



---

## **GREEN BANKING STRATEGIES IN INDIA: A PATHWAY TO SUSTAINABLE FINANCE**

**Uma.T.G.**

Assistant Professor

Department of Commerce and Management

Maharani Women's Arts, Commerce and Management College

Bengaluru-560 001.

### **ABSTRACT**

Green banking in India has emerged as a critical strategy for aligning the financial sector with sustainable development goals. This approach focuses on integrating environmental considerations into banking practices, thereby promoting eco-friendly investments and reducing the carbon footprint of banking operations. The Reserve Bank of India (RBI) has issued guidelines encouraging banks to adopt sustainable practices, yet the response among Indian banks has been varied. The present research paper reviews the current landscape of green banking in India, exploring the initiatives undertaken by both public and private banks, as well as the challenges they face in implementation.

Keywords: Green Banking, Sustainability, Practices

### **INTRODUCTION**

The phase of “going green” is moving faster than the speed of light. Across the globe, everyone is working towards conserving the environment for ensuring their safe survival. Banks and financial institutions too are playing a significant role in preserving the environment. Green banking is one such initiative taken up by the banking sector with the view to reduce the impact of its working on the environment (Shilpa Shetty H and Ms. Gopika Unnikrishnan, January - 2017).

Despite many initiatives taken in the field of Green Banking, it has been found to be at the nascent stage in India. There is only one Indian organization Infrastructure Development Finance Company (IDFC) Ltd, which has signed. Equators Principles for determining, assessing and managing the environmental risks in the projects undertaken (Equator Principles



---

Association, 2014) (Dipika, 2015).

Environment oriented organizations, industries, corporations, regulatory authorities and governments of different countries showed their consciousness in this regard. Now banking sector also adds e-commerce to raise the awareness on ecological issues by operating eco-friendly operations reflecting Dematerialization, De-carbonization, and De-mobilization (Hossen, M.M., M.N. Uddin and A. Hossain, , 2014). Banks can play a vivacious role to protect environment by adopting socially and ethically responsible operations(Tara, K., Singh, S., & Kumar, R. , 2015).

### **GREEN BANKING**

According to the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), “Green Finance is a strategic approach to incorporate the financial sector in the transformation process towards low-carbon and resource-efficient economies, and in the context of adaptation to climate change”. Green financing is an idea that is more comprehensive than green banking, and banks are one of the most important sources of financing; however, nonbank financial organizations are also a significant basis of funding for green projects. Nevertheless, the concept of green banking had substituted banks’ motive to “planet, people, and profit” from “profit, profit, and profit.”

Green banking is also known as environmental banking; in broad perception, green banking practices eco-friendly methods and encourages its patrons to reduce the carbon footprint by their banking procedures(Tara, K., Singh, S., & Kumar, R. , 2015).

According to Bangladesh central bank— “Green banking is a component of the global initiatives by a group of stakeholders to save environment”(Circular2 GBPG, 2011); the sustainable banking concept is the outcome of the society and environment-oriented banking practices.

Institute for Development and Research in Banking Technology (IDRBT 2013) defines Green Banking as “Green Banking is an umbrella term referring to practices and guidelines that make banks sustainable in economic, environmental, and social dimensions. It aims to make banking processes and the use of IT and physical infrastructure as efficient and effective as possible with



---

zero or minimal impact on the environment.”

According to Indian Banks Association (IBA, 2014) “Green Bank is like a normal bank, which considers all the social and environmental / ecological factors with an aim to protect the environment and conserve natural resources”.

### **HISTORY OF GREEN BANKING**

Green Banking is any form of banking from that the country and nation gets environmentally benefits. An orthodox bank becomes a green bank by directing its core operations toward the betterment of environment. The banking sector can play an intermediary role between economic development and environment protection by promoting environmentally sustainable and socially responsible investment.

The concept of green banking was developed in the western countries. Green Banking was formally started in 2003 with a view to protecting the environment. Then the Equator Principles (EPs) were launched and were initially adopted by some leading global banks, such as Citigroup Inc, The Royal Bank of Scotland, Westpac Banking Corporation. In March 2009, Congressman Chris Van Hollen of USA introduced a Green Bank Act with the aim of establishing a green bank under the ownership of the US government.

