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CHALLENGES AND STRATEGIES OF COMMERCIAL BANKS IN SUSTAINABLE DEVELOPMENT WITH SPECIAL REFERENCE TO TRIVANDRUM DISTRICT

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Abstract

This study examines the significant challenges that commercial banks in the Trivandrum district encounter in relation to sustainable development, as well as the strategic actions taken to tackle these challenges. Banks, as financial intermediaries, have a crucial role in promoting sustainable economic growth through their support of environmentally responsible projects, promotion of social inclusivity, and guaranteeing economic viability. Banks face numerous challenges when it comes to incorporating sustainable practices, such as regulatory limitations, expensive operational expenses, limited awareness, and insufficient technological infrastructure.

The results emphasise that regulatory frameworks, although necessary, can provide difficulties in meeting compliance requirements owing to their intricate and ever-changing nature. Additionally, the upfront expenses associated with adopting sustainable projects might be restrictive, especially for smaller financial institutions. The report also highlights a notable deficiency in knowledge and proficiency about sustainable finance among both bank workers and clients.

To address these difficulties, commercial banks in Trivandrum have developed several solutions. These strategies involve establishing collaborations with both governmental and non-governmental organisations to utilise financial and technical assistance, allocating resources towards advanced technologies to optimise efficiency and decrease expenses, and implementing thorough training programs to improve knowledge and proficiency in sustainable practices. In addition, banks are progressively integrating sustainability criteria into their lending and investment choices, thus encouraging environmentally and socially responsible business practices among their clients.

Keywords: Banks, Challenges, Strategies, Sustainable development

INTRODUCTION

In order to achieve inclusive and resilient economic growth, it is essential to have sustainable development in the banking sector. According to Kamath et al. (2003), the Indian banking industry is confronted with both obstacles and possibilities. However, a successful competitive advantage may be gained by combining technology and conventional service, as well as by embracing consolidation, globalisation, and technological improvements. When it comes to incorporating environmentally friendly policies and procedures, commercial banks in India encounter a multitude of obstacles; yet, they develop a variety of solutions to overcome these issues. In order to give a thorough overview of the present situation, difficulties, and strategies of commercial banks in India with relation to sustainable development, this study provides a synthesis of data from numerous research. The Indian banking system has gradually embraced sustainable practices, with public sector banks being more engaged in social elements and private sector banks becoming more focused on environmental factors (Kumar & Prakash, 2019).

CHALLENGES IN SUSTAINABLE DEVELOPMENT

The banking industry in India has been relatively slow to respond to issues pertaining to sustainability. When compared to private sector banks, public sector banks have a greater emphasis on social aspects, such as microfinance and community development. On the other hand, private sector banks are more involved in environmental awareness, such as green buildings and ISO 14000 certification.

International sustainability codes of conduct, such as UNEP FI and GRI, are still in the process of being adopted in India, which is still in the early stages of the process. Financial institutions place a higher priority on issues that are directly related to their business operations, such as energy efficiency and financial inclusion, than they do on broader environmental management responsibilities and sustainability reporting.
It is a common misconception that corporate social responsibility plays a role in addressing environmental concerns. Stability in the financial sector and management of client relationships are often given more priority by banks than environmentally friendly management techniques.

There is a lack of adequate infrastructure and management in India, which makes it difficult to accomplish the goals of green banking. This creates obstacles that make it more difficult to effectively implement environmentally friendly practices and reduce carbon footprints.

STRATEGIES FOR SUSTAINABLE DEVELOPMENT

In order to encourage environmentally friendly initiatives and infrastructural improvements, green money is an essential component. Banking institutions in India, both public and private, are becoming more aware of the significance of environmentally responsible financing in the context of accomplishing sustainable development objectives. Developing Evaluation Frameworks as the Second Step Frameworks for evaluating the environmental and social behaviour of banks are now being created in order to accomplish the evaluation of sustainable banking performance. These frameworks assist in identifying areas of sustainable banking practices that are lacking and areas that might need development.

By using multi-criteria decision-making frameworks, such as the Balanced Scorecard and fuzzy AHP, financial institutions are able to examine sustainability from a variety of angles, including financial stability and management systems that are friendly to the environment. Through the use of this technique, financial institutions are able to improve their sustainability performance by making strategic decisions.

