Letter Requesting Information for the Study

Dated.

To

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Dear Sir/Sirs,

Pollution control appears to have had a tremendous impact on many aspects of business. I am completing my doctoral programme on Accounting for Pollution Control, under the direction of Dr. Anil Mukherjee, Professor of the Faculty of Business Studies, Calcutta University. Your assistance in this project is earnestly requested.

The most important aspect of this dissertation is to study the impact of pollution control primarily from an accounting point of view. Through accounting, our interest is concentrated on the management and reporting problems associated with the cost and benefits of pollution control.

Since your company is a leading business unit in the field of Indian industries, its inputs are needed if we are to correctly assess the current state of the art relative to accounting for pollution control. Your attention to the following aspects would help me most:
1. Please send me the copies of your Annual Report for the past two years.

2. Also send me any printed or mimeographed material which exhibits your approach to pollution control.

3. Please return to me the attached questionnaire after completing it by the appropriate executive in your organisation.

A stamped, self-addressed envelop is enclosed.

Please note that all materials received are to be treated as strictly confidential and will not be used in any way which would permit identification of your company without first receiving your written approval.

Thanking you,

Yours sincerely,

SAMPA BISWAS (DE)

Encl : As above
ACCOUNTING FOR POLLUTION CONTROL:

Please tick/enter the answers in the space provided. If you want to comment on any question, use a separate sheet and identify the particular question(s) to which comments relate.

CAPITAL BUDGETING

1.0 Relative to the installation of pollution control equipment in existing facilities:

1.1 Are expenditures recorded in a manner which facilitates identification of pollution control outlays? YES/NO

1.2 Are the same techniques (such as payback period) used in taking decisions on capital expenditures for pollution control as on other types of capital expenditure? YES/NO

1.3 Do you use the same criteria in evaluating proposed capital outlays for pollution control as for other types of capital expenditure proposal? YES/NO

1.4 Over the past three years, approximately what percent of total capital expenditures has been for equipment which are specifically designated for pollution control?

2.0 Relative to acquisition of new plant and equipment which includes pollution control features:

2.1 Are expenditures recorded in such a manner that total outlays for pollution control equipment can be separately complied? YES/NO

2.2 Over the past three years, approximately what percent of capital outlays for new plant and equipment has been for pollution control features which are incorporated into this new plant and equipment? 0 - 10% 11 - 50% Over - 50%

3.0 Have you found it necessary to close down any plants because it was not economically possible to install the necessary pollution control equipment? YES/NO
4.0 In the attempt to solve pollution control problems, YES/NO has your firm utilized its own research facilities?

5.0 If the answer to the above question is "YES" have you capitalized such expenditures? YES/NO

ACCOUNTING FOR EXPENSES

6.0 In recording current expenses are current pollution control expenditures shown separately? YES/NO

7.0 Are separate schedules prepared for depreciation of pollution control equipment? YES/NO

8.0 Are the same depreciation methods used for pollution control equipment as for other capital equipments? YES/NO

9.0 Are expenses relating to pollution control treated as period costs? YES/NO

10.0 Does your company employ the principle of "re-cycling" to convert what is waste into usable products? YES/NO

11.0 Does such re-cycling produce enough revenue to cover the cost of the re-cycling processes? YES/NO

TAX LIABILITY

12.0 Over the past three years, has your company received special "tax advantages" relative to capital expenditures for pollution control as to:

12.1 - Income Tax to the Central Govt., YES/NO
12.2 - Provisional Tax, YES/NO
.12.3 - Property Tax, YES/NO
12.4 - Sales Tax, YES/NO
12.5 - Other (Specify), YES/NO

13.0 Do you believe that such "tax advantages" under existing laws are adequate? YES/NO

14.0 If not, what types of changes in tax laws are mostly needed?
15.0 Rank the following approaches to encourage pollution control expenditures:

( ) Innovative efforts on the part of individual companies,
( ) Joint efforts by industry associations,
( ) Public pressure (moral suasion, or acceptance of social responsibility).
( ) Tax benefits,
( ) Penalties assessed by Government for excessive pollution,
( ) Compulsory closing down of operations when pollution exceeds a specified level,
( ) Others

REPORTING

16.0 Does your company prepare special internal reports on pollution control outlays? YES/NO

17.0 If "YES" are these reports prepared mainly for
   a) Top management (Corporate officers and executives reporting directly to officers),
   b) Other than top Management,
   c) Both?

18.0 At what intervals are these reports prepared? WEEKLY/ MONTHLY/ QUARTERLY/ ANNUALY/ OTHERS.
   (Please send me copies of the forms used for these reports).

19.0 To which government entities are you required to report regarding pollution control?
   CENTRAL / STATE / LOCAL
   (Please send me copies of the forms used for these reports).

20.0 Does the need for preparing any of the above reports result in the need to modify your accounting records? YES/NO
Questionnaire completed by:
Name -
Position -
Company -

Thank you for your co-operation.
Please mail the completed questionnaire to:

SAMPA BISWAS (DE)
1/1E, Dharmatala Road.
Calcutta-700039.