

A PATHWAY TOWARDS GREEN INDIA: GREEN FUNDS AND GREEN INVESTMENT

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Abstract

Green mutual funds may be right for you if you want to invest in stocks, these stock are environmentally conscientious, and are fed up with how huge businesses harm the environment. Despite being one of the industry's newest forms of funds and these mutual funds have lately garnered favour among many investors.

Entities that invest in environmentally conscious firms manage green money. Some of these firms employ eco-friendly energy or trash management strategies. Then there are others that make recycled items or promote the use of green energy. Some of them have set aside funding for environmental cleanup. These are companies that, in addition to increasing their bottom line and profit, also benefit the environment.

Aside from the 'feel good' factor of helping to keep the planet clean and being a socially responsible citizen, investing in these funds may also give financial rewards. There were relatively few enterprises long-ago that could be labelled as ozone-friendly. With numerous countries pledging their assistance for the planet and passing ozone-friendly policies, several firms have formed with the explicit objective of being environmentally conscious and lowering emissions. In the sector of green funds, Indian mutual funds have not been very active, despite the fact that their worldwide counterparts are.

The purpose of this article is to raise mutual fund companies' attention to green mutual funds, which are beneficial to the environment and the protection of the planet. This study examines the numerous fields for green India like funds, investment firms, and mutual funds available in India. Green India refers to a country that is free of pollution.

Keywords: Green investments, Green funds, Green India, Green investment, Green mutual funds.

INTRODUCTION

Environment friendly mutual funds are the Green funds which were produced by companies like Calvert and Winslow who participate in socially conscientious companies. Socially responsible investments (SRI) include green mutual funds, such as renewable fuels mutual funds. Green mutual funds frequently invest in

companies that do all necessary to ensure that their everyday operations also have very little negative influence on the environment and as little pollution as possible. If you want to invest your money in a way that helps the environment, Eco mutual funds as well as alternative and renewable mutual funds are two options to consider. Green and alternative energy mutual

funds are wonderful ways to generate income while also benefiting the environment.

Eco mutual funds are funds that invest in companies whose activities, projects, and investments are environmentally friendly or at the very least environmentally friendly, rather than destroying it or producing issues such as pollution. The following are some simple examples of various types of green businesses:

Green Mutual Funds include investment options in firms whose activities, initiatives, and investments are positive or at the very least supportive of the ecosystem, rather than destroying it or producing issues such as pollution. The following are some simple examples of various types of green businesses:

1. Companies that are directly involved in improving the environment, such as innovative recycling, waste management, or asbestos removal firms.
2. Have "Green" business strategies that are fair, sustainable, and do not hurt the environment in any way.

International Green Funds and Green Investing Companies:

CNBC has identified a few companies that are better to invest in along the lines of Green Investments, and maybe, given the current market instability, you can get a good deal if you buy for the long term. Some examples of green funds and green investing businesses are listed below.

1. Calvert Global Alternative Energy Fund (CGAEX): This fund only invests in renewable energy firms. Jens Peers, KBC Asset Management's head of eco-investing, manages this fund, which was founded in 2007. Peers is headquartered in Ireland and is well-versed in both the American and European political and legislative landscapes. This is particularly the case in the renewable power sector, as political decisions on which types of alternative energy to fund may have a significant impact on firms. The two biggest wind turbine manufacturers, Gamesa (GCTAF) and Vestas (VWSYF), were amongst the present holdings.
2. New Alternatives Fund (NALFX): With David and Maurice Schoenwald, a father-son

pair, at the helm since 1982, this fund also benefits from extensive management expertise. For the past five years, New Alternatives has averaged a 20% annual return, surpassing the benchmark S&P 500's 10% annual return. Alternative-energy firms like Q-Cells (QCLSF) and non-energy companies like Owens Corning and Whole Foods Market are among the fund's holdings. The cost ratio is 0.94 percent, which is among the lowest for a green fund, although there is a maximum upfront sales fee of 4.75 percent. The one reservation expressed by Morningstar's Herbst is that the managers do all of their own research and investment selection. They don't have an analytical team answering to management, and nobody is engaged in the treasury's daily decisions, posing a risk if the executives depart.

3. Intel Corp: Intel is most famous for creating Pentium CPUs, but it also has a sizable solar investment. Performance of Intel's solar business was reported in June 2008 that this was newly named as SpectraWatt.
4. Chesapeake Energy: Chesapeake Technology is an oil and gas company that produces the purest combustion fuel on the planet. North America has had enough proven natural gas reserves to run the US for at least the next 120 years.
5. DWS Climate Change's: General Electric (GE Quote), United Technologies (UTX Quote), and Siemens were among its top holdings at the end of the year (SI Quote). Despite the fact that all three are involved in space, the renewable power sections are insignificant. Utilities of the FPL Group: FPL Group is based in Florida and produces the bulk of its electricity from cleaner energy sources. It has 55 wind farms spread over 16 states, making it one of the pioneers in wind energy.
6. Hexcel Technology: Hexcel manufactures natural fibres and some other polymers for used in the building of wind turbines. The business plans to establish a new facility in Tianjin, China, in October 2008 to address the country's rising need for wind energy.
7. PowerShares Wilder Hill Clean Energy Portfolio (ECO): It's a selection of 36 green power stocks that represent the US clean power sector. Companies that expect to benefit greatly from a social shift toward sustainable technologies and conservation are referred to as

the renewable power industry. This investment is essentially a financial instrument fund that tries to replicate the WilderHill Clean Energy Index, sometimes known as a renewable power. Green Mutual Fund concepts are offered as well as real-time trading as an ETF, making this a popular fund among investors.

