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RRBs In India: Strategies for Sustainable Development

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ABSTRACT

Purpose: Environmental imbalance is a huge topic of discussion all around the world because its vast affects on all the arenas. Due to this important concern, there are financial and economic rewards for monitoring all the environmental issues and tackling them. Banks play avitalrole in decarbonising the economy for a better future. In thisoperative agreement along with the pillarsofhonesty, impartiality, reliability, transparency, social banks are expected to work morally and not take any actions in any way which harm the environment. In this backdrop, the importance of the banking in the rural sector cannot be overlooked as majority of our country is in the villages. Itis rightly stated, “Real India lies in villages and that is where the development should be directed” and the rural economy is the ultimatepillarofthe Indian economy.

Methodology: Survey and interview.

Findings: RRBs were set up with the main motive to guarantee cheap, speedy and ethical acclaim facilities or credit allowances to the basic level entrepreneurs of the villages and to other feebler sections in the same niche. But the arena of RRBs is limited to the areas as advised by the Indian government casing one or more districts in the Indian state. RRBs are jointly owned by the Indian government, the concerned State Government and Sponsor Banks which want to enter the field of social banking. The basic capital structure of RRB is shared by the owners in the proportion of 50%, 15% and 35% correspondingly. The objective of this study is to highlight the Green Banking and sustainable ingenuities being taken by the Indian Regional Rural Banks in terms of credit facilities, awareness, administration, energy efficiency, financial insertion, rural and urban green practices, corporate social responsibility and sustainable development and also to address the gaps prevalent in the economy and provide suggestions as to how one should control the carbonising of the economy by passing of more decrees, legislations and hands-on role that the RBI can take in India to a new ideal for making a greener and vigorous tomorrow.

KEYWORDS Green Banking | Sustainable Development | Rural India | Awareness | Financial Corporate Social Responsibility | Rural Banking

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Introduction

Modern day policies and rules have made it mandatory for the financial institutions to go green and they play a very important role in addressing the environmental and ecological aspects prevalent in a country. The basic operational functions of a financial institution must go hand in hand with the rising concerns about the environment. The benefits of such initiatives will be reaped by the banks and the environment as a whole. It will lead to development of a positive culture where man works in accord to the nature. In the banking sector, sustainable banking comprises the principle of sustainability, moral lending, preservation and energy efficiency. Working with keeping environment in mind assists in cost optimisation, enhancing the assets quality of banks, lowering the risk, improving the reputation and helps in achieving the environment sustainability objective are some of the important aspects of sustainable lending practices. To accomplish this state, markets should be permitted to work in suitable structure of cost friendly guidelines and economic tools. The resources should not be exploited now as earth will not give us another chance. Banks of today are aware about the rising concerns and have created energy efficiency initiatives internally and externally. India is a signatory to Montreal Protocol since 1987. This protocol is designed to protect the ozone layer from harmful substances. India makes money by trading in carbon credits via regulated carbon emission trading schemes.

About 30% of India is rural India spread across hundreds of villages. There exist a few reasons for the current state of the Indian sub rural economy and the debtor which restrict the use of formal lending. Every one of these features must create significant drivers in the organisational progress of financial services in the rural areas. Indians are not as educated as the outside world to understand the socio economic obstacles. Apart from this, the Indian population which does not reside in the urban areas is deep rooted with the cultural ethos and age-old stereotypes.

Problem for banking system:

- The major banks in the rural areas are running into losses. Banks earn money by the mechanism of borrowing and lending money. In the rural areas, formal credit system is looked down upon. People tend to avoid it because of the haste paperwork and formalities. Informal credit prevails in the rural environment.
- High service cost and operational cost to the banks is also a major stigma which reduces the banking growth rate in the rural part. The people of the rural areas do not have the basic knowledge of proper functioning of ATMs and other e-services. As a result, bank needs to employ more physical workforce which leads to higher operational cost for the financial institution.

Rural borrowing may fluctuate and not be fixed in nature due to the hefty necessity in these zones on cultivation and supplementary small-scale events. The ticket size is also very small in these areas. It means that the bank needs more people per branch. Timely availability of funds is essential. The state banks are now promoting the banks of this study. Regional Rural Banks in India is the major investor in different types of lending services in the rural economy. RRBs in India were started with the purpose of enabling the elevation of rural business in India and to eradicate the issues faced by informal lending. The development of the lower sector which is the rural sector is necessary for the development of this country because it accounts for a major share. As the Indian economy is an agrarian economy, the development of this sector would give the economy a healthy boost.

