



Integrating Sustainable Finance into Education - A Study on Awareness and Understanding of Green Finance among Commerce students in Bangalore city

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Abstract. With the world moving towards sustainability and India's vision for Viksit Bharat 2047, Green Finance has now been established as a foundational component of economic policies across the world. The current study aims to explore the level of awareness and conceptual understanding of Green Finance among commerce students in Bangalore, India. A mixed research design was employed, and data was collected from a sample of 71 students. The results show that although a majority of students, i.e., 77.5%, are aware of Green Finance, their level of self-perceived awareness is only moderate (Mean = 2.89). The study also employed a reliability test, and the results show a consistent understanding level of 3.43 (alpha = .817). The study tells that there is a need to integrate Green Finance in the curriculum to bridge this gap between basic understanding and professionalism. The study highlights a clear competency gap and concludes that universities must introduce innovative, outcome-based curriculum frameworks to bridge this gap.

Keywords: Green Finance, Sustainable Development Goals (SDGs), Commerce Education, Bangalore, Viksit Bharat 2047..

1. Introduction

Green Finance is a paradigm shift in the financial system of the world, from a 'profit-only' to a 'profit-with-purpose' model. It involves financial instruments like green bonds, loans, and insurance to support renewable energy and sustainable agriculture. India needs an estimated green investment of USD 10 trillion to achieve net-zero emissions by 2070, says the IFC (2024) ^[7]. So, Green Finance is the 'financial engine' behind the Viksit Bharat 2047 vision of a USD 30 trillion economy. According to NITI Aayog (2026) ^[8], future growth must be delinked from environmental degradation to ensure long-term sustainability. Strategic documents like the Sovereign Green Bond Framework (2022) ^[9] have already created the foundation for a healthy green financial system. The RBI has also helped by integrating Green Lending into Priority Sector Lending (PSL) ^[10].

Moreover, SEBI's Business Responsibility and Sustainability Reporting (BRSR) ^[11] now require top-listed companies to report ESG disclosures. This is a clear signal that the Indian market is internalizing environmental risks into its core economic calculations. However, the extent to which this transition can be successful depends on the "human capital" available to manage these complex financial systems. The Commerce students who will become CAs, financial analysts, and bankers are the key stakeholders who will be required to perform these sustainable roles.

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They will be required to perform complex tasks such as ESG auditing, carbon credit trading, and green portfolio management. While environmental concern in general has been high among the younger population, the level of literacy concerning specific green instruments has been remarkably low. Bangalore being the "Silicon Valley" of India and a premier FinTech hub represents a key demographic segment that can be used to measure the level of preparedness of the younger population. As an educational hub, Bangalore represents an ideal location to measure the gap between theory and practice. The paper aims to evaluate whether the Commerce students in Bangalore are ready to perform the role of leading the financial transition required to achieve the sustainability objectives set for 2047.

Achieving the national sustainability targets requires more than regulatory mandates; it demands institutional leadership in higher education to strategically integrate sustainable practices and SDGs into the mainstream curriculum. If educational institutions do not proactively transition from conventional commerce syllabi to innovative, future-ready skill development frameworks, a structural workforce deficit will emerge, crippling the growth of the green economy.

The paper aims to suggest ways to bridge this gap to ensure that Commerce students are able to perform the role required to transform India into a global leader in the emerging green economy.

1.1 Objectives of the Study.

- To assess the awareness level of green finance among commerce students in Bangalore city.
- To evaluate the level of conceptual understanding of green finance among these students

1.2 Statement of the Problem

Although there is already substantial research available about the green finance awareness of banking professionals and existing investors, there is an evident lack of empirical research about the green finance awareness of commerce students, who are the future of the industry. This is particularly important in the context of Bangalore, an emerging global hub for finance as well as education. It is not clear whether the current education scenario is equipping the students well enough in the subject of green finance instruments. Furthermore, the problem lies not just in a lack of student awareness, but in the lack of structured curriculum integration. Current commerce education frameworks are failing to translate general environmental goodwill into measurable, technical finance outcomes (such as ESG auditing or green portfolio management), leaving a visible gap between academic outputs and industry expectations.