8. EnerSys: EnerSys is a company that makes lithium-ion replaceable batteries for hybrid stimulating cars. A agreement to provide submersible batteries was also given to the company. Apogee Enterprises is working on an energy-saving glass laminate. This particular glass, known as CrystalGray, can save power expenses by up to 30%.

9. Canadian Solar Technology: Canadian Solar Technology develops solar cells that convert sunlight into power. The company is based in Canada, although all of its manufacturing is done in China. They signed a contract with Conergy in July 2008 to provide modules for solar installations.

10. Interface Inc.: It is the world's largest reseller of recycled carpets. Ray Anderson, the company's founder and chairman, spoke at GreenWorld, a trade event focused on sustainable design, as the keynote speaker. He and his company are committed to repurposing old carpets to generate new materials.

11. Portfolio 21 (PORTX): It's an investment fund in small and large firms all over the world who are incorporating sustainability into their operational processes. Though they have modified their investment strategy over time.

12. Winslow Green Growth: After PORTX, there comes the Winslow Green Growth Fund, which is a very popular Green Mutual Fund. This fund invests largely on small size growing firms based in the United States. They do, however, have rigorous investment criteria: they only invest in companies that have a positive or neutral impact on the environment. They first narrow down the so-called "GREEN" firms, and then hunt for growth prospects within them. Because there are hundreds of tiny firms to choose from, small cap stocks provide them with a large and diverse pool of companies to invest in. They also conduct an environmental audit to ensure that the firms in which they have invested have not strayed from the path and have begun to degrade the environment. One of the most

popular green mutual funds for investing, offering a wide range of investment alternatives.

13. Sierra Club Funds: Despite the fact that there are no real "Green Firms" in the large cap category, this Sierra Club fund invests in large cap firms that have been thoroughly screened to avoid industries that the Sierra Club believes are environmentally harmful. So this fund may not go to firms who are in the solar energy sector, It is, however, open to any firm that strives to protect the environment and reduce its ecological footprint in a manner that is both good to the environment and has a broad influence. They have the social and financial muscle to make a significant difference if they undertake any environmental policies because they are significant enterprises.

14. Sasol: The Company is expertise in coal-gasification, which converts coal into a cleaner-burning fuel. By 2016, In collaboration with China's Shenhua Group, the company hopes to produce coal-based motor fuel. As a result of the high volatility in gasoline prices, environmentalists are taking cover and making their voices heard against climate change, and concerns raised about the use of Fossil Fuels.

15. Wal-Mart Services: It may appear to be an unusual green trade given that it is the country's largest electricity user. Wal-Mart, on the other hand, is testing with alternative fuel mixtures in its fleet of vehicles, inventing new ozone-friendly milk jugs, and packaging and selling unused cling film for recycling.

16. Winslow Green Growth Fund (WGGFX): This fund, which was founded in 2001, has always been a consistent player, with an annualized return of nearly 25% over the last five years. This is much higher than the benchmark Russell 2000 Growth index, which has returned 16 percent annually over the last five years. The fund's managers, Jack Robinson and Matthew Patsky, are its main selling point. They have depth knowledge and experience in "green" investment that is rare among environmentally oriented funds.

GREEN FUNDS IN INDIA:

The "Green" India story:

- Mr. Anand Shah, Head of Equities, said In a year's time, Canara Robeco Mutual Fund

created a feeder fund connected to Swiss 'Sustainable Asset Management (SAM)' funds. Water, power generation, global warming, and healthy lifestyle are among the "sustainable themes" listed by the SAM group.

- Pesco Beam Environmental Solutions, a company that deals with waste-oil recycling and alternative energy systems, received an investment from UTI Ventures, a private equity firm.
- In the second part of 2007, IDFC Private Equity made a Rs35 crore investment in Doshion, an Ahmedabad-based water management enterprise.
- Sequoia Capital invests Rs. 10 crore in Tribi Embedded Technologies (which produces devices for motor control and industrial automation and claims to reduce energy usage by up to 25%).
- Rs. 4.5 crore invested by Canara Bank in Natura Fibretech (coir (coconut-fiber) composites and other novel construction materials that might replace wood).
- In HMX Sumaya (ozone-friendly HVAC systems), ICICI Bank invests INR.49.9 million.
- New ventures India, for example, has launched a specialised fund.
- Green investment decisions are based on what you're looking for in terms of returns and how Green Mutual Fund fund managers handle their clients' money. There are approximately 65 SRI or Socially Responsible Investment Funds that "appear" to be socially conscious, as per information obtained on multiple websites. There are just SIX funds amongst these that may really be classified as Green Mutual Funds.