RRBs were started under the requirements and trials of an Ordinance broadcasted on the 26th September 1975 and the RRB Act, 1976 with an aim to safeguard suitable institutional credit for agriculture and other rural sectors. The RRBs act as a channel between the semi urban areas and rural areas. They collect funds from the first and give it to the latter. They assemble financial capital from rural / semi-urban areas and channel it to give to the needy sectors of the villages.

Rural banks function on the basis of rules and regulations of banking business which is the business as prescribed in section 5 (B) of the banking regulation act which was passed in 1949.

The objective of this paper is to map the role of Indian RRBs as regards green and sustainable development issues are concerned.

State of Green Banking in India

In India public as well as private sector banks have adopted the green banking programme for sustainable development and economic development. As part of social initiative and structural thinking about the environment, RBI has issued guidelines for financial institutions to take sustainable steps for increasing the use of internet banking, paper less transactions, elimination of post-dated cheques and gradual phase out of cheques in their daily business hours.

Apart from all these core reasons, climatic change is also a major concern in today's time. India emits 4.6% of the world's carbon-di-oxide. Water shortage is an upcoming major concern in our nation. Indian states like Hyderabad, Chennai and Delhi are predicted to be hit by water shortage in near future. Likewise, various industries set up are also being a major contributor to the degradation of environment. All these industries are heavily dependent upon the banks for their financial needs. Banks in turn become an indirect pollutant of the nature. Banking sector is considered environmentally friendly in terms of the turnout of substances

as waste. Environmental impact internally for the banking sector such as use of energy, paper and water is relatively low and clean. Banking system in India is to be regulated in such a manner that it curbs the needs for indirect harms to the environment.

RRBs are facing fresh stress with additional liabilities because of the new pension scheme and higher gratuity, putting them into risk of eroding capital and ability to lend to the sector which needs attention the most amid farm distress.

Green Initiatives by RRBs

Following are the steps which have been initiated by the RRBs to promote sustainable development:

- Subsidised loans for solar panel installations.
- Setting up women development cell for SHGs.
- Regular e-payment and workshops to be done.
- Promoting ATMs and other net banking services.
- Setting up online Grievance Redressal System.
- Agriculture based speedy insurance claims.

Review Of Literature

The following section contains an extensive evaluation of existing literature. A large number of interviews and researches have been done in the area of green development and sustainable banking in the area of Regional Rural Banks. Jasvir S Sura concludes that the credit creation by the RRBs to foster the growth in rural sector has been slow. The number of branches has been rising but the correct area of growth has not been achieved. Apart from this the set-up of green channels like ATMs, modern equipment and e-banking is upcoming in various branches. ¹ Ghouse says that there is lack of deposit mobilisation in RRBs which is a major hindrance to the sustainable development of the banking institution as a whole. The study states that there are variations in growth of RRBs where the prominent regressive areas such as North Eastern states have been given the slightest importance highlighting discriminatory rules which lead to negative impacts on the society. Hence it is must that obligatory number of branches in remote areas should be opened so that it provides equal opportunities to all areas and income strata of populace. All these areas which are found must have regular workshops to encourage and motivate people to avail to the benefits of e-banking. ² A study by Misra suggests that there is lack of proper coordination between the sponsor bank and the RRB. Both the parties should work hand in hand and uplift the RRB. The loss making RRBs must be changed into sick units and are given straight care of the all the stake

