

# THE IMPACT OF ETHICAL ACCOUNTING PRACTICES (EMPOWERMENT-E'S) AND CULTURAL ASPECTS ON ORGANIZATIONAL PERFORMANCE

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## ABSTRACT

Accounting ethics has become a big issue in the recent era of Industry 4.0. Now, it is far easy to manipulate data and create scams. The relevancy of accounting ethics and organizational culture are important factors to give the right path to management for achieving the motto of shareholders' wealth. Any organization's success is based on the level of commitment, values, ethics, and culture inside it. To further understand the impact of culture and empowerment E's on organizational performance, data was gathered through a structured questionnaire. Respondents' responses to standardized questionnaires were used to gather primary data. However, only 252 out of the 300 were complete and have been used for further research. A five-point Likert scale was used to analyze the findings. To assess how organizational culture affects performance, this study focuses on ethical accounting practices (six key Empowerment- E's). The hypotheses have been put to the test using the Kruskal-Wallis test. It can be concluded that there is a significant impact of empowerment aspects and cultural aspects on financial performance as well as market performance.

**Keywords:** Organizational performance, Ethical accounting practices, Empowerment, Cultural aspects

## Introduction

The quality of a company's vision and organizational culture is the only factor that determines whether or not it will be successful. It is emphasized that factors such as values, culture, efforts, effectiveness, and ethical behaviour contribute to an organization's good performance and success (Sharma 2012).

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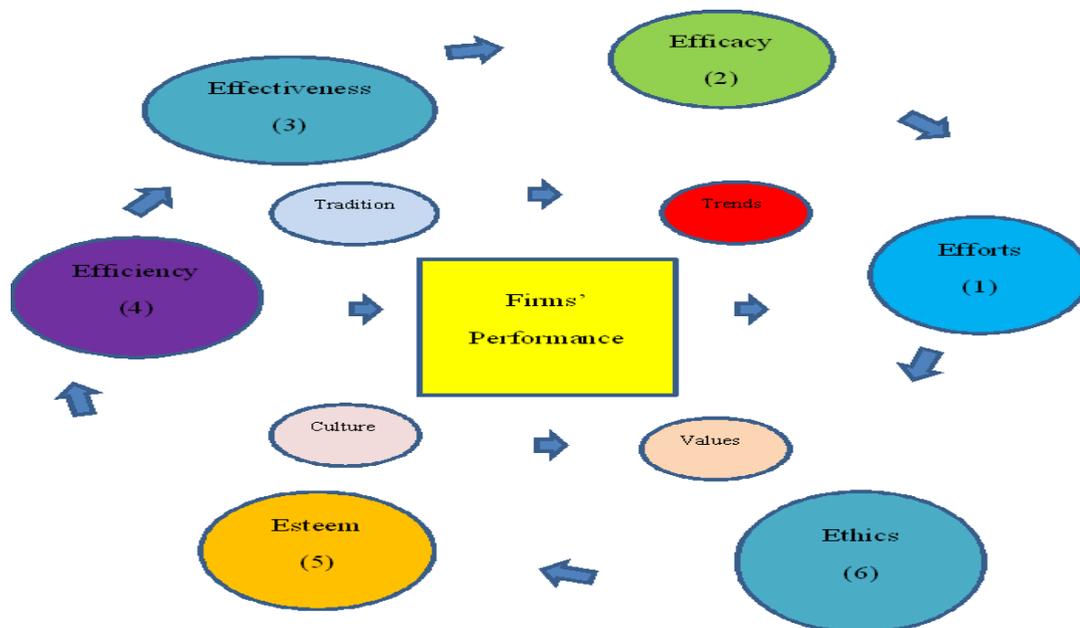
Globally, ethical problems have emerged. The ultimate objective of regulatory bodies like The PIOB is to guarantee pertinent audit, assurance, and ethical standards that are responsive to the Public Interest to increase confidence in the capital markets. Strengthening the International Audit and Ethics Standard-Setting System was advised by the International Foundation for Ethics and Audit's board of trustees.

Satyam case, the Goutam Adani case, recently collapsing of two sizable banks, Silicon Valley Bank and Signature Bank in the USA are examples of not following ethical practices. Ethical accounting practices always lead to good corporate performance.

The most crucial factors in every corporate enterprise are not properly adopting ethics, aesthetics, and spiritual practices causes to damage brand value. Businesses now aim to target overseas markets to expand their client base as the trend of internationalization has improved across industries. The majority of businesses worldwide are becoming global organizations for this reason. The most important prerequisite for any firm in the world to become an international organization is workplace diversity.

### Application of Empowerment-E's and Cultural Aspects

The success of an organization is largely dependent on its organizational culture. It is the most important component because, depending on how an organization's management handles it, it can have a favourable or bad impact on the performance of the organization.



**Figure No 1: 5 E's: Key Features of Sustainable Business Performance**The figure present

The figure shows that basically organization performance is based on two aspects i. e.

