The introduction of the Sustainable Development Goals (SDGs) and the outcomes of the Paris Agreement have placed a heavy emphasis on private sector contributions towards sustainable development. In India, the private sector’s absence in past formal sustainability frameworks has led to the lack of finances being a major setback for addressing sustainability challenges, however, corporate social responsibility (CSR) provides an opportunity to change this.

In 2013, India made CSR mandatory for a category of organisations as a part of the Companies Act 2013, stipulating a mandatory 2% spending of annual net profits towards specific CSR activities. This has made India the first country in the world to make CSR mandatory and provide a streamlined method for private sector sustainability contributions. With private sector CSR budgets reaching USD 130 million during the financial year 2016-17, CSR has become a promising method to mobilize private sector contributions towards the SDGs in the Indian context. Our study, therefore, aims to highlight the state of CSR, within the Indian private financial sector, from pre- and post- Companies Act 2013 perspectives and its contributions to the SDGs.

Our methodology focused on 41 semi-structured interviews conducted with senior executives representing 126 national and multinational financial companies. The interviews focused on their CSR strategies and processes. Our study has 2 main findings:

1. The Act has prompted a shift in CSR models, with the sector forgoing unstructured, philanthropic models for structured models with strategic core themes.

2. This sectoral shift in models has resulted in direct/indirect contributions towards certain SDGs associated with education, gender equality, financial inclusion, sanitation, and health care.

Our study sets a novel foundation for CSR within the Indian private financial sector in a post-Companies Act 2013 world, highlighting the types of SDGs most preferred by the sector for investments via CSR. By paving the way for future research into efficient methods/frameworks for the sector’s CSR-SDG alignment, the study not only strongly contributes to the sustainable development knowledge base but also holds future practical relevance in mobilizing the private sector as a whole, with the aforementioned alignment being replicated across sectors and markets.