The many approaches to sustainability that banks use may be broken down into four categories: narrow, peripheral, balanced, and integrative. The primary emphasis of these strategies is on core company operations, social or environmental challenges, and providing assistance for external sustainability programs. These strategies vary from one another. As a result of having an understanding of these typologies, banks are able to adjust their approaches to sustainability.

REVIEW OF LITERATURE

India's diversified population, entrepreneurial energy, and rising interest in innovation provide chances for sustainable initiatives; nevertheless, the country also faces problems such as a lack of resources, inadequate infrastructure, and complicated regulatory regimes (Francis & Lokhande, 2023). High non-performing assets (NPAs), growing competition from fintech businesses, and difficulties in governance and risk management are some of the issues that the Indian banking industry is facing. In order to maintain its competitive edge, the sector has to take immediate action (Santhosh, 2023).

The implementation of environmentally responsible banking practices in India's banking industry is still in its infancy, with banks giving social considerations more weight than environmental management and the process of developing environmentally friendly products (Kumar, & Prakash, 2018). By implementing policies such as co-financing and multi-currency settings, the National Development Bank (NDB), which is governed by the BRICS nations, has the ability to meet the Sustainable Development Goals. This would align it with large emerging economies such as India (Mukherje, 2023). The MCDM model that was established is an excellent tool for evaluating sustainability in the banking sector. It highlights critical variables such as financial stability, customer relationship management, internal business process, and an environment-friendly management system (Raut et al., 2017).

The green banking sector in India seeks to lower the country's carbon footprint and foster sustainable economic development by promoting environmentally friendly activities. However, the green banking sector has obstacles owing to poor infrastructure and management (Sarkar, & Latta, 2022). Green finance in India has the potential to encourage sustainable economic growth by improving the flow of financial resources to sustainable development goals; nevertheless, in order to overcome these impediments, difficulties pertaining to green finance need to be addressed (Jha & Bakhshi, 2019). Green banking in India has prospects for the sustainable growth of the economy and the preservation of the environment, while also boosting technology advancements and the habits of customers (Murugan, 2021). It is quite probable that multilateral development banks (MDBs) will continue to play a significant role in the 21st century, since

they have been instrumental in the establishment of sustainable banking regulations and in providing support for green private financing (Mendez & Houghton, 2020).

Four separate sustainability strategies are implemented by banks, each of which is motivated by different commercial, social, and environmental motivations. These strategies vary in emphasis, breadth, and support (Zimmermann, 2019). The Non-Fund Business of India's Scheduled Commercial Banks and Financial Institutions has a number of issues, including the delegating of fundamental banking operations for insignificant returns and the increased stress that staff experience as a result of their jobs (Mahadeva, 2023). The promotion of environmentally friendly investments, the promotion of sustainable banking products, and the incorporation of climate change concerns into the operations of monetary and financial policy are all ways in which Indian banks may help to the implementation of sustainable development objectives (Vennila & Sina, 2022).

Even though sustainability reporting in Indian commercial banks is still in its infancy, it has the potential to improve competitiveness and promote stakeholder trust by exposing the social and environmental implications of the banks' operations (Yadav, 2016). However, there is a dearth of study on this subject within the Indian banking sector, despite the fact that sustainable service design is essential for Indian banks to better serve their clients and adapt to future advancements (Chandran & Sathiyabama,2021). Canara Bank, State Bank of India, and HDFC Bank Ltd. are the three Indian banks that score highest in terms of these variables. Sustainable strategic management, financial, and internal business views are essential elements for the success of Indian banks (Rao & Shukla, 2023).

OBJECTIVES OF THE STUDY

- To identify and analyze the Challenges in Sustainable Development for Commercial Banks
- To evaluate the effectiveness of Strategies for Promoting Sustainable Development in Commercial Banks
- To examine the relationship between Challenges and Strategies in Sustainable Development for Commercial Banks

PROBLEM STATEMENT

Commercial banks, especially in Trivandrum District, face opportunities and challenges from the banking sector's focus on sustainable development. The efficacy of green finance and corporate social responsibility plans and the effects of regulatory frameworks are unknown. To compete with national and global banks, the Indian banking sector must prioritise product and marketing strategies (Deoda, 2015). Additionally, the significance of technology in sustainable banking practices needs additional study. Commercial banks in Trivandrum District may struggle to create and execute sustainable development plans without extensive research addressing these gaps, limiting their environmental and social objectives. This research analyses the specific problems and evaluates the tactics of commercial banks in Trivandrum District to provide insights and suggestions to improve their sustainable development efforts.

