

Original Article

Evaluating Corporate Governance Disclosures: A BRR–BRSR Comparison of Selected Energy Firms in India

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Abstract: To strengthen corporate accountability and transparency and to align with global sustainability standards, SEBI mandated Business Responsibility and Sustainability Reporting (BRSR) for India's top 1000 listed companies from FY2022-23, replacing Business Responsibility Report (BRR). Corporate governance reporting includes important factors, such as a brief on the philosophy of the code of governance, board composition, various committees, and more. The study examines the corporate governance sustainability reporting practices of the five energy sector companies from the NIFTY 50 index for the study period of 2020-2021 (pre-BRSR) and 2023-2024 (post-BRSR). The detailed checklist of twelve governance sustainability reporting parameters, subdivided into sixty sub-clauses, is developed, drawing inspiration from established frameworks such as the Global Reporting Initiative (GRI), National Voluntary Guidelines on Socio-Economic and Environmental Responsibilities of Business (NVG), the BRR, and the BRSR. The study employs content analysis, and the scoring system, ranging from '0' (non-reporting) to '2' (full reporting), is used to formulate a Corporate Governance Sustainability Disclosure Index. The findings indicate that the BRSR requirement has made corporate governance reporting much better. Reliance Industries Limited has outperformed public sector corporations earlier, while after the regulatory reporting change, Coal India Limited recorded higher governance disclosure scores. The Wilcoxon Signed Rank Test indicates a statistically significant improvement in governance disclosure scores in the post-BRSR reporting period compared with the pre-BRSR period. Companies are presenting more quantified, detailed information, making reports more trustworthy and relevant. Corporate governance in India has to go beyond compliance to achieve ethical and inclusive business growth.

Keywords: Board Composition, Corporate Governance Reporting, Disclosures, Responsible Business Practices, Sustainability.

I. INTRODUCTION

Attaining authentic sustainability involves an integrated approach that harmonizes responsible corporate governance with continuous economic growth. Historically, corporate sustainability reporting relied mostly on voluntary frameworks, which had significant disadvantages, including inconsistency and susceptibility to corporate greenwashing. Recognising these institutional shortcomings, international regulatory standards have progressively required standardised sustainability reporting to ensure that corporate actions are consistent with the United Nations Sustainable Development Goals (SDGs) (Basumatary & Sar, 2025; Sarkar, 2025). This important regulatory change was precipitated in the Indian context by the Securities and Exchange Board of India (SEBI).

The SEBI has enforced the mandatory Business Responsibility and Sustainability Reporting (BRSR) model on the largest listed companies in the country, where the voluntary Business Responsibility Report (BRR) has been replaced by the new Business Responsibility and Sustainability Reporting (BRSR). This requirement necessitates a structural adjustment of corporate operations in line with domestic interests and international sustainability objectives. As a result, there is absolute evidence of strong leadership at the board level becoming the direct reflection of the high-quality ESG performance (Dissanayake et al., 2024). Sustainability reporting has consequently transformed a narrow-fringed PR activity into a central, fully integrated business strategy of a strictly board of directors-monitored and board-directed business approach (Erin et al., 2022).

The need for visionary leadership and open reporting becomes extremely critical in high-impact, resource-intensive sectors like energy, oil, and gas. Companies in such fields are under intense scrutiny from institutional and government regulations, as their daily operations involve a significant ecological footprint that directly leads to carbon emissions and climate change (Emeka-Okoli et al., 2024). To these large energy players, having a highly qualified board of directors with specialised ESG committees is no longer a choice but a requirement for survival. These well-built governance systems are essential for identifying and reducing complex environmental vulnerabilities, averting opportunistic or shortsighted managerial actions, and ensuring the firm has a social license to operate (Gerwing et al. 2022; Sancha et al., 2022).



