

ENVIRONMENTAL ACCOUNTING: A SOCIAL RESPONSIBILITY OR A THEORETICAL FORMALITY (WITH REFERENCE TO RAJASTHAN'S TEXTILE INDUSTRY)

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ABSTRACT

Environmental accounts provide data which highlight both the contribution of natural resources to economic well-being and the costs imposed by pollution or resources degradation. "Environmental accounting" sometimes referred as green accounting, resources accounting and integrated economic and environmental accounting –Which refers to modifications of the system of national accounts to incorporate the use or depletion of natural resources. During this research paper, we will try to review whether environmental accounting is really able to keep an accurate account of the environmental pollution or it just an accounting concept that fulfills a legal obligation in this regard. along with the development of textile, pollution in also achieving its peak and may be much more. in Rajasthan, textile is included in top five items of exportation. along with exportation textile industry has its own significance. Textile production is estimated to be responsible for about 20% of global clean water pollution from dyeing and finishing products. Solutions to one problem must be solution for all we can't ignore the environment on way to do development and solution lies in environment accounting which identifies resources use measure and communication cost of a company's or cost or national economic impact on environment. in reality, if we talk, environmental accounting is in the developing stage, which does not prove to be correct in the measure.

Keywords: *Environment Accounting, Economic Development, Environmental Pollution, Textile Industry.*

Introduction

Both economic development and environmental protection are complementary to each other but both are important points. At present, economic development is also necessary and environmental protection is also important. For this purpose environmental accounting is required. The economic activities of the corporate sectors are having an impact on the environment. Environmental protection is the responsibility of every business because natural resources are used more and more by corporations. The concern here is knowing that the resources of the environment are limited. Corporations are also making unauthorized use of them to increase their economic profits. The corporate sector should understand its social responsibility towards the environment. Human loot i.e. deforestation, air, noise, water pollution and soil erosion is happening all over the world. Damage to the environment reduces health and economic productivity. This problem is increasing rapidly in developing countries like India. Environmental reform cannot be done by individual, firm, corporation or government alone, for this all parties have to understand their responsibilities.

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Regulatory Requirement of Environmental Accounting at Corporate Level

India has set up a Union ministry of Environment with the object of coordinating among the various state and ministries, the environmental protection and anti - pollution measures. Essential legislation has also been passed

The various laws relevant to Environmental protection are as follows:

- **Directly related to Environment Protection**
 - Water Prevention and Control of Pollution Act, 1974.
 - Water Prevention and control of Pollution cess Act, 1977
 - The Air Prevention and control Pollution Act, 1981.
 - The Environment Protection Act, 1986.
- **Indirectly related to Environment Protection**
 - The factories Act, 1948.
 - Hazardous waste management and Handling rules 1989.
 - Public liability Insurance Act, 1991.
 - Motor vehicle Act, 1991.
 - Indian Fisheries Act, 1987.
 - Merchant of shipping Act, 1958
 - Indian Port Act.
 - Indian Penal Code.
 - The National Environment Tribunal Act 1995

It is to be noted that all new projects need Environment Clearance. This clearance concerns both the Union ministry of Environment and forests and the Corresponding State govt. department of Environment guidelines have been issued and all such projects are expected to obtain Environmental and anti-pollution clearance before they are actually implemented. The Companies Act 2013 emphasizes on corporate social responsibility that makes it mandatory. It provides that the companies need to make disclosures besides company's general state of affairs and financial performance regarding conservation of energy and environmental Protection.

Significance of Environmental Accounting at Corporate Level on the basis Social Responsibility

- Cleaning up pollution that already exists and properly disposing the hazardous material.
- Operating in a way that, those environmental damages does not occur.
- Promoting a Company having wide environmental attitude.
- Contribute to measuring human wellbeing.
- Environmental balance and sustainable development model.
- Optimum use of resources being wasted.

Objectives of the Study

- To make the Environmental accounting more clear and whether it is effective in a social responsibility or is it limited to just paper formality.
- To explain the damage caused to the Environment in the textile area in Rajasthan and the steps to be taken to compensate for that damage.
- Along with the development of the textile sector, what successful efforts should be made to protect the environment.
- Taking the issue of Environmental pollution seriously, Law and Regulation how much effective to control the harm caused by the textile industry, and what necessary measures should be taken for more effectiveness.

Impact Assessment of Textile Industries of Rajasthan

According to economic survey 2022-23 exportation include 12.85% of textile. In total production, textile accounts 21.96% in the state. out of 862 spinning miles in India, 69 spinning mills are in Rajasthan. along with the development of textile, such as, the city of Pali is renowned for its printing work

and textile dying, the administrative headquarter of Pali district in Rajasthan state lie on the bank of river Bandi, the industrial units at Pali have always discharged waste into the river by which water quality is severely degraded. Air pollution caused by textile industry is also a major cause of concern. Boilers, thermo pack and diesel generator produce pollutant that are released into the air. the increase temperature and lead to greenhouse effect. the main environment problem caused by the textile industry includes water pollution, air pollution, solid waste pollution. Textile unit at Bhituja industrial area in Rajasthan's Barmer district continues to polluted groundwater and the adjoining luni river noted a report by a joint committee formed by the national green tribunal (NGT) mode public April 12, 2021.

Conclusion

- Several advantages environmental accounting brings to business; notable the complete cost, including environmental remediation and long term environmental consequences and externalities can be quantified and address.
- Recently governmental made changes in environment impact assessment (EIA) rule, which also create chaos and hold the environment is disastrous situation. Which previously provides a cost effective method to eliminate or minimise the adverse impact of developmental projects, but now MSME in dye and dye intermediates are exempted project in the updated EIA notification 2020.
- Post facto clearance: where a project that has been operating without environmental clearance can be regularised or allowed to apply for clearance, which should be concerned.
- Grow now, sustain later should not be the policy, as the notion is dangerously tilted against the concept of sustainable development.
- Environmental accounting should be audited strictly on time.
- Various organizations and the government need to pay special attention to research and development while keeping an eye on the environment, for which there is a need to prepare a separate budget and move towards the environment.
- Tax relief needs to be made more attractive to encourage enterprises that focus on environmental protection.
- Along with framing the rules, there is a dire need for their better compliance and monitoring. otherwise, despite having better regulations, the environment will remain only on paper.
- Taking the issue of environment seriously, work should be done on prevention instead of thinking about making up for its damage.
- Giving importance to environment in school education and college education, environment should be considered as an essential part, apart from seeing it as a subject, for which everyone should be made aware by running an awareness campaign so that everyone understands their duty.

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