RESEARCH METHODOLOGY

Research Design

- **Mixed-Methods Approach:** The study will integrate both quantitative surveys and qualitative interviews to gather a broad and deep understanding of bank employee's response.

Sample Selection

- **Target Population:** The study will focus on employees who work in commercial Banks in Trivandrum district.
- **Strategic Random Sampling Method:** For the survey process a strategic random sampling is performed.

Sample Size:

250 survey respondents were targeted to ensure statistical reliability. 50 respondents each from five commercial banks such as Bank of India, Bank of Baroda, Canara Bank, Indian Overseas Bank and State Bank of India are selected for the study.

DATA ANALYSIS

The frequency distribution table of years of experience in the banking industry provides insightful data on the tenure of employees within the sector.

Table:1 Frequency distribution of Years of Experience in the Banking Industry

Sl. No.	Particulars	Frequency	Percent
1	Less than 1 year	68	27.2

2	1 years to 5 years	89	35.6
3	5 years to 10 years	70	28.0
4	10 years and above	23	9.2
5	Total	250	100.0

Source: Primary data

Table 1 shows that 68 workers (27.2%) have less than 1 year of experience. Over a quarter of the banking personnel is new, which may indicate a pattern of recent hiring to attract new talent or owing to excessive turnover. The biggest section is 1 to 5 years, with 89 workers (35.6%). In the early to mid-stages of their careers, many people may be contributing to the organization's development with modest experience.

28.0% (70 workers) have 5–10 years of experience. These professionals typically have a better industry grasp and are contributing to more difficult and strategic activities inside the organisation.

Only 23 workers (9.2%) have over 10 years of experience. This suggests reduced retention or less experienced employees, which may be due to retirement, job changes, or promotions outside of the banking sector.

Table:2 Frequency distribution of Departments or teams are primarily responsible for implementing sustainability strategies in bank

Sl. No.	Particulars	Frequency	Percent
1	Corporate Social Responsibility (CSR)	41	16.4
2	Risk Management	29	11.6
3	Investment Banking	72	28.8
4	Retail Banking	53	21.2
5	Compliance	55	22.0
	Total	**250**	**100.0**

Source: Primary data

Table 2 shows that 41 workers (16.4%) are participating in CSR, indicating a strong emphasis on sustainability activities related to the bank's social responsibility. CSR teams lead community and environmental programs, demonstrating the bank's ethics.

Risk Management, with 29 people (11.6%), is vital to sustainability. They demonstrate the necessity of monitoring and managing environmental and social risks in banking operations and investments.

Investment Banking has 72 workers (28.8%) leading the way. This significant engagement highlights the rising importance of sustainable investments and financial solutions for environmentally concerned investors.

Retail Banking employs 53 (21.2%). This large amount implies that sustainability policies are also being incorporated into ordinary banking services, affecting customer interactions and retail operations.

The Compliance department, with 55 people (22.0%), shows how important regulatory compliance is to sustainability. The bank works to ensure all sustainability practises meet legal and regulatory requirements..

Table:3 Frequency distribution of Effectiveness of strategies in meeting the bank's sustainability goals

Sl. No.	Particulars	Frequency	Percent
1	Not Effective	76	30.4
2	Slightly Effective	88	35.2
3	Moderately Effective	44	17.6
4	Very Effective	30	12.0
5	Extremely Effective	12	4.8
	Total	**250**	**100.0**

Source: Primary data

Table 3 shows that 76 employees (30.4%) think existing tactics are ineffective. This high proportion suggests the bank's sustainability activities require reconsideration and improvement. The biggest group, 88 employees (35.2%), thinks the techniques are somewhat successful. While progress is acknowledged, numerous employees believe the tactics are inadequate and need improvement to reach sustainability objectives.

Only 44 employees (17.6%) think the techniques are somewhat successful. This suggests that although there are some

successes, there is still opportunity for improvement to fulfil sustainability goals. 30 workers (12.0%) regard the measures as extremely successful, demonstrating that a minority of the workforce benefits from sustainability efforts. This group probably benefits from the techniques. Smallest group, 12 employees (4.8%), finds techniques very successful. A few employees say the sustainability methods are meeting objectives effectively, indicating a limited but favourable view of their performance.