Empowerment E's + Culture

**Organizational Performance= Empowerment E's (Ethical Accounting Practices) + Culture**  
**Empowerment E's (ethical accounting practices) consisting of esteem, efficiency, effectiveness, efficacy, efforts.**

Empowerments E's (ethical accounting practices) consist of esteem, efficiency, effectiveness, efficacy, and efforts. Accounting ethics refers to the professional ethics of an organization. In the same manner, accounting ethics are part of business ethics and human ethics collectively. The empowerment process is initiated efforts. An Effort is a continuous process. It is not a one-time process. Apply the best recording and reporting process for sustainable reporting and strong financial performance and success. Efforts should be made for setting goals, missions, and visions and to achieve them. Once efforts have been put in, it should be measured to check the change and value addition in the form of performance. The more the levels of effort made, the more success. An effort is weighted in the form of physical, mental, intellectual, aesthetic, and spiritual equally.

Efficacy is the capacity to enhance the ability to understand the maintaining group dynamics, optimum use of resources, and make strategic policies and decisions.

Efficacy leads to effectiveness. Effectiveness is always required in setting benchmarking, brand image, managing customer profitability, and maintaining the quality of products, strong supply chain management. So, it is not only the step to be a physical presence but registered in the mind of people, clients, and stakeholders for a long time, sustainable survival.

Effectiveness increases the efficiency of taking advantage of the opportunity and makes a place among other firms in the industry.

The efficient firm can take place as esteemed, and reputed, build image and gain super profit; maintain CSR and social responsibility by its position and goodwill.

The self-esteemed firm can be the benchmark for its competitor and other firms by its values and ethical behavior.

Cultural characteristics include things like trends, customs, culture, and values. Organizational culture has an impact on success and strong financial performance. An important factor that must be considered in the study that may impact an organization's success is ethics in its accounting. The professional ethics of an organization are its accounting ethics.

Similar to business and human ethics, accounting ethics are a subset of both. Accounting ethics, with its emphasis on accounting, can be correctly described as the study of moral standards and

judgments in an organization. Multicultural teams must deal with cultural and ethical problems, hence it is the management of these teams' primary responsibility to create and implement effective resolution techniques for multicultural teams. Culture has a direct and indirect impact on performance, according to correlation analysis. The study concludes that an organization's ability to perform at its very best is enhanced when its organizational culture is in line with its vision, goals, and business strategy (Okwata, Wasike, and Andemariam 2022). To avoid any employee from abusing their managerial position, firms must establish and implement strong accounting ethics in this situation. Ensuring the security and accuracy of an organization's financial data is another objective of accounting ethics.

### **Review of literature**

Based the review of the literature, it is tried to present the need for triple entry that goes to Ethical Accounting Practices (Empowerment-E's) and organization cultural aspects of Organizational performance. Most of the papers agreed with the importance of ethics and culture on a firm's performance.

The relevancy of accounting ethics and organizational culture are important factors (Sharma 2012). Organizational commitment favorably influences work ethics. The performance of employees is significantly and favorably affected by work ethics (Pratama, Lumbanraja, and Zarlis 2022).

When employees are dedicated and share the same values as the organization, performance may improve in the direction of accomplishing the organization's ultimate goals (Akpa, Asikhia, and Nneji 2021).

The moral culture and commercial integrity established in the firm are the primary factors determining the occurrence of fraud. Corporate governance standards and prerequisites for the creation of an uncorrupted workplace environment with a proactive approach to fighting fraud are its review and continual improvement (Sabau, Şendroi, and Sgardea 2013)

The results show a link between organizational culture and job performance that is favourable. Additionally, four organizational culture sub-elements—managing change, achieving goals, coordinating teamwork, and cultural strength—were discovered to have a favourable impact on job performance, but with different degrees of severity.(Saad and Abbas 2018)

Regardless of the employees' diverse countries and cultural backgrounds, there is a significant impact on their work performance, attitudes, and behaviors in the two companies that were chosen (Cherianet al. 2021)

Now the research questions come to mind

## Research methodology

The research methodology comprises the research design, sample design, sources of data, selection of data, and various designs and techniques used for analyzing the data.

Primary data has been collected through structured questionnaires from respondents. But out of 300, only 252 were found complete and have been used for further study purposes. Likert's Five-Point scale was applied to analyze the results.

Kolmogorov–Smirnov test was applied to check the normality of data. Due to the non-normality of data, Kruskal Wallis Test has been used to test the hypotheses.

## Variable of the study

Independent Variables: Empowerment aspects- Efforts, efficacy, effectiveness, Efficiency, Esteem, and Ethics, Cultural Aspects- Trends, tradition, culture, and values  
Dependent Variables: Organisational Performance  
Table 1 presents the list of variables used in this study.

**Table No 1: Variable used for Impact of Empowerment and Cultural Aspects on Firms' Performance**

Variable	Symbols	Name of the variables
<b>Dependent Variables</b>		
<b>Organizational Performance</b>	FP1	Financial performance
	FP2	Market performance
<b>Experimental Variables</b>		
<b>Empowerment Aspects</b>	E1	Efforts
	E2	Efficacy
	E3	Efficiency
	E4	Effectiveness
	<b>E5</b>	Esteem
	E6	Ethics
<b>Cultural Aspects</b>	C1	Trends
	C2	Tradition
	C3	Culture
	C4	Value

## The objective of the study

- To know the impact of empowerment aspects on financial performance
- To know the impact of cultural aspects on financial performance

## Hypotheses

Certain hypotheses have been framed based on the gap in a review of the literature.