After introduce the Green Banking initial decision was to minimize the paper use in banking works because to make all kinds of papers need to cutting trees as raw materials (its minimize the green forestation) and for this reason naturally its reduce the Oxygen and increase the carbon-dioxide in airspace/ globe There are two ways of green banking practices. One is in-house green banking; another is practice by the bankers in their business area.

Creating clean and hygienic banking environment, green building, reforestation, online banking, waste management, installation of solar panel on the rooftop of the bank and using high mileage vehicles, reducing sound pollution, using webcam for video conferencing instead of physical meetings, online statements, emailing documents are included in the in-house Green Banking. Financing the green projects like Biogas Plant, Solar/Renewable Energy Plant, Bio-fertilizer Plant, Effluent Treatment Plant (ETP), Projects having ETP etc. working on specific green



---

projects, voluntary activities of banks are major practices by the bankers in their business areas. Green banking undertakes proactive measures to protect environment and to address climate change challenges while financing along with efficient use of renewable, non-renewable, human and natural resources (Raad Mozib Lalon, January 2015).

### **GREEN BANKING PRACTICES**

Green Banking is an umbrella term encompassing eco-friendly products, services and processes being adopted by the banks. It may take the form of online banking, online bills, online account opening, Solar Powered ATMs, Energy-efficient branches, etc. The benefits of green banking are numerous like reduction of carbon footprint, efficient utilization of resources and cost cutting etc. Some of the newly invented green banking products, services and processes are explained below:

#### **Green Products**

- a.** Green Deposits: Deposits made through online channel of banking are termed as green deposits. Banks help to provide higher interest rates on commercial deposits, fixed deposit and saving accounts if customers choose to conduct their banking activities through online.
- b.** Green Mortgages and Loans: Loans and mortgages offered for energy efficient business are popularly known as green loans and mortgages. Some green mortgages allow home buyers to enjoy 15 percent of the price of their house into loans for upgrades including energy efficient windows, solar panels, geothermal heating or water heaters. The savings in monthly energy bills can also offset the higher monthly mortgage payments and save money in the long run.
- c.** Green Certificate of Deposits: These are basically short-term money market instrument known as green certificate of deposit. These are issued for promoting energy efficient business, business involved in promoting green energy or sustainable environment.



- 
- d.** Green Credit Cards: A green credit card is just like a normal credit card with the only difference that the rewards or points earned by green cardholders can be redeemed for contributions to eco-friendly charitable organizations. These cards usually offer lucrative incentives for consumers to use their green card for their expensive purchases (Anu Sahi and Anuraj Pahuja, January - June, 2017).

### **Green Services**

- a. Mobile Banking: Mobile banking is the most widely used green banking services of the banking industry. This product allows the customers to check balances, transfer funds or pay bills from mobile phone. It also saves time and energy and in reducing massive use of energy and paper of the bank. Most of the banks in India have introduced this paper-less facility.
- b. Net Banking: Net Banking is similar to mobile banking. In this service, the customers assess the various services of banks through internet. The customer needs to have only login account and user password. It helps in saving time and reducing energy and paper work.
- c. E-Investment Services: Another step towards green banking is promoting e –investment services. E–investment services are basically concerned with providing online platforms for investors and traders for indulging in investments. This help in saving time, energy and paper. Banks allow their customers to provide all the necessary information for investments online.
- d. Online Banking: This banking service helps in additional conservation of energy and natural resources. Online banking facilities include paying bills online, remote deposit, online fund transfers and online e-statements. It allows savings in terms of less paper, less energy and less expenditure of natural resources from banking activities. Customers can also save money by avoiding late payments of fees and save time by avoiding standing in queues and paying the bills online from home(Anu Sahi and Anuraj Pahuja, January - June, 2017).



