



CSR and Climate Action:

Catalytic Capital for a Resilient India

Foreword

India is at a defining moment. Climate change is no longer a distant threat, it is an urgent reality reshaping our economy, our communities, and our collective future. Climate-induced shocks are already disrupting livelihoods and eroding hard-won development gains across the country. For corporates, the question is no longer if climate will affect them, but how prepared they are to respond, and the power they hold to make a difference.

Since the enactment of Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013, India has pioneered a framework that has evolved into a powerful conduit for development. What began as a compliance requirement has matured into one of the country's most stable sources of private capital for social good, reaching almost ₹35,000 crore in FY24-25. CSR spending projected to cross [₹1.2 lakh crore annually](#) by 2035¹, making it the 'largest and most stable' source for India to make social impacts through private capital.

Why catalytic?

Unlike commercial finance, CSR can fund diverse projects, pilot new approaches, build capacities, and invest in communities that are most vulnerable. This can help in unlocking further public and private finance for climate action. A latest study estimates that India needs climate finance of the tune of USD 1.5 trillion across sectors by 2030.² Whether through regenerative agriculture, water security, clean energy, nature-based solutions, or green skilling, CSR can play a critical role while advancing India's climate and development priorities. In doing so, CSR not only climate-proofs its own grant portfolio but also contributes to building resilience in the very communities and ecosystems their businesses depend upon.

How is it relevant?

Every rupee invested in climate resilience yields multiple dividends: avoided losses, sustainable growth, and social and environmental benefits, and, most importantly, enhanced stakeholder trust. Companies that integrate a climate lens into their CSR strategies position themselves not only as responsible leaders but also as future-ready enterprises aligned with national and global sustainability goals.

What can be done?

This thought piece is an invitation to reimagine CSR - as more than compliance, as more than philanthropy. It is a call for corporates to leverage CSR as a strategic lever for climate action, one that safeguards business continuity, strengthens community resilience, and secures a sustainable future for all. We present a perspective, along with a few case studies, to illustrate how CSR can integrate climate action into their work. The time to act is now and CSR can show pathways for a climate resilient future towards Viksit Bharat.

¹The Convergence Foundation, Collectively Reimagining CSR as Investment Capital: 100 Thousand Crores for Transforming India, event summary (24 Sept 2025).

²Deloitte India. The climate response: Tapping into India's climate and energy transition opportunity, 2025

India is at a defining moment in its climate journey. As climate risks intensify, they are already jeopardising hard-won development gains across health, livelihoods, and basic infrastructure, particularly for the most vulnerable communities. This decade is decisive. Closing the climate financing gap, sustaining workforce and supply-chain stability, and protecting development outcomes will require patient, risk-tolerant capital and long-horizon thinking.

CSR is uniquely positioned to play this role. Its flexibility enables bold experimentation, builds climate capacity across ecosystems, and supports integrated solutions grounded in community realities, while de-risking early-stage interventions and enabling convergence with public systems. By unlocking strategic flows of finance, CSR can shift climate action from fragmented projects to systems-led strategies, strengthening its role as a critical pillar of India's climate leadership and empowering the country to shape its own adaptation and mitigation pathways.

Shloka Nath
CEO, India Climate Collaborative

Climate change is a higher order problem being faced by society with disproportionate impact on marginal sections of society, and potential to wipe away progress made in multiple areas of social well-being such as water and food access, infrastructure access for health and education, income disparity, etc. The consequences of climate change are also becoming significantly more severe in recent years and are expected to only increase – the actions required to address this continue to be underfunded.

The intersection of CSR and climate action represents a powerful avenue to address this challenge by making every penny spent on CSR being both environmentally and socially impactful – not seeing them as separate outcomes but integrated outcomes. Beyond its direct societal value, CSR spend on climate also presents a strong business case, as it helps mitigate physical and transition risks, brings stability to workforce and supply chains, and can address multiple areas which are important to business but often not acted upon due to it being common industry and society challenges vs. individual company challenges. Aligning CSR with climate action is not just better social responsibility but a strategic pathway to economic and societal resilience and sustainable growth.

Ankit Todi,
Chief Sustainability Officer, Mahindra Group

About



The India Climate Collaborative (ICC), founded in 2020 by philanthropists and industry leaders, is a first-of-its kind collaborative committed to the climate ecosystem in India. It unlocks individual and corporate philanthropic capital, identifies catalytic climate priorities, and creates a connective infrastructure for impactful funding.



Founded in 1945, the Mahindra Group is one of the largest Indian multinational federation of companies with 320k+ employees in > 100 countries. Mahindra operates across 20+ industries, with Auto, Farm, and Services as key sectors. Additionally, Mahindra's Services sector spans diverse industries, including Mahindra Finance, Tech Mahindra, hospitality (Holidays), real estate (life spaces), logistics, steel (Accelo), auto recycling (Cero), renewable energy (Susten), and aerospace and defense. At Mahindra Group, climate action, sustainability, and CSR are deeply embedded in our core purpose via the RISE philosophy.

Acknowledgements

This thought piece represents an important step towards strengthening understanding and dialogue on the role of Corporate Social Responsibility (CSR) in advancing climate action and resilience in India. The development of this thought piece has been a collaborative effort, shaped by diverse perspectives across the CSR and climate ecosystem.

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Disclaimer

This thought piece reflects the perspectives, analysis, and interpretations of the authors and contributors, informed by their experience and engagement with the CSR and climate ecosystem. The views expressed are those of the authors and contributors and do not necessarily reflect the official positions of their affiliated institutions or organisations.

This document is structured into three main sections:

- 01 **THE CSR LANDSCAPE IN INDIA:**
Insights and trends
- 02 **FROM RISK TO RESILIENCE:**
CSR as catalytic climate capital
- 03 **FROM INTENT TO ACTION:**
What can business leaders do?

01

The CSR landscape in India:

Insights and trends

02

From risk to resilience:

CSR as catalytic
climate capital

03

From intent to action:

What can business
leaders do?

01

The CSR landscape in India

Insights and trends



An overview of CSR in India

CSR spending is projected to cross ₹1.2 lakh crore annually by FY35 making it the 'largest and most stable' source for India to make social impacts through private capital.³ The regulatory clarity and moral impetus provided by the Companies Act have positioned CSR as a vital mechanism for bridging social gaps, supporting innovation, and fostering relationships between the private sector and society.

India is unique in being one of the first countries with a legislated Corporate Social Responsibility (CSR) framework, positioning CSR as a critical lever for corporate contribution to national development. Far beyond a compliance mandate, India's CSR model provides a strategic platform for businesses to drive inclusive growth and sustainable development, aligning non-market private capital with pressing social and environmental priorities. The Ministry of Corporate Affairs (MCA) introduced the CSR mandate under Section 135 of the Companies Act, 2013. This legal mandate applies to companies that meet one of the following criteria:

- a. Net worth of ₹500 crore or more**
- b. Annual turnover of ₹1000 crore or more**
- c. Net profit of ₹5 crore or more**

Companies that meet any one of these criteria must spend at least 2% of their average net profits (within the last 3 years) on CSR.