H01 There is no significant impact of empowerment aspects on financial performance

H02 There is no significant impact of cultural aspects on financial performance

H03 There is no significant impact of empowerment aspects on market performance

H04 There is no significant impact of cultural aspects on market performance

## Result and Discussion

To apply the test to prove the hypothesis, the normality of data has been checked with the Kolmogorov-Smirnov test

### Tests of Normality

	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
<b>Efforts</b>	.262	252	.000	.880	252	.000
<b>Efficacy</b>	.220	252	.000	.876	252	.000
<b>Efficiency</b>	.245	252	.000	.861	252	.000
<b>Effectiveness</b>	.236	252	.000	.880	252	.000
<b>Esteem</b>	.214	252	.000	.870	252	.000
<b>Ethics</b>	.209	252	.000	.883	252	.000
<b>trends</b>	.238	252	.000	.857	252	.000
<b>tradition</b>	.194	252	.000	.876	252	.000
<b>culture</b>	.237	252	.000	.865	252	.000
<b>value</b>	.227	252	.000	.873	252	.000
<b>financial</b>	.227	252	.000	.870	252	.000
<b>performance</b>						
<b>market performance</b>	.233	252	.000	.876	252	.000

a. Lilliefors Significance Correction

The result shows that  $P < .05$  shows data is not found normal. Here, data is found not normal, so instead of one-way ANOVA, Kruskal Wallis Test has been used for testing the hypotheses. The null hypothesis of the Kruskal-Wallis test is that the mean ranks of the groups are the same.

**H01 There is no significant impact of empowerment aspects on financial performance**

**Table No 2: Test Statistics <sup>a,b</sup>**

	Efforts	E2	Efficiency	E4	E5	Ethics
<b>Chi-Square</b>	19.519	71.574	41.402	75.561	91.114	75.132
<b>df</b>	4	4	4	4	4	4
<b>Asymp. Sig.</b>	.001	.000	.000	.000	.000	.000

a. Kruskal Wallis Test

b. Grouping Variable: Financial performance

The results of the Kruskal-Wallis test are shown in Table 3 and show that, when the influence of cultural factors on financial performance is accepted (as  $p < 0.05$ ) at the 5% level of significance, there is a significant discrepancy between the hypothesized test value and the calculated sample statistics. The results reveal that the majority of the time, the p-value is less than 0.05. It declares that the null hypothesis is rejected. It implies that cultural factors have a considerable impact on financial performance. The outcome coincides with The research that examines the effects of corporate culture, organizational structure, and leadership on business performance (Luki Karunia 2020).

**H02 There is no significant impact of cultural aspects on financial performance**

**Table No 3: Test Statistics <sup>a,b</sup>**

	Trends	Tradition	Culture	Value
<b>Chi-Square</b>	46.396	37.197	22.725	41.319
<b>df</b>	4	4	4	4
<b>Asymp. Sig.</b>	.000	.000	.000	.000

a. Kruskal Wallis Test

b. Grouping Variable: Financial performance

The results of the Kruskal-Wallis test are shown in Table 3 and show that, when the influence of cultural factors on financial performance is accepted (as  $p < 0.05$ ) at the 5% level of significance, there is a significant discrepancy between the hypothesized test value and the

calculated sample statistics. The results reveal that the majority of the time, the p value is less than 0.05. It declares that the null hypothesis is rejected. It implies that cultural factors have a considerable impact on financial performance. The outcome coincides with The research that examines the effects of corporate culture, organisational structure, and leadership on business performance.(Luki Karunia 2020)

### **H03 There is no significant impact of empowerment aspects on market performance**

**Table No 4: Test Statistics <sup>a,b</sup>**

	Efforts	E2	Efficiency	E4	E5	Ethics
Chi-Square	19.493	76.394	54.353	75.277	94.762	80.319
df	4	4	4	4	4	4
Asymp. Sig.	.001	.000	.000	.000	.000	.000

a. Kruskal Wallis Test

b. Grouping Variable: Market performance

The Kruskal-Wallis test results are shown in Table 4 and demonstrate that there is a significant discrepancy between the hypothesized test value and the sample statistics calculated to accept the impact of accounting ethical practices (empowerment aspects) on market performance (p 0.05) at the 5% level of significance. According to the findings, the p-value is typically less than 0.05. It says that the null hypothesis is rejected. It means there is a significant impact of empowerment aspects on market performance.

### **H04 There is no significant impact of cultural aspects on market performance**

**Table No 5: Test Statistics <sup>a,b</sup>**

	Trends	Tradition	Culture	Value
Chi-Square	48.381	44.190	33.215	44.028
df	4	4	4	4
Asymp. Sig.	.000	.000	.000	.000

a. Kruskal Wallis Test

b. Grouping Variable: Market performance

The output of the 'Kruskal Wallis Test' in table-3, reveals that a significant gap exists between the hypothesized test value with the calculated sample statistics for accepting the influence of cultural aspects on market performance (as  $p < 0.05$ ) at a 5% level of significance. The result shows that the p-value in most of the cases is less than 0.05. It says that the null hypothesis is rejected. It means there is a significant impact of cultural aspects on market performance.