The Sustainability reporting practices of a particular firm can be effectively used as a clear indicator of its ethical soundness, social responsibility, and general operational stability, as the practices are robust, profound, and transparent. The current economic paradigm can no longer be used to evaluate the performance of a company based on the narrow mindset of short-term financial returns generated in the name of shareholders. Instead, corporate success has to be evaluated comprehensively, including the extent to which an organization has achieved its broader governance and social-environmental agendas. Sustainable governance reporting is intended to establish sustained communication with a broad range of stakeholders, including investors, local communities, and politicians. This research paper focuses on the strategic reporting of these major players in the industry to determine how effectively they are translating the established governance goals stipulated by law into real, long-term gains. The goal of sustainable governance reporting should be to go beyond regulatory compliance in financial reporting and relate meaningfully to stakeholders. Recognising this imperative, the present study examines the corporate governance and sustainability reporting practices of five leading companies operating in India's energy sector.

II. LITERATURE REVIEW

Aras and Crowther (2008) observed that both corporate sustainability and corporate governance are complexly related notions of the modern corporate discourse. Kocmanová et al. (2011) argued that modern governance frameworks, previously viewed through a shareholder-centric lens, provide the structural design needed to ensure accountability, transparency, and ethical stakeholder management, which are fundamentally critical to sustainable development. Using the legitimacy theory to explain the shift to mandatory ESG disclosure within the Business Responsibility and Sustainability Reporting prerequisite (BRSR) framework, Suchman (1995) and Rajan (2025) noted that corporate managers, especially those in Public Sector Undertakings (PSUs), view the regulatory activities by the Securities and Exchange Board of India (SEBI) and heightened institutional investor attention as a threat to organizational legitimacy and, in turn, feel the need to adhere to requirements such as compliance with BRSR Principles. This theoretical postulate has been empirically confirmed by Sarkar (2025), who found that the presence of ESG committees and board independence explains 71 per cent of the variability in governance disclosures among BSE/NSE-listed firms.

Erin et al. (2022). Gerwing et al. (2022) and Naeem and Karim (2022) proposed that the efficacy and transparency of sustainability disclosures materially depend on certain board characteristics. They found that their empirical findings showed that the institutionalization of specific Corporate Social Responsibility (CSR) committees, gender diversity, and board independence are systematically positively associated with the quality of disclosure and the reduction of opportunistic managerial behavior. Investigating such high-impact industries as the energy, oil, and gas market, Sancha et al. (2022) maintained that strict regulation and effective board supervision are the keys to maintaining social authorization of the company to continue its operations under the widespread ecological attention. This relationship was supported by Dissanayake et al. (2024) based on systematic assessments revealing the existence of a predominantly positive association between improved sustainability outcomes and well-developed governance systems that were grounded on the stakeholder, legitimacy, and agency theories in their quantitative study of CRISIL scores to measure the governance divergence of the NIFTY 50 index.

Vimala et al. (2026) discovered that energy PSUs (average G-score of 60) had a significant 43 per cent difference with their counterparts in the private sector (average G-score of 77). In their study, they singled out clear disclosure shortcomings in the activities of PSU risk committees and whistleblower measures and found that the ownership structure of the firm and regulatory pressure are the main factors that determine the level of governance transparency, whereas traditional financial measures have an insignificant effect. At the same time, Rajan (2025) conducted a thorough systematic review of an earlier stage of BRSR implementation and verified that although the establishment of BRSR-Core assurance mechanisms has successfully reduced corporate greenwashing, there are still serious data quality loopholes in the conditions of comprehensive value-chain disclosures. To determine whether mandated governance frameworks and enhanced regulatory structures authentically translate into substantive environmental accountability within a sector with profound macroeconomic and ecological implications, it is essential to evaluate the pre- and post-BRSR Landscape.

III. METHODOLOGY

A) Objectives of the Study

The study explores the corporate governance sustainability reporting practices of selected Indian NIFTY 50 companies. The main objectives of the study are:

- To evaluate the overall corporate governance sustainability reporting practices and examine the variation in governance disclosure practices of 2020–21 (pre-BRSR) and 2023–24 (post-BRSR).
- To analyse indicator-wise governance sustainability reporting practices and examine the variation in governance disclosure practices of 2020–21 (pre-BRSR) and 2023–24 (post-BRSR).
- To examine the impact of BRSR implementation on corporate governance disclosure practices of selected Indian NIFTY 50 companies.

