

## MODERN UTILIZATION OF TRADITIONAL INDIAN GOVERNANCE AND MANAGEMENT PRINCIPLES: CONNECTING HERITAGE WITH CONTEMPORARY PRACTICES

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### ABSTRACT

*The Vedas, Upanishads, and other ancient religious texts are significant sources of philosophical, spiritual, and cultural knowledge. They primarily focus on spirituality, morality, and ethical behavior, but also refer to government and societal structures. Ancient Indian scriptures, unlike contemporary constitutions, did not serve as comprehensive legal or governing instruments. They emphasize the role of morally upright leaders who uphold citizens' welfare and protect them while ruling with discernment and compassion. Kautilya's Arthashastra outlines rules for leadership, administration, and diplomacy. The concept of dharma, which encompasses all moral and ethical obligations, is emphasized in ancient literature. The concept of "Rajdharma" emphasizes that kings are responsible for ruling in accordance with dharma, promoting justice, equity, and societal peace. This research study investigates governance issues in ancient Indian texts, focusing on the concepts of dharma, justice, and righteous government, and their relevance in contemporary India, in light of evolving democratic institutions and constitutional frameworks.*

**Keyword:** Governance, Social Responsibility, Ancient Scriptures, Veda, Arthashastra

### 1. INTRODUCTION

“ॐ सर्वे भवन्तु सुखिनः। सर्वे सन्तु निरामयाः।  
सर्वे भद्राणि पश्यन्तु। मा कश्चित्दुःख भाग्भवेत्॥”  
॥ ॐ शान्तिः शान्तिः शान्तिः॥

***“The more you give away, the more you'll always have to spare. Because we are only ever enriched by what we give out.”***

The above-mentioned words from Indian mythology encourage giving, wishing everyone a prosperous and sound life, since we receive back what we give. Indian philosophy opposes the acquisition of wealth. It exhorts us to manage our finances wisely to prevent losses for the business owner, employees, and other stakeholders. Everyday life in India is significantly influenced by Hindu philosophy. Every Indian, whether they realize it or not, contributes to society in some way. Community meals, almsgiving to the poor and needy, temple offerings, helping the impoverished, setting aside a portion of one's monthly income for charitable contributions, etc., are examples of the benevolent and socially conscious behavior that characterizes every Indian. It's possible that all of this is done to benefit humanity. And the corporation is made up of all of these people. The writers aim to highlight that Indians have a strong cultural foundation for socially responsible behavior. Indians are not unfamiliar with the idea of social duty. If they can serve the community as individuals, corporate service will inevitably follow. In many disciplines of knowledge, the arts, and literature, Indians and Indian literature have made great contributions. The ancient Indian civilization, with written records, was among the earliest civilizations, according to historical records from around the globe. Indian epics, such as the *Valmiki Ramayana* and the *Puranas*, provide important knowledge and lessons applicable in various circumstances and remain highly relevant. The study explores ancient Indian literature and *Kautilya's Arthashastra* to examine ideas of ethical profit-making in corporate decision-making, drawing on literature dating back more than 5,000 years.

According to Suresh and Janki's (2012) research, a number of issues, including as unethical behaviors, declining values, and a dearth of value-based decision-makers, have led to the exceedingly unstable corporate climate of today.

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The *Bhagavad Gita*, whose lessons remain relevant today, was a particular focus of the writers' investigation into value-based concepts drawn from sacred scriptures. By combining these values-based ideas with modern management theories, corporate governance may improve. The advantages of ethical practices can only be realized when they are adopted as business policy and put into practice within a company. From an ancient Indian perspective, Muniapan and Dass (2008) looked at the corporate social responsibility (CSR) movement. Previous studies in the area show that there are surprisingly few references in the literature that present articles analyzing the idea of CSR as drawn from philosophical, historical, and ancient views. By tracing the history of CSR through ancient Vedic texts like the *Bhagavad-Gita* and the *Puranas*, the *Valmiki Ramayana*, and the *Mahabharata*, the study addressed the topic with reference to India. Today's company leaders and decision-makers can learn from the authors' discussion of some corporate CSR teachings by utilizing the right methodology. Further analysis revealed that, in contrast to American and European perspectives, which solely discuss outside-in aspects of CSR, *Arthashastra* offered an inclusive approach that expanded the self-consciousness of each leader. In corporations, decision-makers play a highly important role because it is up to them to promote openness, ethical behavior, and good governance, all of which lead to CSR.