## **Conclusion**

The study explored major recommendations based on gathered information and analysis to enhance organizational culture and accounting ethics with a primary goal of enhancing organizational performance. According to the report, strong accounting ethics aid companies in enhancing their financial success. This means that to improve their financial performance, businesses must develop and put into place strong policies that accommodate effective accounting ethics. The study also shows that organizations should enhance their management approaches or leadership philosophies to enhance their performance, as an organization's management style is directly related to its organizational culture (Wong and Gao 2014). An efficient and successful leadership style can aid organizations in enhancing their organizational culture, according to the study of the results. The exploratory method is used in this investigation. Based on the data gathered for the study, it is clear that organizational culture and accounting ethics have good effects on organizational performance. It implies that organizations must prioritize organizational culture and accounting ethics to improve performance. Businesses can benefit from the study's insightful recommendations for enhancing their organizational cultures and accounting ethics. The role of every ethical accounting practice factor, including respect, efficacy, efficacy, and efforts, as well as the beneficial effects of cultural factors like trends, customs, culture, and values, is what matters most in this context.

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# ASSESSING PERCEPTION AND AWARENESS OF GREEN BONDS: A QUALITATIVE STUDY

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## ABSTRACT

The green bonds issuance in India in 2021 was exceptional and is to set a new record in 2022. India issued \$6.11 billion of green bonds in 11 months of 2021. It has been the strongest issue since the first issue in 2015. Indian Companies have become increasingly conscious of their carbon footprint. Banks will step up issuance of green debt to fund their growing lending program to accelerate India's energy transition. More Indian issuers will also turn to the offshore bond market to access the wider and deeper capital pool outside their home country. Green bonds issued by emerging markets such as India have a strong appeal to foreign investors due to relatively attractive valuation and decent economic growth prospects. However, it is a long way to go as the gap is \$3.546 trillion between the total investment required to achieve net-zero and the amount that can be reasonably contributed by domestic banks, NBFCs and capital markets. India will need \$10.103 trillion by 2070 to be carbon-neutral. The cumulative investments needed for net-zero societies may be bigger than India's current size of the economy. In this background, green bonds are receiving importance world over. Even in India, a few guidelines have been issued by the authorities. However, the current regulations are not adequate and therefore, there is a diversity in the green bonds and issuance practices. Further, two important powerful tools in this regard are the perception and level of awareness for the effective promotion and uptake of green bonds. In this backdrop, the present paper makes an attempt to analyze the opinions of different stakeholders' about a few aspects of green bonds and other related issues.

**Keywords:** Green Finance, Sustainable Development, Green Bonds, Green Initiatives, Green Investments etc.

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## **Introduction**

### **“A Green Bond: The Responsible Way to Invest”**

The first green bond was put out in 2007 by the European investment bank and it is named as the “Climate Awareness Bond” its finance was dedicated to renewable energy and energy efficiency project. In 2012 the first corporate green bond was put away. Green bonds are mostly specified as fixed income securities that produce capital for a project with specific environmental benefits. In 2017 over 200 issuers, among them sovereigns, corporates, development banks and other financial institutions raised more than \$ 150 billion through green bonds. Yet, A Green bond has been specifically earmarked to be used for climate and environmental project. These alliances are typically asset-linked and backed by the issuer’s balance sheet, and are likewise referred to as climate bonds. This is designated bonds intended to further sustainability and to support climate-related or other types of special environmental project. More specifically, the green bond finance project aimed to at energy efficiency, contamination prevention, sustainable agriculture, fishery and forestry, the protection of aquatic and terrestrial ecosystems, clean transportation, sustainable water management and the cultivation of environmentally friendly technologies.

Green bonds come with tax incentives such as tax exemption and tax credits, making them a more attractive investment compared to a comparable “Taxable bonds”. This provides a monetary inducement to use up on prominent social issues such as climate change and a movement to renewable sources of energy. To qualify for green bond states, they are frequently verified by a third party, such as the climate bonds standard board, which certified that the bond will fund projects that include benefits to the environment A Green bond is a bond whose yield is applied to fund environmental friendly projects. Although they're a relatively new segment of the bond market, investors are sure to hear in the year ahead about the environmentally conscious offerings that define green bonds.

The green bond market has seen explosive development in the past decade and presenting an unrivaled opportunity in climate finance. Annual issuance has now grown from nothing to more than \$ 155 billion globally, with more development before. But in emerging market green bond area is only starting out. Also, these alliances are taking in greater acceptance and endorsements in Indian financial markets and International multilateral organizations such as the World Bank, International Finance Corporation (IFC), European Bank for Reconstruction and Development

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(EBRD) and global banking institutions such as Credit Agricola CIB have issued green bonds in Indian currency. Domestic companies too issued green bonds both in USD and INR denominations. Some issuers have even listed green bond on international stock exchanges.