Schedule VII, under Section 135, describes a broad set of focus areas that companies can incorporate into their CSR plans. The areas draw on UN Sustainable Development Goals (UN SDGs), and include but are not limited to:

- Eradicating hunger, poverty, and malnutrition
- Promoting education, including special education
- Promoting gender equality, environmental sustainability, and women's empowerment
- Ensuring health, sanitation, and well-being
- Protecting national heritage, arts, and culture
- Promoting sports, rural development, and disaster management

Section 135 in the Companies Act 2013 mandates companies and corporations to invest at least 2 percent of their average net profit into CSR initiatives. This provides a clear pathway for corporates to meaningfully contribute to sustainable development.

³The Convergence Foundation, Collectively Reimagining CSR as Investment Capital: 100 Thousand Crores for Transforming India, event summary (24 Sept 2025).



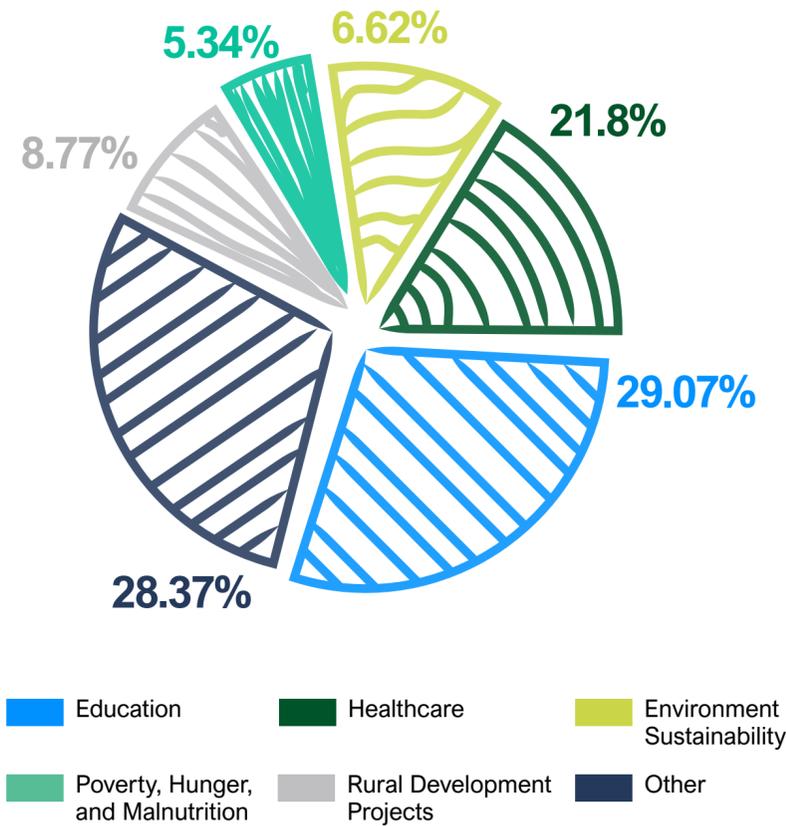
Key trends in CSR

In the first year of mandatory compliance (FY2014–15), companies spent about ₹10,066 crore on CSR activities. FY2023–24, saw a three-fold increase with a record CSR spend of around ₹34,909 crore.⁴ This expanding financial commitment positions CSR as a high-growth, stable source of private capital for social and environmental impact in India.

Education and Healthcare have been the dominant sectors of focus for CSR. Together, these two sectors have accounted for almost half of all CSR spending. While Environment Sustainability is a distant fourth. Spending on Education is almost 5x more than spending on Environmental Sustainability.⁵

This pie chart shows the percentage distribution of India's CSR spending across key sectors from 2014 to 2023, based on the cumulative ₹1.84 lakh crore spent on CSR since its inception, with Education (29.07%) and Healthcare (21.83%) receiving the largest share, followed by Rural Development (8.77%), Environmental Sustainability (6.62%), and Poverty and Malnutrition (5.34%)."

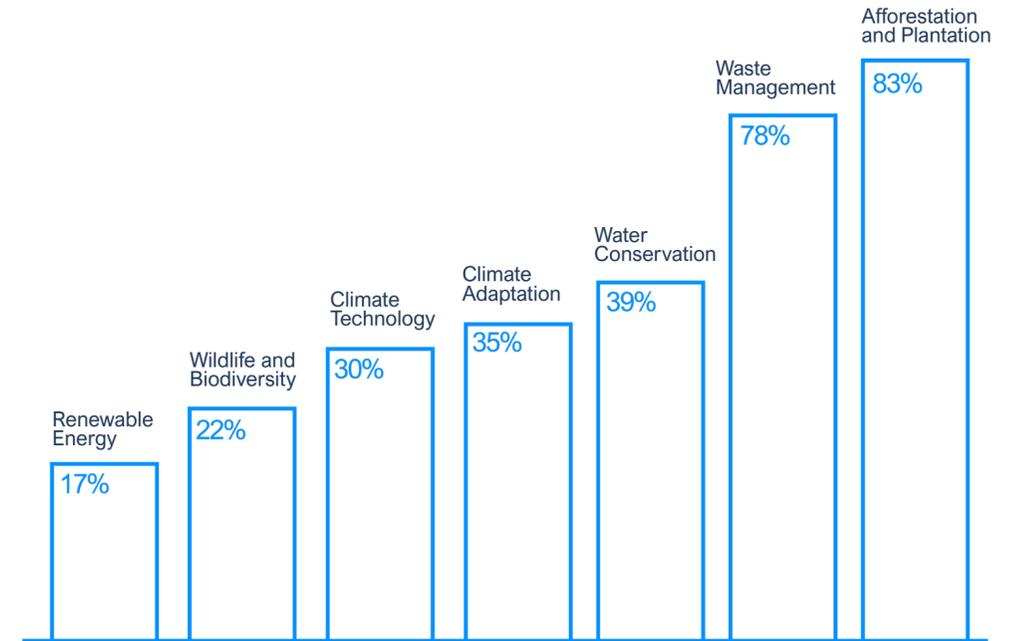
Distribution of national CSR spending



Source: Sattva Consulting and India Data Insights, The State of CSR in India – Data Guide 2024 (covering CSR trends from 2014–23)

For CSR projects focused on environment and sustainability, companies invest in multiple areas. The following figures highlight the key environmental themes where a majority of the 301 leading companies are directing their CSR investments. As per CSRBOX's findings, around 60% of these companies are investing in Environment and Climate-related initiatives, indicating the growing prominence of this priority within corporate CSR portfolios.⁶

Broadly, key trends in India's CSR landscape indicate, a gradual pivot towards environmental and sustainability issues, and the integration of CSR with broader Environmental, Social, and Governance (ESG) goals. Corporate accountability and long-term business resilience is enhanced as companies are no longer treating CSR as a standalone philanthropic effort.



Source: CSRBOX, India CSR Outlook Report 2024, sectoral analysis of CSR spend in India

⁴ Fulcrum, Bharat CSR Performance Report 2025 – India's CSR Trends for FY 2023–24.

⁵ Sattva Report, "State of CSR in India 2014-23, Data Guide 2024

⁶ CSRBOX, India CSR Outlook Report 2024, Sectoral Analysis of CSR Spend in India.

Challenges with the current approach

Despite significant progress, India's CSR landscape remains constrained by short project cycles, fragmented efforts, and limited integration across social and environmental priorities. More importantly, some CSR programs are still designed without accounting for the growing impact of climate change on the very sectors they support. Rural livelihoods, health infrastructure, and education initiatives are already being disrupted by floods, droughts, and extreme heat. Unless climate resilience becomes an integral part of these programs, it risks losing long-term effectiveness. Recognising this gap is the first step positioning CSR not merely as compliance, but as catalytic capital for safeguarding India's development gains against climate risk.