holders, in general, and of the sponsor bank, so as to convert them into profitable undertakings and then the benefits are reaped. If the sponsor bank fails to help the RRB, the sponsor bank can also be changed. ³ Various studies suggest that specific allocations should be made for modernisation. The governing institution must take some active corrective ladders to make Rural Banks viable. Satish, Vibhor along with Poonam say that the RRBs have lack of transparency in their framework which also means that the people cannot rely on modern methods for banking operations. For creating a protective green environment, the banks must be transparent in all its ways and must encourage the customers to adapt to the new ways of banking. ⁴ Dr Pooja says that major losses have been seen in these banks because of the wide services available in the branches. A certain group of services must be made mandatory and specialised which would help the bank in cutting down the costs from non-significant areas to areas of major concern. Banking sector as a whole should be made operational at a sustainable level so that the world witnesses' sustainable growth. ⁵ Mor highlights on standing of hazards supervision and supportable venture guidelines, taking care of discharge exchange and clean and green technologies. ⁶ Rao talks about the performance in different potential areas of Andhra Pradesh Grameen Vikas Bank, which is of utmost importance for the state of Andhra Pradesh, as it provides financial support to the agricultural labours and other businessmen. ⁷ Dash uses case study approach of Triodos Bank and argues that even though the internal operations of the bank do not cause any harm to the environment directly but because of the external firms that use the banking products, the impact is considerable and also holds a lot of share. ⁸ Kalia focuses on the importance of sustainability analysis, shareholder activities and carbon footprint mapping of operations of the financial institution. He also states that sustainability starts from earning revenue but is later extended to creating a name in the society and environment for stakeholders because till the time there is no revenue, losses need to be accounted for. ⁹ Masuku jaman & Aktarin their valuable study about the financial institutions of Bangladesh point out that country is quite slow when compared to its neighbouring states in terms of green banking and sustainable development. The place should focus on sustainable development and should increase the knowledge about e-banking. ¹⁰ Biswas highlights that the Indian banks should merge with the global institutions. it is officious to identify their tasks as global commercial inhabitants as they have noteworthy impact over preservation of brittle social groups and the atmosphere. They must consider their impudence towards responsible lending both countrywide and worldwide and create a customer and atmosphere friendly environment. ¹¹ Meier highlights the impact of expansion study on policy guiding and on the mixed record of successes and failures in promoting development efforts by the regional rural banks. Only government intervention in these areas can help the degraded condition of banks to rise up. ¹² Kandavel



shows that the urge for environment safety when granting credit to various industries should be checked by the banks. Due to this the industrial sector will go for formal loans for environment management.¹³Nayak states that as a situation has an impact on the asset class and productivity of the banks in the long run, the institutions should approve green banking and promote environmental and ecological aspects in the process of lending.¹⁴A study was done by Jeuckenof Europe, North America andOceania from 1998 to 2000.It portraits that 53% of the financial institutionsunderneaththe research had adopted a wary position towards the environmental while majorityof them were obliviousof the role they canplay towards sustainability and being more efficient.¹⁵

This study clearly points out that sustainable development and green banking are the need of the hour. Green development can prevail only if the banks come together and go ahead with it.This study is done to find out the shortfalls in the entire process of green banking along with figuring out various factors responsible for low performance of banks. It showcases the aspects of rural banking as a whole too.

Data and Methodology

For a deep study:

- Structured questionnaire was circulated
- Personal interviews of financial expert's, academicians, ecological experts, entrepreneur, commercial Corporate and bank directors of regional rural banks (RRB's) were conducted across the public and private banks located in India to collect the actual green bank practices in Indian RRBs.

These responses were examined to a high extent for studying the cognizance, consciousness and execution of green banking. Suitable Statistical tests have been used on the data available from questionnaires to test for reliability using

Cronbach's Alpha. Adequacy of the sample was tested using Bartlett's Test Kaiser-Meyer-Olkin (KMO)measure. Other secondary data was collected from the RBI website.

Analysis and Interpretations of Results

A) The following section entails the results of the survey and interview undertaken to achieve the objectives of the study. Adopting green practices and products is the way that financial institutions can bear the business model and can have enduring benefits incorporating climate changes. It encompasses a watchful mix of knowledge and changing client's conducts for perpetuation of the ecological equilibrium. An analysis of the questionnaire to test the adequacy of the sample was done using KMO and Bartlett's Test. High values (in the range of 0.5 and 1.0) indicate factor analysis is apt and suitable. The table underneath displays that at 5% significance level, sample is satisfactory with the value of KMO factor as **0.771**.

Kaiser-Meyer-Olkin Measure of Sampling Adequacy 0.787
Bartlett's Test of Sphericity Approx. Chi-Square 80.399
Dof 15
Sig 0.00
Cronbach's alpha 0.771

The reliability test has been done to degree the consistent items that portion the original hypotheses to check whether the same batch of items would occasion the same responses if the same queries are reorganized and re-administered to the same plaintiffs. Cronbach's alpha reliability index is used to degree the concept adjustable with 0.7 being the suitable value, the sample gives the value as 0.771 which is satisfactory.

