Where CSR Funding Falls Short of India's Biggest Challenges: Sattva Consulting Report Identifies Five Areas for Catalytic Impact

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India’s corporate social responsibility (CSR) spending reached Rs 40,794 crore in FY 2024–25, growing at a compound annual growth rate (CAGR) of 15 per cent over the past decade. However, an analysis by Sattva Consulting and India Data Insights finds that the distribution of CSR funding does not always correspond to the scale and geography of India’s development challenges, with gaps emerging across several critical areas.

The eighth edition of Sattva Consulting’s annual CSR report, Catalytic CSR: Where Focused Capital Can Move India’s Developmental Needle, examines five such areas: non-communicable diseases, school-to-work transition, women’s economic agency, groundwater resilience, and innovation and research. Drawing on identifiable CSR projects of Rs 25 lakh and above reported to the Ministry of Corporate Affairs between FY 2022–23 and FY 2024–25, the report examines the development challenges in each area alongside the patterns and priorities shaping corporate funding.

Srikrishna Sridhar Murthy, Co-founder and CEO, Sattva Consulting said, *“CSR has brought size and predictability to funding. It now needs agility. CSR cannot replace the*

government, but it can be patient and risk-tolerant in ways other capital often cannot. That allows it to test unproven models, build evidence on what works and help scale its adoption. The question for corporates is no longer only how much they spend, but whether that spend is reaching the problems where it can make a difference."

Five areas where CSR funding patterns merit closer attention

Non-Communicable Diseases: Cardiovascular Diseases Receive a Smaller Share of Funding Despite Their Burden

Non-communicable diseases account for 60 per cent of deaths in India, up from 45 per cent in 2004–06 to 60 per cent in 2022–24. Cardiovascular diseases alone account for one-third of all deaths and over half of NCD-related deaths. Yet, nearly 62 per cent of identifiable NCD funding goes to cancer, while cardiovascular diseases receive approximately 12 per cent. The finding highlights the concentration of funding within one disease area, even as the burden of NCDs extends across multiple conditions.

School-to-Work Transition: Funding Concentrates on Academic and Skilling Support

India's youth unemployment rate stands at approximately 9.9 per cent, but the challenge is particularly pronounced among educated young people: unemployment rises from 8.8 per cent among those with higher secondary education to 25.9 per cent among graduates. While over half of identifiable CSR funding for the school-to-work transition goes towards academic and skilling support, the wider transition ecosystem receives less. In FY2024-25, for every Rs 1 directed towards academic and skills support, only Rs 0.24 went towards exposure to the world of work.

Women's Economic Agency: Funding Leans Towards Skilling and Livelihoods Over Structural Barriers

India ranks 144th among 148 economies on economic participation and opportunity in the World Economic Forum's Global Gender Gap Report 2025. Rs 1,122.8 crore (29 per cent) targets women's economic agency, the largest identifiable share. Nearly 77 per cent of this goes to skilling and livelihoods. The report also points to the importance of addressing structural barriers such as care infrastructure, safe mobility, market access, business networks and workplace retention to enable sustained economic progression.

Groundwater Resilience: CSR Funding Fails to Flow Where The Stress Runs Deep

Nearly one in seven groundwater assessment units in India faces critical extraction stress. Punjab, Rajasthan and Haryana account for nearly 49 per cent of the country's critical or over-exploited assessment units, but receive only around 7 per cent of identifiable groundwater resilience CSR funding. The report also finds that 95 per cent of identifiable funding goes towards recharge and source sustainability, while water-use efficiency & demand management, quality & source protection, and planning & management receive considerably smaller shares.

Innovation and Research: Translation Remains a Critical Gap

India spends 0.84 per cent of its GDP on research and development, compared with 2.5–5 per cent in leading innovation economies. Sattva's analysis identifies approximately Rs 298 crore in CSR funding for innovation and research across development sectors between FY2022-23 and FY2024-25. However, no industry directs more than 1.2 per cent of its total CSR spending towards innovation. The report underscores the critical gap of research translation: the process of moving scientific discoveries towards validation, deployment and market adoption.

Non-communicable diseases and school-to-work transition are persistent constraints within well-funded sectors such as health and education, while the other three are cross-cutting or emerging areas where the CSR response is yet to mature. The report notes that the five areas are not an exhaustive list of India's development problems.

The report outlines three shifts to help CSR move from scale to agility: continuously reassess programmes and priorities through data, outcome measurement and learning loops; move closer to critical and persistent needs where other forms of capital are less likely to flow; and act as a multiplier, using partnerships, innovation and technology to address systemic barriers. It adds that corporates can contribute more than capital: sharing evidence and proofs of concept can help other philanthropic actors adapt and scale effective models.

About Sattva Consulting

Sattva Consulting is a global impact consulting firm from India. Since 2009, we have engaged with communities, business, and government to achieve societal impact at scale. We believe that Civil society, Business, and Government all have a critical role to play in building an equitable and sustainable world, and we actively partner with all stakeholders to enable impact through our advisory and orchestration services, knowledge and data platforms—built as public goods for the ecosystem, and collaborative solutions and partnerships. To know more, visit sattva.co.in.

About India Data Insights

India Data Insights (IDI), an initiative by Sattva Consulting, aims to empower India's development sector with actionable, ready-to-use data insights to enable sharper decisions and maximise impact. Built as a public good, IDI consolidates public data across SDG practice areas on one, unified

platform, offering insightful visualisations, interactives, blogs and ready-to-use-charts and dashboards. To know more, visit India Data Insights.