### **Statement of the Problem**

Green bonds are one of the innovative financial tools; In India green bonds are not more popular. Factually, green bonds have led the same risk and same return as conventional bonds and additional cost are associated with the issue of green bonds. One of the biggest critics when investing in green bonds is a lack of fluidity. Being a little market, getting into and exiting positions is not equally easy as more popular investments. In green bond investment the investor might need to hold until maturity. Another hazard is a deficiency of a clear definition for a green bond; investors might not experience precisely where their money running short. Green bond issuance implies additional cost and risk for a firm and their issuance is not optimal from a price perspective. In this setting, all the above mentioned problems require a bigger attention to establish a comprehensive survey on the present case.

### **Literature Review**

The literature review pointed out that most of the research work in this area done till now has been exclusively limited to developed countries like the United States and other developing nations. But research is still insufficient in case of India. It is also absorbed that, hardly any extensive work has been held out in India to study the Green Bonds Market. Hence, getting after the earliest written accounts have been undertaken for the study more comprehensive and meaningful one. They are:

**Dupont et. al., (2015)**, in their article entitled "*Green Bonds and land conservation: The Evaluation of a new financing tool*" highlighted that the investors still view them as an instate product in the overall fixed income market. There is a rapidly grown in green bonds nearly \$ 37 billion in 2014. They pointed out that current and potential future role of the green band in financing sustainable land usage and conservation projects around the world and

draws on consultations with land conservation practitioners, bond issuers, investors and financial analysts, etc. The next few years will prove vital in finding out whether or not; A green bond will become a significant new instrument for the land preservation system. Land conservation organizations and issuers need to generate success stories and continue to build market momentum for this financing coming.

**Jacqueline Yujia Tao (2016)**, in his article entitled "*Utilizing green bonds for financing renewable energy projects in developing Asian countries*" examined that the strengths, weaknesses, opportunities, and threats (SWOT) of using green bonds to finance renewable energy projects in Asia. The potential for green bonds to become viable financing instruments for renewable energy projects. Even thus, there remain several challenges that can be tackled together with a key support mechanism. Taking into account that internal and external challenges in building a green bond market in the region, one might reason that the creation of such a market is redundant. As such the strengthening or a creation of both markets in parallel while likely reap maximum benefits. Policy instruments to facilitate green bond growth and a potential road map for development are also proposed.

**Lake Trampeter (2017)**, in his article entitled "*Green is Good: How Green Bonds Cultivated into Wall Street's Environmental Paradox*" described that in 2007 the first green bond issued by a European investment bank, few imagined that this debt instrument would attract mainstream investors. These are finance projects ranging from climate change prevention to clean transportation development, green bonds were geared for socially responsible investors concerned with our planet's sustainability. In 2015 green bonds were released by major corporations like Apple and municipalities like New York City. It has the tax-exempt status. This subject also discussed how green bonds were first created their original roles and how they matured into a mainstream of investment instrument.

**Panda Pradiptarathi (2017)**, in his article entitled "*Green Bond: A Socially Responsible Investment (SRI) Instrument*" reveals that the organization of green bond, and it is a new concept and also innovative financial instrument, issued in the year 2008 by the World Bank to the investors with their request. Green bond attracts and help a specific group of investors as well as to the economy which is bigger in size. In India, it is not more popular, but

nowadays this financial tool is gaining popularity around worldwide. Since the World Bank has made 130 issues in 18 currencies in total, of US \$ 5.7 billion. This legal document is brought out by various establishments; it is especially applied to "Financial Environment Friendly Projects" and Tax exempt financial instrument.

In the above discussion of critiques of literature, a variety of agents are counted which are an evolution of green bonds, socially responsible instruments, effectiveness of financial operation, evaluation of danger and returns of bonds, use of green bonds in Sustainable development and corporate alliances, etc. Hence, the present work tries to assess the perception and awareness of green bonds for financial support of sustainable development along with the basis of above review literature.

### **Objectives of the Study**

The main aim of this research paper is to evaluate the perception and awareness of Green Bonds. In summation to the main target, the supportive objectives are set to produce the study more comprehensive and which are presented as below:

1. To study the conceptual framework of Green bonds.
2. To examine the level of awareness about the green bonds.
3. To evaluate the functional effectiveness of Green bonds.

### **Hypotheses of the Study**

***H<sub>01</sub>***: There is no significant relationship between Gender and level of awareness about Green Bonds.

***H<sub>02</sub>***: There is no significant relationship between Age and level of awareness about Green Bonds.

### **Scope of the Study**

The present work is confined to evaluate the perception and awareness of Green Bonds. And the study is delimited in Karnataka State only. The work mainly focused on important elements of green bonds such as benefits of bonds, major issues of green bonds prevailing in the Indian economy and recent trends and development of green bonds market and so on,

## **Research Methodology**

Research methodology which mainly explains the flow of research is concerned. It is an important part of the study, which particularly throws light on the study area followed by adoption of the sampling process, sources of information, statistical tools and techniques applied to data analysis and hence along.