CSR in India has delivered important social and environmental benefits, but several challenges continue to limit its long-term effectiveness:

1. Climate risks to development gains

Investments in rural development, livelihoods, health, and infrastructure are susceptible to climate shocks such as floods, water scarcity, heat stress, and ecosystem degradation. Without embedding climate resilience, years of progress risk being undone.

2. Siloed funding for interlinked challenges

The CSR Act defines broad themes like hunger, livelihoods, gender, health, rural development, and environment. On the ground, these issues are deeply interlinked, with climate in particular intersecting across multiple areas. Addressing climate challenges calls for integrated, not siloed, interventions. While many CSRs are now taking an integrated approach, many more need to embed this approach into their giving strategies.

3. Geographic concentration of CSR capital

A large share of CSR investments flow to Tier 1 cities and states like Maharashtra, Gujarat, Tamil Nadu, Karnataka, and Rajasthan, leaving tribal areas, northeast region and aspirational districts, which are often most vulnerable to climate risks, underserved.

4. Fiscal timelines misaligned with ground realities

The mandate to spend CSR funds within the April–March financial year forces projects to fit fiscal calendars rather than ecological or community timelines. For example, plantation drives align with the monsoon season, if not done at the right time, it limits the survival rates and long-term effectiveness.

5. Short-term funding horizons

While many CSRs are looking for long term project cycles to achieve integrated impact, some abide to one-year funding cycles that pushes organisations to prioritise quick, visible results over systemic, long-term change.

6. Capacity constraint of grassroots organisations

Smaller NGOs often struggle to access CSR partnerships due to limited networks, proposal-writing capacity, and monitoring systems. Corporates often prefer in-house foundations or large, well-connected credible NGOs, leaving community-based actors underfunded despite their extensive grassroots presence.

7. Challenges in measuring climate adaptation and resilience

Climate adaptation outcomes often take years to materialise and are hard to measure. Improvements in community capacity, resilience, and risk reduction are not immediately visible, making it challenging for CSR to track, report, and justify these interventions as measurable climate impact.

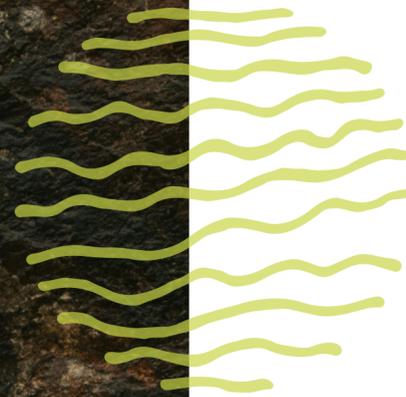
02

From risk to resilience:

CSR as catalytic climate capital



Climate change is no longer a future concern, it is a systemic risk already disrupting economies, communities, and ecosystems, demanding urgent and integrated responses. Rising temperatures and changing monsoon rainfall patterns could cost India 2.8 percent of GDP and depress the living standards of nearly half the country's population by 2050.⁷ These shocks are already reversing years of developmental progress in some of the very regions where CSR invests most heavily. This makes it imperative for CSR to investing in resilient systems where communities, ecosystems, and economies can withstand and recover from climate stress.



Bridging CSR and climate resilience

CSR investments toward climate-resilience can deliver value on multiple fronts:

01 **Avoided losses:** Protecting lives, assets and infrastructure

Without climate resilience, years of development spending can be undone by a single flood, drought, or heatwave event. CSR investments towards community resilience and ecosystem restoration are critical to reducing these losses and safeguarding years of developmental progress. Events like Cyclone Amphan (2020), which caused USD 14 billion in damages across eastern India, highlight the vulnerability of coastal communities and critical infrastructure.⁸ Similarly, Mumbai's 2019 floods disrupted businesses and caused economic losses of nearly ₹14,000 crore (~USD 1.7 billion).⁹ These losses are not abstract numbers—they represent homes destroyed, livelihoods disrupted, and communities pushed into poverty. With climate impacts intensifying, these costs are projected to rise sharply.

India's vulnerability data shows more than 80% of the population lives in districts classified as highly vulnerable to hydro-met disasters (floods, droughts, storms) according to the Council on Energy, Environment and Water's (CEEW) report on "*Mapping Climate Change Vulnerability Index of India*" supported by India Climate Collaborative.

⁷World Bank. South Asia's Hotspots: The Impact of Temperature and Precipitation Changes on Living Standards. Washington, DC: World Bank, 2018.

⁸ World Meteorological Organization, State of the Global Climate 2020, 2021

⁹ Down To Earth, Extreme floods to increase economic loss 166 times in coastal megacities: IPCC, 2023

As CSR in India matures, its next frontier lies in climate alignment. Every development investment, whether in education, health, livelihoods, or rural infrastructure is increasingly exposed to climate stress. Floods, droughts, and heatwaves can undo years of progress and weaken community systems that CSR seeks to strengthen. The opportunity, therefore, is to integrate a climate lens across all existing CSR priorities. By climate-proofing development initiatives, CSR can ensure that its impact endures even as environmental and social risks intensify. This shift from sectoral giving to integrated resilience-driven development will define the next phase of CSR's evolution in India.

The estimated direct costs of India's lack of disaster preparedness in the last two decades amounted to ₹13.14 lakh crore (USD 179.5 billion). Extreme climate events have cost India over USD 99 billion in the last 50 years.¹⁰ Without climate-proofing, the CSR investments towards infrastructure such as schools, health centers, and rural infrastructure remain exposed, meaning that every rupee spent may risk being reversed by a future shock.

02 Securing business ecosystems: Supply chains and workforce stability

Climate risks directly intersect with the operating environment of business, affecting agriculture, water availability, energy reliability, labour productivity, logistics, and supply chains.

Supply chains are increasingly exposed to climate volatility. Flood frequency in India has increased nearly eight-fold over the past 50 years, with extreme flood events rising from 3 to 11 per year after 2005 and affecting up to 151 districts in peak years.¹¹ These events repeatedly disrupt transport corridors, industrial clusters, and warehousing hubs, damaging MSME infrastructure. At the same time, declining groundwater levels and erratic rainfall are destabilising water and food systems directly affecting raw material sourcing for agriculture, textiles, FMCG, and Agri-linked industries. The result is rising input risk, production delays, and increased supply volatility.

Workforce stability is under growing climate stress. The CEEW heat-risk assessment shows that 57% of India's

districts, home to 76% of the population now fall into "high to very high" heat-risk categories, increasing heat stress, reducing labour productivity, and raising occupational health risks. Extreme heat and the spread of vector-and water-borne diseases are driving up healthcare costs and absenteeism, while floods contaminate water sources and disrupt basic services. Repeated climate shocks also accelerate distress migration, shrinking local labour pools and undermining workforce reliability, particularly in climate-exposed regions.

By strengthening ecological and community resilience, CSR protects not only social outcomes but also ensures a stable workforce, reliable suppliers, secured input systems, and functioning rural and urban economies making business continuity possible in a climate-unstable world.