B) Sample and Source of Data

For the study, a sample of five energy sector companies, comprised of Oil, Gas & Consumable fuels and Power companies from the NIFTY 50 index, is considered. The companies selected are Coal India Ltd. (CIL), Oil & Natural Gas Corporation of India Ltd. (ONGC), National Thermal Power Corporation Ltd. (NTPC), Power Grid Corporation of India Ltd. (PGCIL), and Reliance Industries Ltd. (RIL). From FY 2019-20, SEBI mandated the BRR requirement for the top 1000 listed companies by market capitalization. Subsequently, in the circular SEBI 2021, it was proposed that a new Business Responsibility and Sustainability Report (BRSR) shall be applicable to the top 1000 listed entities (by market capitalization) for reporting on a voluntary basis for FY 2021 – 22 and mandatory from FY 2022 – 23.

The transition from BRR to BRSR reflects SEBI's focus on effective ESG (Environmental, Social, and Governance) disclosures, ensuring higher quality, fostering transparency, and promoting accountability in corporate sustainability reporting. Following this regulatory change, the study examines the corporate governance sustainability disclosure practices of the selected five Energy Sector companies in 2020–21 (pre-BRSR) and in 2023–24 (post-BRSR) to assess the extent to which this mandate has enhanced sustainability reporting. Secondary data required to calculate the governance score based on companies' disclosures are collected from Annual Reports, Corporate Sustainability Reports, Business Responsibility Reports (BRR), and Business Responsibility and Sustainability Reports (BRSR) of selected sample companies.

C) Methodology Followed

In this study, to measure the corporate governance score of companies, twelve broad governance sustainability indicators are framed based on guidelines given by the Global Reporting Initiative (GRI), BRR, and BRSR. These twelve indicators are further divided into sixty subclauses on which reporting is required. Each sub-clause further has a series of questions based on which company disclosures are analysed. A scoring pattern is developed to calculate the Corporate Governance score of selected sample companies based on identified indicators. Content analysis is employed to examine corporate governance sustainability reporting practices and to calculate corporate governance scores. A dichotomous scoring system ranging from '0' (non-reporting) to '2' (full reporting) is used to formulate a Corporate Governance Sustainability Disclosure Index. The Wilcoxon Signed Rank Test is employed to assess the magnitude and rank of the data for comparing pre- and post-BRSR changes in corporate governance disclosures.

IV. ANALYSIS AND DISCUSSION

The Corporate Governance prospects include a broad range of important factors, such as a brief on the philosophy of the Code of Governance, Board Composition, Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Risk Management Committee, Remuneration of Directors, General Body Meetings, Means of Communication, General Shareholders Information, Other Disclosure, and Shareholders Rights. Additionally, there is scope for improving the transparency and disclosure standards of corporate governance by disclosing the Optional or Leadership Indicators, such as disclosure of Awareness programs conducted for value chain partners, the processes for consultation between stakeholders and the Board on economic, environmental, and social topics, details of public policy positions advocated by the entity, and more. The Overall Corporate Governance Sustainability Disclosure Scores of the selected five energy sample companies are as follows.

Sustainable Corporate Governance Practices

Table 1: Overall Corporate Governance Sustainability Disclosure Scores (Pre- and Post-BRSR)

| Company | Pre-BRSR (2020–21) Score | Post-BRSR (2023–24) Score | % Change |
|----------------------------------|--------------------------|---------------------------|----------|
| CIL | 94 | 117 | 24.47% |
| ONGC | 93 | 100 | 7.53% |
| NTPC | 102 | 109 | 6.86% |
| PGCIL | 94 | 110 | 17.02% |
| RIL | 107 | 114 | 6.54% |
| Source: Author's Own Compilation | | | |

