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## **Adopting Green Banking**

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### **Abstract**

*Green banking avoids as much paper work as possible and rely on online/ electronic transactions for processing so that we get green credit cards and green mortgages. Less paperwork means less cutting of trees. Present study is taken to understand what is green banking and how it helps to save our environment. For that purpose some suggestions are given in the present research paper how to implement green banking concept in normal banking.*

### **Introduction**

Green banking aims at improving the operations and technology along with making the clients habits environment friendly in the banking business. It is like normal banking along with the consideration for social as well as environmental factors for protecting the environment. It is the way of conducting the banking business along with considering the social and environmental impacts of its activities. Green banking means promoting environmental friendly practices and reducing your carbon footprint from banking activities. It comes in many forms like:

- Using online banking instead of branch banking.
- Paying bills online instead of mailing them
- Opening up accounts alt online banks, instead of multi branch banks.

The first green was state bank of India(SBI), India's largest commercial bank, who took initiative in setting high sustainability standards and completed the first step in "green banking" with shriO.P.Bhatt, chairman, SBI, Inaugurating the bank's first wind farm project in Coimbatore. After that green bank initiative include ATMs, paperless banking for customers and building of wind mills in rural India.

### **Objectives:**

- 1) To understand the concept of Green banking.
- 2) To suggest ways for implementing Green Banking

### **Research Methodology:**

The research methodology used in this study is based on secondary dataThe study examines major aspects concerned with the Green Banking.

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

1. **Go Online:-** Online Banking includesa. *Paying bills online*,b. *Remote deposit*, c. *Online fund transfers* and d. *Online statements*. It creates savings from less paper, less energy, and less expenditure of natural resources from banking activities.

2. **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. Banks should promote green checking by giving some incentives to customers by giving higher rate of interests, waiver or discount in fees etc.
3. **Use Green Loans for Home Improvements:-** Paying low interest loans to the customers who would like to buy solar equipments. 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. offer several financial benefits –concession in margin, concession in interest rate and processing fee waiver.
4. **Power Savings Equipments:-** 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.
5. **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 nonprofit organization from every rupee you spend on your credit card to a worthwhile cause of environment protection.
6. **Save Paper:-** Bank should purchase recycled paper products with the highest postconsumer waste content possible. This includes monthly statements, brochures, ATM receipts, annual reports, newsletters, copy paper, envelopes etc. Whenever available, vegetable-based inks are used
7. **Use of Solar and Wind Energy:-** Using solar and wind energy 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.
8. **Mobile Banking:-** it have the ability to check balances, transfer funds or pay bills from you phone. As well as 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

Banks are responsible corporate citizens. Banks believe that every small 'GREEN' step taken today would go a long way in building a greener future and that each one of them can work towards to better global environment. Bank should build awareness and consciousness of environment in people Green banking has advantages like avoids as much as paper work, you get go green credit cards, go green mortgages and also all the transactions done through online Banking. To do an environmental friendly business practice. it will make business owners to change their business to environmental friendly which is good for our future generations. This concept of "Green Banking" will be mutually beneficial to the banks, industries and the economy. Not only "Green Banking" will ensure the greening of the industries but it will also facilitate in improving the asset quality of the banks in future.

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