

**Editor's Note**

Our policy is to review all books which are either sent to us or in our opinion are useful to our readers.

**Book Review**

## **ESG Investing Uncovered : Myths, Truths and The Billion Dollar Opportunity<sup>1</sup>**

YAMINI AGARWAL\*

ESG STANDS FOR environment, social and governance. Environmental focuses on issues like carbon emissions, pollution, resource management, climate change, etc. Social includes labour practices, diversity, culture and community engagement etc. Governance includes varied aspects of how a company is managed i.e. board structure, transparency, internal/external controls, ethics issues, compliance of rules and regulations, etc. ESG investing involves these three (Environmental, social and Governance) non-financial factors into financial and investment decisions to evaluate company's overall performance, long term sustainability and ethical impact. Now a days investors consider ESG factors to be important indicators of a company's financial health and its future ability to create substantial and sustainable long-term value.

Auhtor in her book "ESG investing uncovered" has surged into \$50 trillion market, reshaping global finance. Authors inherent question is "Is ESG truly driving meaningful change or is it just another marketing buzzword". Author tried to distinguish the real impact from marketing gimmicks. Readers while going through this book will be able to explore that how ESG ratings work in real life. How an investor often fail to measure genuine sustainability, the greenwashing problems where companies mislead investors with false claims. Which company in reality bringing meaningful change or who is in reality capitalizing on the over hyped trend scenario. Author has also examined how AI, big data and evolving regulations will redefine ESG investing and provides practical strategies to identify authentic ESG opportunities while avoiding green-washing traps. Special features of this book are in-depth case studies, experts' insights, actionable guidance.

An important aspect is ESG investing focuses on companies that follow positive environment, social and governance principles. A study published by European Securities and Market Authority found that "ESG generally improves returns and cuts clients costs over time". A poll by Pricewater

1 Poddar, Subarna, "ESG Investing Uncovered : Myths, Truths, and the Billion Dollar Opportunity - How Sustainability is Reshaping Markets", April 2025, Notion Press, California, USA and Tamil Nadu, India pp 50, Price ₹199/-

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house Coopers found that 83% of consumers think companies should be actively shaping ESG best practices. 76% of consumers said that they would “discontinue relations with companies that treat employees, communities and environment poorly. On the other hand Friedman and some other research studies provided academic support for the argument that the integration of ESG type factors into financial practices would reduce financial performance. There are both pros and cons of ESG. However the term ESG was popularized by “who cares wins” a report first published in 2004 by a group of 18 banks and investment firms that was organized by the United Nations.

Since its conception, ESG has become an important framework for guiding corporate houses towards sustainable practices in ESG related aspects. This book is a must-read for students, investors, young professionals, politicians and policymakers to achieve all sided growth simultaneously at a long run. Subarna, who has been IIF Graduate of MBF program and my student, has done a commendable job by bringing out this book in the academic world.

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