Research Paper | E-ISSN NO : 2455-295X | VOLUME : 10 | ISSUE : 3 | SPECIAL ISSUE MARCH-2024

A STUDY ON GREEN BANKING IN SBI WITH SPECIAL REFERENCE TO MADURAI CITY

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ABSTRACT:

Green banking is indeed a crucial aspect of the banking sector, especially in the context of addressing environmental concerns like global warming and climate change. The Reserve Bank of India's circular in 2013 regarding green banking highlights the importance of sustainability in banking practices. State Bank of India (SBI) stands out for its remarkable initiatives in implementing green banking. Studying the green products offered by SBI and analysing customer perspectives on green banking can provide valuable insights into the effectiveness and acceptance of such initiatives. Understanding the awareness, benefits, and satisfaction levels of customers regarding green banking can further enhance its implementation and impact in the banking sector.

KEYWORDS:

GREEN BANKING, SUSTAINABLE BANKING, GREEN PRODUCTS, PAPERLESS BANKING, CUSTOMER.

1.1 INTRODUCTION

A study on green banking at SBI with a focus on Madurai City is indeed timely and significant, particularly in the current global climate where environmental sustainability is a pressing concern. By examining how SBI's green banking initiatives are perceived and utilized in Madurai, you can shed light on the practical impact of these initiatives at a local level. Understanding the effectiveness of green banking practices such as paperless banking, investment in green projects, and technological advancements can provide valuable insights for both the banking sector and environmental conservation efforts. Your study has the potential to contribute valuable knowledge to the field of green banking and its role in sustainable development. It is changing the stakeholders' mind sets and habits about environmental issues. Green banking involves environmentally friendly practices and policies, social responsibilities, and innovative green financial products and services to reduce carbon footprints and minimize waste. It is a smart and proactive way of thinking with a vision of future sustainability.

1.2 STATEMENT OF THE PROBLEM

Today, the entire world is facing many challenges due to environmental issues. Currently, we are facing a lot of environmental problems like pollution, global warming, natural resource depletion, natural disasters, waste disposal, climate change, nuclear issues, loss of biodiversity, deforestation, ozone layer depletion, acid rain, and many more that affect every human, animal, and nation on this planet.

Around the world, different environment-concerned groups are playing their role in creating awareness among the people as to how their small actions, when combined, can play a huge role in the protection of the environment. Apparently, due to climate change, unusual weather patterns, a decline in air quality, rising greenhouse gases, and pollution, society demands that businesses also be concerned about safeguarding the planet. Public concern for the environment has been increasing noticeably in the last few decades. Banks hold a unique position in economic development that can affect business and production through their financial activities. Green banking not only improves business standards but also contributes to the E&S responsible behavior of industries.

1.3 REVIEW OF LITERATURE

The review of literature of the past research studies on the subject are discussed in this section to as certain to what an extent studies on green banking in SBI.

Parasuraman and Dr.N.Sathiya (2018) concluded that banks and FIs are not concerned in their own environmental operations. This situation is now changing, and banks are gaining pace to revise their role and interest in this respect. The financial systems are aligning with a global environmental regulatory for sustainable future.

By aligning, the financial services will contribute to stabilizing the financial system. There is a rising trend in the awareness among the people in the banking sector that environment brings risk and opportunities. On the risk side, the bank has to focus on project risk assessment and internal environmental care like paperless and e-banking service.

Opportunities side, investing money towards environment-friendly projects, renewable energy resources, energy saving equipment's, and pollution control projects and technologies. Both risk and opportunities are now becoming a recognized element in the banking sector towards the environmental sustainability.

Brundtland and Schmidheiny (1992) sustainable development stands at the center of a global economic, technological, social, political and cultural transformation that helps to redefining the structures of what is possible and what is desirable. Also, they suggested that four principles of process change; I. the need for a better balance between traditional nations of economic progress, II. The maintenance of environmental wealth and natural capital, III. The need to improve intra-generational and inter-generational equity in terms of economic and environmental wealth, IV. The need to Work-out them earning of sustainability in ways that are meaningful and relevant locally as well as globally.

Michael Hit (1998) Concluded that in 21st century, the organization success would be depending on flexible structured strategies, developing human and natural capital, building core dynamic competencies, exercising leadership, adopting new organizational structure, updating and utilizing the technologies, culture and managing environments. Therefore, it is high time that financial sector has to take some additional responsibility towards these strategies to achieve the effective control and sustainable development, stated.

Thomas Gladwin (1992) it is essential to establish the 'green policies' in the primary stage of the organization. Green policies include socio cultural aspects of human existence, effective environmental policies, profit maximization, reflecting interest and preference on non-human species, stated

1.4 OBJECTIVES OF THE STUDY

The following are the importance objectives of the study

- ❖ To measure the Socio economic profile of the customers.
- ❖ To analyze green banking awareness among the customers.
- ❖ To offer many suggestions based on the research findings.

1.5 RESEARCH DESIGN

The present study entitled as A Study on Green Banking in SBI with Special Reference to Madurai City". The convenient sampling method was used by the researcher for selecting the respondents with the help of interview schedule.

1.5.1 METHODOLOGY

The data for the study have been drawn from both primary and secondary sources.

1.5.2 SAMPLE SIZE

100 respondents were chooses for the study.

1.5.3 TOOLS FOR RESEARCH

For analyzing the data simple percentage analysis was applied.

1.6 DATA ANALYSIS

This analysis focuses on the demographic profile of the respondents, problem in average green banking facilities and sources of knowledge about green banking were analyzed.