Using the One-Sample T Test, population mean is shown significant at 5% significance level.

VARIABLE	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
VARIABLE	15.641	30	0.000**	1.3812	1.1537	1.5216

The results reveal that the data has normal distribution as shown below:

N	MISSING 10	26
Skewness		-1.327
Std Error of Skewness		.460
Kurtosis		.483
Std Error of Kurtosis		.862

Through the revert of the opinion poll, it was found that Indian financial institutions are slowly and gradually adapting the environment friendly policies and methods of working. Almost 100% of them have adopted sustainable practices. Indian banks are being inspired by the international organisations for environment friendly ways. Arab African International Bank has promoted green practices in the UAE region, over its 360° programme. This is made to improve compliance and make people aware about sustainability. The bank was awarded Best Bank for CSR in the Middle East in 2016 by Euromoney, among other honours. Sustainable development is promoted by HDFC Bank at a very high level. Carbon footprint is measured by the bank since 2010 and disclosure of the same is done to the CDP which is an institution in United Kingdom that works with businesses to reveal the greenhouse emissions of various industries.

Social responsibility, environmental benefits and future opportunities are the factors that drive sustainable banking in an external way. For reducing the carbon footprint, organisations need to use their inventory in a very clever way and must adopt the 4Rs of environment. Eco friendly alternatives should also be looked upon. Bankers have given statements where they claim that social banking has implemented their performance.

After the factor analysis, these challenges were recorded in green banking. These have been pointed out by the financial institutions:

- There is extensive competition in the economy, due to this 'Risk of failure of business to competitors' has always prevailed.

- No clear rules by the RBI
- The reporting systems are very harsh.
- Scarce funds for training of workers

The perks of employing sustainable banking can be given out as internal factors and external factors. They are listed as below:

- Increasing the value of the stakeholders and keeping in mind the returns in long run and the profitability.
- Burden from stockholders to invest in the best manner where they are responsible socially as the people are aware about green banking
- Brand building exercise

The survey and meetings lead to documentation of shortfall that need to be looked upon by the regulatory authorities. These are:

- Obligation of rules by the RBI and official agendas
- Sustainable strategies relating to green lending must be adopted by financial institutions.
- Dropping data asymmetry and expansion of platforms where sustainability issues and methods can be discussed
- Training camps should be set up for employees and the customers to let them know about sustainable banking.

B) The following developmental factors are found out in the RRBs:

RRBS	SUSTAINABLE AND GREENING ENDEAVOURS
1) Andhra Pragathi Grameena Bank (Syndicate Bank)	<ul style="list-style-type: none"> • Schemes such as Subsidy-cum-Refinance are started for setting up of Solar Off-Grid and promoting solar energy. • Decentralized submissions under Jawaharlal Nehru national solar mission (JNNSM) leading to development of the solar panels. • 119 branches of this bank are running on SOLAR Energy. • This bank has shifted its focus to e-banking services. • This bank has been awarded for providing the best digital banking services by the Government of India, IBA, Government of Andhra Pradesh, ASSOCHAM, PFRDA, SKOCH.
2) Chaitanya Godavari Grameena Bank (Andhra Bank)	<ul style="list-style-type: none"> • A woman development cell was set up in 2004 and the unit is operative as per the strategies of NABARD to attain the goals of women enablement through SHGs and credit flow to women • Financial Inclusion is a very necessary objective. • The bank has launched its very own mobile application which reduces the customer dependency on the staff and encourages e-banking.
3) Telangana Grameena Bank (State Bank of Hyderabad)	<ul style="list-style-type: none"> • The banking services are advanced now, they enable customers to transact from any place at any given time. • NEFT feature is available at all the branches to reduce the carbon footprint. • Regular e-payments and literacy workshops are held. • Missed call service has been initiated. It enables the customers to get their account information from anywhere by giving a missed call. • Immediate Payment Service has been started (IMPS). It initiates a one second interbank transfer. • The bank has rolled out the E-Commerce service – RuPay ePay to all the customers since 20.06.2017 in co-ordination with NPCI.