Muniapan and Satpathy's (2010) research commended the *Valmiki Ramayana* as a masterpiece and discussed the various aspects of the *Ramayana*, including economics, philosophy, and spirituality. Technology has been investigated, among other things, by researchers across the ages. Though, according to scholars, the epic had not been investigated from a managerial standpoint. Despite the *Valmiki Ramayana's* many lessons for supervisors, using a method known as hermeneutics, researchers tried to determine how the *Valmiki Ramayana* affected the growth of managers in the modern day. This is a high-quality process, by which the researchers came to decision-making, *dharmic* organization, and humanism and calmness from the *Ramayana* of Valmiki. The same guidelines apply to managers for increasing the efficiency of management. The *Valmiki Ramayana* can be further examined in other management domains, including as strategic management and people management, to draw out further corporate lessons.

The concept of CSR can be defined as an organization's duty to care for all of its constituents, including its customers, suppliers, employees, and shareholders as well as the broader community and society. CSR can be characterized from the standpoint of contemporary business as the promises made by any company to support economic growth for the purpose of morally enhancing the lives of all stakeholders and society. It may be claimed that CSR mandates that businesses consider their shareholders' interests and society at large in addition to their financial success. CSR has been emphasized in ancient Indian knowledge ever since the Rig Veda because a king is obliged to strive for the wellbeing of his subjects rather than focusing just on wealth gain. The goal of Kautiliya's *Arthashastra*, which addresses every area of administration and governance, is to efficiently manage the empire or state. It emphasizes that a ruler or monarch (in the context of a business, the CEO) should put the happiness and well-being of all the *Bahujana sukhaya bahujana hitayacha* (stakeholders of the organization) before his or her own self-interest. In the same way as the king should seek satisfaction in the happiness of his subjects (*Praja Sukhe Sukham Rajya*), the CEO and management should strive to maximize shareholder value. The three primary duties of a king, according to Kautilya, are *raksha*, *palan*, and *yogakshma*, which is a Sanskrit term for human security, progress and sustainability, and human welfare. This is quite similar to, in the business world of today, an organization preserving the welfare, growth, and security of its staff members and other members of their ecosystem. According to *Arthashastra*, only a king with power and wealth, one may defend the interests of its themes and a corporation with a solid financial position with healthy revenues, one can only envision and be in protect its stakeholders' interests in practice.

According to Indian regulations, businesses must spend 2% of their net profits on CSR-related activities. This money is distributed among various organizations for the improvement of health, education, and the environment. As a result, the duties of the organization are quite similar to those of the welfare state in earlier times. According to stakeholder theory, which holds that businesses should strive to develop all stakeholders, Kautilya has "stressed the importance of happiness to all

stakeholders of an organization" (Muniapan & Raj, 2014; Singh, 2016). Companies must ensure they have a standing that supports their efforts and allows them to compete and be accepted internationally (Firestein, 2006). Business goodwill, which is based on a business's standing for its products or services, is the visible representation of business greatness (Bendixen & Abratt, 2007), its commercial standing and transparency in the monetary markets (Das & Ghosh, 2004; Erik Flyvholm Jørgensen & Isaksson, 2008) as well as its Position in society (Neville et al., 2005). Consequently, a company's responsibility determines its reputation (Hillenbrand & Money, 2007). Businesses rely on society's provision of resources such as labor, supplies, services, and infrastructure to ensure their long-term survival and prosperity. These businesses, in turn, have an effect on society in three different ways: they have an impact on society in the areas of socioeconomic, and the atmosphere (Ketola, 2008). Items such as energy use, product life cycles and recycling, emissions and waste control, and sustainable development are included in the first category. Social effect includes things like human rights, community revitalization, equal opportunity, education, and culture, among other things. The components of economic effect may include wealth creation, employment generation, ethical business conduct, the prevention of corrupt practices and bribes, and increased product value. The actions a company takes in each of these areas will determine whether it can legitimately claim to have excellent corporate citizenship (Papania et al., 2008). When a business operates effectively and ethically, society benefits most.

## 2. OBJECTIVES

- a) To explore the significance of ancient Indian texts in relation to contemporary governance methodologies.
- b) To explore the significant tenets of ancient texts that advocate for social responsibility in today's context.

