



A COMPARATIVE STUDY OF ENVIRONMENTAL DISCLOSURE PRACTICES IN SELECTED (PUBLIC AND PRIVATE COMPANIES) WITH SPECIAL REFERENCE TO INDIAN OIL AND GAS INDUSTRY

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Abstract

The Study focuses on the Environmental Disclosures Practices in Indian Oil and Gas industry in which it tried to find out the actual Environmental Disclosures Practices in Indian Oil and Gas industry with some suggestions. Environmental Disclosures Practices has gained Importance and become imperative to any companies for the strategic decision making. The Data is collected from two Public and two Private companies. For the Purpose of analysis three Financial Years 2020- 21, 2021-2022, 2022-23 has taken.

Keywords- Environmental Accounting, Green Accounting, Environmental performance indicators (EPI), Triple bottom line (TBL), Emissions trading schemes.

INTRODUCTION

Environmental Accounting is a branch of accounting that focuses on tracking, analysing, and reporting the environmental costs and impacts of an organization's activities. It integrates environmental considerations into traditional financial accounting systems, helping businesses make more sustainable decisions. Environmental Disclosure Practices refer to the process by which organizations report their environmental impacts, risks, and sustainability efforts to stakeholders. These disclosures provide transparency regarding a company's environmental footprint, compliance with regulations, and initiatives to manage environmental risks.

Environmental disclosures are applicable across various industries, sectors, and organizational types, with different frameworks and requirements tailored to each. The scope and depth of environmental reporting depend on factors like industry impact, regulatory requirements, and stakeholder expectations.

□ **Regulatory Requirements**

- Countries like the U.S., EU, and Japan have laws mandating environmental disclosures for certain industries.
- Examples include the EU Corporate Sustainability Reporting Directive (CSRD) and U.S. SEC Climate Risk Disclosure Rules.

□ **Voluntary Reporting**

- Companies may adopt frameworks like GRI, TCFD, or CDP to demonstrate leadership in environmental responsibility

Environmental Disclosures are becoming essential for organizations across sectors — not just as a compliance requirement but also as a strategic tool to showcase sustainability efforts, build stakeholder trust, and manage environmental risks effectively.

LITERATURE REVIEW

Ruwini Maduwanthi and Dissanayake (2022), *Impact of Corporate Board and audit Committee characteristics on Voluntary Disclosures* The purpose of the study the relationship between Corporate Board and audit Committee. The outcome of the study offers to policy makers, Investors and Accounting Professionals on Corporate Reporting Practices of listed manufacturing companies in Sri Lanka.

Indu Yadav (2021), *Voluntary Disclosure Practices of Selected Commercial Banks in India: A Comparative Study*. This paper seeks to investigate the Voluntary Disclosure Practices of selected Commercial Banks in India and to do the Comparative study of Voluntary Disclosure Practices of selected Public and Private Sector Banks in India. The study has empirically examined the extent of voluntary disclosure practices of selected public and private sector. Further, it may also be suggested that private sector banks should pay more attention in disclosing of voluntary information to show more transparency in their banking activities.

RESEARCH GAP

It has been observed that all the previous studies related to Environmental Disclosure Practices have been conducted by various companies. But this study is based on the data during financial year 2020-21, 2021-22, 2022-23 conducted by two public and two private companies in Oil and Gas Industry.

NEED OF THE STUDY

As is has been observed that Environmental Disclosure Practices are perform in various sectors Banks, IT sector, Cement Industry, Telecom etc, but no study will be done on Oil and Gas companies. Nowadays Environmental Disclosure Practices activities are performing well in various sectors. By carrying out social responsibility a company can actually enhance its own economic value and brand image as well as benefits of the society. This study basically helps to understand the concept of Environmental Disclosure Practices in India. On the other hand the study also helps to examine the different dimensions of Environmental Disclosures Practices in Indian Oil and Gas industry and find which company is better in performing their activities and also its recommend the best practices of as Environmental Disclosures Practices in Indian Oil and Gas industry the various industries are influenced bwith their negative as well as their positive impact as the customer and the society are an integral part of Environmental Disclosures Practices the activities which are gaining more importance nowadays.

OBJECTIVES OF THE STUDY

The following are the main objectives of the study-

- 1.To examine the provisions of Environmental Disclosures Practices in Indian Oil and Gas industry in India.
- 2.To study various dimensions of reporting practices in Public and Private Oil and Gas industry in India.