---

## Green Processes

- a. **Green Reward Checking Accounts:** This initiative of banks is to promote paperless society. The banks encourage customers through high bonus rates if they maintain a certain balance with the bank and use more of electronic statements, online bill payments or using a debit or credit card. This banking product combine higher rates along with ecofriendly living.
- b. **Use of Solar and Wind Energy:** Using solar and wind energy is one of the decent way of going green. State Bank of India (SBI) has become the first bank in the country to start generation of green power by installing windmills for captive use. As part of its green banking initiative, SBI has installed 10 windmills with an aggregate capacity of 15 MW in the states of Tamil Nadu, Maharashtra and Gujarat. Using the same concept, other banks are introducing Solar powered ATMs, which can help reduce the electricity and save environment.
- c. **Energy Consciousness:** Developing energy consciousness, adopting effective office time management and automation solutions and using compact fluorescent lighting (CFL) can help banks save energy consumption considerably. Banks should conduct energy audits in all of their offices for effective energy management. They can also switch over to renewable energy (solar, wind etc.) to manage their offices and ATMs.
- d. **Use of Recycled Paper and Waste:** Banks are using recycled paper products for printing monthly statements, brochures, ATM receipts, annual reports, newsletters, copy paper, and envelopes etc. Indian banks are also employing vegetable-based inks instead of less environmentally friendly oil-based inks (Anu Sahi and Anuraj Pahuja, January - June, 2017).

**Green infrastructure** — Green infrastructure is an approach to wet weather management that use natural systems — or engineered systems that mimic natural processes — to enhance overall environmental quality and provide utility services. As a general principal, green infrastructure techniques use soils and vegetation to infiltrate, evapotranspire, and/or recycle



---

stormwater runoff.

**Grey infrastructure** — In the context of storm water management, grey infrastructure can be thought of as the hard, engineered systems to capture and convey runoff, such as gutters, storm sewers, tunnels, culverts, detention basins, and related systems.

**Combined Sewer System** — Combined sewer systems are sewers that are designed to collect rainwater runoff, domestic sewage, and industrial wastewater in the same pipe. Most of the time, combined sewer systems transport all of their wastewater to a sewage treatment plant, where it is treated and then discharged to a water body.

**Combined Sewer Overflow** — During periods of heavy rainfall or snowmelt, wastewater volume in a combined sewer system can exceed the capacity of the sewer system or treatment plant. For this reason, combined sewer systems are designed to overflow occasionally and discharge excess wastewater directly to nearby streams, rivers, or other water bodies. These overflows contain not only stormwater but also untreated human and industrial waste, toxic materials, and debris.

**Sanitary Sewer System** — A sanitary sewer specifically transports sewage and industrial wastewater from houses and commercial buildings and industrial areas to wastewater treatment plants. Sanitary sewers are operated separately and independently of storm sewers.

**Sanitary Sewer Overflows** — Sanitary sewer overflows are occasional unintentional discharges of raw sewage from municipal sanitary sewers. These types of discharges have a variety of causes, including but not limited to blockages, line breaks, sewer defects that allow storm water and groundwater to overload the system, lapses in sewer system operation and maintenance, power failures, inadequate sewer design and vandalism. Additionally, aging sewer line infrastructure in many communities allows rain and snow melt to enter sanitary sewer





---

systems. During significant wet weather events it is possible for influent flows to exceed the treatment capacity of existing secondary treatment units.

**Separate Sewer System** — In a separate sewer system, the storm sewer infrastructure is completely separate from the sanitary sewer system that carries wastewater (as opposed to a combined sewer system).

**Green Roof** — Green roofs employ vegetated roof covers, with growing media and plants covering or taking the place of bare membrane, gravel ballast, shingles or tiles. A green roof system is an extension of the existing roof which involves a high-quality water proofing and root repellent system, a drainage system, filter cloth, a lightweight growing medium and plants

**Street Trees** — When properly designed, traditional tree plantings along street and road edges can capture, infiltrate, and transpire stormwater. These virtues can be expanded by incorporating trees into more extensively designed “tree pits” that collect and filter stormwater through layers of mulch, soil and plant root systems, where pollutants can be retained, degraded and absorbed.

**Green Streets** — A green street is defined as a streetscape designed to: integrate a system of stormwater management within its right of way, reduce the amount of runoff into storm sewers, make the best use of the street tree canopy for stormwater interception as well as temperature mitigation and air quality improvement.

