



STATUTORY COMPLIANCE - 07

Environmental Auditing

Review environmental activities, processes and records against the agreed criteria.



Overview Regarding the Environmental Auditing



The methodological assessment of production activities and processes of the project to conclude whether these comply with the authorised environmental management guidelines, sustainable environmental practices and legal and environmental criteria is defined as Environmental Auditing. The primary use of Environmental Auditing is to investigate, understand and identify the performance of the interested parties.



It is the examination of accounts of revenues, costs of environmental and natural resources, their estimation, depreciation and values recorded in the books of accounts. Environmental organisation management systems and equipment are performing with the following aims:

- Facilitating management control of environmental practices
- Assessing compliance with company policies
- Facilitating professional competence

Areas covered under Environment Auditing

- Energy
- Waste management
- E-waste
- Plastic waste
- Hazardous waste
- Bio-medical waste
- Air & water
- Carbon dioxide and other emission
- Food sector
- Chemical sector
- Pharmaceutical
- Automobile
- Composting

Environmental Auditing is conducted by ensuing the ISO Standard 14011 on procedures comprising commencement assembly, thorough inspection, interviews, document assessment and a closure meeting with the plant management/enterprise.

The Benefits of the Environmental Auditing

The Benefits of the Environmental Auditing

Creating Value for Business, People and the Planet

Financial	Compliances	Stakeholder Relations
- Helps in avoiding fines which may be imposed by regulating authorities. - Identifies potential cost savings. - Further lessens the corrective action costs.	- Increases employee awareness of environmental standards and responsibilities. - Helps in controlling the effect of pollutants. - Ensures successful environmental auditing and regulatory compliance.	- Increases morale and improves employee relations. - Helps build a positive image of the enterprise in the market. - Increases goodwill. - More desirable to investors due to good environmental programs.



The benefit of environmental auditing can be broadly categorised into three different categories:

- Financial
- Environmental auditing help in avoiding the fines which may be imposed by regulating authorities.
- It also identifies potential cost savings.
- Environmental auditing further lessens the corrective action costs.
- Compliances
- Successful Environmental auditing also increases the employee awareness of environmental standards and responsibilities.
- Additional to that, it helps in controlling the effect of pollutants.
- Stakeholder Relations
- It increases morale and improves employee relations.
- Environmental auditing also helps build a positive image of the enterprise in the market.
- Increase the goodwill.
- Successful enterprise auditing is more desirable to investors due to good environmental programs.

The main objectives of Environmental Auditing

- Reviewing policy implementation
- Identify needs, strengths, and shortcomings
- Evaluate policy implementation
- To meet compliance requirements and create a report for regulatory agencies
- To increase production health and safety
- To preserve resources
- To check for adherence to legal requirements
- To make public environmental information available
- To lessen the waste

The procedure of Environmental Auditing



Aspect	Details
These include a selection of the expert team and the development of a plan. The plan should include	- Defining the scope of the work - Selecting priority areas - Laying down the procedure - Allocating team resources
On-site activities	After pre-audit activities, the on-site activities include reviewing records and documentation. This also involves an interview with the staff and a physical inspection of the facilities.
Post-audit activities	Development of raw material balance examination for each manufacturing unit of the industry highlights the projected operation of raw material and ideas concerning reuse. Water, energy consumption, vegetation removal all the sensitive parts must be balanced. Evaluation of pollution audits and emission standards are carried out.

EAS (Environmental Audit Scheme) has three following elements

- State Pollution Control Board (SPCB)
- Internal Auditor Board (IAB)
- External Auditor (EA)

State Pollution Control Board

State Pollution Control Board has a vital role in efficiently executing environmental auditing. The phases carried out by the SPCB are as follows:

- Formulate the layout of the audit report on all the characteristics of environmental protection.



- To employ internal auditors to formulate industry audit reports.
- Assessment and authentication of audit reports.
- Starting the action on the evaluated report.

Internal Auditor

The choice of auditors consists of seasoned professionals from different professions. According to the State Pollution Control Board's regulations, hiring a certified auditor with a well-equipped lab for analysing water and air samples should be necessary.