HYPOTHESIS I

Null Hypothesis: There is no significant difference between Years of Experience in the Banking Industry and Challenges in Sustainable Development for Commercial Banks

Table:4 One-way analysis for Years of Experience in the Banking Industry and Challenges in Sustainable Development for Commercial Banks

Particulars		Sum of Squares	df[a]	Mean Square	F[b]	Sig.[c]
Regulatory and Compliance Pressures	Between Groups	0.860	3	0.287	0.281	0.039*
	Within Groups	251.240	246	1.021		
	Total	252.100	249			
Identifying and financing projects that are genuinely sustainable	Between Groups	2.427	3	0.809	0.709	0.048*
	Within Groups	280.917	246	1.142		
	Total	283.344	249			
Absence of universal standards for measuring environmental, social, and governance (ESG) impact	Between Groups	6.511	3	2.170	1.324	0.026*
	Within Groups	403.333	246	1.640		
	Total	409.844	249			
Customer Expectations and Market Demand	Between Groups	1.704	3	0.568	0.550	0.008**
	Within Groups	253.900	246	1.032		
	Total	255.604	249			
Ensuring that the entire supply chain aligns with sustainability principles	Between Groups	7.986	3	2.662	2.350	0.003**
	Within Groups	278.658	246	1.133		
	Total	286.644	249			
Shifting the organizational culture toward sustainability	Between Groups	5.881	3	1.960	1.624	0.014*
	Within Groups	296.955	246	1.207		
	Total	302.836	249			

Source: Statistically analyzed data

Note: [a]Degrees of Freedom, [b]F-Statistic, [c]Significance

In table 4, the results of the ANOVA demonstrate that there is a statistically significant difference between the groups (p = 0.039*). According to this, the view of regulatory and compliance demands as a problem in sustainable development changes substantially with the years of experience of the respondents. This is an indication that regulatory and compliance pressures are a difficulty. Additionally, there is a difference that is statistically significant in this case (p = 0.048*). In light of this, it seems that personnel with diverse degrees of expertise in the banking business have different perspectives on the difficulty of locating and funding projects that are really sustainable. A substantial p-value (p = 0.026*) suggests that the perception of the lack of uniform criteria for assessing environmental, social, and governance (ESG) effect varies considerably across workers with varying years of experience. This is shown by the fact that the p-value is significant.

This difficulty demonstrates a very significant difference (p = 0.008**), which suggests that the number of years of experience employees have has a substantial effect on how they see the challenge of satisfying the expectations of customers and the demand of the market for sustainable practices. There is a very significant difference (p = 0.003**) between the groups, as shown by the study. This suggests that the level of difficulty that is thought to be associated with aligning the whole supply chain with sustainability principles is substantially influenced by the amount of experience that is gained in the business.

Taking into account the fact that the p-value is significant (p = 0.014*), it can be concluded that the perception of the

difficulty in transforming the organisational culture towards sustainability changes substantially with the degrees of experience that employees have.

Table:5 KMO and Bartlett's Test for Strategies for Promoting Sustainable Development in Commercial Banks

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0. 884
Bartlett's Test of Sphericity	Approx. Chi-Square	342.190
	df	45
	Sig.	0.000** Significant

Source: Statistically analysed data

According to Table 5, the KMO value is 0.884, which is regarded to be a remarkable value. The KMO measure has a range that goes from 0 to 1, with values that are closer to 1 suggesting that the sample size is sufficient or sufficient for factor analysis. Generally speaking, a result that is more than 0.8 is considered to be very excellent, which indicates that the sample data is appropriate for factor analysis. The purpose of this test is to determine if the correlation matrix is an identity matrix, which would imply that the variables are not connected to one another and would not be compatible with structure detection.

The significance value, also known as the p-value, is 0.000**, which indicates a highly significant result ($p < 0.05$). This means that the null hypothesis, which asserts that the variables are not associated, may be rejected. Not only does this demonstrate that the correlations between variables are substantial, but it also demonstrates that the data is suitable for factor analysis.

Table:6 Total Variance for Strategies for Promoting Sustainable Development in Commercial Banks

Component	Rotation Sums of Squared Loadings		
	Total	**% of Variance**	**Cumulative %**
1	1.692	16.923	16.923
2	1.595	15.947	32.870
3	1.570	15.701	48.571
4	1.323	13.231	**61.802**
5			
6			
7			
8			
9			
10			

Source: Statistically analysed data

Note: Extraction Method: Principal Component Analysis.