**Bioinfiltration** —Bioretention systems are soil- and plant-based facilities employed to filter and treat runoff from developed areas. Bioretention systems are designed for water infiltration and evapotranspiration, along with pollutant removal by soil filtering, sorption mechanisms, microbial transformations, and other processes.





---

**Rain Garden** — A rain garden is a strategically located low area planted with native vegetation that intercepts runoff. Other terms include mini-wetland, storm water garden, water quality garden, stormwater marsh, backyard wetland, low swale, wetland biofilter, or bioretention pond. Rain gardens are designed to direct polluted runoff into a low, vegetated area, where the pollutants can be captured and filtered.

**Stormwater (or, Runoff)** — Stormwater runoff is precipitation that becomes polluted once as it flows over driveways, streets, parking lots, construction sites, agricultural fields, lawns, and industrial areas. Pollutants associated with stormwater include oils, grease, sediment, fertilizers, pesticides, herbicides, bacteria, debris and litter. Stormwater washes these pollutants through the storm sewer system and into local streams and drainage basins. In addition, because impervious surfaces prevent precipitation from soaking into the ground, more precipitation becomes runoff, and the additional volumes and velocities of stormwater can scour stream and river channels, creating erosion and sediment problems.

**Impervious Cover (Or, Impervious area, imperviousness)** — Any surface that cannot be effectively (easily) penetrated by water, thereby resulting in runoff. Examples include pavement (asphalt, concrete), buildings, rooftops, driveways/roadways, parking lots and sidewalks.

## REVIEW OF LITERATURE

**Shikha Agrawal, March (2014)** investigates the practices of various commercial banks in India to assess their commitment to environmentally friendly initiatives. Sustainable development and environmental preservation are increasingly recognized as essential for mitigating the negative impacts of human activity on our planet. Environmental management and the reduction of harm to natural resources are critical global challenges that require the participation of both individuals and institutions. In India, the Reserve Bank of India (RBI) has provided guidelines to encourage banks to adopt eco-friendly strategies. While economic progress has often been prioritized, it has led to significant issues such as biodiversity loss,



---

climate change, and environmental degradation. The banking sector has the potential to play a vital role in reconciling economic growth with environmental protection through "Green Banking" (Shikha Agrawal, March 2014).

**Kaur (2018)** aims to introduce the concepts of green banking, explore its strategies and significance, assess the current landscape of green banking in India, examine the necessary infrastructure, and analyze strategic initiatives undertaken by both public and private Indian banks in this domain. Sustainable development and atmospheric preservation are now globally recognized as essential imperatives to protect our planet from the detrimental effects of human activity, such as global warming and climate change. Initiatives worldwide focus on reducing fossil fuel demand through the principles of Reduce, Reuse, and Recycle. In this context, banks and financial institutions play a crucial role by encouraging businesses to adopt environmentally friendly practices. By providing incentives, such as lower interest rates for green technologies, banks can create a lasting positive impact on the environment. As key implementers of technology, banks are also expected to adopt sustainable practices themselves (Kaur, 2018)

**Ahuja (2015)** reviews literature on Green Banking, identifying key challenges in its implementation, particularly the lack of consumer awareness and education. In today's environmentally conscious society, the "Go Green" mantra has become integral to business practices, emphasizing the need to balance profit with social and environmental responsibility. As organizations shift toward a green economy, the banking sector plays a crucial role in adopting environmentally friendly practices, which includes minimizing both internal and external carbon footprints and establishing green criteria for lending. Although the banking industry is not typically viewed as a major polluter, it still contributes to environmental issues through increased energy and paper consumption. The study notes that public sector banks are generally more proactive in adopting green practices than private banks, using the State Bank of India (SBI) as a case study to illustrate effective strategies for addressing environmental challenges (AHUJA, NEYATI, 2015).

