

Green Signals: A Systematic Review of Factors Guiding Venture Capital Investors' Decisions in Cleantech

Priyanka Manethiya¹, Sakshi Sharma², Kunjana Malik³

¹ *Research Scholar, Atal Bihari Vajpayee School of Management and Entrepreneurship, Jawaharlal Nehru University, Delhi, India*

² *Assistant Professor, Atal Bihari Vajpayee School of Management and Entrepreneurship, Jawaharlal Nehru University, Delhi, India*

³ *Associate Professor, S.P. Jain Institute of Management & Research, Mumbai, Maharashtra, India*

Abstract

Clean energy transition demands both innovation and funds for a sustainable future. This paper examines the factors that influence venture capital (VC) investment in cleantech companies through a bibliometric analysis of 122 articles and a systematic literature review (SLR) of 58 articles. It synthesizes existing empirical research on cleantech VC investment and identifies the primary factors driving VC decisions, which are then generalized into a set of broad dimensions, i.e., capital dynamics, technological paradigm, institutional framework, cognitive drivers, and contextual environments. The study advances academic literature by identifying the VC route to investment, providing academicians and practitioners with relevant insights into its role in supporting cleantech finance. This research contributes to the literature by theorizing the decision-making process of cleantech venture capital as a multi-theoretical and boundary-spanning process. Contrasting with previous studies that seek to determine the effect of financial, policy or innovation factors, it integrates five interconnected concepts into a single conceptual framework.

Keywords: venture capital, sustainable venture, green venture capital, corporate venture capital, CVC, cleantech