

Developing Sustainable Accounting Framework for Cement Industry : Evidence from India¹

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Abstract

Making business operations sustainable is the demand of the companies in current period. However, so far, government efforts lead to weak voluntary standards that make companies less accounted for sustainability. Due to stakeholders, pressures companies have to navigate through a plethora of different performance standards, metrics, and reporting requirements. Moreover, the current financial accounting process limits the reporter to quantify the environmental and social efforts in financial terms. The current study proposes a model for Sustainable Accounting Framework (SAF) for Indian cement industry in terms of performance indicators that convey a reasonable demonstration of company performance on sustainability heads, and ensure that investors can reach to the total mix of information in their decision-making process. The initial findings revealed an absence of any SAR framework for Indian cement industries and also a positive stakeholder perception towards the requirement of such metrics. The developed SAF model would increase greater transparency and result in increased performance.

I. Introduction

THE ENVIRONMENT DOES not exist as spheres separate from human actions and needs. Human ambition has pressurized environment from their corporate activity that caused climate change. The climate of the earth has augmented during its geological history to present. It led various countries to ponder upon the environmental activities of the corporate, which ideally reflects as the critical differentiator on account of sustainability (McBean, Weaver and Roulet, 2001). The world is looking forward to sustainable

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study has a very long term impact in terms of disclosure norms to be fulfilled and as it has practices in various industries in the different part of the world our cement industry can also be sustainable and future ready (Mook, 2006; Konrad and Martinuzzi, 2005; Karl-Göran, 1999).

5.2 Future Direction

The future direction of research in SAR must endure to validate critical superiority of variety. Efforts to improve the reporting, depth and quality of information under accounting for sustainable development must be complemented by knowledge-based research outside of accounting and mainstream business. The selected cement companies are measuring human, social and natural capital, including environmental quality, health, security and education for improving the goal of severe social happiness. This framework will become necessary for stakeholders future need for informing the real contribution to sustainability within the scope of accounting. Further research work on the basis of this research is to be conducted for improving the need of the society regarding sustainability disclosure and improve the suggested model with the views of other stakeholders and also by improving the sample size.

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