**Gupta (2018)** aims to critically review international practices in sustainable and green banking in relation to the strategies of Indian banks to comply with RBI guidelines amidst global



---

initiatives. It further explores the challenges faced by Indian banks in implementing these sustainability guidelines. Through an examination of previous research studies and RBI reports, the findings indicate a generally negative response from Indian banks towards these initiatives. Notably, only one Indian private bank, Yes Bank, is a signatory to the international UNEP-FI initiative. Globally, financial institutions are shifting their focus from profit maximization to embracing social and environmental sustainability. Banks are increasingly integrating ecological limits, social equity, and economic justice into their corporate strategies, ensuring that sustainability objectives are prioritized alongside shareholder value and client satisfaction in areas such as credit, investment, and advisory services (Gupta, 2018).

**Chinnadori (2014)** advocates for a proactive approach, encouraging banks to incorporate environmental considerations into their lending principles, thereby motivating industries to invest in sustainable technologies and management systems. Banks can play a pivotal role in fostering a low-carbon economy by developing innovative financing and investment strategies while integrating operational improvements and technology into their practices. Green banking creates a win-win situation, benefiting both the environment and banks through enhanced operational efficiency, reduced vulnerability to errors and fraud, and cost savings. This paper highlights the benefits, challenges, and strategic dimensions of green banking, assessing the current adoption status among Indian banks. It finds that, despite their significant role in India's emerging economy, Indian banks have made limited progress in adopting green practices (Sudhalakshmi, 2014).

**Cholasseri (2016)** covers introduction, meaning, ideal benefit of green banking, methods in green banking and green banking product and services. The problem related to environment, maintaining the ecological balance and environmental sustainability has become issues for debate around the globe. The organizations as well as consumer have understood the importance of the environment for the survival of human beings. The concept of green banking is comparatively a new concept. It is a paperless banking, which not only reduces the cost of banking activities but also helps in environment sustainability. It promoting environmentally friendly practices and reducing carbon footprint from banking activities. It helps in reducing the



---

use of paper, power and energy (Cholasseri, 2016).

**Sathana (2014)** paper tries to find out the attitude of the bank employees towards the green banking initiatives of public sector commercial banks in India. Green banking refers to the banking business conducted in such areas and in such a manner that helps the overall reduction of external carbon emission and internal carbon footprint. Although, banking is never considered a polluting industry, the present scale of banking operations has considerably increased the carbon footprint of banks due to their massive use of energy, high paper wastage, lack of green buildings etc. Banks should go green and play a pro -active role to take environmental and ecological aspects as part of their lending principles, which would force industries to go for mandated investment for environmental management, use of appropriate technologies and management systems. Adoption of greener banking practices will not only be useful for environment, but also benefit in greater operational efficiencies, a lower vulnerability to manual errors and fraud, and cost reductions in banking activities. Banks in India are already offering many of the green banking services(Sunmista and Sathana , 2014).

### **NEED OF THE STUDY**

The banking sector is crucial for a nation's economic growth, and the concept of 'Green Banking' offers benefits not only for the environment but also for the banking industry and the economy as a whole. Green banks focus on enhancing the sustainability of industries while also improving the quality of their future assets. In recent years, Indian banks have embraced the Green Banking approach, launching various initiatives to become more environmentally responsible. However, the implementation of Green Banking varies among Indian banks, reflecting different stages of commitment to environmental sustainability.

Supporting eco-friendly investments and lending practices is a primary responsibility of the banking sector. A review of studies conducted both in India and internationally shows that many banks are dedicated to achieving sustainable development through green practices. This research aims to explore the effectiveness of Green Banking in India.



---

## **INTERNATIONAL INITIATIVES**

In early 1990's, the United Nations Environmental Programme (UNEP) launched what is now known as UNEP Finance Initiative. 200 financial institutions around the globe are signatories of this initiative statement to promote sustainable development within the framework of market mechanisms towards common environmental goals. The objectives of this organization are to integrate the environmental and social dimensions to financial performance and risk associated with it in financial sector. ABN-Ambro Bank has developed certain reputation risk management policies to identify access and manage non-financial present within business engagement. Going further, the Dutch Government has made a formal request to the banks in achieving sustainable development. The dialogue between banks and government was established in 1999 to initiate policies for environmental improvements through the development of new financial products and services.