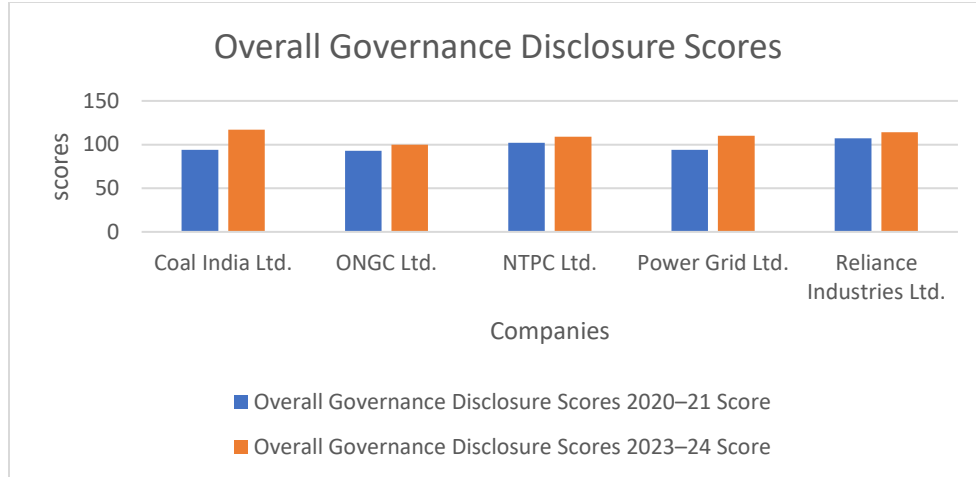


Figure 1. Overall Governance Sustainability Disclosure Scores

Table 1 represents the Overall Governance Sustainability Disclosure Scores of the selected five energy sector companies. From the table, it is observed that the disclosure score increased across most companies after BRSR implementation. Companies such as Coal India Ltd. (24.47%) lead the change, followed by Power Grid Corporation of India Ltd. (17.02%), which has indicated significant improvement in sustainability reporting in post-mandatory implementation of BRSR. While ONGC Ltd. (7.53%) and NTPC Ltd. (6.86%) also showed positive improvements, Reliance Industries Ltd. indicated moderate improvement in FY 2023-24, possibly due to their already strong reporting frameworks. From the disclosure score presented in Figure 1, it has been observed that mandatory BRSR implementation has improved corporate governance disclosure reporting.

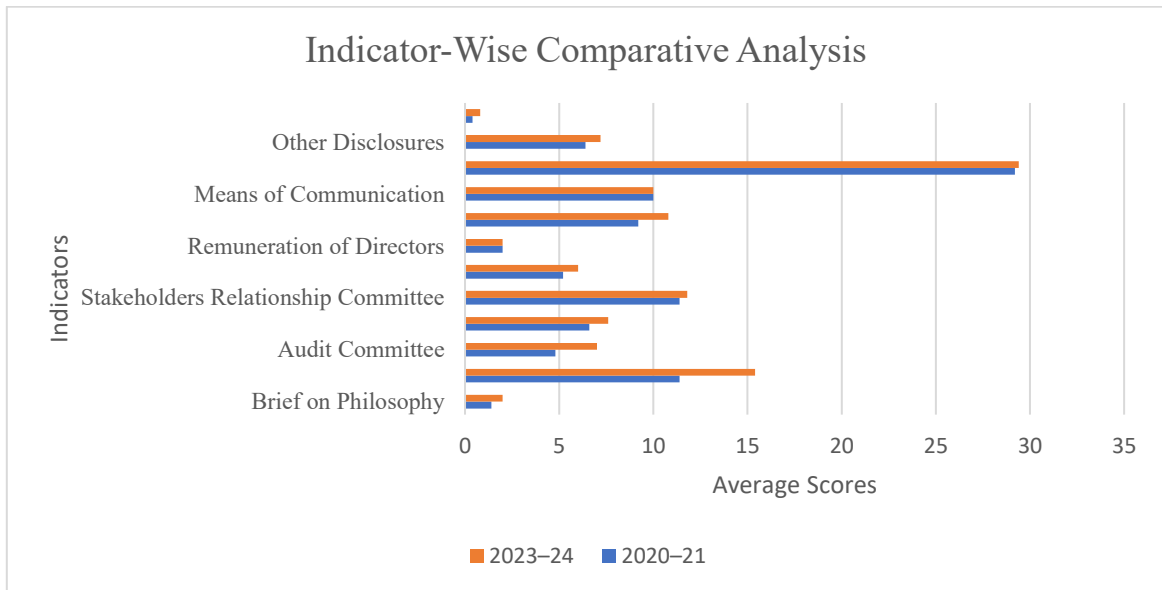


Figure 2. Indicator-Wise Comparative Analysis

Table 2: Indicator-wise and Company-wise Comparative Analysis of Corporate Governance Scores (2020-21 vs. 2023-24)

