GREEN ACCOUNTING: A STUDY OF CONCEPT AND ITS CRITICALITY

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Abstract
Every generation has faced the challenge of protecting the environment. Despite this, human beings are nonetheless to blame for environmental harm. As a result of environmental damage in the form of water, air, sound, soil depletion, and deforestation, among other things, we might conclude that our planet is in danger. Constructing businesses for this type of deterioration is necessary.
This could be due to a variety of factors, including the growth of the economy. Not only can environmental deterioration have a negative impact on economic efficiency, but it also has negative effects on the environment, and both economic progress and personal well-being are dependent on it essential. As a result, environmental accounting is critical in achieving a healthy equilibrium between enhancing both economic output and environmental well-being Green accounting is a new type of accounting that tracks both the expenses and the benefits of a company's activities.
Ecosystem-related advantages for businesses. Environmental accounting is another term for green accounting Green It is possible to discuss the harm caused by corporate activity and its benefits through accounting or environmental accounting. It comes straight from nature. The current therefore seeks to shed light on the notion and significance of green accounting. given the current situation. There are a number of unanswered questions about green accounting that the study is attempting to answer. to raise public awareness of environmental issues, environmental accounting is employed, with the goal of environment. Several articles on the topic of green accounting were examined as in current time. Additionally, the study aims to demonstrate the findings. balance between the three pillars of accounting: financial, social responsibility, and environmental environmental preservation and economic growth

Keywords – Ecosystem, Ecology, Green accounting, Economic Development, Social Responsibility accounting,

Introduction
Green accounting is a modern accounting method that tracks the environmental costs and benefits of a company's activities in relation to the environment. Environmental accounting is another term for green accounting. Natural resources reporting, or green accounting, is another term for this type of accounting. In this new approach of ecological accounting, economic harm and exhaustion to a country's natural resource base are taken into consideration when calculating a country's income.
Understanding the economic impact of the natural environment can be accomplished through the use of environmental accounting. Environmental destruction causes climate change, which in turn causes natural disasters like tornadoes and hurricanes. The presence of green accounting will serve as a awareness to the public about climate change. Governments and corporations alike would have a role in protecting and developing the environment, as well. Because the corporate world is solely to blame for environmental destruction.
The planet is in the midst of a period of rapid change. Humanity have been able to get what they like under the progress umbrella. However, the entire entire ecosystem has been harmed as a result of this production process. The rapid evolution of technology and the improvement of lifestyles, as well as the harmonization of commercial work practises, are driving global progress. For the sake of profit and customer satisfaction, corporations are constantly searching for new environmental assets. Due to overuse and overexploitation of nature, the planet's current state is predicated on a series of natural disasters and catastrophes. Various national governments and international organisations have worked together to develop environmental protection regulations, such as India's Environment Protection Act of 1986 and the Forest Conservation Act of 1980. Despite the fact that there is a great deal of work, there is no effective implementation of environmental rules and actions. Normally, companies contribute their useful services under the guise of CSR and keep a record of this as well as their regular financial accounts at the end of the financial year, since it is a crucial part of their business to record for the costs and benefits of the native surroundings. Most of the company in the country or state may be aware of how they are affecting the environment and how they are benefiting from that effort.
In India, there are various economic wellness metrics such as GDP or NDP that are used to describe the nation's economic strength. The financial position of the organisation is also reflected in corporate financial statement. These are just two examples of how little information there is available regarding what kind of ecosystem exists in the country.
As a result, the current research focuses on Green accounting, a freshly formed idea in the business world that connects a company's environmental costs and benefits with its financial financial statement. One of the most important aspects of today's CSR is Green accounting. Around the world, environmental issues have risen to the level of social, political, and economic importance.

Literature review

There are plenty of information available in different platform whether printed or non-printed, offline or online. Information can also be reviewed with papers available as per Robert (2015)- The focus on environmental issues, specifically pollution. Environmental accounting was also mentioned as a factor in achieving a balance between environmental conservation and economic growth. A theoretical underpinning for environmental accounting was also laid, with particular emphasis on India. Dr. Minimol (2014) - He set out to learn more about the history and current state of environmental accounting. We'll talk about whether or not environmental accounting can be a useful addition to the regular accounting system. The study's major goal was to examine the trends in the evolution of environmental accounting.

Objective of the Study

1. In order to comprehend the notion of "Green Accounting,"
2. To learn about the origins and progression of environmental accounting.
3. The purpose of this article is to discuss the significance of a Green Accounting System.
4. To examine the drawbacks of Green Accounting in detail.

Research Methodology

The data used in this study is mainly secondary. The academics who are working on the project have released a number of literature reviews. An assortment of sources, including but not limited to, publications in print and online.