The Green Investment Congress India 2010:

The "Green Investment Congress India" conference, which will take place in Mumbai on April 20th and 21st, is a critical and relevant event that will draw every aspects of the Pan-India green sector, giving senior managers from all over the business a great opportunity to congregate and uncover significant prospects for investing in green technology in India. This symposium will be advantageous because it'll be a biz exchange platform that will bring together

investment bankers, bank executives, financial advisers, program managers, manufacturers, and startups to identify concerns, generate debate, and discuss obstacles which must be conquer for the economy to maintain with the global company's growth using practical examples and case studies. The purpose of the event is to:

- network with industry leaders and the most promising young entrepreneurs.
- Plan ahead of time and negotiate in new area.
- Organize your business into the appropriate opportunity buckets.

The role and responsibilities of in-house judicial officers have changed dramatically during the last decade. In-house legal teams have become progressively vital in achieving economic success while ensuring the business stays on the proper legal path as India liberalises and integrates into the international corporate setting.

Greenpalm Houseboat, Kerala:

"Kerala houseboat vacations are growing increasingly popular among both local and international visitors. As a result, the number of houseboats cruising the Kerala backwaters has skyrocketed. So much so that there is a pressing need to assess and classify houseboats based on their safety and service criteria. This will be the first step in ensuring the long-term viability of this unique tourism offering "Kerala's government. Greenpalm Houseboat is a one-of-a-kind houseboat that is practically pollution-free. The project's most crucial component is the long-term viability of ecotourism and the promotion of green palms. Less fuel/operating costs, no oil or diesel contamination of the backwaters, no untreated sewage in the backwaters, and less noise pollution. Imagine a green and joyful destiny for the Alleppey marshland, and contribute to its preservation for coming generations.

Private Equity and the Sustainable Investment at 'Yes Bank':

The Private Equity Sector of YES Bank is in control of raising capital for infrastructure, unique circumstances, real estate, and socially conscious investments. This bank also heads the Green Investment Company business, which provides financial advice, funding, and financial

arranging services to alternative energy and environmental initiatives, as well as social companies. Carbon Financing and Consulting, a division of YES Bank's Sustainable Bank, is indeed a component of the bank's Green Bank.

Green Cars:

It is not only the situation in India's car sector, but also in the rest of the globe. As automobiles become more common, filling every nook and cranny of the city, the environment is under attack and on the receiving end. Carbon-emitting automobiles have damaged the ecosystem by preventing fresh air from reaching the environment and disrupting the ecological equilibrium. According to a study done by several professional environmentalists, automobiles play a significant role in polluting the environment and contribute significantly to the choking of the nearby ambience and wonderful surroundings by releasing carbon. In order to tackle the increasing worldwide ecological problem, not only environmental reasons but also rising oil prices have encouraged all global automotive manufacturers to investigate green automobiles or plug - in hybrids, also referred as eco-friendly cars.

However, the Geneva Motor Show, which is normally regarded as the most important platform for global automakers to showcase their products, saw a record number of green cars queued up to be shown this year. Green vehicles have seized the Geneva motor show and dominated it; much like Nano did in the Auto expo, as several automobile manufacturers exhibited their future hybrid and green cars at the event. Toyota came away with the iQ, a small hybrid four-seater that will be released this year. Aside from that, numerous other new SUVs with hybrid engines debuted at the exhibition. Renault debuted Koleos, Ford debuted the Kuga five-seat crossover, and Nissan debuted the sport efficacy car. The 9-X Bio Hybrid, a low-slung concept automobile from Saab, has been presented. A prototype Mercedes SUV, BlueTEC Hybrid, was also on display by Daimler, a German carmaker. The list of green automobiles on exhibit at the event goes on and on, since the majority of the 130 vehicles on display were green cars. With so many worldwide automobile manufacturers jumping on the green car bandwagon, In the not-too-distant future, it's reasonable to suppose that

most of the automobiles on our downtown streets will be greener cars.

Benefit

The project's most crucial component is the long-term viability of eco-tourism and the development of green palms. Less fuel/operating costs, no oil or diesel contamination of the backwaters, no untreated sewage in the backwaters, and less noise pollution.

CONCLUSION:

Green equity funds have recently become popular because more and more investors demand environmental concerns into account. Increasing oil usage, the effects of climate change, the frequency of natural disasters, and other factors have caused many investors to fear that only if we start to care for the planet, we would be doomed, In the coming years, our world might not be a perfect spot.

As a result, Green Investments have grown in popularity. Green funds, are depending on how you're looking for in terms of income as well as how the Green Mutual fund's portfolio manager handles the shareholders' money. According to information found on various websites, around 65 SRI funds "claim" to be socially responsible. There seem to be SIX investments of these that may really be classified as Green Mutual Funds.

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