External Auditor

The team needs the SPCB's approval. For further action, evaluated and verified reports must convey their remarks to the State Pollution Control Board.

Principle areas of Environmental Auditing



The chief regions covered are:

Material Audit

The main area of environmental auditing, it chiefly focuses on utilising various crude materials or regular utilisation of assets, costunit, insightful process utilisation, wastage, and so forth. Preservation of crude material, logical capacity, and waste material reuse are also considered.

Vitality Audit

It inspects the utilisation of different types of vitality in various procedures in any industry or association. The fundamental review is minimisation, disposal of avoidable misfortunes of profitable vitality and preservation.



Water Audit	Consumption of water at various sources also focuses on reusing and reusing water, assessing crude water consumption and adjusting the water table and different sources.
Well-being and Safety Audit	Workers & employees are the fundamental need of the industry. The well-being and security of those are all around considered in the review. Appropriate transfer of lethal and unsafe waste, counteractive fire action measures, and so on should be assessed.
Natural Quality Audit	This is also an essential phase of environmental auditing. Conservation of each viewpoint and phase of condition keeps up the quality. This is additionally all around noted in the review plot.
Waste Audit	It covers the subjective and quantities assessment of waste created by enterprises.
Designing Audit	Use development innovation that covers the appropriate procedures and building applications.
Consistency Audit	The distinctive parts of reviews that are required to be completed according to guidelines, techniques, and as per the approaches of that specific industry are known as consistency review.

How can MLC assist you?

Provide personalised audit

Our team of legal professionals provides personalised environmental auditing services to the enterprise.

Assist in the review process aligned to your sector

We offer complete guidance accommodating to your business wants. Our team of an expert is known for assisting in the review process within the stipulated time.

Cost-effective solution

Our expert team also provides comprehensive assistance in a cost-efficient way.

FAQ

Q. What is environmental auditing?

Environmental auditing is a methodical assessment of a project's production activities and processes to check whether they comply with environmental management guidelines, sustainable practices, and legal and environmental criteria.

Q. What areas does an environmental audit cover?

Audits cover energy, waste management (including e-waste, plastic, hazardous and bio-medical waste), air and water, carbon dioxide and other emissions, and composting, across sectors such as food, chemicals, pharmaceuticals and automobiles.

Q. What are the benefits of an environmental audit?

An audit helps avoid fines from regulators, identifies cost savings, lowers corrective action costs, raises employee awareness of environmental responsibilities, and improves the company's image with investors and the market.

**Q. How is an environmental audit carried out?**

It runs in three phases: pre-audit planning (scope, priority areas, procedure and team), on-site activities (record and document review, staff interviews and physical inspection), and post-audit analysis such as material, water and energy balances and evaluation of emissions.

Q. What is the role of the State Pollution Control Board in environmental audits?

Under the Environmental Audit Scheme, the SPCB sets the audit report format, engages auditors to prepare industry audit reports, assesses and authenticates those reports, and takes action on the findings. External auditors also need SPCB approval.

Q. Which areas does environmental auditing cover?

Energy; waste management including e-waste, plastic, hazardous and bio-medical waste; air and water; carbon dioxide and other emissions; and sectors such as food, chemicals, pharmaceuticals and automobiles, plus composting.

Q. What are the benefits of environmental auditing?

Financial — avoiding fines, finding cost savings and lowering corrective-action costs; compliance — greater employee awareness and better control of pollutants; and stakeholder relations — better morale, a positive public image and more appeal to investors.

Q. What are the stages of an environmental audit?

Pre-audit activities (choosing the team and planning the scope, priority areas, procedure and resources), on-site activities (reviewing records, interviewing staff and inspecting facilities) and post-audit activities (material balances, and evaluating pollution and emission standards).

Q. Who is involved in the Environmental Audit Scheme?

Three elements: the State Pollution Control Board, an internal auditor and an external auditor. The external audit team needs SPCB approval, and the verified reports are sent to the SPCB for further action.

Useful details to share when you enquire

- Business activity, site location and ownership details
- Existing applications, permissions and supporting records
- The registration or approval you need to discuss

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