

GREEN BANKING: AN ANALYSIS ON SUSTAINABLE PATH FOR GREEN EARTH

NAVNEET SHARMA^{1*}, Dr. R. K. TAILOR², Dr. VIJAY SINGH RATHORE³

¹Research Scholar, Suresh Gyan Vihar University, Jaipur, India.

²Sr. Asstt. Professor, The IIS University, Jaipur, India.

³Director/Professor, Shri Karni College, Jaipur, India.

*Corresponding Author, email:skismat@gmail.com

Abstract-Change is the need to survival in all spheres of life. The world has seen much focus on economic progress. But Due to unusual weather pattern, rising greenhouse gas, declining all quantity etc society demands that business also takes responsibility in safeguarding the planet, and mankind has to be made proper giant steps in time. The side effects of the development process have, however, also been equally enormous loss of biodiversity, climatic change, environmental damage, etc. In operation towards the Green Economy concept, the three aspects of sustainable development that are environmental, economic and social should be incorporated, to obtain a multi-dimensional outcome. Bank is also not the exception for this. green initiatives sweep across the globe, more and more financial institutions are now coming to green operations. In the current Indian economic climate banks will have to develop a series of initiatives in order to reduce environmental impact. Green Bank looks at green banking in three areas - operational, technological and client acceptance. banks are considering the environmental friendly solutions and trying to do more environment free impact through their own internal operations, in this paper we have discussed and analysis different areas of service and different aspects of using banking operation for environment saving concepts and find out the ways to Go Green through 'Green Banking'.

Keywords- Green Banking, Green Earth, Sustainable Path.

INTRODUCTION

In the present business world every human being having no time for completion of his work either it is related to his personal life or his business life. He want everything in quick & fast in near the approach. If we concentrate the scenario of banking sector, it can be classified into the variables and functionality of banking activities. Generally, these types of activities are combination of personal, social, economical and environmental issues. In the banking sector, "The Concept of Green" has been developed for the welfare of earth as well as benefits to the customers. With the view of customers, the green banking has been launched to increases the business with heavy customer satisfaction and environmental welfare. The green banking emphasis on paper less work. It includes credit card, debit card,

online payment, online statements and EDI transactions.

FEATURES OF GREEN BANKING

Following are the main features of green banking:

1. It motivates the paperless working.
2. Paperless statements are only the beginning. Green banks, a growing segment of the financial industry, aim to improve the environment through operations and services - everything from recycled paper checks and LEED-certified buildings to better loan rates for buying an energy-efficient house or hybrid car.
3. It encourages consumers to move away from mega banks for both environmental and social goals.

4. So far that includes eco-conscious perks like recycled plastic debit cards and a free EV charging station in the parking lot; as well as bank branches retrofitted with reclaimed and recycled materials. Already the account-opening process is relatively paperless and Green Bank hopes to develop a paperless loan.

STEPS IN GREEN BANKING

Following are some of the steps that can be taken for going green in banking:

Go Online: Online banking is the developing thought in young and corporate India. Online banking helps in additional conservation of energy and natural resources. It includes:

- Paying bills online,
- Remote deposit,
- Online fund transfers and
- Online statements

It creates savings from less paper, less energy, and less expenditure of natural resources from banking activities. Customers can save money by avoiding late payments of fees and save time by avoiding standing to queues and paying the bill from home online.

Use Green Checking Accounts: Customers can check their accounts on ATM or special touch screens in the banks. This can be called as green checking of account. Using a green checking account helps the environment by utilizing more online banking services including online bill payment, debit cards, and online statements. Banks should promote green checking by giving some incentives to customers by giving higher rate of interests, waiver or discount in fees etc.

Use Green Loans for Home Improvements: The Ministry of Non-renewable Resource in

association with some nationalized and scheduled banks undertook an initiative to go green by paying low interest loans to the customers who would like to buy solar equipments. The rate of interest is as low as 4% p.a. Before you undertake a major home improvement project, study if the project can be done in an eco-friendly manner and if you might qualify for a green loan from a bank. Green loans are perfect for energy-saving projects around the house.

