

BANKING TRANSFORMATION THROUGH GREEN BANKING IN INDIA , THEIR EFFECTS AND IMPLICATION OF KODAGU DISTRICT

RUDRAKUMAR M M
RESEARCH SCHOLAR
P G DEPARTMENT OF COMMERCE
MANGALORE UNIVERSITY

ABSTRACT

This paper suggests the banking transformation through green banking and how this transformation has a greater implication and effects in kodagu district. Today Indian banking has undergone a tremendously transformation moving forward from manual to technological leading position. Today a consumer can go to an ATM across locations, operate the bank account through web, call a customer service centers for queries and never need a visit to branch for banking transactions. On account of demonetization of 500 and 1000 rupee notes the banks and the customers were involved in acceptance and exchange of currencies. During this all the banks were overcrowded in kodagu district and now people are adopting themselves to the green banking technology. Even if the banking transactions become easy, people are not accepting the modern banking technology rather than using ATMs. This shows that even if there is Digitization people look back the disadvantages and the fraud which might occur due to green banking technology.

KEYWORDS: Banking, Demonetization, Technology, transformation, Digitization.

INTRODUCTION

Banking sector is considered as the key element for today's sustainable development and is environment friendly. Environmental impact of banks is not physically related to their banking activities but with the customer's activities. Today a larger transformational change is taking place in banking sector. Demonetization process has lead the people to use the technology for their banking transactions.

Although banks are considered environment friendly and do not impact the environment greatly through their own internal operations, the external impact on the environment through their customers activities is substantial. "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. To aid the reduction of external carbon emission, banks should finance green technology and pollution reducing projects.

Digitization has brought a major change in the minds of people particularly in kodagu district. People are adopting themselves to the banking technologies but still there are some loopholes which may lead to the failure of digitization process. ATMs have been widely adopted but the level of adoption of other electronic banking means despite their potential are yet to pick in a big way.

REVIEW OF LITERATUTE

Green Banking aims at greener and a clean future. From the primary survey conducted we found that surprisingly even those people who are using online facilities provided by their banks nearly 60 percent of them are unaware of the term Green Banking. They find that among those who are aware of Green Banking

term consider it mainly related to online bill payment and cash deposit system. Other Green Banking aspects like Green CDs, solar powered ATM, bonds for environment protection are among few of which consumers are not aware of. The attempt to analyze the awareness of green initiatives by bank specially E-Statements, Net Banking and Green loans is also done. The major obstacle in Green Banking is the technical issues involved followed by lack of education.

OBJECTIVES OF THE STUDY

Following are the main objectives:

1. To know the green banking implications in Kodagu district.
2. To know the impact of demonetization.
3. To know the awareness and implication of banking technology.
4. To know how far the digitisation is implemented.
5. To provide some findings and suggestions based on the study.

RESEARCH METHODOLOGY

For the purpose of study both Primary data and secondary data has been collected. Primary data has obtained through distribution of questionnaires and secondary data which consist of books, journals, websites etc.

LIMITATIONS OF THE STUDY:

- Time limitation
- Study is limited to Kodagu district .
- Study confines only to 100 respondents.

STEPS IN GREEN BANKING

Following are green banking steps of Indian Banks:-

- **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.

- **Power Saving Equipment:-**

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 areas. 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".

- **Going Online:-**

Online banking is a new and fast-developing concept in young and corporate India. It helps in conservation of energy and natural resources.

Online Banking incorporates:

Paying bills online

Remote deposit

Online fund transfers

Online statements.

Online savings account and mobile banking is the easiest way to do your bit to bank green and help the environment. Online banking 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. These are also highly effective ways to keep track of your finances and to avoid late payment fees. 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.

- **Using 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.

- **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 those customers interested in buying solar equipment. 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 loan are perfect for energy-saving project around the house. For example, the new Green Home Loan Scheme from SBI 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.

- **Saving 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.

- **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.

- **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.

DATA ANALYSIS :

The survey results are as follows:

1.0 Inclusion in Banking activities.**Table 1.0**

Age	Frequency	Percentage
15-25	08	08
26-35	32	32
36-45	16	16
46-55	24	24
55 above	20	20
Total	100	100

Table 1.0 shows the inclusion of people in banking activities.

2.0 Qualification of the respondents.**Table 2.0**

Particulars	Frequency	Percentage
SSLC	14	14
PUC	20	20
Degree	40	40
PG and above	26	26
Total	100	100

Table 2.0 reflects the qualification of respondents. Majority of the respondents are Degree holders

3.0 Type of bank account used**Table 3.0**

Particulars	Frequency	Percentage
SB Account	58	58
Current Account	12	12
FD Account	19	19
Recurring Account	23	23
Total	100	100

Table 3.0 shows the bank account used by customers in different banks. Majority are S B a/c holders

4.0 Frequency of Transaction**Table 4.0**

Particulars	Frequency	Percentage
Daily	21	21
Weekly	40	40
Monthly	17	17
Quarterly	10	10
Yearly	12	12

Total	100	100
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Table 4.0 reflects the frequency of transaction used by the respondents as per their convenience.

5.0 Acceptance of Demonetization

Table 6.0

Particulars	Frequency	Percentage
Yes	68	68
No	32	32
Total	100	100

Table 5.0 shows the acceptance of Demonetisation policy by the people of Kodagu district.

6.0 Problem faced by respondents due to Demonetization

Table 6.0

Age	Frequency	Percentage
15-25	12	12
26-35	38	38
36-45	16	16
46-55	14	14
55 above	20	20
Total	100	100

Table 6.0 depicts the problem faced by the respondents for the exchange of notes.

FINDINGS

1. People aged between 26- 35 are more indulged in banking activities.
2. Majority of the banking transactions are made by the respondents who are graduates.
3. SB Account is widely used by the people when compared to other types of bank accounts.
4. 22 percent of the transactions are carried out in a daily basis as per the convenience of the respondents for making the payment.
5. Most of the people accept the process of demonetization.
6. 30 percent of the people aged between 26-35 have faced problem due to the demonetization effect while exchanging their notes.
7. Most of People prefer Mobile Banking as it is very convenient them to transact through mobile phones.
8. Majority of the online transactions are made for shopping purpose.
9. Uses of debit card for making payments have been increased after the demonetization process.
10. Even if the online transactions are been accepted widely some people prefer to visit banks for their banking transactions.

SUGGESTIONS

1. Lack of knowledge is the main reason behind the use of banking technology.
2. Measures have to be taken in order to help the people in order to exchange the notes.
3. Fraud transactions have to be controlled through proper monitoring and immediate actions has to be taken in case of such transactions.

4. Online banking awareness has to be created so as to make each individual to be included in the banking activity.
5. Safety should be given priority while making the debit card transactions.
6. The fear of fraud taking place in the online transactions has to be minimised in order to increase the banking activities go green.

CONCLUSION

Banks provide a platform to perform our day to day activities. After the demonetization effect people are slowly moving to the world of digitization and yet in a world of transformation. Green banking concept is slowly achieving popularity and the day is near where there is a revolutionary change in banking transactions and a formation of paperless society.

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