## 3. METHODOLOGY

The present research is qualitative, called 'Hermeneutics'. The term 'Hermeneutics' has been taken from the Greek God Hermes whose main job is to interpret the message of God. Many areas of social sciences like philosophy, religion and theology, law, sociology and international relations use 'Hermeneutics'. In addition, we can define 'Hermeneutics' as the interpretation and understanding of ancient Indian scriptures. There are four stages of interpretation, namely identification, investigation, interpretation, and integration. In the identification stage, the relevant CSR and corporate governance equivalents, along with their direct and indirect implications, are identified. In the investigation stage, the verse is closely examined to obtain detailed information about the content and context of the verses under study. The emphasis throughout the interpretation step is on analyzing the meaning and applicability of verses in light of corporate governance and CSR. After sifting, adopting, and adapting the instructions from the verses, adding observations and references from the perspectives of CSR and corporate governance, and integrating the verses, is the final stage of interpretation. Compile and evaluate the pertinent academic literature on corporate governance, social responsibility, and Indian ancient texts.

## 4. DISCUSSION AND SIGNIFICANCE OF THE WORK

CSR has its roots in India, dating back to the beginning of time. The renowned *Kural*, also known as Tiru Valluvar's Great Book of Verse, is the preeminent work on living. This lays up ethical guidelines for carrying out Civic duties (Sharma et al., 2009). Man can survive independently, but only in a group, according to the Indian Vedas. The businesses have social obligations in addition to their obligation to generate profit for their owners, which is not new. The concern for society in business can be traced back to ancient times (Carroll, 2009). The Commission of the European Communities offers one of the definitions of CSR that is most frequently quoted: "*Corporate social responsibility is about companies having responsibilities and taking actions beyond their legal obligations and economic/business aims. These wider responsibilities cover a range of areas but are frequently summed up as social and environmental, where social means society broadly defined, rather than simply social policy issues.*"

CSR is described by the World Business Council for Sustainable Growth as “Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development, while improving the quality of life of the workforce and their families as well as of the local community and society at large”.

## 5. LESSONS FROM THE VEDAS

“*Manu Smriti*” which is known as the “Laws of Manu” states that: “Impure objects such as urine, feces, spit or anything which pollutes the water should not be thrown into water” (Buhler, 1886). Vedic literature refers to the five fundamental elements of nature - earth, water, fire, space, and air - as sacred (Chapple & Tucker, 2000). Particular regard is shown for Rivers, and the “*Puranas*” claim that taking a bath in the Ganges will bring salvation. Therefore, it is the obligation of the organizations not to leave rubbish that pollutes the holy Ganga. The Saraswati, an extinct river that emptied into the Rann of Kutch to the east of the Yamuna, and created a complicated network of lush streams ranging from the present-day Punjab to West Bengal, is one of several magnificent rivers that are praised in the “*Rig-Veda*” hymns (Agoramoorthy & Hsu, 2011). The “*Rig-Veda*” described the current status of the flora and fauna, which includes the Brahma bull, water buffalo, and elephant as well as the sacred *Pipal* and *Ashvatta* trees (Agoramoorthy & Hsu, 2011). According to the “*Matsya Purana*”, the planting of trees by villagers in ancient India was celebrated as the “festival of trees”. Additionally, the “*Varabha Purana*” asserts that anyone who plants five mango trees during their lifetime would not enter hell, while the “*Vishnu Dhar mottara*” asserts that anyone who plants a tree will not endure suffering after death (Kane, 1968). The scriptures also decry the cutting of trees and deforestation (Nagar, 2007). There is a narrative about protecting the Earth in the “*Matsya Puranam*.” The saint asked the goddess Parvati why she wasn't nurturing children instead of growing trees as she was planting an *Ashoka* tree (*Saraca indica*). According to Parvati, anyone who creates a well when there is a water shortage will spend as many years in heaven as there are water droplets in the well. She asserted that one sizable water storage facility was preferable to 10 wells. One tree equals ten sons, just as one son is like ten reservoirs. The goddess Parvati was doing her part to save the planet by planting trees (Nagar, 2007). After the massive deforestation that occurred in the current circumstances, this story makes even more sense now as humanity struggles with the global warming catastrophe. The following are a few references encouraging humans to accumulate wealth (Karanam et al., 2016) that wealth to be acquired by *dharmic* way only, i.e., through good deeds (*Rig Veda Samhita vi-19-10*). Wealth can be earned by strolling through the sin-free path (*Vajasaneya Samhita iv-9*). Only on the righteous path should one strive to earn wealth (*Rig Veda Samhita x-31-2*). A man gains wealth when he helps others win health (*Rig Veda Samhita iv-50-9*). The focus was on increasing revenue solely through moral means (Dharma) and reinvesting it in humanitarian endeavors. There are verses that encourage and compel us to increase our money in order to support people who depend on us (*Tad vratam! Annam bahu kurveta! - Taittiriya Upanishad iii-90*). Both our financial security and the health of society are our responsibility (*Napramaditavyam Bhuyai! Taittiriya Upanishad i-11*). We are urged to appreciate our money rather than simply accumulate it (*Annayanannadobhavati! Taittiriya Upanishad iii-7*). Rich people should give to the needy (*Rig Veda Samhita x-117-5*).