## **Research Design**

The present study is purely a descriptive research as it analyses, describes and evaluates the data related to the perception and awareness of Green Bonds and also the measures initiated or taken by the government for the management and promotion of Green Bonds.

## **Research Approach: Quantitative approach has been applied in the research field**

Descriptive and inferential analysis is employed for identifying the characteristics of the population and to try out the hypotheses formulated for the present work.

## **Sources of Data Collection**

For obvious reasons, this survey is primarily founded on the primary and secondary data.

- a) **Master Data:** The primary data has been gathered through direct interview of the concerned respondents with structured Questionnaire.
- b) **Secondary Data:** The secondary data has been collected from published sources such as textbooks, journals, newspapers, periodicals, websites, annual reports submitted by various committees or departments and commissions, etc.

## **Sampling Design**

- a) **Target Population:** The population for the research is Students, Government Employees, Businessmen and Chartered Accountants etc.
- b) **Sampling Technique:** Simple random sampling has been used in the selection of the respondents.
- c) **Sample Size:** Total sample size 55.
- d) **Tools used for Data Analysis:** For the analysis of the data, a few statistical tools are used such as Simple, Graphical Presentation, Percentage Analysis and the hypotheses are tested by using Chi-Square Test with the help of IBM SPSS Statistics version 29.0

## Results and Discussions

In the light of the above, and keeping in mind the objectives and hypotheses, a few relevant parameters are identified below for the purpose of evaluating the level of awareness and perception towards green bonds and the corresponding hypotheses are, as stated above. The research has been conducted based on the Survey Data collected from 55 respondents with a structured questionnaire. The questionnaire consists of questions with different parameters. Every question is different in nature and includes all the points of the objective of the study. Each question is given in the appropriate option accordingly.

**Table No 1: Demographic Profile of the respondents**

SI. No.	Variables	No. of Respondents	Percentage (%)	
1	Gender	Male	43	78.2
		Female	12	21.8
	<b>Total</b>	<b>55</b>	<b>100</b>	
2	Education	PUC	2	3.6
		Graduate	17	30.9
		Post Graduate	29	52.7
		Others	7	12.7
		<b>Total</b>	<b>55</b>	<b>100.0</b>
3	Monthly Income (in Rs.)	Less Than Rs. 15,000	16	29.1
		Rs. 15,001-		
		Rs. 25,000	15	27.3
		Rs. 25,001-		
		Rs. 35,000	10	18.2
		More Than Rs. 35,001	14	25.5
<b>Total</b>	<b>55</b>	<b>100.0</b>		

Source: (Survey data)

## 1. Gender

Gender relates to the biological differences between male and female, whereas gender relates to the roles assigned to male and female in the society. Therefore, gender is a socio- economic variable involving roles, obligations, constraints, opportunities and needs of males and females in an economic system.

The above table gives the gender wise distribution of the respondents selected for the survey. The gender is classified as male and female. It is clear that 21.8% (12) of the respondents are female and 78.2% (43) of the respondents are male. The majority of the respondents are male (78.2 percent).

## 2. Educational Qualification

Education is an integral part of any demographic profile. Educated people are considered elite. Education gives better jobs and better income. Education is considered the foundation for character and liveliness. Educated people command more respect than other groups.

The above table highlights education wise distribution of the respondents selected for the survey. The pedagogy of the respondents is classified as PUC education, Degree level, Post-Graduation and others.

It is clear that the educational level of the respondents is PUC education level 3.6% (02), Degree 30.9% (17), Post-Graduation 52.7% (29) and another 12.7% (07) of the respondents are others respectively. Consequently, the Majority of the respondents go to the Post-Graduation education level (52.7 per cent).

## 3. Monthly Income

Income is an indicator of the lives of people. Higher income groups are more often than not in the higher strata of the smart set. Lower income people too possess their own methods of depending and saving money.

The above table describes monthly income wise distribution of the respondents selected for

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the survey. The monthly income of the respondents is classified as less than Rs. 15,000, Rs. 15,001 - Rs. 25,000, Rs. 25,001 - Rs.35,000, and Rs. 35,001 & Above. It is clear that the income level of the respondents is to less than Rs. Rs. 15,000, 29.1% (16), Rs. 15,001 - Rs. 25,000, 27.3% (15), Rs. 25,001 - Rs.35,000, 18.2% (10) and another 25.5% (14), of the respondents are Rs. 35,001 & Above respectively. It can be seen that the majority (29.1 per cent) of the respondents has less than Rs. Rs. 15,000.

**Table No 2: Gender and Level of Awareness about Green Bonds**

		Awareness			Total		
		Highly Unaware	Somewhat aware	Aware	Highly Aware		
<b>Gender</b>	Male	Count	2	12	24	5	43
		% of Total	3.6%	21.8%	43.6%	9.1%	78.2%
	Female	Count	2	3	7	0	12
		% of Total	3.6%	5.5%	12.7%	0.0%	21.8%
<b>Total</b>		Count	4	15	31	5	55
		% of Total	7.3%	27.3%	56.4%	9.1%	100.0%

Source: (Survery Data)

The table shows that highlights that the percentage of level of awareness of the respondents about green bonds. Out of 55 respondents, (78.2%) of the male respondents and the same was the (21.8%) of the female respondents. Followed by this, (56.4%) of the respondents aware and also (7.3%) of the respondents not aware. In order to find the relationship between gender and the level of awareness about green bonds, a chi-square test was implied to test the hypothesis given below:

### Hypothesis

**H<sub>0</sub>:** There is no significant relationship between the Gender of the respondents and level of awareness about Green Bonds.

