



India Philanthropy Report 2023

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Introduction

The following report acknowledges the catalytic role played by private philanthropy within India in bridging various efforts by government, businesses, foundations, civil society, and communities. Given the outbreak of COVID-19 pandemic and associated commodity price shocks, private philanthropy will continue to play an increasingly important role in nurturing community resilience by harnessing diverse resources and patient capital.

Key Highlights

- **Multi-dimensional inequalities continue to persist in India**, despite strong GDP growth rate of 8.7% in FY 2022, which can be an impediment to meet aspirations of a burgeoning middle class, and striving to become a \$5 trillion economy by FY 2025.
- **Public sector comprises nearly 95% of total social sector spending in India.** Challenges therein include an expanding budget deficit, higher debt burden, and increased crude oil prices.
 - India's social sector spending as a % of GDP grew from 8.6% in FY 2021 to 9.6% in FY 2022 due to 35% growth in public spending. Despite this progress, India remains short of NITI Aayog's estimate (13% of GDP) of total annual funding required to achieve UN Sustainable Development Goals by 2030.
- **Private philanthropy has grown at around 8% from FY 2017 through FY 2022, despite stagnant foreign funding.** In FY 2022, private contributions totaled about \$13 billion (INR 1.05 lakh crore).
 - Corporate Social Responsibility (CSR), family philanthropy (ultrahigh net worth individuals [UHNIs; net worth above INR 1,000 crore], high net worth individuals [HNIs; net worth of INR 200–1,000 crore], and affluent individuals [net worth of INR 7–200 crore]), and retail giving cumulatively contributed about 86% of private philanthropy in India and are expected to remain the foundation of private giving in India.
- **CSR spending has grown at 13% over the last five years**, reaching \$3.3 billion (INR 27,000 crore) in FY 2022. While it grew at a slower pace in FY 2022, it is expected to sustain its historical growth and reach \$6.4 billion (INR 52,000 crore) by FY 2027.
- **Family philanthropy has grown at 12% over the last five years, reaching \$3.6 billion (INR 29,600 crore) in FY 2022** driven primarily by a growth in HNIs/affluent givers. UHNI contributions have been volatile with contributions (excluding contributions by Azim Premji) dropping by 5% in FY 2022, despite a 9% increase in their cumulative wealth. Indian UHNIs continue to donate substantially less compared to those in US, UK, and China.

- Two cohorts within family philanthropy are crucial in focusing upon underrepresented causes: **Now-Gen givers** (professionals and entrepreneurs with first-generation wealth), and **Inter-Generational givers** (current generation of traditional family philanthropists)
- Important focus areas in working towards *India@100* include emerging causes such as climate change; gender, equity, diversity, and inclusion (GEDI); and strengthening philanthropic infrastructure.
- **Retail giving in India continues to be community-driven with just over 22% of contribution value coming from formal giving.** It has grown at a modest 6% annually from FY 2017 to FY 2022, with contributions reaching \$4 billion (INR 32,700 crore). However, with the expanding middle class and the sheer growth in the number of donors, retail giving is expected to grow at 9% annually and contribute about 29% of total private giving by FY 2027.

Read More: <https://www.bain.com/insights/india-philanthropy-report-2023/>

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