Villagers travel by boat along a riverbank to support riparian restoration and ecological conservation efforts.
Image Credit: Balipara Foundation

¹⁰ Council on Energy, Environment and Water, Mapping Climate Change Vulnerability Index of India: A district-level assessment, 2021

¹¹ Council on Energy, Environment and Water, Mapping Climate Change Vulnerability Index of India: A district-level assessment, 2021

03 Climate finance: Bridging critical gaps in under-served areas

India faces a significant climate financing shortfall at a time when climate impacts are accelerating. Climate Policy Initiative estimates that for India to achieve its nationally determined contributions (NDCs) under the Paris Agreement, the country requires approximately USD 170 billion per year by 2030. Current flows are far below this need, particularly for adaptation.¹²

The UNEP Adaptation Gap Report indicates that developing countries will need USD 310 billion annually by 2035 for adaptation alone, yet existing commitments cover only a fraction of this requirement.¹³ Within India, a Climate Policy Initiative (CPI) analysis shows that just six climate-vulnerable states will require approximately INR 444.7 billion (USD 5.5 billion) every year between 2021 and 2030 to fund resilience measures, but these needs remain largely underfunded.¹⁴

The financing gap is most pronounced in tribal districts, coastal belts, drought-prone regions, and informal urban settlements, where exposure is high but institutional investment is limited. Adaptation in these areas often lacks revenue-generating returns; thus, traditional private capital flows are limited or absent. CSR is uniquely positioned to act as catalytic, patient capital by funding demonstration models, strengthening local systems, and unlocking convergence with public schemes.

¹² Climate Policy Initiative, Green finance must quadruple for India to meet its Paris Agreement goals: CPI study, 2024

04 Impact multiplier: Sustained and integrated climate impact across sectors

Climate impacts do not occur in silos they compound and interact. Extreme heat drives health risks and reduces labour productivity; water scarcity undermines agriculture and food security; and land degradation erodes livelihoods and accelerates migration. These are not separate challenges but linked stresses that reinforce one another, thus addressing a single sector in isolation cannot meaningfully reduce vulnerability.

What is needed is an integrated, systems-based approach that connects water security with agriculture, health with heat and flood preparedness, and ecosystem restoration with resilient infrastructure and livelihoods. Such integration ensures that interventions reinforce one another, reducing cascading risks. This also demands long-term, patient funding, not short grant cycles, because resilience is built through ecological processes, institution-building, community ownership, and behavioral change, systems that are built over years.

¹³ United Nations Environment Programme. Adaptation Gap Report 2025

¹⁴ Climate Policy Initiative. Financing adaptation in India (2022)

05 CSR complementing India's national climate and development priorities

India's climate commitments are now central to its economy and development priorities. India has announced its Panchamrit goals, including reducing emissions intensity by 45% by 2030, achieving 50% cumulative electric power from non-fossil sources, and reaching net-zero by 2070. At the same time, national missions such as LiFE (Lifestyle for Environment), the National Adaptation Fund, the Green Credit Programme, and state-level SAPCCs (State Action Plans on Climate Change) increasingly prioritise resilience, ecosystem restoration, and community-centered adaptation.

CSR can accelerate these by directing capital into areas where government priorities are aligned like renewable energy expansion, water resource management, sustainable agriculture, waste reduction, ecosystem preservation and urban resilience. Unlike traditional private capital, CSR is mandated, flexible, and mission-driven, making it uniquely positioned to act as funding that can seed models the government can scale.



03

From intent to action:

What can business leaders do?



The urgency of climate change calls for collective responses that safeguard developmental progress and strengthen local resilience. CSR is uniquely positioned to pilot, de-risk, and scale climate action. While ESG frameworks guide how companies manage institutional sustainability, CSR can complement them by addressing climate vulnerabilities, building the resilience of communities, ecosystems, and value chains that sustain business and national growth alike. The pathways highlighted outline how CSR funds can be strategically directed toward climate-responsive development.

What can CSRs do for climate action?

01 Adopt a strategic approach to climate-responsive CSR

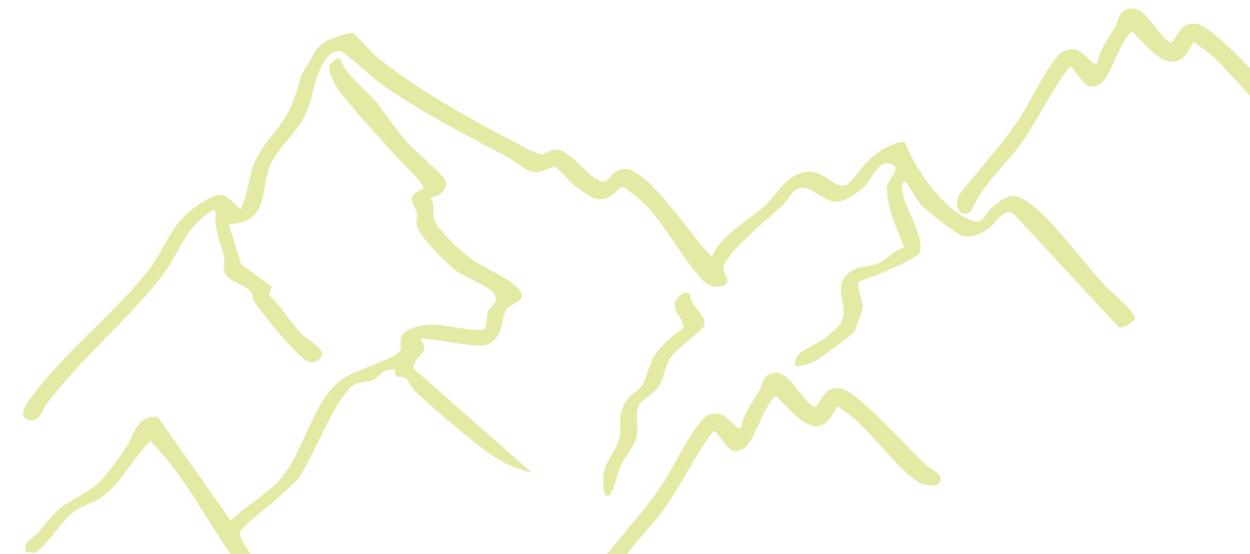
As the urgency of climate change grows, there is a pressing need to safeguard developmental progress, strengthen community resilience, and support the transition toward a sustainable future. In this context, CSR emerges as a powerful lever to channel resources toward climate action and inclusive development. Broadly, we suggest two strategic approaches:

Climate-aligned:

Integrate climate goals into existing CSR priorities.

Climate-first:

Design programs with climate impact as the core objective.



A. Enhancing CSR impact through climate alignment

Climate-aligned CSR projects/programmes take a development-first approach but incorporate a climate lens into the design and implementation of initiatives across thematic areas. These projects offer corporations an opportunity to fund holistic development interventions under Schedule VII of the Companies Act, while also contributing to climate action by tracking relevant adaptation or mitigation indicators. In doing so, such projects serve as a powerful strategy for enabling climate-responsive development through CSR funds.

A1. Restoring natural resources and building climate resilience for tribal farmers in central India

Tribal smallholder farmers in the Central Indian Tribal Region (CITR) rely on rainfed agriculture across hilly, erosion-prone landscapes where degraded land, limited irrigation, and erratic rainfall have led to low productivity, frequent crop failures, and distress migration. Women increasingly manage farms but face limited access to resources, technology, and decision-making spaces.

