

## SUSTAINABLE FINANCIAL MANAGEMENT IN INDIA: INTEGRATING INDIAN KNOWLEDGE SYSTEMS WITH GREEN FINANCE FOR INCLUSIVE GROWTH TOWARDS VIKSIT BHARAT @2047

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### Abstract

*Sustainable financial management has emerged as a critical pillar for achieving long-term economic growth, environmental protection, and social inclusion. In India, the need for sustainable finance is increasingly evident in the context of climate change, resource constraints, and inclusive development goals. Alongside modern financial innovations, Indian Knowledge Systems (IKS) provide enduring principles of ethical wealth creation, prudent resource utilization, and social welfare. This paper examines sustainable financial management in India by integrating indigenous financial wisdom with contemporary green finance practices under the framework of the National Education Policy (NEP) 2020 and the vision of Viksit Bharat @2047.*

*The study adopts a conceptual and descriptive research methodology based on secondary data drawn from government reports, policy documents, academic literature, and real-life Indian examples. It explores how traditional Indian financial concepts such as Artha, Dharma, moderation in consumption, and collective responsibility align with modern approaches like green finance, ESG investing, financial inclusion, and sustainable banking.*

*The findings indicate that sustainable financial management rooted in Indian Knowledge Systems enhances transparency, long-term value creation, environmental responsibility, and inclusive growth. NEP 2020 supports this transformation by promoting multidisciplinary education, financial literacy, ethical reasoning, and sustainability-oriented learning. The paper concludes that integrating indigenous financial ethics with modern sustainable finance mechanisms is essential for building a resilient and inclusive financial system, contributing significantly to India's journey toward Viksit Bharat @2047.*

**Keywords:** Sustainable Financial Management, Green Finance, Indian Knowledge Systems, Financial Inclusion, Viksit Bharat @2047

### Introduction

Financial management has traditionally focused on profitability, efficiency, and risk management. However, in the contemporary global context, financial management has expanded to include sustainability, environmental responsibility, and social equity. Sustainable financial management emphasizes long-term value creation by balancing economic objectives with environmental and social considerations.

India has a long-standing tradition of ethical financial thought rooted in Indian Knowledge Systems. Ancient Indian economic philosophy emphasized responsible wealth creation (Artha) guided by moral duty (Dharma) and societal well-being. These principles align closely with modern concepts of sustainable finance and inclusive growth.

With increasing concerns over climate change, inequality, and resource depletion, India's financial system is transitioning toward green finance, inclusive banking, and sustainable investment models. Supported by policy initiatives and NEP 2020's emphasis on holistic and value-based education,

sustainable financial management has become central to India's development agenda and the vision of Viksit Bharat @2047.

### **Objectives of the Study**

The objectives of this study are:

1. To understand the concept of sustainable financial management in the Indian context.
2. To examine Indian Knowledge Systems related to ethical finance and resource management.
3. To analyze the role of green finance and financial inclusion in sustainable development.
4. To study real-life Indian examples of sustainable financial practices.
5. To assess the contribution of sustainable financial management to Viksit Bharat @2047.

### **Research Methodology**

The study is conceptual and descriptive in nature. It is based on secondary data collected from government publications, RBI and NITI Aayog reports, NEP 2020 documents, research journals, books, and credible institutional sources. Analytical interpretation is used to establish linkages between sustainable finance, Indian Knowledge Systems, and national development objectives.

### **Concept of Sustainable Financial Management**

Sustainable financial management refers to the strategic planning and utilization of financial resources in a manner that ensures long-term economic viability while minimizing environmental impact and promoting social equity. It includes practices such as green financing, responsible investment, ethical banking, and financial inclusion.

In India, sustainable financial management has gained importance due to increasing environmental challenges and socio-economic disparities. Financial institutions are gradually integrating sustainability criteria into lending, investment, and risk assessment processes. This shift reflects a broader transformation from short-term profit orientation to long-term value creation.

### **Indian Knowledge Systems and Ethical Financial Thought**

Indian Knowledge Systems offer deep insights into ethical financial management. Ancient texts such as the Arthashastra emphasize disciplined revenue management, prudent expenditure, risk mitigation, and accountability. The concept of Aparigraha (non-excessive accumulation) advocates moderation in wealth accumulation and consumption.

Traditional Indian financial practices encouraged savings, responsible borrowing, mutual aid, and community welfare. Cooperative institutions and informal savings groups reflected collective financial responsibility and trust. These principles resonate strongly with modern sustainable finance frameworks.

### **Green Finance and Sustainable Banking in India**

Green finance plays a crucial role in supporting environmentally sustainable projects and businesses. In India, green finance includes green bonds, renewable energy financing, sustainable infrastructure funding, and climate-resilient investments. Banks and financial institutions increasingly incorporate environmental, social, and governance (ESG) criteria into financial decision-making (OECD, 2020).

Initiatives such as priority sector lending for renewable energy and sustainable agriculture demonstrate India's commitment to integrating finance with environmental sustainability. Green finance not only mitigates environmental risks but also promotes innovation and long-term economic resilience.

### **Real-Life Indian Examples of Sustainable Financial Management**

The State Bank of India (SBI) has actively participated in green financing by issuing green bonds to support renewable energy and sustainable infrastructure projects. This reflects a shift toward environmentally responsible financial management.

Microfinance institutions such as Bandhan Bank promote financial inclusion by providing credit and financial services to underserved populations. These initiatives align with indigenous principles of social welfare and inclusive growth.

The Pradhan Mantri Jan Dhan Yojana has significantly expanded access to banking services, enhancing financial inclusion and transparency. Digital platforms further support sustainable financial practices by reducing transaction costs and improving efficiency.

### **Financial Inclusion and Inclusive Growth**

Financial inclusion is a cornerstone of sustainable development. Access to affordable financial services empowers individuals, supports entrepreneurship, and reduces inequality. Indian Knowledge Systems emphasize social equity and collective welfare, reinforcing the importance of inclusive finance. Digital banking, mobile wallets, and fintech solutions have expanded financial access in rural and marginalized communities. Inclusive financial management contributes to poverty reduction, employment generation, and social stability.

### **Role of NEP 2020 in Sustainable Financial Education**

NEP 2020 emphasizes multidisciplinary education, ethical reasoning, and sustainability-oriented learning. By integrating financial literacy, environmental awareness, and value-based education, NEP 2020 prepares learners to make responsible financial decisions.

Educational institutions play a vital role in promoting sustainable financial management through research, innovation, and skill development. NEP 2020 supports the development of professionals capable of aligning financial expertise with sustainability goals.

### **Sustainable Financial Management and Viksit Bharat @2047**

The vision of Viksit Bharat @2047 aspires to create a developed, inclusive, and environmentally responsible nation. Sustainable financial management is essential to achieving this vision by ensuring efficient resource allocation, environmental protection, and social equity.

Integrating Indian Knowledge Systems with modern sustainable finance practices strengthens India's financial resilience and global credibility. Ethical and inclusive financial management will play a decisive role in nation-building.

### **Conclusion**

Sustainable financial management rooted in Indian Knowledge Systems and supported by modern green finance mechanisms offers a balanced pathway for India's long-term development. This integration ensures that financial growth aligns with environmental sustainability and social responsibility. As India advances toward Viksit Bharat @2047, sustainable financial management will remain a critical driver of inclusive and resilient economic progress.

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