**Table No 3: Chi-Square Test**

Pearson Chi-Square	Calculated Chi-Square value	DF	Table Value	Remarks
Gender	3.297	3	7.815	Accepted

Source: Table No. 2

It is observed from the above table that the calculated chi-square value is (3.297) less than the table value (7.815) and the result is not significant at the 5% level. Hence, the null hypothesis (Ho) is accepted. The hypothesis “Gender of the respondents and overall opinions about the awareness level of green bonds are not associated”.

From the analysis, it can be concluded that there is no relationship between gender of the respondents and overall opinions towards the level of awareness about green bonds.

**Table No 4: Age and Level of Awareness about Green Bonds**

		Awareness				Total	
		Highly Unaware	Somewhat aware	Aware	Highly Aware		
Age	Below 25 Years	Count	2	5	15	0	22
		% of Total	3.6%	9.1%	27.3%	0.0%	40.0%
	26-35 Years	Count	2	10	5	5	22
		% of Total	3.6%	18.2%	9.1%	9.1%	40.0%
	36-45 Years	Count	0	0	9	0	9
		% of Total	0.0%	0.0%	16.4%	0.0%	16.4%
	Above 45 Years	Count	0	0	2	0	2
		% of Total	0.0%	0.0%	3.6%	0.0%	3.6%
	Total	Count	4	15	31	5	55
		% of Total	7.3%	27.3%	56.4%	9.1%	100.0%

Source: (Survey Data)

The above table highlights that the percentage of the level of awareness about green bonds of the respondents. Out of 55 respondents, (27.3) of the respondents aware and the same was the lowest (3.6%) highly unaware under the age group below 25 years of the respondents. Followed by this group, (18.2%) of the respondents somewhat aware age group between 26–35 years, (16.4%) of them aware fall under 36–45 years and the remaining (3.6%) of the respondents aware age group belong to 45 years and above respectively. However, the majority of the respondents aware about the green bonds.

In order to find the relationship between age and the level of awareness about green bonds of the respondents, a chi-square test was implied to test the hypothesis given below:

## Hypothesis

**H<sub>01</sub>:** There is no significant relationship between age and level of awareness about green bonds.

**Table No 5: Chi-Square Test**

<b>Pearson Chi-Square</b>	<b>Calculated Chi-Square value</b>	<b>DF</b>	<b>Table Value</b>	<b>Remarks</b>
Age	23.011	6	16.919	Rejected

Source: Table No. 4, Significant at 5 % level

It is observed from the above table that the calculated chi-square value is (23.011) and the table value (16.919) is greater than the table value and the result is significant at the 5% level. Hence, the null hypothesis (H<sub>0</sub>) is rejected and the alternative hypothesis (H<sub>1</sub>) is accepted. The hypothesis “Age of the respondents and overall opinion towards the level of awareness about green bonds are associated” and holds good.

From the analysis, it can be concluded that there is a significant relationship between age of the respondents and overall opinion towards the level of awareness about green bonds of the respondents.

**Table No 6: Presentation of Investment Types in Green Bonds by the Respondents**

<b>Particular</b>	<b>No. of Respondents</b>	<b>Percentage (%)</b>
No Response	16	29.1
Green Use of Process Bonds	3	5.5
Green Use of Revenue Bonds	11	20.0

Green Project Bonds	20	36.4
Green Securitized Bonds	5	9
<b>Total</b>	<b>55</b>	<b>100.0</b>

Source: (Survey Data)

The table above shows the analysis of respondents about type of green bonds investment pattern. Among 55 respondents, 29.1% (16) of the respondents is not invested any kinds of green bonds instrument, 5.5% (3) they invested in green use of process bonds, 20% invested in green use of revenue bonds, 36.4% (20) invested in green project bonds and the remaining 9% (5) of them invested in green securitized bonds. Therefore, it can be interpreted that most of the respondents invest in green project bonds, because it has, the more awareness compare to other types of green bonds investment.

**Table No 7: Presentation of Respondents Reason for Selecting Green Bonds as Investment Avenue**

<b>Particular</b>	<b>No. of Respondents</b>	<b>Percentage (%)</b>
No Response	16	29.1
Tax Benefit	20	36.4
Moderate Risk	2	3.6
Fixed Return	5	9.1
Environmental Friendly	12	21.8
<b>Total</b>	<b>55</b>	<b>100.0</b>

Source: (Survey Data)

Above table highlights the analysis of respondents about the reason for selecting green bonds as an investment avenue. Out of 55 respondents, 29.1% (16) of them not given any response, 36.4% (20) of them given the reason as tax benefits, 3.6% (2) of them agreed with the reason of moderate risk, 9.1% (5) they mentioned that the fixed return and another 21.8% of them indicated that the environmentally friendly. So, it can be interpreted that themajority of the respondents given the reason as it is an instrument which has tax benefit and it is also an environmentally friendly investment.