The new Green Home Loan Scheme from SBI, for instance, will support environmentally friendly residential projects and offer various concessions. These loans will be sanctioned for projects rated by the Indian Green Building Council (IGBC) and offer several financial benefits – a 5 percent concession in margin, 0.25 percent concession in interest rate and processing fee waiver.

Power Savings Equipments: Banks can directly contribute to controlling climate change and as an initial step they intend to start a campaign to replace all fused GSL bulbs, in all owned premises offices and residential. Banks can also make a feasibility study to make rain water harvesting mandatory in all the Bank's owned premises. In December 2009 Indusind Bank inaugurated Mumbai's first solar-powered ATM as part of its 'Green Office Project' campaign titled 'Hum aur Hariyali'.

A new study by PricewaterhouseCoopers (PwC) commissioned by the Indian Banks Association (IBA) and The Climate Group confirms that India's leading banks are recognizing and seizing opportunities in an emerging low-carbon economy.

Energy Star rated computers, equipment and appliances should be purchased for new and replacement electronic devices.

Use Green Credit Cards: Some of the banks introduced Green Credit Card. The benefit of

using a green credit card is that banks will donate funds to an environment-friendly non-profit organization from every rupee you spend on your credit card to a worthwhile cause of environment protection.

Save Paper: Bank should purchase recycled paper products with the highest post-consumer waste content possible. This includes monthly statements, brochures, ATM receipts, annual reports, newsletters, copy paper, envelopes etc. Whenever available, vegetable-based inks are used instead of less environmentally friendly oil-based inks.

The State Bank of India (SBI) on launched its 'Green Banking Policy' in the Bengal circle. Aiming at paperless banking, the SBI has selected four of its branch in Kolkata and Howrah to introduce Point-of-Sales (POS) terminals, Suriender Kumar, chief general manager, Bengal circle, SBI, said, "We want to contribute in cleaning our environment. The plan to introduce POS terminal is to ensure paperless banking. Customers can deposit as well as withdraw cash from these terminals. The SBI has planned to introduce five lakh POS terminals across the country in next three to five years to serve customers without using papers".

Use of Solar and Wind Energy: Using solar and wind energy is one of the noble cause for going green. State Bank of India (SBI) has become the first bank in the country to venture into 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.

According to SBI chairman OP Bhatt "SBI

planned to install an additional 20 MW capacity of windmills in Gujarat soon and touch 100 MW power generation through windmills within five years. At present, the bank consumes 100 MW of power per year. So, we will try to be energy neutral and reduce our carbon footprints".

Mobile Banking: Mobile banking is tricky. On the one hand, it is great to have the ability to check balances, transfer funds or pay bills from you phone. One the other hand, it saves time and energy of the customers. It also helps in reducing use of energy and paper of the bank. Most of the Indian banks introduced this paper-less facility.

CONCLUSION

In this paper we have tried to brief the concept of green banking and it's impact in current scenario. Many "green" financial products and services, reviewed above, either remain in the stage of development/implementation or data related to their success/failure has not yet been generated or reported. Using green banking we can save lot of environmental things in financial activities. We are Looking forward for more quantitative and qualitative track records emerge for these products to save the environment and earth using green banking products. As environmental understanding and awareness grows in India, so there will be the demand for products and services aimed to facilitating the advancement of environmentally sustainable lives, livelihoods and communities. At the same time, this demand will also expose new business opportunities, while leading to an increased diversification of products and services for environmental savings using green banking. Consequently, organizations that have the foresight and capacity to tap into this desire by consumers to affect positive environmental change will likely experience widespread benefits; from improved corporate image to

increased growth and competitiveness in the marketplace. Given their intermediary role in the economy toward sustainable development in green banking.

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