In 2002, a global coalition of NGOs formed a network named "Bank Tract" to promote sustainable finance in the commercial sector. This coalition came up with a resolution constituting six principles promoting environmental protection and social justice by banks and this is popularly known as Collecvecchio Declaration. The six principles that this declaration advocated included commitments to sustainability, no-harm, responsibility, accountability, transparency and sustainable market, and governance. More than 200 organizations have endorsed this declaration states that "Finance and Commerce has been at the center of a historic detachment between the world's natural resource base, production and consumption.

## **GREEN BANKING - INDIAN SCENARIO**

In India, Green Banking has two dimensions. First, the way the banking business is being done- is it paperless or not. There are several guidelines from the Reserve Bank on e-banking and banks are also putting sincere efforts towards adopting paperless banking. The second dimension of green banking relates to where the bank puts its money. Green Banking entails banks to encourage environment-friendly investments and give lending priority to those



---

industries which have already turned green or are trying to go green and, thereby, help to restore the natural environment(Chakrabarty, K. C., 2013). The RBI does not make any specific mention of regulations or guidelines to be followed for green banking. In the absence of any specific guidelines, it is observed that all banks concentrate on paperless banking in the name of Green Banking. No attention is given to the other and the basic motive of green banking of encouraging environmentally friendly investments that reduce the impact on the level of carbon footprints (Shilpa Shetty H and Ms. Gopika Unnikrishnan, January - 2017).

### **RBI GUIDELINES REGARDING GREEN BANKING**

The Institute of Development and Research and in Banking Technology (IDRBT) established by Reserve Bank of India (RBI) has proposed the introduction of standard rating for green efficient banks and banking practices among Indian Banks. Under this rating system, both the infrastructure and operations of the banks are being considered. IDRBT has coined the term of Green Rating Standard as “Green Coin Rating”. Banks’ primary business must not be money making only, but it should also keep in mind social and environmental issues relating to its operations. Green Coin Rating will be in line as energy star rating given for appliances. Banks will be judged based on the rate of carbon emission out of their operations, the amount of reuse, refurbish and recycling concept being used in their building furnishings and in the systems used by them such as computers, servers, networks, printers, etc. They will also be evaluated on the number of green projects being financed by them and the number of rewards and recognition they are paying for turning businesses green(Shikha Agrawal, March 2014).

### **METHODS ADOPTING GREEN BANKING**

1. **Online Savings Account:** Online savings account and mobile banking is the easiest way that you can do your part to bank green and help the environment. Green banking includes setting up direct deposit to receive your paychecks, receiving electronic statements from your bank and by paying bills online. All of these steps can drastically reduce the amount of paper produced by your bank. Online banking and mobile banking are also highly effective ways to keep track of your finances and to avoid late payment





---

fees. Another green banking step you can take is to suggest that the company you work for sign up for a product called “Remote Deposit”. Remote customers have to physically deliver each check to their bank to make a deposit. Remote deposits also allow banks to easily clear checks digitally.

2. **Paperless Statements:** Sending out bank statements by mail is a big waste of paper. Signing up for online banking at most banks includes an option for customers to receive their statements electronically through a secure log – in. Copies of banking records and statements can then be stored electronically instead of in a filing cabinet. Receiving statements electronically also reduces the chance of identity theft.
3. **Use Direct Deposit:** Most employers will give employees the option to receive their paycheck electronically. Not only does this speed up the availability of your money and save you a trip to the bank, it saves paper, lots of paper work etc.
4. **Online Bill Payments:** Paying bills online is something of a lifestyle change, but it can be done. Telephone bills, cable bills, utility bills, credit card payments and mortgage payments can all be paid electronically. In fact, some online banking customers have thrown away their checkbooks and completely converted to online payments. Not only is the record keeping much easier, but again massive amounts of paper is saved.
5. **Reward Debit and Credit Cards:** Some banks have joined up with environment-friendly groups like The Sierra Club or Defenders of Wildlife to create reward debit cards and reward credit cards. Participating banks will make a small charitable donation as a percentage of your online banking activity to help the environment.
6. **Net Banking:** Online banking is when customers perform most of their banking related functions without visiting the bank, personally. To do so, customers must possess an internet banking ID and a password provided by the bank in which the individual customer has an account (Meena, 2013).

