

GREEN ACCOUNTING; IT'S IMPLICATION ON INDIAN CORPORATES

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Abstract

India is a developing country has facing many problem which one of them is to protect our environment as well as promoting economic growth .recent years have witnessed rising concern for environment degradation form various types of pollution i.e. air ,water ,sound soil, deforestation it harm to human health , reduces economic productivity and leads to loss of amenities some of corporate enterprises are follow Green accounting and also prepare Green accounts and companies spent such amount to protect our precious environment.

Keywords: Sustainable development, Green liabilities, Green assets

Introduction

Green accounting is an vital resource for understanding the preface played by the industries and corporations, industries by making accounts includes ,natural resources and provides data highlighting industrial wastage, pollution, resource depletion the last 20th century all the companies main aim is profit making they forget our precious natural resources which are vital for present, future generation and sustainable development. Green accounting helps the organization to determine resource consumption and the cost transacted on the ecosystem by the activities of industries.

We can see day by day our natural resources are depleted like cutting of forest, wastage of fossil fuel, soil erosion and wastage of water these are our natural resources or green assets but these assets are not shown in any accounts like while preparing of financial statement of income and expenditure accounts or any balance sheet of company, utilization of direct material and direct labor, overheads, administrative, sales and distribution expenses as well as research and development expenses are factored but not Green cost or Green liabilities.

Green accounting aims all natural assets are associated in the company balance sheet under the head of assets and any fine or penalty have been paid by company which has shown in liability side or also included at the time while computation of national income so we can get a new data or may be called as "original data" Through this data we can detect that "least the development of our country is being done at the cost of harming our environment" depletion of natural resource are caused by various types of pollution Air ,water, noise ,soil , nuclear etc. Through these pollution nowadays there is a big issue of global warming. Global warming is severe damage to our ecosystem and a drastic change in condition.

GREEN ACCOUNTING OVERVIEW

A modern system of sustainable development known as Green accounting, has appeared. "This permits a country to calculate a country's income by considering economic and depletion of natural resources". The depletion of natural resources could also be taken into consideration for the extraction of all sectors. There are two types of accounting considered by the Green accounting system of environmentally differentiated which are lineal or traditional accounting and Green accounting.

Green accounting described the measures of the natural environment on organizations in valuable terms. Green accounting however in physical measurements has been evaluated by corporate influence. It is a significant element for understanding the role played by the company enterprise, including accounting sectors, natural resources and offer information highlighting industrial waste, pollution, resources that have degraded the last 20th century's it is the primary objective of the commercial sectors.

Review of literature

1. James Boyd (1998)

Arguments on Improved environmental accounting (EA) are seen by corporate managers and environmental advocates alike as a necessary complement to improved environmental decision-making within the private sector whether the goal is pollution prevention, or some broader notion of "corporate sustainability,".

2. Larry O'Connor (2013)

In this paper analysis the country of origin levels examining corporate social and environment disclosure practices in developing countries is significantly less developed in developing countries compared to developed countries. The focus of the analysis is upon the nature of the research inquiries undertaken to date a more specific analysis of findings is undertaken in the next section.

Green accounting practice in Indian companies

Sustainability Policy

In accordance with the Indian companies Group Sustainability Policy, developed and launched a Sustainability policy in November 2017. This policy directs companies to identify sustainability management, identify concrete sustainability problems, and develop sustainability strategies that are tailored to global and national needs. Commitment to sustainability the company is ISO 14001 certified - an environmental management system.

Emissions and Safety in India

The Indian government has introduced the Bharat stage IV standard from April 2017. All categories of vehicles produced recently are in accordance with Bharat, which minimizes oil debris and reduces the overall carbon footprint. The Nexon Gasoline Noise Reduction Engine calibration has been changed to meet beta stage handling requirements. This change causes

higher external noise and vehicles do not comply with leakage laws.

Life Cycle Assessment

To improve the overall sustainability of Tata's products, it is very important to adopt a life cycle approach for customer awareness and social attention for environmentally friendly vehicles.

Greenhouse Gas Emissions

Cutting leadership, increasing the share of renewable energy and saving energy is important to reduce energy consumption and minimize emissions.

Energy Conservation (ENCON) is the main concern and objective in implementing the Energy Management System (ISO 50001: 2011), which allows organizations to create the systems and processes needed to improve energy efficiency, including energy efficiency, use and energy efficiency and production units are certified to ISO 50001: 2011 for their energy management systems. Green energy generation over the past three year we installed many new systems based on renewable energy and solar energy, with significant renewable energy capacity. Energy Conservation (ENCON) is the main concern and objective in implementing the Energy Management System (ISO 50001: 2011), which allows organizations to create the systems and processes needed to improve energy efficiency, including energy efficiency, use and energy efficiency and production units are certified to ISO 50001: 2011 for their energy management systems. Green energy generation Over the past three years, companies has installed many new systems based on renewable energy and solar energy, with significant renewable energy capacity.