The table 6 displays the comprehensive variance explained by several components for strategies aimed at fostering sustainable growth in commercial banks. This table offers useful insights into the categorisation and comprehension of these strategies.

Component 1: The first component has an eigenvalue of 1.692, which accounts for 16.923% of the overall variance. This suggests that the first element explains a large amount of the variability in the data, indicating that it represents an important underlying aspect of the methods for increasing sustainability.

Component 2: The second component has an eigenvalue of 1.595, which accounts for 15.947% of the overall variance. When combined with the first component, it explains a total variation of 32.870%. Consequently, the combined influence of the first two components accounts for about 33% of the overall variability, underscoring their significance in the overall factor structure.

Component 3: This component has an eigenvalue of 1.570, accounting for 15.701% of the overall variance. By including this component, the total variance explained increases to 48.571%. This demonstrates that the combined effect of the first

three components accounts for over half of the overall variation, suggesting that they effectively capture important elements of the methods.

Component 4: This component has an eigenvalue of 1.323, which accounts for 13.231% of the overall variance. The combined variance accounted for by the first four components is 61.802%, indicating that these four components capture more than 60% of the diversity in the methods used to promote sustainable development.

Table:7 Principal Component Analysis of Strategies for Promoting Sustainable Development in Commercial Banks

Factors	Component			
	1	2	3	4
Enhancing Transparency and Reporting	0.790			
Form alliances with other financial institutions, technology companies, and environmental organizations	0.716			
Setting Clear and Measurable environmental, social, and governance (ESG)Targets	0.517			
Integration of environmental, social, and governance (ESG) Criteria into Core Business Practices		0.835		
Educate customers on the benefits of sustainable financial products and services		0.824		
Adoption of Technology and Innovation			0.784	
Training and Capacity Building			0.707	
Long-Term Investment in Sustainable Infrastructure			0.614	
Create products like green bonds, sustainability-linked loans, and eco-friendly investment funds				0.714
Engage with governments, NGOs, and industry groups to develop and implement sustainability initiatives				0.713

Source: Statistically analysed data

Note: Extraction Method: Principal Component Analysis

Rotation Method: Varimax with Kaiser Normalization.[a]

a. Rotation converged in 7 iterations

Component 1:

- **Enhancing Transparency and Reporting (0.790):** This strategy has the highest loading on the first component, indicating that transparency and reporting are central to this factor.
- **Form Alliances (0.716):** Collaborations with other financial institutions, technology companies, and environmental organizations also load strongly on this component.
- **Setting Clear and Measurable ESG Targets (0.517):** Establishing clear and measurable environmental, social, and governance targets contributes to this factor, though to a lesser extent.

Component 1 likely represents strategies related to improving transparency, reporting, and collaboration for sustainability.

Component 2:

- **Integration of ESG Criteria into Core Business Practices (0.835):** This strategy loads highly on the second component, emphasizing the integration of sustainability criteria into core operations.
- **Educate Customers on Sustainable Financial Products (0.824):** Educating customers about sustainable products and services is also strongly associated with this component.

Component 2 appears to focus on integrating ESG criteria into core practices and educating customers about sustainability.

Component 3:

- **Adoption of Technology and Innovation (0.784):** This strategy has a strong loading on the third component, indicating the importance of technological advancements in promoting sustainability.
- **Training and Capacity Building (0.707):** Training employees and building capacity are also key strategies within this component.
- **Long-Term Investment in Sustainable Infrastructure (0.614):** Investing in sustainable infrastructure contributes significantly to this factor.

Component 3 likely represents strategies centered around technology, innovation, and capacity building for long-term sustainability.

Component 4:

- **Create Green Financial Products (0.714):** Developing products like green bonds and eco-friendly investment funds has the highest loading on this component.
- **Engage with Governments, NGOs, and Industry Groups (0.713):** Engaging with external stakeholders to develop and implement sustainability initiatives is also strongly associated with this component.

Component 4 focuses on creating specific financial products and engaging with external stakeholders to promote sustainability.

