

**Problems and Prospect of Developing a Proper  
Mechanism for Measuring Impact of ESG Factors  
on Business Finance:  
Developments in India and other Countries**

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**ABSTRACT**

Environmental, social and governance (ESG) challenges have changed the world of business and investment altogether. Several studies and research surveys have been conducted in developed markets relating to the awareness of ESG factors in financial investments. The motivation behind the surveys has been to ascertain the level of ESG consciousness among the asset managers and to find out the relevant gaps in understanding the materiality of ESG factors for the purpose. This paper is an attempt to study the state of ESG investment in developing economies vis-à-vis the developed ones with a special reference to the Indian financial sector.

**Key words:** Environment, Social, Corporate Governance, Corporate Finance, Investment, Asset management.

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