

# A Study on Awareness of Green Accounting among the General Public of Mumbai Region W.R.T. Educational Qualifications

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**Abstract:** *Green Accounting, also known as Environmental Accounting, is an emerging area of research and practice that integrates environmental costs into traditional financial accounting frameworks. Coined in the 1980s by economist Peter Wood, the concept emphasizes measuring natural resource usage, environmental degradation, and sustainability costs and benefits. In India, there has been growing momentum in adopting sustainable practices, with institutions like NITI Aayog promoting Sustainable Development Goals (SDGs), and various corporate initiatives contributing to environmental responsibility. Despite these efforts, there remains a gap in public awareness and a lack of standardized environmental disclosure practices.*

*This study investigates the awareness and perception of Green Accounting among the public in the Mumbai region and explores the influence of demographic factors, particularly education, on this awareness. Using a descriptive and diagnostic research design, data were collected through a structured survey from 100 randomly selected respondents in Mumbai. ANOVA (Analysis of Variance) was employed to analyze the relationship between education and awareness levels. The statistical findings revealed a significant relationship between education and awareness of Green Accounting, with a high F-value (86.60) and a p-value far below the 0.05 threshold, leading to the rejection of the null hypothesis.*

*The results suggest that education plays a crucial role in enhancing public understanding of environmental accounting. Based on these insights, the study recommends integrating Green Accounting into academic curricula, conducting awareness workshops, and implementing standardized environmental cost disclosure regulations. These steps can bridge the knowledge gap and promote environmentally responsible investment and corporate practices. Ultimately, raising awareness of Green Accounting among all segments of society can lead to better environmental stewardship, informed financial decisions, and broader progress toward sustainable development..*

**Keywords:** Green Accounting, Environmental Awareness, Sustainable Development,

## I. INTRODUCTION

Environmental accounting is another name for green accounting. In the 1980s, economist and professor Peter Wood coined the phrase "green accounting." Green accounting aids organizations in determining how much natural resources are used and how much it costs. Green accounting helps to foster sustainable business development by taking into account and documenting the ecosystem's costs and benefits to a firm that result from environmental protection. The NITI Aayog was founded by the Indian government to achieve the Sustainable Development Goals.

While the majority of nations are still ignorant of green accounting, the Indian government and businesses have taken some proactive measures. However, there is currently no clear understanding of the strategies, techniques, and planning that should be used for environmental sustainability. The green accounting system measures the sustainable income level that can be secured without decreasing the stock of natural assets. With the effect of waste management and cost analysis the green accounting plays a vital role in each organization. In India Chief Ministry of Environment to increasingly concerned with the protection of the environment and taking anti-pollution measures. Apart from this



Environment Improvement Trust (EIT) has been working for environmental and forest protection since 1998. A group of volunteers works with the goal of the Green and Clean India concept.

## **II. LITERATURE REVIEW**

Vijayashekarnayaka JR (2021) - The paper focuses on Green Accounting, CSR, Sustainable Development, and balanced economic growth. It helps to identify the use of natural resources and the costs involved. Green Accounting practices in India are still in the growth & development stage at the individual, corporate & national levels. The attempt is to understand the framework in India, its implementation & challenges.

Dr. Rekha Sharma et. al. (2023) - The study evaluates the green accounting practices among selected Indian Company, emphasizing on Green Accounting, CSR, Competitive advantage, stakeholder pressure & sustainable goals. It was found that several companies exhibit a commitment to transparency by disclosing environmental liabilities and actively measuring & reporting their GHG emissions. The industry leaders also invest significantly in renewable energy sources & sustainable technologies, showcasing their dedication to reducing their carbon footprint. There is room for environmental performance integrated into financial reports.

D. Kapoor & P. Sharma (2016) - The Environment is to be valued and protected like parents. As the study emphasizes, as per Hindu philosophy. Environmental reporting has become an ingredient for sustainable development to achieve CSR, and environmental protection and accounting have become a crucial area. Sustainability nowadays in the global market is achieved by meeting the needs of consumers by providing health & safety standards. It gives a conceptual framework of the foundation of environmental accounting from the CSR concept. The study aims to examine the extent of corporate environmental disclosures by the listed companies. It focuses on analysing the impact of profitability on environmental disclosure. Environmental accounting & reporting (EAR) is not found to be satisfactory as most of the companies are making qualitative disclosure instead of quantitative disclosure in their annual reports.

Aarathi B et.al. (2018) - The paper throws light on Environmental Sustainability is a major concern with increasing global warming. The study focuses on the five prominent companies of India that made their name on the CDP (Carbon Disclosure Project) list. There are no recent company-specific studies conducted to determine the effectiveness of following green accounting. the main aim of the study is to analyse the practices incorporated by the companies, namely: L&T, Essar Oil, Wipro, TCS & Tech Mahindra, followed by the comparative analysis of the same.

Dr. Shruti Sandeep Chavarkar (2020) - The Paper examined the environmental accounting disclosure practices in India and the improvement required to change the quality of the disclosure practices. The focus is on the importance of environmental accounting at the corporate level. It was observed that the standard style of environmental disclosure practices is missing in India. It was concluded that there is a lack of comparability and verifiability, the basic features of accounting information. the corporation should follow common guidelines in disclosing practices of environmental accounting.

