

Discipline Specific Elective Course- 6.6 (DSE-6.6): Environmental Accounting

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Environmental Accounting DSE-6.6	4	3	1	0	Pass in Class XII	NIL

Learning Objectives

The course aims to help learners to know issues in Environmental Accounting and how these issues can be reported more transparently and responsibly.

Learning Outcomes

After completion of the course, learners will be able to:

1. Compare the Conventional Accounting System with Environmental Accounting.
2. Describe the Environmental costs and benefits.
3. Analyse Corporate Environmental Accounting.
4. Analyse the rationale of the New Accounting Framework and the Corporate Responsibility Approach.
5. Evaluate the impact of corporate activities at the National and Global Levels.

SYLLABUS OF DSE-6.6

Unit 1: Conventional Accounting and Shift in Paradigm (6 hours)

Traditional Framework of Accounting, Limitations with traditional framework of Accounting, Shift in Paradigm, Increasing awareness of Environmental Issues. Rationale for Environmental Accounting. Importance of environmental accounting in sustainable development.

Unit 2: Environmental Costs (9 hours)

Different Levels of Environmental Costs, Components of Environmental Costs, Externalities, Costs of Externalities, True Cost and Hidden Cost and Life Cycle Assessment, Role of Environmental Costing, Environmental cost-benefit analysis, Energy and Environmentally Differentiated Accounting

Unit 3: Corporate Environmental Accounting (9 hours)

Corporate Environmental Accounting, Environmental Accounting Methods, Environmental Management Accounting and Environmental Audit. Carbon Accounting, Carbon footprint calculation and reduction strategies. Environmental Performance Indicators

Unit 4: Corporate Reporting on Environmental Impact (9 hours)

Triple Bottom Line Reporting, CSR Reporting and Green Accounting, SEBI Guidelines on Business Responsibility & Sustainability Reporting. Need & Significance of Environmental Reporting Standards, GRI, SASB, BR&SR. Green Energy Stocks & ESG Index

Unit 5: National and Global Environmental Accounting (12 hours)

National Environmental Accounting, System of Integrated Environmental and Economic Accounts (SEEA), Economy-wide material flow accounts, Environmental protection expenditure accounts, Assessment of Environment Cost and Benefits, Green Accounts and Green GDP, Greenhouse Gas Emissions; Global Environmental Accounting, Sustainable Economic Development and Environmental Kuznets Curve.

Exercises:

The learners are required to:

1. Prepare a small report on conventional accounting and shift in a paradigm based on the research papers.
2. Identify the different types of environmental costs based on the financial statements of selected companies.
3. Give a presentation on corporate environmental accounting by collecting information from the annual reports of select companies.
4. Evaluate the impact of the Corporate Responsibility Approach for Reporting on the financial performance of the select national companies based on their financial statements.
5. Make a comparative analysis of National and Global Environmental Accounting based on the policies adopted by selected national and global companies.

Suggested Readings:

- Bhanumurthy, K. V. (2011). *Business ethics and corporate responsibility - about social responsibility standards*. In R. Mishra, & J. Kiranmai, Corporate Governance in Asia. (pp. 236-247). Delhi, India: Allied Publishers Pvt. Ltd.
- Bhanumurthy, K. V., Bhandari, V., & Pandey, V. (2014). *Does Indian stock market encourage socially responsible companies?* Manthan Journal of Commerce and Management, 1(1), 1-34.
- Callan, S. J., & Thomas, J. M. (2013). *Environmental economics and management: theory, policy, and applications*. Dryden Press.
- Jha, R., & Bhanumurthy, K. V. (2009). *Environmental sustainability – consumption approach*. London, United Kingdom: Routledge.
- Naik, I. C. (2016). *Environmental movements, state and civil society*. Jaipur, India: Rawat Publications.
- Odum, H T. (1995). *Environmental accounting: energy and environmental decision making*. United States: Wiley.
- Porchelvi, A. (2020). *Environmental reporting and company characteristics: a study of indian companies*. International Journal of Research and Analytical Reviews, 7(1), 429-440.
- Porchelvi, A. (2019). *Environmental reporting practices: an analysis of indian companies*. EPRA International Journal of Economic and Business Review, 7(10), 83-93.
- Robbins, P., Hintz, J., & Moore, S. A. (2022). *Environment and society: a critical introduction*. United States: John Wiley & Sons.
- Trivedi, V., & Shrivastava, V. K. (2011). *Environment and social concerns*. Delhi, India: Concept Publishing Co.
- Verma, M. K. (2018). *Globalisation, environment and social justice: perspectives, issues and concerns*. Delhi, India: Routledge.

Note: Suggested readings will be updated by the Department of Commerce and uploaded on the Department's website.