PRADAN's Women Collectives-led Action Towards Environment Rejuvenation (WATER) initiative strengthens climate resilience through integrated soil and water conservation, land regeneration, and climate-resilient farming practices. By empowering women farmers through SHGs and village institutions, and enabling convergence with public schemes such as MGNREGS, the programme improves agricultural productivity, stabilises livelihoods, and builds long-term, community-led resilience across tribal districts in Central India.



Creation of farm ponds through PRADAN's WATER program.
Image Credit: PRADAN

A2. Developing climate-health vulnerability index to strengthen public health systems

Across India, rising heat, shifting rainfall, and increasing vector-and water-borne diseases are creating serious climate-linked health risks especially for children, pregnant women, older adults, and low-income communities. Public health systems currently lack timely, granular data and rely on broad, incomplete and retrospective reporting, making it difficult to anticipate outbreaks, target resources, or protect the most vulnerable.

Khushi Baby is developing India's first block-level Climate-Health Vulnerability Index by integrating real-time climate data with epidemiological data from public health systems and demographic and community-level information from its Community Health Integrated Platform.



Auxillary Nurse Midwife (frontline healthcare workers) providing antenatal care services to a beneficiary while utilizing KhushiBaby's Community Health Integrated Platform (CHIP) platform.
Image Credit: Khushi Baby

By producing block-level vulnerability maps and risk forecasts, the initiative enables health departments to identify emerging hotspots, strengthen early response for heat, vector-borne disease and air pollution surveillance, while improving risk prioritisation, response planning and targeted outreach through routine data and decision-making.

B. Building climate-first CSR programs

Climate-first CSR projects/programmes are conceptualised with climate action as the central objective focusing explicitly on climate mitigation (emission reduction, carbon sequestration) and/or adaptation (resilience of communities, ecosystems, or natural resources). These interventions are intentionally designed to address the climate vulnerabilities of specific geographies through community consultations and are aligned with relevant government schemes, climate policies, and local priorities.



Developing nursery for mangroves saplings near the coastal areas of Gujarat
Image Credit: VIKAS

B1. Investing in coastal resilience

India's 7,500 km coastline is home to over 250 million people and a backbone for numerous livelihoods including agriculture, fisheries and trade. However, it is under increasing threat. Rising sea levels, intensifying cyclones, and extreme weather events are no longer future risks, they are present-day realities. Nature-based solutions like mangrove restoration offer a proven path to strengthen climate resilience across these vulnerable coastal zones.

The VIKAS Centre for Development's Bio-Shield Project is a climate-first intervention addressing the crisis of environmental degradation and community livelihoods. It aims to restore mangroves across the coastline of Gujarat. The intervention blends biodiversity conservation with adaptive livelihoods such as sustainable fisheries and NTFP collection, supporting marginalised coastal communities. Designed through ecological science and community participation, it is ready to scale to 20,000 hectares.

B2. Scale methane reduction through community-led composting for climate and health outcomes

Methane is 86x more potent than CO₂ over 20 years, and landfill-driven emissions are one of India's fastest-growing climate risks. Urban waste management has become a critical climate priority for India, with strong alignment to national programmes such as Swachh Bharat Mission and Mission LiFE. CSR can play a catalytic role by diverting wet waste before it becomes methane, while improving health and incomes for highly vulnerable waste-picking communities.

The methane-abatement programme by Chintan Environmental Research and Action Group can divert 461 tons of wet waste annually, reducing 645.4 tons of CO₂e, while transitioning informal waste pickers, especially women, into safe, dignified green livelihoods. Through a network of decentralised composting units supported by reliable market linkages for compost sales, the model tackles methane at its source, reduces landfill fires and air pollution, and improves neighbourhood sanitation.



Segregation and processing of waste by women waste pickers
Image Credit: Chintan

Quick lens: How to identify a climate-relevant project?

A simple chart that can help CSR funders to make informed, strategic decisions by applying a climate lens to their project selection. It ensures that investments are not only compliant but also climate-relevant, impactful, and aligned with national priorities—maximising both environmental and social returns. This matrix can be easily converted into a scoring tool—helping funders quantify a project’s climate relevance and prioritise high-impact investments with a clear, comparable score.

Criteria	Why it matters (Climate lens)?	What to look for?
1. Climate impact	Projects should contribute to climate mitigation (reducing emissions) or adaptation (helping communities cope with climate risks)	Clean energy, Regenerative agriculture, Water security, Heat-resilient housing
2. Climate-vulnerability focus	Climate change impacts some geographies and communities more than others — funders should prioritise high-risk areas and underserved groups	Look for projects in vulnerable districts, tribal or informal settlements, or Aspirational Districts
3. Long-term climate lens	Good projects address persistent climate stress (drought, floods, heat) with solutions that are sustainable, community-owned, and locally appropriate	Nature-based solutions, Community stewardship water programs
4. Scalable/replicable	Projects have the potential to scale, are replicable, and can be integrated into government programs to increase reach and systemic impact	Convergence with public schemes, pilots that show success, demonstrated replicable models in similar climatic zones
5. Policy alignment	Aligning with India’s climate priorities improves impact, credibility, and leads to achieving of India’s NDCs	Check alignment with NDCs, SAPCCs, or local/district climate plans
6. Measurable outcomes	Projects must track climate-specific impact with well-defined MEL- without data, impact can’t be verified or scaled	CO ₂ avoided, Hectares restored, incomes enhanced, People adopting resilient practices

Note: ICC can help funders build this matrix in a detailed way based on thematic and geographical priorities.

02 Climate proofing development programs and essential infrastructure

CSR has a critical opportunity to reduce climate-related losses by making development and essential services more resilient, thereby avoiding losses, and repeated cycles of rebuilding and recovery. Today, schools, health centres, water systems, and agricultural livelihoods in many regions remain exposed to floods, droughts, heatwaves, and storms putting years of social investment at risk. Climate-proofing requires a two-part approach: first, retrofitting existing infrastructure and services such as elevating schools in flood-prone areas, adding passive cooling to rural health facilities, or strengthening climate-resilient farming practices; and second, ensuring that all new projects are designed with a resilience lens from the outset, using local climate-risk data to guide location, planning, and materials.



2A. Resilience through restoration:

Restored forests, wetlands, and mangroves act as natural buffers against storms and flooding. CSR investments in these ecosystems not only sequester carbon but also protect vulnerable communities and critical infrastructure from climate impacts.

2B. Urban water management:

In flood-affected urban areas, CSR can support stormwater drainage, recharge ponds, and rainwater harvesting systems that lower flood risk and improve water security.

2C. Heat-resilient housing and public spaces:

CSR-supported interventions such as cool roofs, shaded community areas, and heat-resilient design that can reduce ambient temperatures, prevent heat stress, and improve worker and community safety during extreme heat.



Community members plant saplings in a restored wetland, working together to revive mangrove and water ecosystems.
Image Credit: SEEDS - Sustainable environment and ecological development society

03 Centering equity in climate solutions

When CSR funding prioritises climate-vulnerable communities—smallholder farmers, women, tribal groups, coastal populations, and other marginalised populations—it strengthens both equity and long-term impact. These communities often sustain supply chains and ecosystem services critical to India's economy. Supporting them through climate-smart solutions strengthens the foundations upon which businesses and markets depend. Embedding social and environmental justice into CSR ensures that climate action is equitable, inclusive, and rooted in community needs.