4)Saptagiri Grameena Bank (Indian Bank)	<ul style="list-style-type: none"> • 100% core banking is its leading feature. • “Best Bank” is awarded to this bank for SHG Finance in Chittoor district for all the years since its inclusion. • Fully Computerised RRB in the state of Andhra Pradesh thus promoting paper-less banking. • The customers of Saptagiri Grameena Bank can contact the facility of knowing the account balance without visiting to their bank branch as the process is becoming AI oriented.
5)Assam Grameena Vikash Bank(United Bank of India)	<ul style="list-style-type: none"> • Successful collaboration has been done with Brickwork Ratings, it will assign performance and credit ratings to MSME borrowers. • No frills account has been started. • The new level entrepreneurs do not have the adequate resources to convert their ideas into plans and also do not have ample resources to do so. • The government has started project- Sarothi, with AGB bank to help them.
6)Langpi Dehangi Rural Bank(Sbi)	<ul style="list-style-type: none"> • Financial inclusion of the bank • Self Help Groups • The chairman of LDRB has distributed saplings and sanctioned loans to female street vegetable vendors.¹⁶ • MoU for subsidised home loan and education loan has been signed with LDRB for helping the state employees. • LDRB has been awarded Best Performing Regional Rural Bank in Atal Pension Yojana for the Financial Year 2017-18.
7)Arunachal Pradesh Rural Bank (Sbi)	<ul style="list-style-type: none"> • Transferring funds through the NEFT facility all over India is popularised. • Financial inclusion is popularised by the method of no-frills account. • New technologies are introduced with multiple channels to provide banking services in collaboration SBI life Insurance and SBI General Insurance. • Smart village movement has been started as a social initiative by the state government and it aims to collaborate with the state RRB too.
8)Madhya Bihar Grameen Bank (Punjab National Bank)	<ul style="list-style-type: none"> • SMS Alerts Facility • Bihar Gramin Bank is said to merge with Madhya Bihar Gramin Bank. • The bank is working towards- Stand Up India Loan Scheme. • The bank has launched multiple schemes for the benefit of its customers like- MBGB Anupam Scheme, MBGB Sugam Scheme, MBGB Tax Saver Scheme.
9)Uttar Bihar Grameen Bank (Central Bank of India)	<ul style="list-style-type: none"> • Financial Inclusion: Sunhara Sapna program is visualised and practised. • The bank is stirringnear- Gram Chetna. • Gramin Vikas Khata has started which enables the customer to avail the overdraft facility. • For financial inclusion, smart flexi RD accounts have been started.
10)Durg-Rajnandgaon Gramin Bank(Dena Bank)	<ul style="list-style-type: none"> • CBS has been started. • Portability facility for accounts is set up. • Various paper less technology platforms are promoted like NEFT and RTGS. • Women empowerment is promoted through various schemes. • SHG Bank Linkage
11)Dena Gujrat Gramin Bank(Dena Bank)	<ul style="list-style-type: none"> • ATM facility available at Bhiloda and Meghraj Branches in Sabarkantha district and at other distinct areas. • The bank has a very speedy grievance redressal scheme. • Regulator policy is strictly followed here.
12)Himachal Gramin Bank(Pnb)	<ul style="list-style-type: none"> • Self Help Group microfinance is given. • Largest RRB in Himachal Pradesh. • Bank has implemented 100% Core Banking Solution (CBS)which has fully stabilised and is functioning smoothly. • Agricultural insurance, kisan credit card schemes and inclusion of core banking solutions are a major hit for this RRB.
13)Ellaquai Dehati Bank(Sbi)	<ul style="list-style-type: none"> • Scooty Loan for girls and working women so that they can become independent. • Mobile banking is highly stimulated in this RRB. • Mobile Van Banking service has been started which provides door to door banking facilities. • The bank has sorted 1119 insurance claim cases alone till 2015.
14)J&K Grameen Bank(J&K Bank Ltd)	<ul style="list-style-type: none"> • Bank is 100% CBS compliant • The bank has sorted 369 insurance claim cases till 2015. • The IT sector in this bank is growing at a strong pace. • EMV Chip card facility is being brought into existence
15)Jharkhand Gramin Bank(Bank of India)	<ul style="list-style-type: none"> • Gram Shakti has been started with the aim of technological inclusion. • Internet Banking is promoted • ATM cards are issued to promote self-banking. • Vidya loan scheme, home loan scheme- Basera has been initiated. • Micro credit scheme is being revised with less strict rules. • Jan suvidha scheme is created for the betterment of the public.