1.3 Scope of the Study

This paper targets commerce students as the key stakeholders for future corporate-level financial reporting. It is contextualized in Bangalore as India's "FinTech Hub" to ensure that the assessment reflects a high level of innovation in finance and education. It aims to identify the specific "knowledge-confidence gap" of the green finance concept. It offers a roadmap for universities in Bangalore to develop specialized learning areas like Green Auditing and Sustainable Portfolio Management. It directly targets the achievement of specific United Nations Sustainable Development Goals (SDGs), including Goal 4 - Quality Education and Goal 13 - Climate Action. It evaluates the level of preparedness for future Chartered Accountants and Analysts to drive initiatives for a low-carbon economy. It establishes a baseline for longitudinal research in 2025-26 to measure the evolution of a new genre of "sustainability-focused" financial literacy in Indian academia.

1.4 Limitations

The study is restricted to Bangalore city, and this limits the generalizability of the findings to commerce students in other socio-economic and regional educational settings.

The study relies on a sample of 71 respondents through convenient sampling methods, and this sample may not be representative of all commerce students across various levels of institutions. The findings of this study may be based on self-reported information, and this information could be affected by social desirability and the tendency to overreport one's own technical skills in green finance.

1.5 Research Methodology

This study employed a quantitative descriptive and analytical approach in its research design to assess the level of awareness and understanding of green finance among commerce students in Bangalore city.

The study was mainly based on primary data, which was collected through a structured questionnaire survey using a five-point Likert scale. The questions were mainly related to basic awareness, level of awareness, and conceptual understanding of green finance.

A sample size of 71 commerce students was selected from various institutions in Bangalore city through a convenience sampling method. This method was employed due to its convenience and feasibility for the study period.

In addition to primary data, some relevant secondary information was referred to from available reports, journals, and publications related to green finance and sustainable development for the conceptual study framework.

The data was analyzed through (SPSS). Descriptive statistics such as frequency, mean, standard deviation, etc., were employed to assess the level of awareness among the students. To ensure internal consistency for the understanding scale, Cronbach's Alpha was computed. This analytical method helped to systematically evaluate the level of awareness among students about green finance concepts.

1.6 Review of literature

1. Ellahi, Jilani, and Zahid (2023)¹ examined customer awareness of green banking practices. This study basically tells us that people in their research area are ready to accept green banking and specifically those who are educated have high awareness of green finance concept and also it tells that the awareness level depends on the peoples education, income and age levels. The authors emphasized the need for effective communication strategies and awareness programs to strengthen customer participation in sustainable banking practices.
2. Joshi and Jain (2025)² assessed the awareness and understanding of green finance incentives among bank employees. This study explains that green finance is an important topic in Indian Banking and a small study on awareness of green finance among bank employees was conducted and this study tells that not all the employees understand the concept of green finance henceforth the paper suggest giving better training and more support so employees get to understand also help in promoting sustainable banking.
3. Rohith and Patil (2025)³ investigated investors' awareness toward green finance initiatives. Their findings showed that although investors were aware of terms such as green bonds and ESG investments, the major factor that influenced their investment decisions was financial return. The authors suggested that financial literacy and regulatory support should be enhanced to promote responsible and sustainable investment behavior.
4. Mansour et al. (2025)⁴ explored rural university youth awareness of the green economy and its contribution to achieving Sustainable Development Goals in Egypt. The study

identified that the level of awareness varied depending on educational exposure and institutional initiatives. emphasized the significance of universities in incorporating sustainability-based education to encourage greater engagement of the youth in green economic practices

5. Nathani et al. (2026)⁵ examined youth perspectives on climate change and sustainable development strategies. Overall the data reflected a high level of interest in environmental issues among students, but a relatively poor understanding about financial products that support sustainability. The authors recommended that financial education about products supporting sustainability should be included in the school curriculum.
6. Aedla, Pothuri, and Mohan (2026)⁶ conducted a comparative study of traditional and digital investment awareness among youth in Hyderabad. The amount of investment information available via digital platforms had a significant effect on young peoples' knowledge and preference for investment options; however, many of the studies did not specifically deal with green/sustainable financial products, showing the need for additional sustainability-focused financial literacy research.