Energy efficiency, Conservation and Air Emissions

The recent escalation of climate change as a major challenge for corporate sustainability has inspired us to set ambitious targets for energy savings and emissions reductions. The process for producing Tata machines contributes to emissions from the air, namely nitrogen oxides (NO_x), sulfur dioxide (SO₂) and particulates. . The environmental benefits of greater energy efficiency include minimizing the use of non-renewable resources and reducing greenhouse gas emissions to the atmosphere. Energy efficiency includes optimizing heat recovery, exploring the use of alternative fuels, and expanding our renewable portfolio to reduce carbon and energy content, as well as energy and heat savings.

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Renewable Energy

India has more potential to extract energy from renewable sources. Renewable electricity continues to grow and the share of renewable energy in the country's energy mix reaches 19% by March 31, 2018. The goal of Indian Oil is to replace all conventional lighting with

LED lighting at its facilities. As of March 31, 2018, more than 3.4 lakh LEDs were installed in place. Solar energy, with the exception of the Indian oil network, aims to install solar photovoltaic panels on the roof and property inventory at their facilities. Therefore, Indian Oil has introduced a solar power policy for the installation of off-grid photovoltaic systems during the 2015-16 periods.

Water Conservation Rainwater Harvesting System (RWH)

Fresh water is a valuable resource that promotes conservation and water efficiency. Rainwater harvesting systems are efficient and cost-effective sustainable water management technologies that not only minimize fresh water intake but also minimize overall surface area.

In Varanasi under the Swachh Bharat Abhiyan has ordered three 5-ton wastes per day from the power plant. To reduce kerosene and firewood pollution, Indian Oil focuses on providing solar-based solutions to the problem of unstable / unsupported electricity by selling solar lanterns in small cities, suburbs, and rural areas. In 2017-18, 13,992 solar lanterns were sold through the LPG network through various channels. Water is destroying the cement industry to provide this valuable natural resource and allow businesses to flourish. This happens in water circulation treatment plants. Recycled water is used to develop plantations and green belts to directly save the soil by reusing water; JKCL is committed to protecting water and collecting rainwater long before legal requirements arise.

BHEL believes that, as a responsible corporate citizen, it is very important that water is used with extreme care in its business because water is a public good. Effective use of water in organizations is valuable work, because it contributes to reducing water and energy costs and follows the 2012 National Water Policy, which focuses on water reuse / recycling and conversion of industrial facilities to zero Fluid release (ZLD).

Climate Neutral Events

Indian companies have conducted a climate-neutral event to offset the greenhouse gas emissions from the main business event by planting trees in its factories and planting more than 1,000 trees. In total, 107 events throughout the company were carbon neutral.

Biodiversity

Indian companies show that biodiversity is most beneficial for balanced and static ecosystems. To protect its natural habitat, Indian oil has developed a green belt in its workplace. Large tree plantations have also been made at the refinery.

Waste Management and Spill Management

When waste increases and environmental regulations become more stringent, waste management systems must provide smart, sustainable and cost-effective solutions for one hour. Recycling minimizes disposal costs. Spread has the opposite effect on flora and fauna and the ordinary environment. Compliance and legal requirements regarding spills and subsequent collection must be strictly adhered to. Biodiversity Management JKCL is



committed to positive changes in biodiversity. Land conservation, biodiversity and water play an important role in long-term resource management.

The company believes that growth driven by innovation gives us great emotional value and is a key differentiator. The company's goal is to make RIL one of the most innovative companies in the world, and to achieve breakthroughs by creating and implementing sustainable solutions that increase sales and profits.

The Indian company is committed to regularly improving its waste management practices at manufacturing facilities; they adopted a three-step approach for waste reduction, reuse and recycling. The goal of Indian companies to increase the share of recycled wastewater is the company's commitment to reduce the footprint of the operating environment and preserve as much natural resources as possible while the company continues to strive to reduce freshwater consumption.

ROLE OF GREEN ACCOUNTING AND REPORTING IN INDIA

Company and industry wise reporting Analysis and interpretation of research based on the identification of 200 companies.

Analysis and Interpretation

Table no.1 Company and Industry Wise Reporting

Name of industries and companies	No. of sample companies and industries	No. of companies adhere Green accounting	% of companies adhere Green accounting
Cement	32	15	46.87
Textiles	10	7	70
Fertilizers and chemicals	8	7	87.5
Oil and petroleum	18	18	100
Automobiles	10	6	60
Mobiles	7	3	42.85
Pharmaceuticals and Cosmeceuticals	61	32	52.45
Consumer product	6	4	66.67
Iron and steel	11	7	63.63
Power and electronics	11	6	54.54
Paints	6	3	50
Plastic	10	0	0
Glass	10	5	50
TOTAL	200	1131	56.5

Source; (compiled from the annual reports and sustainability reports of sample companies 2017-2018)

Conclusion

Green accounting in India is necessary for an organization's accountability function and should be a key component in the corporate strategic process. Green accounting and auditing in Indian companies has come through substantively into the accounting literature .A particular concern emerged within academia to encourage the accounting profession to develop a meaningful response to the environment challenge .Indian corporate have to change their traditional view seeing environment as an asset to be preserved and reported regularly .

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