EXECUTIVE SUMMARY

*Green banking* is a step to change client habits in the banking sector for the sustainable development in future. Online banking is the easiest way to green banking. It is paperless banking which will reduce the cost of banking activities. In December 2007, RBI issued a circular (RBI 2007-2008, 1216) highlighting the importance for bank to act with responsibility and contribute to sustainable development so that the impact of global warming can be reduced with the help of banking industry. Green banking means to promote environment friendly practices and to reduce the carbon footprint from banking operation.

Green banking is a proactive way of future sustainability, however, banks in India are running behind their counterparts from developed economies. They have started adopting green practices, but their impact on the environment is still catching up. Number of banks had promised about investing in green businesses and dropping their greenhouse emissions, but growing business in the banking sector meant more employees working in the well-lit offices around the clock on more computers, demanding more electricity, often created by burning coal and more air travel which are some of the key sources of global warming.

India was far behind from other countries like China and Mexico in introducing and applying the concept of Green Banking. No initiatives were taken by the Indian banks to formulate the green concept in the society. The authors made clear that to attain sustainable development in the country imparting education and creating awareness was necessary. There are only small group of banks in India that lead in environment aspect. Some researchers researched on public as well as private
sectors which reveal that public sector banks have taken more initiatives as compare to private sector. The studies also state the initiatives taken by Indian banks in respect of environment sustainability.

On the contrary, other countries were quick to spread the concept of Green Banking. Several guideline and regulations were issued by the banks towards sustainable environment which were implemented properly. Bangladesh, Brazil, China, Mexico and Turkey are some of such countries where Green Banking stretched rapidly.

Bangladesh Bank was the World’s first central bank, which had proper knowledge on Green banking. All reputed banks in Bangladesh made their own set of rules and regulations to protect environment pollution and to lend money to those industries linked with renewable resources. Customers were provided with online-banking facilities covering money transfer and bills payment. Even the farmers were secured against any natural calamities. Green Banking in Bangladesh reduced the use of paper and promoted eco-friendly practices like solar energy etc.

Secondly, Brazilian Banks were among the earliest banks to sign up to the Equator Principles. They used voluntary banking standards distribution of funds for environment issues representing a social consideration into bank lending. According to the studies more than 11% banks want to lend the money to the “new energy”. Thirdly, in China the central government had created a national policy framework encouraging the adoption and expansion of green credit, a concept which encourages Chinese banks to consider environmental aspects like pollution, health, safety of people into their lending practices. China’s effort to greenify its financial sector has
already produced some of the most innovative green finance policies in the world in comparatively short amount of time.

Other countries like Indonesia and Turkey made heavy investments to implement the concept of Green Banking. Their green growth efforts were motivated by the government’s dedication. In conclusion, all major countries around the globe are attempting to design a green financial system to ensure the long-term sustainability of the country’s economic development.

Several Indian banks like SBI, ICICI, HDFC and Axis have started to realize the importance and they are taking up various GREEN BANKING initiatives, like promoting e-banking activities, spreading awareness and educating people in the respective field. Banks, in India, have started various green banking initiatives. These initiatives bring easiness to the customers and also help the banks in reducing their overall cost of services. It is not practical to evaluate green banking initiatives taken by all the banks in the state of Rajasthan. Therefore, the current research study is focused to evaluate the perception and opinion of bank employees and customers of selected Public and Private Sector Banks and to comparatively study the issues and challenges regarding Green Banking in aforementioned banks.

India should create more awareness and impart education to the citizens regarding Green Banking. Powers saving equipment, Green Credit Cards, Paper Saving Mobile banking are a few steps proposed to improve the current situation. All the banks in India should stress upon green mortgage loan to support the renewable resources and environment.
It can be concluded that banks are taking new initiatives and promoting different green banking products. Bank should also adopt environment friendly practices that ensure the efficient use of resources. Banking employees should consider the green banking initiatives as primary work. Banking sector is the backbone of the country. So it’s important for the banking sector to recognize its responsibility as a global corporate citizen.

The current research study (thesis) is framed into following Chapters / Segments:-

CHAPTER -1: INTRODUCTION

This chapter elaborates upon the introductory aspects of the research study. It throws some light on the present banking system in India, specifically the present status and prospects of Green Banking. Background of the research is explained to justify the need of research. Problem statement with proposed set of research is also provided in current study.

CHAPTER -2: LITERATURE REVIEW

This chapter is based on the prior art and the problem statements, challenges and proposed original work in the area in past years. The aim of this chapter is to provide the reader with a literature review concerning overarching the research area and the topic selected for the present research. This chapter is further subdivided into four sections, namely, relevant studies in Indian Context, Relevant studies in International Context, Key observations from research studies and Research gap analysis. The researcher is trying to find out the gap between earlier researches published and unpublished research work.
CHAPTER -3: RESEARCH METHODOLOGY

The design of any research project requires considerable attention to the research methods and the proposed data analysis. Within this section i.e. chapter III, researcher has attempted to provide some information about research design for the current study. The current chapter elaborates the basic overview of the research methods portion of research proposal and then some data collections methods and methods were used for templates for different types of research designs. Some variables which are correlated with the objectives of the research are discussed in current research chapter.

CHAPTER -4: DATA ANALYSIS AND INTERPRETATION

In this chapter, various factors related with the respondents’ views are analyzed. The universe of the study is Public and Private Sector Banks of Jaipur, Rajasthan. Therefore, primary data has been collected by personally visiting the select branches of Public and Private sector Banks of Jaipur, Rajasthan area and interacting with Customers and Employees who acted as respondents. Before conducting the investigation, the investigator introduced herself and well-versed the respondents that their partaking is completely anonymous, voluntary, and private. They were also assured that they could ask questions if they face with any complexity. Respondents from both Public and Private banks were also asked some scheduled interview questions and their views on the topics were noted. The current chapter elaborates the significance of various statistical tests that are applicable to the study. To strengthen the logics involved in the research and to justify the hypothesis related with the current study, various supporting data are also discussed in the chapter.
CHAPTER -5: CONCLUSION AND SUGGESTIONS

This chapter serves as the final summary of the results that came out of analysis in reference to the overall research problem as the base. The conclusion aims to reframe that the theory and hypothesis which were gathered for the research are implemented with correct grounds. All measures had been taken to find the consistent solution to the research problem under study. The chapter also states that the data collected and statistically examined is empirical data. This chapter also elaborated recommendations for various stakeholders of banks.