2 Data Analysis and Interpretation

Objective 1: To assess the awareness level of green finance among commerce students in Bangalore city.

Table no 1 Awareness about Green Finance

Response	Frequency	Percent
Yes	55	77.50%
No	16	22.50%
Total	71	100%

The above table No. 1 indicates that out of 71 respondents, 55 students (77.5%) are aware about green finance, while 16 students (22.5%) are not aware about green finance. It can be concluded that the majority of commerce students in Bangalore city are aware about the concept of green finance. However, there are still 22.5% students who are not aware about the concept, which indicates that there is scope to increase the awareness level.

Table no 2 Descriptive Statistics of Awareness Level

N	Minimum	Maximum	Mean	Std. Deviation
71	1	5	2.887	0.9032

The above table no 2 shows the descriptive statistics of the level of awareness among commerce students. The Mean explains average level of awareness among the students is found to be 2.887 on a scale of 5. This shows that the level of awareness among the students lies between low and moderate. and the standard deviation of the level of awareness among the students is found to be 0.9032, which shows that the level of awareness among the students lies between moderate and high.

Objective 2: To evaluate the level of understanding of green finance among commerce students.

Table No 3 – Reliability Statistics

Cronbach's Alpha	N of Items
0.817	2

The above table no 3 shows the reliability statistics of the understanding scale.

Cronbach's Alpha:

The value of Cronbach's Alpha is 0.817, which is greater than 0.7. This indicates good internal consistency and reliability of the items used to measure understanding of green finance. Hence, the scale used in the study is statistically reliable.

Table No 4 – Descriptive Statistics of Understanding Score

N	Minimum	Maximum	Mean	Std. Deviation
71	1	5	3.4296	0.85897

The above table no 4 shows the descriptive statistics for understanding level. firstly, the average level of understanding among the students is found to be 3.4296 on a scale of 5 and also the standard deviation for understanding level is found to be 0.85897, indicating a moderate level of consistency among the students.

2.1 Interpretation

Objective 1: Awareness Level of Green Finance

Percentage Distribution:

- o Out of 71 respondents, 77.5% have heard about green finance, while 22.5% have not heard about it.
- o This indicates that a majority of commerce students are familiar with the term green finance. However, a considerable portion of students still lack basic awareness.

Mean and Standard Deviation:

- o The mean awareness score is 2.887 on a 5-point scale. Since the value is below 3, it indicates that the overall awareness level is between low and moderate.
- o The standard deviation of 0.9032 shows moderate variation in responses, which means that students' awareness levels are not highly dispersed but vary to some extent.

Hence, even though most students have heard about green finance, the depth of awareness is not strong and requires improvement.

Objective 2: Level of Understanding of Green Finance

Reliability Analysis (Cronbach's Alpha):

- o The value for Cronbach's Alpha is 0.817, which is greater than the acceptable value of 0.7.
 - o This shows that there is good internal consistency and reliability for the items that measure understanding. Thus, the scale for measuring understanding is statistically reliable.
- Mean and Standard Deviation:

o The mean for understanding is at a level of 3.4296, which falls on a scale from 1 to 5. Since the value is above 3, this shows that students have a moderate level of understanding for the concepts of green finance.

o The standard deviation for the responses from students is at a level of 0.85897, which again shows that there is a moderate level of consistency among students.

This shows that students have a reasonable level of understanding for the concepts of green finance but not at a level that can be considered advanced or confident

o The standard deviation for the responses from students is at a level of 0.85897, which shows that there is a moderate level of consistency among students.

This shows that students have a reasonable level of understanding for the concepts of green finance but not at a level that can be considered advanced or confident.

This gap between high general awareness (77.5%) and moderate actual understanding (Mean = 2.89) shows an academic bottleneck. Students know the term 'Green Finance' from social media, but lack classroom-driven technical skills. This proves we need to move toward an Outcome-Based Education (OBE) approach where curriculum success is measured by practical industry readiness

2.2 Findings

1. Awareness of Green Finance:

According to the survey, a majority of commerce students in Bangalore city (77.5%) have heard about green finance, indicating basic familiarity with the concept.