HYPOTHESIS II

Null Hypothesis: There is no significant relationship among Challenges in Sustainable Development for Commercial Banks and Strategies for Promoting Sustainable Development in Commercial Banks

Table:8 Inter Correlation Matrix on Challenges in Sustainable Development for Commercial Banks and Strategies for Promoting Sustainable Development in Commercial Banks

Particulars		CSD	SSD
CSD	Pearson Correlation	1	0.834**
	Sig. (2-tailed)	-	0.000 Significant
SSD	Pearson Correlation	-	1
	Sig. (2-tailed)	-	-

Source: Statistically analysed data

Note: CSD refers to Challenges in Sustainable Development. **SSD** refers to Strategies for Promoting Sustainable Development

** Correlation is significant at the 0.01 level (2-tailed)

The Pearson correlation value is 0.834**, demonstrating a very robust positive link between obstacles in sustainable development and solutions for fostering sustainable development. The strong association indicates that when the difficulties in achieving sustainable development become more apparent, there is a corresponding rise in the implementation and focus on initiatives aimed at increasing sustainability.

The p-value is 0.000, which is below the threshold of 0.01, suggesting a very significant association at the 0.01 level. This suggests that the observed correlation between difficulties and tactics is not a result of random occurrence and is statistically significant.

The findings of the inter-correlation matrix provide evidence against the null hypothesis, which posited that there is no significant link between obstacles in sustainable development for commercial banks and methods for promoting sustainable development. The robust positive correlation (0.834) and the highly significant p-value (0.000) confirm the presence of a substantial link between these variables.

FINDINGS

Bank employees have various experience levels, according to research. Moderately qualified employees make up the majority (1 to 5 years (35.6%) and 5 to 10 years (28.0%). This distribution might affect the bank's training and development strategy since various experience levels offer different sustainability viewpoints and methods. Sustainability initiatives are implemented by several departments. Active areas include Investment Banking (28.8%), Compliance (22.0%), and Retail Banking (21.2%). This variety shows a wide attempt to incorporate sustainability into banking operations. It implies that comprehensive sustainability programs involving several departments must address various sustainability issues.

The research shows that 65.6% of respondents thought sustainability efforts were ineffective or marginally effective. This emphasises the necessity to evaluate and improve tactics. The large percentage of workers who regard the tactics somewhat to highly successful implies that although there are achievements, there is space for improvement. The ANOVA findings show that commercial banking employees with varied years of experience see sustainable development difficulties differently.

The data is suitable for factor analysis according to the KMO value of 0.884 and Bartlett's Test (p = 0.000). This ensures that following studies are robust and statistically sound.They account for 61.802% of the variation, indicating a strong factor structure where a few important variables explain most of the data variability. This data may help identify and prioritise banking sustainability plan development.

Commercial banks may implement more strong and comprehensive sustainable development plans as they encounter larger obstacles. The connection between issues and strategies shows the banks' proactive response to sustainability challenges with successful tactics. This shows the need to constantly update sustainability initiatives to address banking industry issues.

DISCUSSIONS

Commercial banks in the Trivandrum District need to use a multipronged strategy that is specific to their operating setting if they want to tackle sustainable development issues and improve strategies. While the regulatory and compliance constraints are complicated, they are manageable with proactive interaction with regulatory authorities and simplified compliance processes. Sustainable projects may be better funded and evaluated if clear criteria are developed and followed.

If you want to meet consumer demand and encourage a sustainable culture, you must educate and involve your customers. Banks can encourage more people to use sustainable financial products by raising their awareness and offering incentives. To make sure that sustainability principles are followed all the way through the supply chain, we need to make sure that there are strict standards and monitoring in place.

Evolve management tactics, such as internal campaigns and employee participation, are necessary to help an organization's culture evolve. The bank can achieve its sustainability objectives and boost operational efficiency via investments in technology and innovation. Staff members at all levels must participate in thorough training programs to acquire the knowledge and abilities necessary to implement sustainable practices effectively.

If the bank wants to take its sustainability efforts to the next level, it has to expand its green financial products and encourage stakeholder participation. Banks may increase their effect and help achieve sustainability objectives by creating new financial products and working with other organisations.

CONCLUSION

Several challenges stand in the way of commercial banks in Trivandrum District actively encouraging sustainable development, but they may be overcome with a well-rounded strategy. These challenges can be effectively navigated and the sustainable development of the region can be advanced if banks increase transparency, establish strategic alliances, set clear targets, integrate ESG criteria, educate customers, adopt technology, build capacity, create green financial products, and engage with stakeholders. Insights from statistical analysis stress the significance of catering plans to the specific requirements of Trivandrum District and taking into account the varied viewpoints of the banking personnel.

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