3A. Building water secure gram panchayats in Odisha

The Water Secure Gram Panchayats initiative by [Gram Vikas](#) places equity at the core of climate action by strengthening water security and climate resilience for Odisha's most vulnerable communities including Adivasi households, Scheduled Castes, women, and smallholder farmers across climate-stressed districts. Through a comprehensive, community-led model, the project addresses long-standing disparities in access to safe water, sanitation, and climate-resilient livelihoods.

The programme integrates watershed restoration, aquifer recharge, piped water systems, sanitation infrastructure, and climate-smart agriculture while ensuring inclusive governance through village development committees and women- and youth-led platforms. Digital tools such as Water Passbooks and micro-automatic weather stations enable marginalised communities to make informed decisions on water use and climate risks.



3B. Solar-powered NTFP value chain for tribal women

This **SRIJAN** initiative strengthens climate resilience for marginalised Bhil and Garasiya tribal women in 38 remote villages of Kotra block by building a solar-powered NTFP value chain and promoting climate-smart agriculture. In a region with small landholdings, limited water access, and high male migration, women shoulder disproportionate livelihood and climate risks.

By establishing renewable-energy processing units, village-level collection centres, and women-led producer groups and FPOs, the project expands women's control over assets, income, and decision-making. Complementary interventions like nutrition gardens, soil and water conservation, and micro-irrigation improve food security and restore degraded natural resources.



Packaging of hand pulp and use of renewable energy based deep freezer for storage of custard apple pulp
Image Credit: SRIJAN



Watershed development to support livelihood in Bhimashankar
Image Credit: ICICI Foundation

3C. Indigenous and forest-dependent communities:

ICICI Foundation has extensively undertaken initiatives like water and soil conservation, afforestation and protecting biodiversity, which are contributing towards restoring the ecological balance in the country. These aim to create an enduring impact on the environment, empowering communities and addressing man-wildlife conflict in the periphery areas of forests. The integrated approach includes invasive weed removal, building enclosures, grassland development for restoring the natural habitat in forests; creation, rejuvenation, deepening, desilting and restoration of waterbodies like ponds, watering holes, check dams, bunds, and lakes to ensure continuous availability of water for flora and fauna; plantation/afforestation, prevention of soil erosion, grid-free electricity, solar borewells, solar-powered pumps, rainwater harvesting systems, solar streetlights and fire-fighting machines to mitigate deforestation and environmental pollution.

One such intervention is at Bhimashankar, in Maharashtra, that demonstrates how ecological restoration in the forest zone can be effectively integrated with community livelihood development for residents in peripheral villages outside the forest. Environmental degradation was causing loss of biodiversity and endangering livelihoods of forest dwellers and tribal community in the periphery. The initiatives in the region included watershed development inside and outside the forest, installation of solar panels in local schools for continuous supply of clean power, providing equipment for surveillance and protecting the forests, training local communities for additional livelihood opportunities, regeneration activities, and the plantation of indigenous saplings to strengthen Bhimashankar's ecological integrity. In parallel, the programme provides sustainable livelihood opportunities to villagers through cultivation and processing of local produce, plantation of fruits and skill development. By aligning forest conservation with socio-economic development, the intervention reduces pressure on forest resources while ensuring local communities' share in the long-term benefits of conservation through responsible use of natural resources.



Local beneficiary trained in strawberry farming
Image Credit: ICICI Foundation

04 Building capacity across ecosystem

To deliver impactful climate action, CSR must strengthen both internal expertise and ecosystem capacity. Building informed CSR teams ensures sharper program design and alignment with business and ecosystem priorities, while empowering grassroots organisations and communities ensuring last-mile delivery and long-term sustainability.

A. Build climate leadership within CSR teams

Companies should invest in training, exposure, and expert engagement for CSR and sustainability staff. Equipping teams with technical knowledge of risks and solutions enables better project selection, credible partnerships, and alignment with regulatory and resilience goals.



India Climate Collaborative hosted an exclusive corporate session on "The Role of CSR in Blended Finance for Climate Action in India", in collaboration with The Blended Finance Company at the India CSR and ESG Summit in New Delhi.

B. Build grassroots climate champions

Community-based organisations are uniquely positioned to drive climate solutions given their deep local presence, knowledge and trust. Yet, their ability to deliver climate solutions is often limited by scarce funding and internal capacity. CSR funding can play a catalytic role in bridging this gap. By funding innovative pilots, strengthening institutional and technical capacity, and facilitating peer learning, CSR can cultivate grassroots champions who drive long-term ownership of interventions and scale locally grounded solutions, amplifying impact beyond individual projects.



Participants signing a ceremonial pledge affirming their collective commitment to climate action
Image Credit: GROW+ Fund's inaugural launch event in Jodhpur, August 2025

B1. GROW+ Mission Climate

The [GROW+ Mission Climate Fund](#) is a collaborative initiative designed to strengthen India's climate action ecosystem by supporting grassroots organisations at the frontlines of climate impact. The fund focuses on sector strengthening, enabling nonprofit organisations to enhance their technical, organisational, and programmatic capacity to respond effectively to climate challenges. By investing in capacity building, resources, and long-term institutional support, GROW+ equips local NGOs to move beyond short-term interventions and build resilient, adaptive systems within their communities.



C. Strengthen community capacity

Beyond organisations, CSR should focus on programs that directly build the adaptive capacity of communities through integrated programs. Having capacity building integrated with projects can enable communities to sustain climate action beyond the duration of funding, reducing dependency and embedding resilience at the local level.

C1. Building grassroots climate leaders through community-led water and agriculture resilience with Utthan

Utthan exemplifies how community-based organisations can drive sustained climate action at the community level, leveraging deep local presence and trust. In Dhanpur block of Dahod, an aspirational, drought-prone tribal district, small and marginal women farmers face recurring dry spells, soil erosion, and high dependence on unstable rain-fed agriculture.

Through women and youth leaders, the Krishi Sakhis and Jal Mitras, Utthan builds technical, institutional, and governance capacity at the village level, enabling communities to adopt climate-resilient sustainable agriculture, water-efficient practices, soil and water conservation, and kitchen gardening, while forming village development committees to anchor long-term governance and convergence with public schemes. Over three years, the initiative will transition 800 acres to resilient farming, develop 10 water security plans, and mobilise public funds through MGNREGS and line departments, demonstrating sustainable impact and ripple effects through community mobilisation and capacity building.



Jal Mitras facilitating evidence based planning with the community
Image Credit: Utthan

C2. Building climate resilience for women and smallholder farmers in Adivasi communities through beekeeping with indigenous bees

Adivasi smallholder farmers in rain-fed and forest-fringe areas face declining crop productivity due to erratic rainfall, soil degradation, and the loss of native pollinators—pushing households into low and unstable incomes, seasonal migration, and heightened vulnerability, especially for women. Under The Mango Tree Society embeds capacity building at the core of its beekeeping initiative by equipping Adivasi smallholder farmers, especially women, with training on managing indigenous bee species and integrating them into existing agriculture.

The programme provides seasonal, hands-on sessions, continuous technical support, and creates a local cadre of 25 master trainers, ensuring skills remain within the community and reducing dependence on external experts. A dedicated beekeeping resource centre further anchors long-term learning by serving as a hub for training, mentoring, and access to equipment and information. This sustained, community-led capacity building not only replaces harmful honey-hunting practices but enables farmers to improve yields, diversify income, and strengthen ecological stewardship over time.



