Press Release

iFOREST releases the first ESG benchmark of the steel sector, unveils a unified GHG accounting tool to enable better emissions reporting

- *The iron and steel industry is the fastest GHG-emitting sector in India. It contributes 12% of India's total CO_2 emissions, and emissions are set to double by 2030.*
- *iFOREST benchmarks the ESG performance of the steel sector and has also released a sector-specific supplement to enhance SEBI's BRSR framework.*
- *On decarbonisation, iFOREST's GHG Accounting Tool provides the first India-specific unified reporting framework. It tracks Scope 1–3 emissions, including CH_4, N_2O, and mining, supporting the Green Steel transition.*

New Delhi, 13 November 2025: In a major step toward accelerating India's low-carbon transition in the steel sector, an environment think tank, iFOREST, has launched the first ESG performance report of the sector and a unified Greenhouse Gas (GHG) Accounting and Measurement, Reporting & Verification (MRV) framework. To improve BRSR reporting, a sector-specific supplement for the steel sector was also released. This effort aims to strengthen credible GHG emissions disclosure and enhance the quality of ESG reporting to attract climate finance into the sector.

The iron and steel industry is among the most resource-, energy-, and carbon-intensive sectors, contributing approximately 12% of India's total CO_2 emissions. India's steel production is projected to surge from 140 million tonnes in 2023 to 255 million tonnes by 2030, and further to 500 million tonnes by 2050, in line with its vision of becoming a $5 trillion economy. Transitioning the sector is essential to meet India's Net Zero goal while supporting sustainable economic growth.

At the India Green Steel Transition event held at The Park, New Delhi, in partnership with the Indian Steel Association, iFOREST released three reports: *BRSR Disclosure: ESG Performance of the Steel Sector (2023–24), The BRSR Supplement for the Steel Sector: Enhancing ESG Disclosure and Transparency*, and *The Unified GHG Accounting and MRV Framework for the Iron and Steel Sector*.

"India needs trillions of dollars in climate finance to meet its mitigation and adaptation targets. To attract this level of finance, three elements are necessary. The first is a taxonomy that clearly defines climate finance, ensuring inclusion and exclusion are transparent. The second is a clear

policy roadmap to decarbonise sectors to build investor confidence. The third is credible, comparable, and verifiable information to guide investment decisions. Our work today focuses on the last pillar — transparent ESG reporting for the steel sector. This will strengthen credible GHG emissions disclosure and enhance ESG reporting quality to attract climate finance into the sector," said Chandra Bhushan, CEO, iFOREST, at the inaugural session.

"The way forward is to develop sector-specific BRSR reporting guidelines to provide credible information to investors. Sectoral GHG emission targets, supported by robust MRV systems, are essential to meet Net Zero goals. Along with disclosure, we also need a well-defined taxonomy to drive investments," said Ajay Tyagi, Former Chairman, SEBI.

Alok Sahay, Secretary General, Indian Steel Association, said, "Steel in India is not just an industry; it serves a social purpose. The Indian steel industry will require an investment of ₹9 lakh crore to fund its greening initiatives. The unified GHG accounting and MRV framework, along with the ESG supplement released by iFOREST today, will play an important role in the disclosure of comparable and verifiable information."

What the BRSR analysis reveals

Companies & Output: 31 BRSR-reporting companies in the iron and steel sector; 93 MMT steel output in FY24, representing 65% of India's crude steel production, 60% of sector revenue (₹10.81 trillion), and a workforce of 5.42 lakh employees.

Energy & Emissions: Average energy intensity: 23.2 GJ/tonne (360 GJ/₹ million turnover), above the global average of 21.3 GJ/t; renewable energy accounts for <0.5% of total use. The sector emitted 221 MMT CO_2e in FY24; emission intensity was 2.54 tCO_2e/tonne (37 tCO_2e/₹ million turnover), exceeding the global average of 1.92 tCO_2e/tonne.

Water & Waste: Nearly half of water withdrawals occur in water-stressed regions. 93% of steel waste is recycled. Air pollution reporting remains inconsistent.

Social & Governance: Workforce: 95% male, 56% contractual. Women occupy 18% of board positions and 7% of key managerial roles. Pay and safety gaps persist. Only 16 companies have formal anti-corruption frameworks.

Need for strengthening ESG reporting

The assessment reveals that while larger integrated steel plants have disclosed comprehensive information, this is not the case for non-integrated and smaller companies.

Overall, company reporting needs significant improvement, as firms are using different definitions and frameworks to calculate indicators. Smaller companies also lack the capacity for comprehensive reporting.

"Sector-specific reporting templates and guidelines are essential to strengthen ESG reporting in industrial sectors, particularly those that are highly resource- and emission-intensive, such as steel. iFOREST's BRSR Supplement for the Steel Sector proposes targeted improvements to enhance the consistency, comparability, and credibility of ESG disclosures," said **Sanjeev Kanchan**, Director, Industrial Decarbonisation & ESG, iFOREST.

Unified GHG Accounting Tool

India's steel companies currently use multiple GHG accounting methodologies, including CCTS, the GHG Protocol, ISO standards, World Steel templates, Environmental Product Declarations, and CBAM-aligned reporting. The absence of a streamlined and comparable system creates complexity and inconsistency.

To address this, iFOREST has developed a unified, India-specific, Excel-based GHG Accounting and MRV Tool to simplify and standardise emissions tracking across the value chain. It can be adopted by small, medium, and large industries alike.

The tool allows for Scope 1, 2, and 3 emissions reporting, uses India-specific emission factors, captures CH_4 and N_2O emissions, and can include mining activities—offering a complete, credible picture of a company's carbon footprint and supporting India's Green Steel transition.

About iFOREST

The International Forum for Environment, Sustainability and Technology (iFOREST) is an independent, non-profit research and innovation organisation working on pressing environment–development challenges in India, with a core focus on states and districts.

We conduct independent, evidence-based research, develop new knowledge and innovative solutions, and engage with stakeholders to increase awareness, drive collective action, and implement and scale up solutions.

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