DEMOGRAPHIC PROFILE OF THE CUSTOMERS

Under this section, the following parameters are taken into consideration; namely, Gender, Age, Education, and some other observation of the customers. The interpretation of the data is given under each table.

TABLE: 1

DEMOGRAPHIC PROFILE OF THE CUSTOMERS

S. No	Variable		No of respondents	Percentage
1.	Gender	Male	51	51
		Female	49	49
2.	Age	18 - 30	55	82
		31 - 40	34	38
		40 & above	11	11
3.	Educational Qualification	Up to HSE	27	27
		Under Graduate	37	37
		Post Graduate	25	25
		Others	11	11

Source: Primary data

The above table show that out of the total sample 100 respondents, 51 percent of the respondents were males and 49 percent of them were females. It can be seen that majority of the respondents were males. After dividing the respondents on the basis of gender, they are further divided according to their age, in this 55 percent of the respondents came under the age group of 18 to 30 years and only 34 percent of the were in the age group of 31 to

40. Based on the education, 37 per cent are under graduates followed by post graduate 25 percent.

TABLE 2

PROBLEMS IN ACCESSING GREEN BANKING FACILITIES

S. No.	Preference	Number of Respondents	Percentage
01	Access Issue	38	38
02	Lack of Knowledge	19	19
03	Unawareness	23	23
04	Operational Complexity	8	8
05	Any others (please specify)	12	12
TOTAL		100	100

Source: Primary data

The above table shows that 83 percent of the respondents have access issue, 19 percent of the respondents have lack of knowledge, 23 percent of the respondents have unawareness and the remaining 8 percent and 12 percent of the respondents have operational complexity and any others (please specify). It is concluded that majority of the respondents have access issue.

CHART: 1

PROBLEMS IN ACCESSING GREEN BANKING FACILITIES

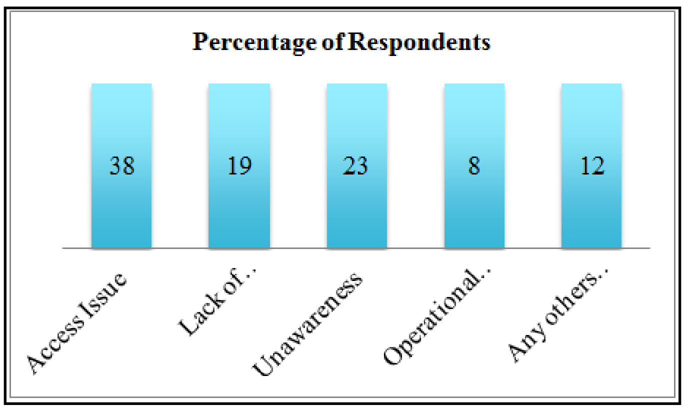


TABLE: 3

SOURCE OF KNOWLEDGE ABOUT GREEN BANKING

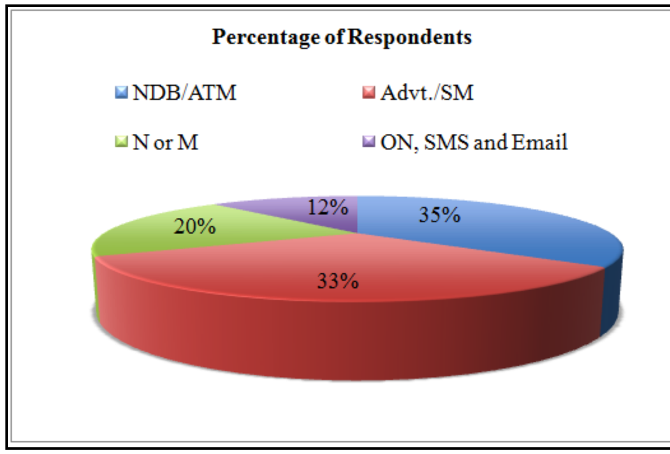
S. NO	SOURCE OF KNOWLEDGE	NUMBER OF RESPONDENTS	PERCENTAGE
01	Notifications Displayed in Bank and ATM	35	35
02	Advertisement\Social Media	33	33
03	Newspaper/Magazines	20	20
04	Online Notifications, SMS and Email	12	12
TOTAL		100	100

Source: Primary data

The above table shows that 35 percent of the respondents have notifications displayed in the bank and ATMs, 12 percent of the respondents have online notifications, SMS and emails, 33 percent of the respondents have advertisements and social media and the remaining 20 percent of the respondents have newspaper and magazines. It is concluded that majority of the respondents have notifications displayed in the bank and ATMs

CHART: 2

SOURCE OF KNOWLEDGE ABOUT GREEN BANKING



FINDINGS

- 51 percent of the respondents are male.
- 55 percent of the respondents fall in the age group of 18 to 30 years.
- 37 percent of the respondents are bachelor's degree holders.
- 38 majorities of the respondents have problem in access issue.
- 35 percentage of the respondents have got source of knowledge through notification displayed in bank & ATM

CONCLUSION

All over the world green banking is gaining popularity. Green banks might not be a good profit-oriented business avenue, but certainly they have a great potential to make substantial profit and gain market share in future. Indisputably, green banks are really a good strategy for people to gain more awareness about the environment and make our surroundings a better place to live. The concept of 'green banking' in India is not too popular and the banking sector in India have not yet widely started initiatives at high levels. It is evident that banks in India and FIs are still lacking a lot as compared to their foreign counterparts. In fact, they can play a dynamic role in maintaining the sustainability of a country. Now it is India's turn to take strict and sound measures to spread the principles of green banking.

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