Green Accounting's Evolution: A Brief History

The earliest environmental reports were evolved alongside in many countries. One of the first economy to implement Green Accounting was Norwegian economy. Records for environmental assets were prepared in accordance with the country's peers. In context of ecological reporting, the Netherlands has also been a pioneer. Around late nineties, France was the third country to embrace Green Accounting. In the late nineties, another initial accounting effort adopted a quite different strategy.
The identification, assessment, and assignment of environmental costs, and also their inclusion into management decisions and dissemination to stakeholders, are all aspects of environmental accounting. Identification entails a thorough investigation of the company's many participants. To ensure that managerial decisions are based on accurate information about the effect on participants, organisations quantify these effects (pay out and outcomes) as precisely as feasible.
Physical or monetary units can be used to measure a variable. Companies build reporting mechanisms to advise internal and external decision makers about their environmental consequences after they have been identified and assessed.

Accounting for the Environment, sometimes known as "Green Accounting," is a term that refers

To put it another way: "Green accounting" is the process of tracking energy and resource use in order to make decisions that are both environmentally friendly and conventionally sound at the same time. Green managerial accounting systems are vital for firms that want to save money, notably in the field of ecological expenses and ecological impact reduction.
Preserving the environment or "green accounting" takes into account the three most important facets of life: community, prosperity, and the ecosystem. When it comes to users' interests, a company that uses Green Accounting may both preserve the ecosystem and meet the needs of customers while causing no harm to the ecosystem, thereby passing on a healthy ecosystem to future generations. Business success can be achieved by meeting the customer's needs with an eco-friendly approach. To sum it all up, natural facilities or other ecological features derived as a result of the action, less any resulting negative ecological effects, bear the bulk of the responsibility.
It would be possible for the corporation to maintain a healthy, long-lived planet if they incorporated environmental conservation and development into their economic activities. Costs associated with the degradation of natural assets owing to economic activities or units that are responsible for environmental deterioration are known as "environmental costs." An environmental cost classification that includes direct and indirect costs as well as organizational, layout and R&D, industrial design, and many other expenses. Environmental benefits outweigh the costs.

Types of Green Accounting

1. **Environmental Financial Accounting-** Environmental liability expenses and other significant environmental expenditures are the primary focus of this paper.
2. **Environmental National Accounting-** In his approach to accounting, he focuses on environmental expenses and environmental assets at the national level. The environmental aspects of a nation are included into the National Accounts.
3. **Environment Management Accounting-** Information on input for operation's is identified, gathered, estimated, analysed, reported internally, and put to use.

Eco-friendly financial reporting is essential

For our country, protecting the ecology and growing the economy are two intertwined problems. Because the nation's economy is struggling, the first thing it needs to do is strengthen. According to a World Bank report, India lose huge amount due to environmental harm.

Need to adopt environmental accounting

1. So that an integrated ecological management system can be developed and operated more effectively
2. Reduce or mitigate environmental costs by providing information to the management.
3. With Green Accounting, businesses can better understand and manage the interplay between their traditional financial goals and their environmental objectives.
4. There is also a rise in the significant details needed to evaluate national issues, particularly when they are frequently neglected.

Significance of Environmentally Responsible Accounting

1. Green Accounting makes it simple to evaluate, analyse, and comment on ecological activity performance.
2. Efforts to promote sustainable development
3. A control system based on the environment
4. Efforts to Reduce Pollution
5. A sustainable production and method could benefit from it.
6. As part of its corporate social, businesses have a moral responsibility to do its share to lessen the environmental damage they cause.
7. It would promote both businesses and also the gov't to fund in more environmentally friendly and efficient solutions.
8. Costs can be reduced through improving environmental action.

Green accounting has some limitations

1. The societal expense to the economy is largely ignored in favour of the organization's corporate costs.
2. There is a great deal of uncertainty and fast changing in the social benefit of ecosystems.
3. Its technologies and techniques have a huge investment.
4. It focuses mostly on organization's internal costs and ignores external societal costs.
5. It is unable to function on its own. It's hard to incorporate with financial accounting.
6. If two corporations of two distinct organisations use different accounting systems, it is impossible to compare them.

Conclusions

Lastly, I want to point out that, in terms of Green accounting, India is still in the initial phases of progress. Green accounting should be made essential in the same way as CSR (corporate social responsibility) is mandated by the Companies Act 2013 in India, but with specific restrictions, as well. As a result, the business community may take environmental preservation and safety more seriously. Green accounting and its implementation in businesses should also be the subject of educational initiatives by the government and business sectors, respectively. In order to review and analyze on a continuous basis the application of green accounting in businesses, a special audit committee should be established.

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