However, the mean awareness score of 2.887 shows that the overall awareness level is only low to moderate. This suggests that while students recognize the term, their knowledge may be limited to surface-level understanding rather than in-depth conceptual clarity.

2. Level of Understanding of Green Finance:

The study found that students possess a moderate level of understanding of green finance, with a mean score of 3.4296 on a 5-point scale. This indicates that students have some conceptual knowledge regarding green finance and its importance.

However, the understanding is not highly advanced, highlighting the need for deeper academic exposure and practical orientation.

3. Reliability of Measurement Scale:

The reliability analysis using Cronbach's Alpha resulted in a value of 0.817, which indicates good internal consistency of the items used to measure understanding. This confirms that the scale used in the study is statistically reliable and the responses collected are consistent for analysis.

4. Gap between Awareness and In-Depth Knowledge:

Although a high percentage of students have heard about green finance, the moderate mean scores shows a gap between basic awareness and strong conceptual understanding. This shows that students may know about green finance in theory but may not fully understand its practical applications, investment opportunities, or policy implications.

5. Need for Curriculum Integration:

The findings indicate that green finance concepts are not yet strongly embedded in the academic curriculum. Since commerce students represent future financial professionals, strengthening both theoretical and practical exposure to green finance is essential for supporting sustainable development goals and Viksit Bharat 2047.

6. Scope for Institutional and Policy Support:

The moderate levels of awareness and understanding suggest that educational institutions, financial bodies, and government initiatives need to play a more active

role in promoting green finance literacy among students. Workshops, seminars, certification programs, and curriculum enhancement could significantly improve knowledge levels.

2.3 Suggestions

1. Green Accounting and ESG Valuations should be included as mandatory courses in the curriculum.
2. The government should offer incentives for students to take up certifications in sustainable finance.
3. Academic institutions should conduct "Green Finance Summits" and practical workshops where students can connect with industry experts.
4. Higher education institutions in Bangalore must redesign their commerce curricula to feature dedicated modules with clear, measurable learning outcomes to ensure students move past basic awareness into professional execution.

2.4 Conclusion

The paradigm shift to a sustainable economic system is not an optional choice but a strategic imperative for the global standing of India. The study aims to reinforce that while commerce students in Bangalore, who are to become the custodians of the financial systems in the country, are aware of Green Finance as a concept, there exists a notable "competency gap." The study found that while 77.5% of students in Bangalore were aware of Green Finance as a concept, the moderate level of self-awareness, as computed by a mean value of 2.887, points to a lack of professional confidence.

The study found that there exists a "theoretical grasp" of Green Finance, as computed by an understanding mean value of 3.43. The study concluded that while commerce students in Bangalore are aware of Green Finance as a concept, they are not yet ready to make a paradigm shift from general environmental awareness to technical financial application. As India progresses toward achieving its vision for a Viksit Bharat 2047 and a USD 30 trillion economy, the need for Green-Collar professionals to manage environmental, social, and governance risk would be unprecedented. The study concluded that there is an urgent need to bring about a paradigm shift in the commerce curriculum. The study found that while commerce students in Bangalore are aware of Green Finance as a concept, there exists a notable gap in technical financial application. As Bangalore progresses toward achieving its vision for becoming a global financial hub, there is a need to bring about a paradigm shift in the commerce curriculum to ensure that students in Bangalore lead the charge toward achieving the United Nations Sustainable Development Goals (SDGs).

Ultimately, integrating sustainable finance into higher education is no longer an elective academic choice but a strategic imperative for India's global alignment. This study highlights that while commerce students in Bangalore demonstrate a receptive foundation of awareness, a distinct competency gap persists. Bridging this gap requires institutional leadership to champion curriculum innovation, shifting the pedagogical paradigm toward future-ready skill development. By systematically embedding green finance into commerce education, Indian academia can successfully cultivate the next generation of 'green-collar' financial custodians necessary to fulfill the United Nations SDGs and lead the nation toward a sustainable economy. As India works toward

Viksit Bharat 2047, the demand for financial professionals who understand ESG risks will be massive. Ultimately, integrating sustainable finance into higher education is a strategic necessity. Academic leaders must step up to change the curriculum framework, shifting toward future-ready skills so that commerce graduates can successfully drive the United Nations SDGs.

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