The *Vedas* advocate preserving resources to meet future demands. They underlined the necessity of eradicating and ending poverty. There are several examples (Karanam et al., 2016) that one needs to generate enough wealth today and tomorrow (*Rig Veda Samhita vi-71-6*). Inequality must be eradicated (*Rig Veda Samhita x-76-4*). Praise and offerings are given to the Earth, atmosphere, sky, sun, moon, stars, waters, plants, trees, crawling creatures, swimming creatures, and all other living things (*Taittiriya Samhita i-8-13*). The *Vedas* emphasize the importance of forest preservation and development. The trees must be protected by humans. They claim that biodiversity and trees will be treasured for future generations (Karanam et al., 2016). The trees should not be cut down (*Rig Veda Samhita vi-48-17*). Plants serve as mothers and goddesses (*Rig Veda Samhita x-97-4*). Sacred grass must be guarded against human exploitation (*Rig Veda Samhita vii-75-8*). Waters and plants have been fortified for generations (*Rig Veda Samhita vii-70-4*).

The *Vedas* place a strong focus on environmental preservation. They categorically condemn those who contaminate and ruin the environment. Waters are prayed to for benevolence toward people. The Ganges is revered and regarded as the most sacred river. Before taking any bath, the ancient seers would invoke the Ganga, Yamuna, Godavari, Saraswati, Narmada, Sindhu, and Kaveri, all of which are considered sacred rivers. This tradition is being followed today (Karanam et al., 2016). Waters are a symbol of beauty (*Atharva Veda Samhita iii-13-5*). Waters purify humans and wash away all impurities (*Vajasaneya Samhita iv-2*). Anyone who makes changes using the basic components of food, livestock, or horses is a thief who will ruin both themselves and their offspring (*Rig Veda Samhita vii-104-10*). All the waters in wells, pools, clefts, holes, lakes, ponds, tanks, marshes, rain, rime, streams, rivers, and the sea are offered water (*Taittiriya Samhita vii-4-13*). Waters must be cleansed of impurities (*Atharva Veda Samhita x-5-24*). The evil of pollution that humanity has done is washed away by the waters (*Atharva Veda Samhita xii-2-40*). According to the *Vedas*, wealth will be distributed equally from the wealthy to the poor. They also despise people who live in luxury without sharing it with others. Here are a few ideas regarding humanitarian inclinations (Karanam et al., 2016). One must not be self-centered and limit their consumption (*Rig Veda Sam x-117-6*). It would be appropriate to give the wealth accumulated by 100 hands to 1000 hands (*Atharva Veda Samhita iii-24-5*). One who eats by themselves is a sinner (*Rig Veda Samhita x-117-6*). The person in charge distributes an amazing fortune (*Vajasaneya Samhita xxx-4*). Let the wealthy satisfy the needy with a wider perspective (*Rig Veda Samhita x-117-5*)