| Governance Indicators | Maximum Score | 2020-2021 | | | | | | 2023-2024 | | | | | | % Change |
|-----------------------|---------------|-----------|------|------|-------|-----|------------|-----------|------|------|-------|-----|------------|----------|
| | | CIL | ONGC | NTPC | PGCIL | RIL | Mean Score | CIL | ONGC | NTPC | PGCIL | RIL | Mean Score | |
| Brief on Philosophy | 2 | 1 | 1 | 1 | 2 | 2 | 1.4 | 2 | 2 | 2 | 2 | 2 | 2 | 42.86% |
| Board Composition | 18 | 10 | 10 | 12 | 12 | 13 | 11.4 | 17 | 13 | 16 | 16 | 15 | 15.4 | 35.09% |

| | | | | | | | | | | | | | | |
|---------------------------------------|-----|------|------|-----|------|------|------|-----|-------|------|------|-----|------|---------|
| Audit Committee | 8 | 4 | 5 | 5 | 4 | 6 | 4.8 | 8 | 6 | 7 | 6 | 8 | 7 | 45.83% |
| Nomination and Remuneration Committee | 8 | 5 | 5 | 8 | 7 | 8 | 6.6 | 8 | 6 | 8 | 8 | 8 | 7.6 | 15.15% |
| Stakeholders Relationship Committee | 12 | 11 | 11 | 12 | 11 | 12 | 11.4 | 12 | 11 | 12 | 12 | 12 | 11.8 | 3.51% |
| Risk Management Committee | 6 | 5 | 5 | 5 | 5 | 6 | 5.2 | 6 | 6 | 6 | 6 | 6 | 6 | 15.38% |
| Remuneration of Directors | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 0.00% |
| General Body Meetings | 12 | 12 | 10 | 10 | 4 | 10 | 9.2 | 12 | 10 | 10 | 10 | 12 | 10.8 | 17.39% |
| Means of Communication | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 0.00% |
| General Shareholders Information | 32 | 28 | 28 | 30 | 30 | 30 | 29.2 | 32 | 26 | 29 | 30 | 30 | 29.4 | 0.68% |
| Other Disclosures | 8 | 6 | 6 | 6 | 6 | 8 | 6.4 | 8 | 7 | 6 | 7 | 8 | 7.2 | 12.50% |
| Shareholders Rights | 2 | 0 | 0 | 1 | 1 | 0 | 0.4 | 0 | 1 | 1 | 1 | 1 | 0.8 | 100.00% |
| Total Score | 120 | 94 | 93 | 102 | 94 | 107 | 98 | 117 | 100 | 109 | 110 | 114 | 110 | 12% |
| Percentage | 100 | 78.3 | 77.5 | 85 | 78.3 | 89.2 | | 98 | 83.33 | 90.8 | 91.7 | 95 | | |

Source: Author's Own Compilation

Table 2 presents a comparative analysis of corporate governance sustainability disclosure scores of twelve indicators of the five selected sample companies for the years 2020–21 and 2023–24, and the percentage change in reporting practices resulting from the mandatory implementation of BRSR. Many indicators showed significant improvement. One of the major changes in the Basic Rights of Shareholders disclosure increased by 100%, due to the shareholders being more aware of their rights and demanding the disclosure in the new reporting framework within corporate structures. There was a significant increase in Audit Committee disclosure by 45.83%, as a result of their good reporting on the financial literacy of the Audit Committee members after the mandatory requirement of the reporting requirement. The Brief on Philosophy of code of conduct improved by 42.86%, due to better screening of the company’s code of conduct policies. Board composition increased by 35.09%, indicating disclosure of the Relationship between Directors, Board Skill Metrics (experience, tenure, and qualifications of directors), and Reason for Resignation of Independent Directors. Concerning disclosure of general shareholders’ information reporting, the increase was only nominal (0.68%), indicating that companies need to further enhance disclosures in reporting. No change indicated in the disclosure of Remuneration of Directors and Means of Communication, as their reporting frameworks are already strong for these indicators. From the disclosure score presented in Figure 2, it has been observed that mandatory BRSR has improved indicator-wise disclosure in corporate governance reporting.

