

IMPACT OF GREEN BANKING WITH SPECIAL REFERENCE TO UTTARA KANNADA DISTRICT

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ABSTRACT

Sustainable development has emerged as a new model of development in response to the current scenario of development. The banking sector influences the economic growth and development in terms of both quality and quantity. The concept of 'Go Green Banking' will be beneficial to the banks, industries or as well as economy. 'Green Banking' will not only ensure the greening of the industries but it works in improving the quality of asset in the banks in future. This paper reviews the literature on the basis of Secondary data collected from various sources. Finally "Green Banking" will be beneficial to the commercial banks, industries and the economy.

Keywords: Go Green, Eco Friendly , Prosperity, Green Credit Cards.

I. INTRODUCTION

Economic development is termed as a new model of development in response to the current scenario that over exploits natural environment for economic prosperity. Development of the economy is mainly depends on industry and banking sector. Financial institutions are the main foundation for the growth of the economy. The banking sector plays a major role in the economic growth and developments in terms of both quality and quantity. Financial investment for commercial projects which is one of the very crucial activity in the growth of the economy. Banking sector play an important role in promoting social responsible investment and eco-friendly environment. Banking sector is considered as eco-friendly instead of emission pollution. Main impact of internal environment are use of energy, paper, water are very low and clean in nature. Impact of environment basically relates to their customer activity, not physically or directly relates to their banking activity. External impact of environment is difficult to estimate and measure because external activity of banks is larger in size.

Green Banking:

Green Banking is a term which refers to practice and guidelines or directions that make banks in growth of the economy, environment and society. 'Go Green' mantra promoting economic development. Green Banking is a process or practice and directions that makes banks to reduce the carbon footprints and increase the environmental friendly method by using natural energy and main aim is to use of IT and physical infrastructure as efficient and effective as much as possible.

Objectives:

- To analyze the concept of 'Green Banking'.
- To identify the important 'Green Banking' services available in U.K District.
- To study the Green banking impact of public sector banks in U.K District.
- To create awareness about Green Banking among society as well as bank employees.

II. RESEARCH METHODOLOGY

This paper is mainly based on primary and secondary data.

Primary data:

▪ Questionnaire method:

Set of questions are drawn for the intension of collecting information from the respondents.

▪ Personal interview:

Here face to face contact with respondents and here response is more and deeper in a adequate manner.

Secondary data:

This is collected from various sources such as articles, research papers, annual reports, companies' official website etc...

Green Banking Services:

❖ **ATM:**

Automated Teller Machine. It helps to withdraw the money without visiting our bank. It reduces the paper work and time. So the carbon will be reduces and economical sustainability in effective and efficient means. ATM helps the people to get money in 24 hours all 365 days. It reduces the paper work.

❖ **Mobile Banking:**

Mobile Banking plays a vital role in development of economic structure of the country by adopting Green Banking. It helps to check balances, transfer fund through our phone. It also helps to pay bills. It saves the energy of the customers. In this way it promotes in reducing use of energy and paper of the bank in India.

❖ **Online Banking:**

Online Banking is the developing concept in corporate India. Online Banking helps in conservation of energy and natural resources. It includes many facilities like; paying bill, fund transfer, remote deposits etc. it helps the customers to save money by avoiding late payments of fees and save time by eliminating visit for the bank and paying bill home online.

❖ **Green Credit Cards:**

Some of the commercial banks in Uttara Kannada District introduced Green Credit Cards to improve the economic status of the country. In this card customer can purchase any commodity without paying cash. The main purpose of this card is to adopt cashless transaction. The importance of using credit card is that the every rupee you spent on your credit card will donate funds towards an environmental friendly method. This will leads to protection of environment.

❖ **Solar and Wind Energy:**

India ranked number one in solar energy production. Banking sector using solar energy to power their branches. Solar energy converts the electrical energy. Solar energy is the beautiful light and heat from the sun.

Advantages of Green Banking:

Every concept has both advantages and disadvantages. Advantages and disadvantages are like two faces of a same coin. But the advantage ratio is higher than disadvantages ratio. By comparing both the advantages and disadvantages we get Green Banking concept has more benefits. Some of them are as follows;

- The Bank expenses are reduced by Green Banking Services.
- It saves the time and energy of the customers as they need not be visit their bank for transaction.
- It helps the customer to get funds at any time at any place without delay.
- Transfer of fund and payment of bill can be made easily through services of green banking without any wastage of time.
- Credit card and Debit card provides discount facilities to the customer

III. FINDINGS

Table 1: Awareness about Green Banking

Particulars	No. of Respondents	Percentage
Friends	40	40%
Newspaper	30	30%
Internet	10	10%
Television	20	20%

N=100

Above table shows the awareness of green banking among various sources such as 40% of friends, 30% in newspaper, 10% from internet and others from television

Table 2: Awareness of customer towards Green Banking Services

Particulars	Aware	Not Aware
ATM Banking	95%	5%
Mobile Banking	82%	18%
Online Banking	75%	25%
Debit and Credit Card	72%	28%
Solar Energy	37.5%	62.5%

Above table shows that awareness about green banking services in U.K District. In this table ATM Banking facility is aware in 95% respondents and remaining 5% are not aware about it. Mobile Banking is aware in 82% and 18% are not aware. Online Banking is aware in 75% respondents and remaining 25% are not aware about it. Debit and Credit card is used by 72% and rest of 28% are not aware. Solar and Wind Energy is aware in 37.5% and remaining 62.5% are not aware about it in U.K District.

Table 3: Response regarding not using Green Banking Services in U.K District

Particulars	Reactions	
	Yes	No
Lack of operating knowledge	20%	80%
Awareness about GB services	75%	25%
Waste of time	50%	50%

With reference to above table it is opined that for the reason of lack of operating knowledge 20% respondents are not using Green Banking services in U.K District. The ratio of awareness is 75% and rest of 25% is not aware about it. 50% respondents are wasting their time.

IV. SUGGESTIONS

Many commercial banks in U.K district adopted green banking strategies to improve the economic condition. This study tells us that the banks are implementing many factors. This study reveals the some advices to banks.

- Every bank should know the features of green banking service to implementing U.K district
- Banks should give proper knowledge regarding green banking to the customer
- Proper training should be given to the banker regarding green banking
- Extent the green baking facilities to rural branches in U.K district
- Mainly bank should focus on green banking infrastructure available in U.K district
- Bank should give more finance to the environmental friendly projects and aware about social responsibility services
- Bank should encourage the customer to proper and effective way about green banking products like ATM, online banking, mobile banking etc.
- RBI should take necessary steps regarding green banking to all its branches.

V. CONCLUSION

Banks are playing major role in environmental sustainability. 'Go Green' is an organization that creates awareness and consciousness among bankers as well as customers towards nation and society. All the transactions are done by adopting credit card, go green mortgages and also online banking. So the green banking avoids as much as paper transaction. Green Banking creates awareness to industrial and business people about social responsibility and eco-friendly business practices. Since green banking leads to less dependent on paper transaction and main purpose is to improve the environmental condition. The bank should invest on constructive project not in destructive project.

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