## 6. TEACHINGS ON SOCIAL RESPONSIBILITY

According to the ancient Indian worldview, the 'King' owes his subjects a duty of social responsibility (today known as CSR) (*Rig-Veda 1-8*). *Vedic* literature places a strong emphasis on the king's or wealth collector's responsibility to safeguard the interests of the subjects (stakeholders), and states that, in exchange, the king will prosper like the Sun before and after its rise, growing and shining. Additionally, it is said that whatever is given to the community will be greatly increased (Muniapan, B., and Dass, M., 2008). CSR practices in Indian philosophy have a strong foundation in the idea of *dharma*, or virtue, which is to adapt to reality. *Dharma* is the foundation of all moral and social order (Muniapan & Satpathy, 2013). Speaking the truth (*Satyam vada*), according to the *Taittiriya Upanishad*, is a person's first and most important virtue, and practicing virtue (*dharma care*) is their second instruction (Muniapan, B., and Dass, M., 2008). Therefore, the essence of *dharma* is to put truth into practice. This is the only way to live ethically and maintain societal stability (Mukhopadhy, 1960). If mankind disengages from the knowledge of matter to amass material wealth without seeking right actions (ethics and social responsibility), physical harm will undoubtedly result (the law of *karma*), and the fundamental pursuit of a balanced life has frequently been neglected by organizations in the pursuit of business excellence (Muniapan, B., and Dass, M., 2008). The concept of accumulating wealth is supported by the *Vedas* (*Yajur-Veda 10-20; 5-19; 34-38*), that also made clear the appropriate way acquiring enormous assets and reserves (*Yajur-Veda 7-13*). The *Vedic* philosophy promoted the correct use of wealth, including for one's own profit, revolt, and charity giving, even while the acquisition of wealth is accepted. The adage "anything selflessly given to others will be returned to you many times over" is also true (*Rig-Veda 1-8*). Ultimately, according to *Vedic* philosophy, trade should bring about prosperity for the community in a morally righteous way. *Vedic* philosophy considers commerce as respectable and a vital aspect of society. The *Vedic* literature used the term "*sarvalokahitam*" to describe the welfare of all stakeholders (Muniapan, B., and Dass, M., 2008). The following is the quote extracted from *Vedic* literature about business: May we jointly safeguard one another and may we not harbor animosity toward one another. To attain the common good of society, Money is a necessary tool, and its continuous flow must be beneficial to society (*Atharva-Veda 3-24-5*).

In the *Ramayana*, Sita, the queen, was exiled from Ayodhya when Sri Rama, the king, was forced to exercise the tough decision. As the perfect ruler, Sri Rama was required to protect the reputation of his lineage. He had to serve as an example for future generations. Sita's demotion by Sri Rama may have been cruel, but sometimes monarchs must be severe because their first responsibility is to control their subjects; all other considerations are secondary, even if they have an adverse effect on

an individual's contentment (Muniapan, B., 2005; Muniapan, B., and Shaikh, J., 2007). According to the *Shantiparva* of the *Mahabharata*, the general interest (welfare) should take precedence above the interests of the leader (Muniapan, B., and Dass, M., 2008). The Sanskrit phrase "*Atithi Devo Bhava*," which means "Taking care of/Treating our guests like the God," sets the bar for services to be rendered with the utmost accountability, whether to one person or the general public (Parmar, 2015). The notion that one should receive money only from society was part of societal governance. Since you will eventually be a part of society's general population, you have a moral duty to contribute to it. Thus, the concept of "*Vasudhaiva Kutumbakam*," or "*the entire world is our family*," was developed and put into practice, eventually reflecting the spirit of publicly answerable behavioral patterns within the then-governing apparatus in ancient India (Parmar, 2015).

When the Bishnoi people of Rajasthan refused to allow royal employees to cut down trees, they began protecting trees and forests 280 years ago. King Abhaya Singh of Jodhpur specifically requested wood in 1730 to construct a fort. Amrita Devi, a villager, confronted the king's servants, emphasizing the tree's significance. She clung to the tree and died as the lumberjack began logging. Enraged villagers followed the example of brave women; they were also killed by clinging to trees (Nugteren, 2005). The tree-planting activity at the Venkateswara temple in Tirupati (Andhra Pradesh State, south India), which is dedicated to Lord Vishnu, is a good example of social responsibility derived from ancient India (Agoramoorthy & Hsu, 2011).

## 7. BHAGAVAD GITA'S INSIGHTS ON GOVERNANCE

According to Sri Krishna in the *Bhagavad-Gita* (3–13), if members of a society who are socially conscious find contentment in appreciating the results of their labor performed in the spirit of yagna (selfless welfare of others), then all social suffering would be eliminated (Prabhupada, 2008). The Indian philosophy of company management focuses primarily on fostering corporate social responsibility (Muniapan, B., and Dass, M., 2008). The following *Shlokas* address how Lord Shri Krishna preaches via the Holy *Bhagavad Gita* about the nature and effects of charity, donations, and gifts given:

*Dātavyam iti yad dānam dīyate 'nupakāriṇe,  
Deśe kāle ca pātre ca tad dānam sātṭvikam smṛtam.*

**(Bhagavad Gita, Chapter 17 Verse 20)**

The main takeaway from this stanza is that acts of generosity that are given to those in need at the proper time and place are regarded as *Sattvika*, or acts of righteousness. This generosity must be provided as part of one's duty, without any hope of reward. Charity should be freely given to deserving *brahmanas*, devotees, or poor people (WORTHY PERSONS) at sacred locations (PLACE), during lunar or solar eclipses, or at the conclusion of the month (TIME).