## **OBJECTIVES OF THE STUDY**

- To study the concept of Green Accounting.
- To identify the awareness of Green Accounting among the general public of Mumbai Region.
- To find whether investors in the Mumbai region consider Green Accounting Disclosure Policies.

## **SCOPE OF THE STUDY**

- Based on the gaps, general awareness among people can be identified.
- Investor perspective of the 'green' factor while investing in stocks.
- Further study can be conducted to create a proforma for environmental cost disclosures in India.

## **HYPOTHESIS**

- H0: To study the relationship between demographic factors (such as age, gender, and education) and the awareness of Green Accounting among respondents.



- H1: To study the relationship between demographic factors (such as age, gender, and education) and the awareness of Green Accounting among respondents.

#### LIMITATIONS OF THE STUDY

- The study is limited to only the Mumbai region.
- The study does not cover the scientific aspects of environmental costs.

### III. RESEARCH METHODOLOGY

#### RESEARCH DESIGN:

Descriptive & Diagnostic research design

#### DATA COLLECTION:

##### Secondary Data

The secondary data will be collected from various national & International Journals, Government websites & magazines.

##### Primary Data

##### Method of Data Collection

Survey method

##### Population

General public of Mumbai Region

##### Sample Size

The estimated sample size is 100 people from the Mumbai region.

##### Sampling Method

Random Probability Method

##### Sampling Area/frame

Mumbai Region

### IV. DATA ANALYSIS & INTERPRETATION

H0: To study the relationship between demographic factors (such as age, gender, and education) and the awareness of Green Accounting among respondents.

Anova: Single Factor

#### SUMMARY

Groups	Count	Sum	Average	Variance
Education	73	143	1.95890411	0.51217656
Awarness ES	73	251	3.438356164	1.33295282

#### ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	79.89	1	79.89041096	86.5959992	2.026E-16	3.906848991
Within Groups	132.85	144	0.922564688			
Total	212.74	145				



### **Interpretation**

The purpose of this study was to examine whether demographic factors, particularly education level, are related to the awareness of Green Accounting among respondents. Green Accounting is an important environmental management tool that integrates ecological and environmental concerns into traditional financial accounting practices. Understanding the awareness of such a concept in education is vital for policymakers, educators, and sustainability advocates who aim to promote environmental literacy and responsibility.

The data was analyzed using a one-way ANOVA (Analysis of Variance), which compared the means of two groups: the level of education and the awareness scores of Green Accounting. The ANOVA results showed a statistically significant difference in awareness levels across different education groups. The F-value was calculated to be approximately 86.60, while the critical F-value (F crit) for this test was 3.91. Because the F-value exceeds the critical value, we conclude that there is a significant difference between the group means. Additionally, the p-value was  $2.026 \times 10^{-16}$ , which is much less than the standard alpha level of 0.05. This strongly supports the rejection of the null hypothesis.

Rejecting the null hypothesis implies that education level does indeed have a significant effect on respondents' awareness of Green Accounting. In other words, individuals with different levels of education exhibit significantly different levels of understanding or awareness regarding Green Accounting concepts. This result aligns with the logical assumption that educational background can influence environmental awareness, especially in specialized areas like Green Accounting, which may be introduced through formal education in commerce, environmental science, or public policy.

This finding has practical implications. It also indicates that public awareness campaigns could be more effective if they are tailored to suit audiences with varying educational backgrounds.

## **V. RECOMMENDATION & SUGGESTION**

### **Incorporate Green Accounting in Curricula**

- Educational institutions should integrate Green Accounting concepts into school and university curricula, especially in commerce, economics, and environmental science courses, to build awareness from an early stage.

### **Awareness Campaigns and Workshops**

- Government bodies and NGOs should conduct public awareness campaigns, seminars, and training sessions to educate the public, especially in less-informed regions, on the significance of Green Accounting.

### **Standardized Disclosure Guidelines**

- Regulatory authorities like SEBI or the Ministry of Environment should introduce and enforce standardized guidelines for environmental cost disclosures to ensure consistency, transparency, and comparability across industries.

## **VI. CONCLUSION**

This study aimed to determine the relationship among public knowledge of Green Accounting in the Mumbai area and demographic characteristics, mainly education level. Green accounting, often known as environmental accounting, is becoming more and more popular across the world as businesses, governments, and people grow more aware of environmental effect and sustainable development. An advancement in corporate responsibility and environmental preservation is the incorporation of ecological factors into financial decision-making.

In conclusion, the analysis clearly shows that education level significantly influences awareness of Green Accounting. These findings underscore the need for targeted educational strategies to improve environmental literacy and foster a more informed and proactive society in terms of environmental accounting and sustainability.

Furthermore, organizations, especially those in environmentally sensitive industries, might consider offering training programs to employees with lower formal education levels to raise their awareness and understanding of Green



Accounting. Government agencies and NGOs could also use this data to target specific demographic groups when rolling out policies or campaigns related to environmental responsibility and sustainable development.

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