RESEARCH METHODOLOGY

Research methodology is a way to solve the research problem systematically while designing the research work the following methodology will be adopted:

Sample Size and Selection Criteria -

For attaining the different objectives of the study, following Oil and Gas Companies will be taken as samples on the basis of Net Worth as on 1 April 2020. These companies are listed in BSE and NSE also.

Two Public Sector Companies –

- Hindustan Petroleum Corporation Ltd. (HPCL)
- Bharat Petroleum Corporation Ltd. (BPCL)

Two Private Sector Companies –

- Reliance Industries Ltd. (RIL)
- Hindustan Oil Exploration Company (HOEC)

Types of Data-

Secondary data will be used for this study to achieve the different objectives of the study. Sources of Data-

For attaining the objectives of the study secondary data will be used that will be collected from the annual reports of companies, journals, articles, Environmental reports of companies, official websites of companies.

Duration of The Study-

For the purpose of the analysis of data. Annual reports of three years will be taken into consideration i.e. Financial year 2020-21, 2021-22, 2022-23.

Tool for Study-

Preparation of checklist: Checklist will be prepared to check Disclosure practices of selected Companies based on different parameters.

Presentation Tools: Graphs, Charts, Tables will be used for the presentation

Analysis of Environmental Disclosure Practices through Checklist**Disclosure in Public Companies**

Public Companies	HPCL			BPCL		
	2020-21	2021-22	2022-23	2020-21	2021-22	2022-23
Particulars						
Health	1	0	1	0	0	0
Education	1	0	1	1	0	1
Rural Development Projects	0	1	1	1	1	1
Ensuring Environmental, Sustainability and Ecological Balance	1	1	1	0	1	0
Promoting Wellbeing of Employees	1	1	1	1	1	0
Contribution to Prime Minister's National Relief Funds or other Similar funds set up by Central Government	1	1	1	1	1	1
Protection of National Heritage Art and Culture	0	0	1	0	0	1
Training to Promote Rural Sports, Nationally Recognized Sports and Paralympics Sports and Olympic Sports	1	1	1	0	0	1
Gender Quality	0	1	1	1	0	1
Corrective Measures for Benefit of Award Forces, War Widows	1	1	0	0	1	1
Slum Area Development	1	1	1	0	1	0
Contribution of Funds Provided to Technology Incubators	1	1	1	1	1	1
Total	9	9	11	6	7	8
Percentage (%)	75%	75%	91%	50%	58%	66%
Average	80%			58%		

Interpretation:

According to the above score card, there is 1 Mark given for the weight of the activities and 0 for not the adoption of given Disclosure Practices. According to the result in Public Companies HPCL is performing better than BPCL because the percentage is increasing throughout the year.

Disclosure in Private Companies

Private Companies	RIL			HOEC		
	2020-21	2021-22	2022-23	2020-21	2021-22	2022-23
Particulars						
Health	1	1	1	0	1	1
Education	1	1	1	1	1	1
Rural Development Projects	1	0	1	0	0	0
Ensuring Environmental, Sustainability and Ecological Balance	0	1	1	1	1	1
Promoting Welling of Employees	1	0	1	0	0	0
Contribution to Prime Minister's National Relief Funds or other Similar funds set up by Central Government	1	1	0	0	0	1
Protection of National Heritage Art and Culture	1	1	1	0	1	1
Training to Promote Rural Sports, Nationally Recognized Sports and Paralympics Sports and Olympic Sports	1	0	1	1	1	0
Gender Quality	0	1	0	0	0	0
Corrective Measures for Benefit of Award Forces, War Widows	1	0	1	1	0	0
Slum Area Development	0	1	1	0	0	0
Contribution of Funds Provided to Technology Incubators	1	1	0	0	1	0
Total	9	8	9	4	6	5
Percentage (%)	75%	66%	75%	33%	50%	41%
Average	72%			41%		

Interpretation:

According to the above score card, there is 1 Mark given for the weight of the activities and 0 for not the adoption of given Disclosure Practices. According to the result in Public Companies RIL is performing better than HOEC because the percentage is increasing throughout the year.

Conclusion

As per the analysis I would say that Environmental Disclosure Practices should be taken more importance in other sector as well but as we can see that in Oil and Gas Sector all the four companies are performing better but HPCL plays major role in fulfilling its duties towards the societal orientation Segment. In conclusion we can say that social responsibility can go hand in hand with great business profits and therefore can generate win- win situation as per the changing market demands, need of the hour is for the development of CSR framework that has been imposed by the government so that we can contribute to make a better planet to live.

References

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