16)Vananchal Gramin Bank(Sbi)	<ul style="list-style-type: none"> • NEFT Facility (Fund Transfer) • Account Portability Facility • Solar Power Equipment's Finance service • E-payment facilities are encouraged
17)Pragathi Gramin Bank(Canara Bank)	<ul style="list-style-type: none"> • Joint Liability Groups • Financial Literacy is promoted • Aadhaar based merchant application is hurred. • E-lounge is opened which helps to reduce paper wastage and encourage online banking services.
18)Visveshvaraya Grameena Bank(Vijaya Bank)	<ul style="list-style-type: none"> • Providing credit and strong, stable and supportable support to rustic activities over personalized dedicated service with modern knowledge • A Technologically Driven Organisation with Sustainable Viability • Green drive has been initiated by the parent bank and inclusion of RRB is a major component.
19)South Malabar Gramin Bank(Canara Bank)	<ul style="list-style-type: none"> • Micro finance and lending to SHGs • Partnership with Wipro to improve technology driven banking. • Agricultural loans are categorised into numerous forms.
20)Vidharbha Kshetriya Gramin Bank(Central Bank of India)	<ul style="list-style-type: none"> • Gram Ujala (Solar Home Lighting System) • Internet banking has been protracted to the corporate sector. • Free ATM cum Debit card for all the KCC debtors.
21)Maharashtra Gramin Bank (Bank of Maharashtra)	<ul style="list-style-type: none"> • The bank is progressing towards solar energy. • RFP integrated power is being thought on. • Farmers Short Message Information Services
22)Wainganga Krishna Gramin Bank(Bank of Maharashtra)	<ul style="list-style-type: none"> • A program named Swapan purti has been started. • Prakash kiran scheme is one of the most valuable initiatives. • NSTFDC is launched under the micro credit scheme • All the 71 Branches of the Bank are working on CBS (Core Banking Solution).
23)Punjab Gramin Bank(Punjab National Bank)	<ul style="list-style-type: none"> • The bank has been awarded SKOCH FI 2011 by the Skoch Foundation (INDIA) for Micro credit facility. • The government of India has merged three regional rural banks — Punjab Gramin Bank, Malwa Gramin Bank and Sutlej Gramin Bank — into a single regional rural bank. • This bank has most of its branches in sub rural and rural areas. It plays a very essential role in uplifting the standard of living of that population.
24)Pallavan Grama Bank(Indian Bank)	<ul style="list-style-type: none"> • This financial institution has given out co-branded ATM cards to the customers in 2010. It became the first RRB that issued co-branded ATM cards in the country enabling their customers to utilize 1128 Indian Bank ATMs across the country. • For spontaneous updates about bank account, SMS facility has been launched. • Green branches are totally solar enabled. • Introduction of Money Transfer Facility through internet • Internet baking via NEFT is promoted. • To promote sustainability, solar panel installations are given more preference for loans. • Pallavan Grama Bank and Pandyan Grama Bank –are to be merged to form Tamil Nadu Grama Bank.
25)Pandyan Grama Bank(Indian Overseas Bank)	<ul style="list-style-type: none"> • Micro Credit Facility. This bank has been a pioneer in micro credit field by NABARD. • This bank is recognised as the ideal one for hosting exposure visits on SHGs and JLGs.
26)Tripura Gramin Bank(United Bank of India)	<ul style="list-style-type: none"> • NRFIP has been started. It states, National Rural Financial Inclusion Plan. • Amongst the top performing banks in the country. • Net banking is highly encouraged
27)Prathama Bank(Syndicate Bank)	<ul style="list-style-type: none"> • The most essential and widely used bank for micro finance in the state. • Formalities for financial inclusion which are provided for ICT based banking services are recognised for financial incluision as per the government. • Provides special loan for solar lighting in households • Prathama Jyoti Scheme is a massive green initiative by the bank. • Financial Literacy Camps have been started to educate the youth.
28)Paschim Banga Gramin Bank(Uco Bank)	<ul style="list-style-type: none"> • Compliant scheme is launched. • PBGB on boards National Automated Clearing House (NACH). • Villages having population more than 2000 have been chosen fir financial inclusion. • M-passbook capability • Kiosk banking channels



C) Rules laid down by RBI for green practices in the RRBs and for promotion of sustainable development:

- RBI has updated its master direction document on June 9, 2019. The priority sectors under RRBs include renewable energy and social infrastructure. For all the sustainable causes like solar energy, bio mass power generators, non-conventional sources of energy, bank loans are readily available until a certain limit. The limit is Rs. 1 million per borrower for individual households. RBI is taking measures and implementing policies with regard to RRBs and their sustainable development. They also want to reduce indirect pollution that can be caused by banks. The core competencies of banks showcase that they will undertake the path to 100% sustainability in the upcoming years.