## Summary of major Findings and Suggestions

- ✓ It is found that most of the respondents are male.
- ✓ It is found that a greater number of respondents belong to the age group of more than 46 years.
- ✓ The Majority of the respondents (52.7%) are having Educational qualification of Post-Graduation.
- ✓ It is noted that most of the professional people experience an awareness about Green Bonds.
- ✓ Most of the respondents (29.1%) belong to the Income level of less than Rs. 15000 and incomes between Rs. 15001- 35000.
- ✓ Most of the respondents (45.5%) favor a secure investment in the society compared to high risk and moderate danger.
- ✓ It is observed that the majority of the respondents are not properly aware about Green Bond Investment.
- ✓ Most of the respondents (36.4% & 25.5%) obtained information about Green Bonds from friends and family.
- ✓ Approximately 36.4% of the respondents are investing in green project bonds.
- ✓ It is noted that most of the respondents (47.3%) have the invested in green bonds with the level between 6-10%.
- ✓ The Majority of the respondents (36.4%) given the intellect as it is an official document which has tax benefit and it is also an environmentally friendly investment.
- ✓ The Majority of the respondents (32.7%) are invested in green bonds through brokers and agents.
- ✓ Most of the respondents (45.5%) are holding a neutral view on high risk linked with green bonds.
- ✓ About 45.5% agreed that there is a lack of methodologies and frameworks regarding green bonds for evaluating diverse project in the Indian context.
- ✓ The Majority of the respondents (47.3%) agree that there is no proper awareness about green bonds market.
- ✓ The highest number of the respondents (56.4%) agreed that green bonds are the new investment which offers an opportunity for the new investor to put.
- ✓ Most of the respondents (52.7%) agreed that the green bonds are tax credit instrument and the investors of green bonds can enjoy tax benefits.
- ✓ A larger number of the respondents (47.3%) agreed that there must be a proper public intervention.

- ✓ The Majority of the respondents (47.3%) agree that there is no proper awareness about green bonds market.
- ✓ The highest number of the respondents (56.4%) agreed that green bonds are the new investment which offers an opportunity for the new investor to put.
- ✓ Most of the respondents (52.7%) agreed that the green bonds are tax credit instrument and the investors of green bonds can enjoy tax benefits.
- ✓ A larger number of the respondents (47.3%) agreed that there must be a proper public intervention.
- ✓ The larger part of the respondents (54.5%) opined that there must be a proper framework to enhance market transparency.
- The Green Bonds are not recognized by the majority of the citizenry and it is not much popular, thus there must be a necessity of awareness program regarding green bond investment and its marketplace. With this plan, there must be an increase in popularity about green bonds instrument.
- The Majorly the students are not aware about the Green Bonds and its office, so the Educational Institutions must give the awareness and knowledge about this instrument and make the Green Bonds as a division of the syllabus for post-grad students so that they can gather the information about the Green Bonds instrument.
- There must be a proper sector diversification in green bond issuances, this must help the market participants to know and analyses the complex sectors and broaden out the use of proceeds particularly in the sector other than renewable energy.
- The government role is also important to the development of green Bonds, the government must adopt proper steps to enable the climate finance or Green Bonds finance.
- There is a necessity of maintaining particular methodologies and framework for domestic green bonds to enhance market transparency and its help for evaluation of divers' project in the Indian context.
- The Majority of the investors are invested in Green Project Bonds and the other types of Green Bonds (i.e. Green use of proceeds bonds, Green use of revenue bonds and Green securitized bonds) are not properly known by the investors, so the other bonds also known by the investor to invest.
- There no proper source and channel of investment to the investor, so there must be a proper

measure to improve the source and channel of investment.

### **Conclusion and Notes**

Green bonds are an efficient means for a society to demonstrate its dedication to environmental causes to demonstrate their green certification. Green bonds proposition potential cost advantages with wider investor base both domestically and internationally, thus creating better pricing for green bonds than regular bonds. Policy initiatives such as tax reduction, interest subsidies and credit guarantees can reduce the support costs for green bonds. Green finance in India is not so much popular. So far, the World Bank has invested in 5 green projects and International Finance Corporation has put in one green project in India. There are indirect investments in green projects from organizations. This research study has targeted to resolve various questions concerning green bonds and preferences. Thither are many potential drivers behind the changes in preferences, financial and non-financial, green and non-green. It can be reasoned that both types are contributing to changing preferences among investors and issuers. An increased focus on climate change and challenges ahead, from regulators, the media and through multi-national agreements such as the Paris Agreement, reinforces incentives to integrate sustainability concerns into investment strategies. For corporations it is becoming more important to demonstrate dedication to sustainable and green, where green issuances of bonds can reap valuable reputation benefits and send a potent sign to investors with ESG or SRI mandates. Research has demonstrated that investors are paying a premium to obtain green bonds.

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