules 2016 and amendments thereof
		E-waste (B)	Kg / MT	Discarded Computers, televisions, cell phones, VCRs, stereos, DVD players, copiers, and fax machines etc. as listed under e-waste management rules 2016 and amendments thereof
		Bio-medical waste (C)	Kg / MT	Solids and liquid waste including its container and any intermediate product, which is generated during the diagnosis, treatment or immunization of human beings or animals or research activities as listed under Bio-medical waste management rules 2016 and amendments thereof
		Construction and demolition waste (D)	Kg / MT	Construction waste as per C&D waste management Rules 2016 and amendments thereof like concrete, plaster, metal rods / wires, wood, plastics etc.
		Battery waste (E)	Kg / MT	Discarded batteries i.e., Li-ion, Alkaline, Lead Acid etc used in vehicles, computers & laptops, mobiles other electronics, UPS, Power Back up etc. as per Battery Waste management Rules 2016 and amendments thereof

Sl. No.	Attribute	Parameter	Measurement	Data & Assurance Approach
		Radioactive waste (F)	Kg / MT	Discarded material such as paper, plastic, clothes, equipment, machine parts etc having exposure to radiation across Nuclear Power Plants, Hospitals, Research Laboratories, Industrial Applications etc.)
		Other Hazardous waste. Please specify, if any. (G)	Kg / MT	As per hazardous waste management rules of CPCB
		Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	Kg / MT	Waste not identified as Hazardous as per CPCB
		Total waste generated ((A+B + C + D + E + F + G + H)	Kg / MT	self-explanatory
	Waste intensity		Kg or MT / Rupee adjusted for PPP	1. Total waste generated 2. Total Revenue from Operations (from audited P&L) 3. PPP (USD / INR)
			Kg or MT / Unit of Product or Service	1. Total waste generated 2. Company & Sector Specific (i.e., No. of Vehicles Produced, MT of Material Produced, Data in Mn TB, No. of Seats / Travel Class etc)
		Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations	Kg or MT	Absolute quantity Kg of Waste Recycled Recovered /Total Waste generated

Sl. No.	Attribute	Parameter	Measurement	Data & Assurance Approach
			Intensity	Disclosure may be provided if certificates from vendors have been relied upon for assurance of KPIs on waste management
		For each category of waste generated, total waste disposed by nature of disposal method	Kg or MT Intensity	<ol style="list-style-type: none"> 1. Amount of material in MT disposed through Incineration 2. Amount of Material to Landfill 3. Any other method Kg of Waste Recycled Recovered /Total Waste generated

ANNEX B
(Clause 6.1)

Format for new KPIs as per BRSR core as per Principle 2 and Principle 6 of NGRBC are as follows:

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. Does the entity have procedures in place for sustainable sourcing? (Yes/No) If yes, what percentage of inputs were sourced sustainably?
2. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
3. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.
Questions 1 and 2- are these being taken in the Climate Change group or not? If not, we will include it.
Study other indices as well, a lot of it comes under product category

Name of Product / Service	Description of the risk / concern	Action Taken

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY ____ Current Financial Year	FY ____ Previous Financial Year

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY ____ Current Financial Year			FY ____ Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category

Principle 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY ____ (Current Financial Year)	FY ____ (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)		
Total fuel consumption (B)		
Energy consumption through other sources (C)		
Total energy consumed from renewable sources (A+B+C)		
From non-renewable sources		
Total electricity consumption (D)		
Total fuel consumption (E)		
Energy consumption through other sources (F)		
Total energy consumed from non-renewable sources (D+E+F)		
Total energy consumed (A+B+C+D+E+F)		
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)		
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)		
Energy intensity in terms of physical output		
Energy intensity (<i>optional</i>) – the relevant metric may be selected by the entity		

2. Provide details related to waste management by the entity, in the following format:

Parameter	FY ____ (Current Financial Year)	FY ____ (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)		
E-waste (B)		
Bio-medical waste (C)		
Construction and demolition waste (D)		
Battery waste (E)		
Radioactive waste (F)		
Other Hazardous waste. Please specify, if any. (G)		
Other Non-hazardous waste generated (H) . Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)		
Total (A+B + C + D + E + F + G + H)		

Parameter	FY ____ (Current Financial Year)	FY ____ (Previous Financial Year)
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)		
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)		
Waste intensity in terms of physical output		
Waste intensity (optional) – the relevant metric may be selected by the entity		

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total		

- Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Leadership Indicators

- If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (<i>Web-link, if any, may be provided along-with summary</i>)	Outcome of the initiative