## **IDEAL BENEFITS OF GREEN BANKING**

1. Basically Ethical (Green) banking avoids as much paper work as possible and rely on





---

online/electronic transactions for processing so that you get green credit cards and green mortgages. Less paperwork means less cutting of trees.

2. Creating awareness to business people about environmental and social responsibility enabling them to do an environmentally friendly business practice.

3. Green (Ethical) banks adopt and implement environmental standards for lending, which benefit our future generations.

4. When you are awarded with a loan, the interest of that loan is comparatively less with normal banks because ethical banks give more importance to environmentally friendly factors - ecological gains. Natural resources conservation is also one of the underlying principles in a green bank while assessing capital/operating loans to extracting/industrial business sector.

5. Green banks give more importance to environmentally friendly factors like ecological gains thus interest on loan is comparatively less.

6. Free electronic bill payment services.

7. Online account opening form for opening green account.

8. Cash back will be credited to all new customers, opening “green accounts” (Cholasseri, 2016).

## CONCLUSION

Green banking represents a vital evolution in the financial sector, enabling banks to contribute significantly to sustainable development and environmental protection. As the urgency of addressing climate change and ecological degradation intensifies, the banking industry must embrace eco-friendly practices not only to enhance operational efficiency but also to fulfil their social responsibility. Despite some progress, particularly among select banks, the overall adoption of green banking in India remains limited.

Challenges such as a lack of consumer awareness, inadequate infrastructure, and resistance to change hinder broader implementation. It is crucial for banks to take proactive steps, including



---

integrating environmental considerations into lending practices and investing in green technologies. Moreover, collaboration with stakeholders—government, businesses, and communities—is essential to create a supportive ecosystem for green initiatives. By doing so, banks can play a transformative role in steering the economy toward sustainability, ultimately benefiting both the environment and society as a whole. Embracing green banking is not just an ethical imperative; it is a strategic opportunity for banks to lead the way in fostering a resilient, low-carbon economy.

### REFERENCES

- Ahuja, Neyati. (2015). Green banking in India: A Review of Literature. *International Journal for Research in Management and Pharmacy*, 11-16.
- Anu Sahi and Anuraj Pahuja. (January - June, 2017). Changing Scenario of Banking: An Empirical Study on Customers' Perspective on Green Banking. *Amity Business Review* 47, Vol. 18, No. 1, pp 47-59.
- Cholasseri, S. (2016). Green Banking –An Overview. *IJARIE*, 108-111.
- Dipika. (2015). Green Banking in India: A Study of Various Strategies Adopt by Banks for Sustainable Development. *International Journal Of Engineering Research and Technology (IJERT)*, 195-342.
- K.M.Chinnadorai, K. A (2014). Green Banking Practices In Indian Banks. *International Journal of Management and Commerce Innovations*, 232-235.
- Gupta, A. (2018). Sustainable & Green Banking Practices in India- Issues and Challenges. *International Journal for Research in Engineering Application & Management*, 110-113.
- Kassim, T. J. (2021). Green Banking. *Book Citation Index*, 1-13.



- 
- Kaur, A. K. (2018). Indian Banking Sector towards a Sustainable Growth: A Paradigm Shift through Green Banking Initiatives. *World Wide Journal of Multidisciplinary Research and Development*, 318-321.
- Meena, R. (2013). Green Banking: As Initiative for Sustainable Development. *Global Journal of Management and Business Studies*, 1182 -1185.
- Raad Mozib Lalon. (January 2015). Green banking: Going green. *International Journal of Economics, Finance and Management Sciences*, 3(1) : 34-42.
- Sathana, D. A. (2014). Green Banking Initiatives of Commercial banks-Employees Perspectives. *Global Journal For Research Analysis*, 1-4.
- Shikha Agrawal. (March 2014). Green Banking In India: An Empirical Study of Commercial Banks. *An Empirical Study of Commercial Banks*, Vol. 2, Issue 4,.
- Shilpa Shetty H and Ms. Gopika Unnikrishnan. (January - 2017). A Comparative Study of Green Banking Practices in India & USA. *International Journal of Research in Finance and Marketing (IJRFM)*, Vol. 7 Issue 1, pp. 10~19.