



Greenwashing in India and Its Impact on Environmental Sustainability

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Introduction

Greenwashing as an act of making claims to the environmental credentials of products or company practices which are exaggerated or misleading has been an increasing issue in sustainability environment in India. With the growing pressure of the climate change and environmental deterioration, government and industry are becoming more scrutinized by the general population to consider serious issues concerning the environment. However, the relationship between corporate social responsibility, sustainability reporting and marketing has also ensured that shallow initiatives have a disguise of being green developments that creates significant obstacles to attaining true environmental stability, Varghese, R. M., and Satapathy, A. (2025).

Understanding Greenwashing in India

Greenwashing is not a fringe phenomenon, it reaches right into consumer trust, particularly in the light of the growing environmental consciousness of the Indian consumer generation Z, Amjad, R., et.al (2025). The research conducted in industries such as hospitality and tourism has found out that companies have been employing false claims of green in an attempt to attract green-conscious customers. The results are grave and the effects of greenwashing undermine what is called green equity a legitimate environmental brand value of a company and diminishes the chances that consumers will choose a business that is genuinely sustainable as opposed to a misleading one, Pattnayak, P. (2025). Such fraud activities can offer short term benefits but will eventually erode the long term commitments towards sustainability.

On an industry-wide basis, the peril of greenwashing is exacerbated by the current issues of environmental crisis in India that feature dangerous air quality, food security, and very serious problems with waste disposal. Corporate social responsibility (CSR) signaling is adopted by many corporations with the aim of making business decisions that are ethical, yet these companies fail to implement the substance of environmental improvement, thereby undermining the concept of CSR and hindering ethical business decision-making (Devi, P. M., et.al (2024). The given discrepancy is particularly acute when it comes to India, which is engaged in achieving Sustainable Development Goals (SDGs) whereas the levels of PM2.5 are now almost three times higher than the recommended rates (Nivetha, P., & Prasanth, S., 2024). PM2.5 refers to airborne particles with a diameter of 2.5 micrometers or smaller, which are tiny enough to penetrate deep into the lungs and cause serious health problems.

Regulatory Response and Evolving Frameworks

India has retaliated with regulatory reforms including the Business Responsibility and Sustainability Reporting (BRSR) framework by securities and exchange board of India. The initiative was aimed



at enhancing corporate transparency, accountability, and aligning the business practices with global environmental, social, and governance (ESG) standards Reddy, N. S., and Rajeswari, K. (2024). Yet, hurdles remain. Assuring the quality of data, controlling the use of third-party evaluation and using technology to be credible are not easy tasks, and the threat of greenwashing continues despite the increased demands on the reporting. It has been shown that greenwashing action can be limited with the help of the technological solutions because of the independent verification Joshi, S., and Kansil, R. (2023).

Synergies and Opportunities for Redefining Environmental Stability

Even with these issues, the green finance industry in India, particularly in innovative instruments such as green bonds are opening up real opportunities to environmental stability. Green bonds are sustainable infrastructure (clean transportation and renewable energy) financed to create a macroeconomic stability and also enable India to move to a low-carbon economy (Mir, A. A., et.al (2025). However, this industry is also prone to greenwashing threats in case of inconsistency in the assessment standards or transparency collapses Sharma, M., & Choubey, A. (2022).

The real synergy should not be created because of shallow marketing but because of strategic alignments between governmental, corporate and civil society efforts. When performed in conjunction with a sincere CSR and nonprofit associations, cause-related marketing can establish sustained brand trust and consumer loyalty and contribute to quantifiable environmental and social impacts Ziliani, C. (2025). These synergies seek to go beyond compliance; appreciating the constraints of natural resources, marking out waste hierarchies and avoiding pollution, and considering environmental stewardship as a catalyst of business innovation Rathi, A. K. A. (2018). To thrive on green innovation, India needs to promote sustainable business practices that consider the environmental values as core to their business operation by ensuring increased efficiency of resources and taking the role of a steward to transforming the scale of solutions required to create a sustainable impact. The models justify the inclusion of green finance, ethical marketing, as well as transparent reporting as the complementary components of environmental stability.

Conclusion

Greenwashing remains a great obstacle to the Indian environmental aspirations. It destroys credibility, discourages real actions, and causes serious climate degeneration. The way to go, however, is obvious. The strength of regulatory reaction, technical advances in the field of verification, and spirit of natural synergy between business, government, and civil society will help to create the real environmental sustainability.

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