Member from indigenous community learning and demonstrating beekeeping
Image Credit: Under The Mango Tree Society

C3. Strengthening coastal resilience through community-led marine restoration with LAYA

In Visakhapatnam's vulnerable coastal settlements where artisanal fishing communities face increasing cyclone intensity, depleted fish stocks from bottom trawling, and persistent socio-economic marginalisation, LAYA works directly with Jalari fisher households whose livelihoods and cultural identity are inseparable from the sea.

Drawing on two and a half years of local engagement and learnings from successful artificial reef (AR) interventions implemented in other coastal states by various organisations, LAYA is proposing a community-led marine restoration initiative under the technical guidance of the Central Marine Fisheries Research Institute (CMFRI), with whom it has a formal MoU. CMFRI have successfully implemented similar initiatives in other states. The programme aims to restore marine ecosystems by deploying 300 artificial reef units, submerged structures that create new habitat for fish breeding and shelter, allow damaged sea beds to recover, and naturally increase species diversity and fish abundance.

A community-led artificial reef sub-committee oversees site selection, monitoring, and sustainable fishing practices, while fishers are trained to maintain biodiversity and fish-catch registers that track ecological recovery over time. The initiative also builds women's participation in post-harvest roles and supports alternative livelihoods in coastal tourism and hospitality for youth and women, reducing pressure on fragile marine resources. Over four years, 300 artisanal households will benefit from increased fish abundance and more stable incomes, while strengthening their capacity to adapt to climate-driven shocks.



Deploying artificial reefs to create new fish habitats for breeding and shelter.
Image Credit: Laya

05 Unlocking scale through collaborative efforts and innovative climate finance

To meet the scale of India's climate challenge, CSR needs to move beyond fragmented efforts and unlock larger, sustained flows of capital. By dedicating budgets, tapping into additional climate finance, and pooling resources with peers, companies can multiply impact and align with national priorities.

A. Leverage carbon markets and blended finance

Well-designed CSR projects can amplify impact by leveraging carbon markets, blended finance and public funds. Initiatives such as reforestation or renewable energy generate carbon credits, while advancing net-zero goals. Further, when CSR is aligned with government priorities, it can act as catalytic capital that de-risks project, attracts investment in areas with need, and ensures long-term sustainability.

A1. Farmers for forests' community-centric carbon revenue model

The [Farmers for Forests](#) programme uses a carbon financing model that enables small and marginal farmers in drought prone regions of Maharashtra to adopt agroforestry without upfront costs. The model is designed such that a CSR funder helps in the plantation of trees, and Farmers for Forests additionally provides direct payments to farmers for both planting and the continued survival of trees over multiple years, ensuring strong incentives and long-term stewardship.

Future carbon revenues are shared equitably with percentages varying depending on how projects are financed. For a project where farmer transition to agroforestry is funded through philanthropy alone, 70% of the carbon revenue is shared directly with the community and 30% is retained for covering costs like carbon audits and carbon standard costs, monitoring and evaluation, farmer training and support. This creates a dual source of sustained income for farmers—one through sale of agroforestry produce and the other through carbon revenue.

Farmers for Forests' tech development, open source MRV and organisation costs are also supported by Meta (via The/ Nudge Pragati), Capgemini (via NSRCEL), Cisco, HPE, Mulago Foundation, and Fast Forward, amongst others. This model of CSR and philanthropic grants allows for a more community-centric carbon revenue sharing with majority going back to the community.



Woman carefully planting a sapling in freshly prepared soil, adding compost by hand.
Image Credit: Farmers for forests



Restoring degraded lands, ponds and practising agroforestry near forest fringe areas
Image Credit: Earth Focus Foundation

A2. Earth focus foundation and 360 one foundation

The [Earth Focus Foundation](#) initiative in the Kanha buffer zone demonstrates how CSR can catalyse long-term livelihood and restoration finance. Working with Baiga and Gond Adivasi families cultivating severely degraded land, the project is restoring 800 acres through agroforestry and bamboo, raising income levels from ₹12,000 to ₹70,000 in 1 year, and ₹1,00,000/acre in 5 years via diversified incomes. They aim to restore another 500 acres in 2026 and have a five-year restoration plan for 5000 acres.

Its blended finance structure, developed with [360 One Foundation](#), combines outcome-based CSR disbursements with zero-interest capital that households repay once earnings stabilise, creating a sustainable revolving community fund to finance future cohorts. By converging with public schemes such as MGNREGA and the State Bamboo Mission, and enabling future carbon revenue from long-term biomass, the model blends CSR, public funds, and carbon finance to de-risk investment, scale restoration, and ensure sustained income growth for vulnerable households.

B. Ecosystem collaboration and pooled funds

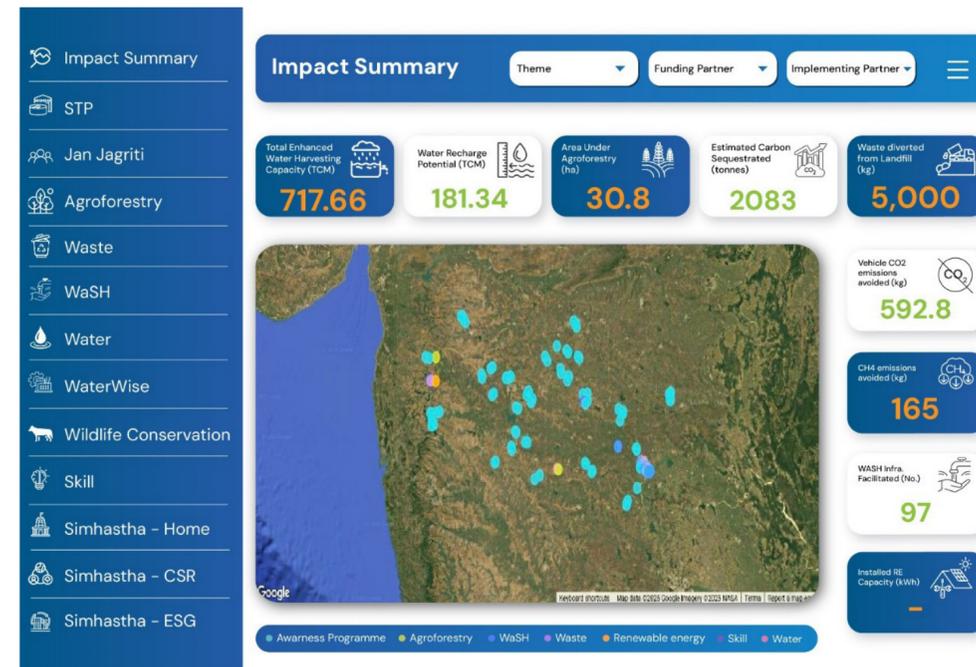
Climate action, in particular, benefits from ecosystem partnerships, instead of isolated efforts. By collaborating within industries, across value chains, and through curated platforms, companies can set new benchmarks, amplify impact, and ensure resilience at scale. Equally vital is sharing learnings from these scalable models so they can be replicated across sectors, states multiplying outcomes far beyond individual projects.