Conclusions and Commendations

Public sector banks in India have low budgetary allocation and are not up to date with the green banking initiatives. The banks go ahead with only those norms which are made compulsory by the government but do not take any initiative willingly. It is the need of the hour for all the financial institutions to come together and promote sustainable development. For the RRBs, various RRBs are merged so that together they can function in a better since RRBs are bound by the government norms, they have been faster in adopting to sustainable ways of banking matter and they do not end up as sick units. Indian financial institutions need to realise their importance in the country and adopt green practices. The role of the central bank in providing a sure direction to financial institutions is of utmost importance. More green lending products, improved and ground-breaking service channels, paperless lending, client instruction should be stirred so that insignificant harm is done to the environment and ultimate help is gained in each domain. The study also advises out the trial of trailing business to aristocrat shortage of clear policies on green banking by RBI. This paper also studies the chief drivers internal and exterior that have led to operation of ethical banking and the practices followed by RRBs to implement it.

Commendations

Following are the acclamations from the study:

- The banks ought to espouse worldwide best practices which are used by banks in the developed nations as they can act like a concrete positive example for our nation.
- The role of RBI is primary in formulating policies and rules with regard to supportable development.

- Sustainable practices play an important role in our economy, industrial areas should be put on regular check.
- LEED constructions should be accepted by all the financial institutions where the use of renewable energy generated using solar power, water recycling, sewage treatment plants is encouraged.
- Special loans should be provided for set up of solar panels in businesses.
- Employees should be trained in a better way and sufficient budgets must be there so that the banks develop and speed up the reforms.
- A separate green unit or green cell should be made in every bank to promote green practice.
- Banks should formulate environment risk management guidelines which should be followed for the betterment of the environment.

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Annexure 1

Submission Date	Submission Id	Word Count	Character Count
24-Oct-2019	D61590666 (Urkund)	5741	30988

**Urkund Analysis Result**

Analysed Document: Editorial Excerpt for Ms Nandini Marwah paper (GJEIS).docx (D61590666)
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Sources included in the report:

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Instances where selected sources appear: 1

Reviewers Comment

Review 1: The authors have crafted the paper in a well-structured manner. Both the performance of RRB's and sustainable practices plays an important role in the growth, upliftment and development of any economy.

Review 2: The paper has tried to cover various aspects such as problems for banking system, state of green banking in India, green initiatives by RRB's and others. The use of tables makes the paper more lucid.

Review 3: Review of Literature clearly explains sustainable development and green banking as the need of the hour. Thereby manuscript clearly showcases the aspects of rural banking as a whole.

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Conflict of Interest: Author of a Paper had no conflict neither financially nor academically.

EDITORIAL BOARD EXCERPT At the initial time of submission (TOS) the paper had 25% plagiarism, which on the later stages had been reduced to the 7%, which is an acceptable percentage as per norms of the journal for publication. The article has been modified by the authors (Namita & Nandini) with the preliminary stage remarks and minor revision as suggested by the editorial board and blind reviewers at the successive stages as and when required to do so. The comments related to this manuscript are noteworthy and related to the "Sustainable Development Strategies for the RRB's in India" both subject-wise and research wise. The authors have crafted the paper in a well-structured manner. Sustainable practices play an important role in the uplift of an economy. In India guidelines have been issued by the RBI for financial institutions to follow sustainable practices by increasing the use of Internet and paperless transactions as banks play a vital role in decarbonising the economy for a better future. A larger part of India lives in village. The study has highlighted the importance of green banking and sustainable practices followed by the Regional Rural Banks in the country. All the comments had been shared at variety of dates by the authors in calculation. By and large all the editorial board and reviewers' suggestions had been incorporated in the article and the manuscript had been earmarked and finalized to be published under "Case Study Based Papers" Category.



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