Table 3: Descriptive Statistics of Pre- and Post-BRSR Corporate Governance Scores

| Descriptive Statistics | | | | | | |
|------------------------|---|---------|---------|--------|--------|----------------|
| | N | Minimum | Maximum | Mean | Median | Std. Deviation |
| Change | 5 | 7 | 23 | 12.00 | 16.00 | 7.280 |
| Pre Score | 5 | 93 | 107 | 98.00 | 94.00 | 6.20 |
| Post Score | 5 | 100 | 117 | 110.00 | 110.00 | 6.442 |
| Valid N (listwise) | 5 | | | | | |

The Descriptive statistics for the corporate governance disclosure scores of the selected companies indicate a notable shift from the year 2020-21 (pre-Time) to 2023-24 (post-Time). Following the implementation of the BRSR mandate, corporate governance reporting procedures significantly improved, as exhibited by the pre-Time mean score of 98.00 (SD = 6.205) and the post-Time mean of 110.00 (SD = 6.442). The mean change in scores of the five companies is 12.00 (SD = 7.280), indicating that over the study period, companies consistently improved their sustainability disclosure. This indicates a shift in the sample companies towards more comprehensive and standardised governance reporting, which enhances the effectiveness of new regulatory reporting such as BRSR.

Table 4: Tests of Normality for Change in Corporate Governance Scores

| Tests of Normality | | | | | | |
|---------------------------------------|---------------------------------|----|-------|--------------|----|-------|
| | Kolmogorov-Smirnov ^a | | | Shapiro-Wilk | | |
| | Statistic | df | Sig. | Statistic | df | Sig. |
| Difference | 0.354 | 5 | 0.040 | 0.774 | 5 | 0.049 |
| a. Lilliefors Significance Correction | | | | | | |

The Kolmogorov-Smirnov and Shapiro-Wilk tests are used to analyse the normality of the disclosure scores. The findings show that the Kolmogorov-Smirnov test has a significance value of 0.040 (df = 5) and the Shapiro-Wilk test has a significance value of 0.049 (df = 5). Both p-values were below the level of significance of 0.05; the null hypothesis of normality was rejected. This result justifies the use of non-parametric tests, such as the Wilcoxon Signed-Rank Test, for further analysis by confirming that the change scores do not approximately follow a normal distribution.

Table 5: The Wilcoxon Signed Rank Test

| Related-Samples Wilcoxon Signed Rank Test Summary | |
|---|--------|
| Total N | 5 |
| Test Statistic | 15.000 |
| Standard Error | 3.640 |
| Standardized Test Statistic | 2.060 |
| Asymptotic Sig. (2-sided test) | 0.039 |

The post-BRSR scores of the selected five sample companies are higher compared to their pre-BRSR scores, as demonstrated by their positive rankings (refer to Table 1). There were no negative rankings, showing that none of the companies recorded a decrease in scores after the implementation of BRSR. The Wilcoxon Signed-Rank Test results indicated a two-tailed significance value of $p = 0.039$, which represents a statistically significant difference between the pre- and post-BRSR scores at the 5% level of significance. This implies that corporate governance disclosure scores are significantly higher during the post-BRSR period.

Table 5 confirms that all post-BRSR scores were higher than pre-BRSR scores, with all the differences being positive. The results of non-parametric tests confirm a systematic and significant improvement in the practice of governance disclosure following the implementation of BRSR. The sustainability performance of all the companies is significantly influenced by regulatory changes. These findings indicate that BRSR guidelines are effective in enhancing the transparency and disclosure standards of corporate governance among Indian Energy Sector Companies.

V. CONCLUSION

To provide a comprehensive analysis of the impact of sustainable business practices on corporate governance in India, this study employs twelve specific corporate governance indicators. These disclosure score metrics are applied to compare corporate governance reporting during the transition from the traditional reporting to the mandatory Business Responsibility and Sustainability Reporting (BRSR) framework. The findings of this study are intended to give an overview of how Indian companies deal with the corporate governance framework of sustainability. India’s transition toward the BRSR framework has potentially enhanced the quality and standardization of corporate governance reporting requirements. The study concluded that there is a significant improvement in the corporate governance scores of the post-BRSR period compared to the pre-BRSR period across the Indian Corporate Sector. However, the findings highlight the scope for enhancing corporate governance disclosure by disclosing optional or leadership data to facilitate more ethical business practices.

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