Further, pooling resources enables projects to achieve a scale and influence the ecosystem in ways that individual funding cannot. Collaboration among CSR, foundations, and private philanthropy allows capital to be aligned toward large-scale climate goals, enabling integrated approaches, shared knowledge and risk, and impact that is scalable and sustainable.

B1. The Godavari initiative

The Godavari initiative provides a shared platform for multiple CSR and philanthropic funders to jointly invest but with clear attribution of impact in the resilience of the Godavari river basin, rather than financing fragmented, stand-alone projects. By pooling resources, different funders can support complementary interventions such as groundwater recharge, climate-resilient agriculture, wastewater management, plastic reduction, and community-led governance across priority districts, all contributing to common basin-level outcomes.

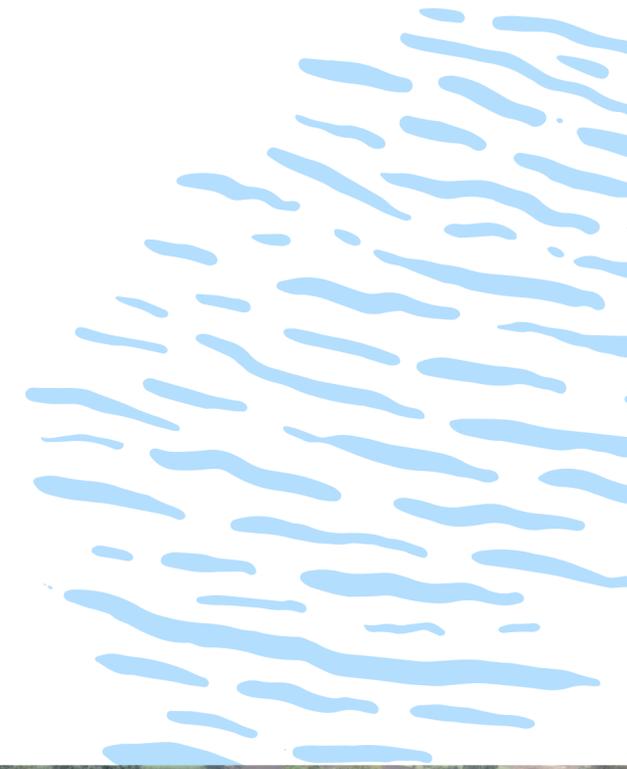
This collective model reduces duplication, enables knowledge and risk-sharing, and aligns efforts with government plans, allowing CSR capital to act as a catalyst for large-scale, long-term impact that no single organisation could achieve alone.



A Comprehensive Dashboard created by The Godavari initiative for Compiling Impact of NRM and Watershed Management Projects in the Godavari Basin
Image Credit: The Godavari initiative



Watershed management and NRM work in Godavari basin
Image Credit: The Godavari initiative



06 Aligning CSR with India's regulatory and policy push

India's policy landscape is rapidly shifting toward climate responsibility. With SEBI's mandatory Business Responsibility and Sustainability Reporting (BRSR), the national commitment to net-zero by 2070, and sectoral mandates such as PAT (energy-efficiency targets) and RPO (renewable purchase obligations), climate action is no longer optional for companies, it is becoming part of core business expectations.

In this context, CSR has a powerful opportunity to move beyond compliance and align directly with national climate priorities like:

- SEBI's mandatory Business Responsibility and Sustainability Reporting (BRSR) framework requires the top 1,000 listed companies to disclose their ESG performance.
- India's targets net-zero by 2070
- As part of Nationally Determined Contribution (NDC), India had pledged to decrease its emission intensity of GDP by 33-35% by 2030 from the 2005 level
- Complement government missions like NAPCC, SAPCCs, Jal Jeevan Mission, Poshan 2.0, National Mission on Sustainable Agriculture, and Mission LiFE
- Create scalable demonstration models that public systems can adopt
- Help bridge India's significant adaptation finance gap
- Support communities at risk while advancing national climate goals

Three opportunities for CSR to invest in climate, leveraging India's regulatory and policy push

6A. Deploy DRE-enabled livelihoods to bridge energy access and enable a just transition:

India's climate commitments under its NDCs require reducing emissions while ensuring that vulnerable communities are not left behind. Decentralised Renewable Energy (DRE) plays a critical role in this shift by bringing reliable power to regions where the grid is weak or absent enabling productive livelihoods.

A ₹1 crore DRE- based livelihood project in tribal regions of Odisha, Jharkhand and MP can reach 4,500 households, with 70% households directly benefiting from energy access and livelihood support. Led by women, this has the potential to increase household incomes by 25% and reduce CO₂ emissions by 30%.

6B. Support nature-based solutions (NbS) for carbon sequestration:

NbS like mangrove restoration, agroforestry, regenerative agriculture support India's net-zero targets and can contribute to measurable climate mitigation outcomes under CSR.

A ₹2 crore CSR grant can support large-scale mangrove restoration (up to ~200 ha), delivering coastal resilience and biodiversity benefits, while sequestering carbon over the long term, contributing to mitigation.

6C. Support community-led heat adaptation solutions:

Interventions such as cool roofs, climate-resilient bus stations, and urban heat mapping directly address extreme heat risks in vulnerable settlements, while aligning with national and city-level heat action plans.

A ₹50 lakh CSR grant could scale up cool roof installations and integrate community-driven heat maps into urban planning, ensuring data-backed, people-centric strategies for climate resilience.

07 Partnering with climate solution curators

To navigate the complexity of climate action and ensure resources are deployed effectively, CSR leaders can leverage the solution curators such as the India Climate Collaborative. ICC identifies and vets high-impact, grant-ready projects aligned with need as well as national and state climate priorities. These [curated solutions](#) provide CSRs with funder-ready integrated solutions and opportunities to align development and climate goals.

Conclusion: CSR for a resilient India

CSR alone cannot transform business models – but it can transform outcomes for communities and ecosystems that underpin India’s economy.

By embedding climate resilience into its projects, CSR ensures that social impact is sustainable, scalable, and future-ready. The task ahead is not about adding new priorities, but about enhancing the depth, durability, and effectiveness of social and development programs through the integration of a climate lens. In doing so, CSR can serve as India’s catalytic capital for resilience—powering both social progress and the vision of a climate-secure, Viksit Bharat.

Civil society organisations featured in this thought piece

This thought piece highlights the work of several civil society organisations whose programmes demonstrate how CSR can serve as catalytic capital for climate action, resilience, and equitable development. ICC acknowledges and appreciates these organisations for their leadership, innovation, and on-ground impact.

Organisations featured include:

- [Chintan Environmental Research and Action Group](#)
- [CSRBOX](#)
- [Earth Focus Foundation](#)
- [Farmers for Forests](#)
- [Gram Vikas](#)
- [ICICI Foundation](#)
- [Khushi Baby](#)
- [LAYA](#)
- [360 One Foundation](#)
- [PRADAN – Professional Assistance for Development Action](#)
- [SRIJAN – Self-Reliant Initiatives through Joint Action](#)
- [The Godavari Initiative](#)
- [Utthan](#)
- [Under The Mango Tree Society](#)
- [VIKAS – Voluntary Initiative for Development and Social Action](#)

These examples are illustrative and not exhaustive. They represent a diverse set of approaches across geographies and themes ranging from nature-based solutions and climate-resilient livelihoods to health, water security, and community-led adaptation showcasing what is possible when CSR is aligned with climate and development priorities.





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