*Shloka* 17.21 discusses charitable acts performed with the hope of receiving anything in return.

*Yat tu pratyupakārārtham phalam uddīśya vā punaḥ,  
Dīyate ca parikliṣṭam tad dānam rājasam smṛtam.*

**(Bhagavad Gita, Chapter 17 Verse 21)**

According to this, *Rajasika*, or charity carried out in a passionate manner, is defined as charity given with the expectation of benefit and the desire to receive it. As a result, the charity should provide without expecting anything in return.

The next *Shloka* discusses what should not be viewed as acceptable or approved CSR activity, as follows:

*Adeśa-kāle yad dānam apātrebhyas ca dīyate,  
Asatkr̥tam avajñātam tat tāmasam udāhṛtam.*

**(Bhagavad Gita, Chapter 17 Verse 22)**

In this *shloka*, Lord Shri Krishna conveys that showing charity to those who are undeserving and unworthy, in an unclean manner, without grace, and with a spirit of contempt, is considered ignorance known as *Tamasika*. It signals to the business community that an organization's social

responsibility should be communicated in good faith, not merely as a formality. You should not act for material gain in order to be promoted to a spiritual position; instead, you should behave with the intention of returning to the spiritual world, or going back to where you were

*Tad ity anabhisandhāya phalam yajña-tapaḥ-kriyāḥ,  
Dāna-kriyāś ca vividhāḥ kriyante mokṣa-kāṅkṣibhiḥ.*

**(Bhagavad Gita, Chapter 17 Verse 25).**

## 8. KAUTILYA'S PERSPECTIVE ON GOVERNANCE

Chanakya was the prime minister (political guru) of Emperor Chandragupta Maurya. He was born in 375 BCE and died in 283 BCE. The original name of Chanakya was Vishnugupta. Later on, because of his cleverness in political affairs and strategy, he came to be known as Kautilya (Kumar K, 2020). He has written various books, such as *Arthashastra*, *Laghu Chanakya*, *Vridhdha Chanakya*, and *Chanakya Neeti*, to educate politicians on political affairs. He completed his education at Takshashila University and became a professor of economics and political science there. He was an Indian educator, thinker, and nobleman. He has provided various guidelines for managing or governing a state. He was the one who helped Chandragupta Maurya defeat the Nanda dynasty and become the emperor of Magadha. He has found that wealth is the utmost important for a king to govern the state, and not only wealth, but its proper distribution is necessary for the proper welfare of his subjects (*praja*). He stated that the treasury plays an important role in every state, so the King should devote special attention to it. Kautilya, at that time, used arithmetic, permutations, combinations, operations, summations, and subtraction, which signifies his deep knowledge regarding mathematical operations. He has also been compared to Niccolo Machiavelli's "The Prince" as they both believe in a strong monarchy as the best form of government. But they both have different perspectives regarding morality. Kautilya believed that there were both moral (righteous) and immoral people, while Machiavelli believed that all people are immoral and unrighteous (Muniapan, 2008). Kautilya's work is based on the knowledge derived from *Vedas*, *Puranas*, *Ramayana*, *Mahabharata* and *Kharmsastra* (Vadapalli, 2019).

Thiruvalluvar, a Tamil poet who lived 2000 years ago, composed the *Thirukkural*, which, like Kautilya's *Arthashastra*, discusses the qualities of a well-run government or a socially responsible organization. "*Murai saithu kapatrum mannavan makkalkku iraiyentru vaikkapadum*" (A ruler that upholds fairness and defends his subjects would be regarded as having Godly qualities; (Vittal, 2001) is what Thiruvalluvar mentions about the duties of a king (leader). Additionally, according to Thiruvalluvar "*Irai kakkum vayyakam ellam avanai murai kakkum muttacheyin*" (A king would be regarded as having divine character if he upheld justice and protected his subjects).

The most important role of the Government nowadays is to maintain good governance. This is not the concept of today's world, but it was recognized by Kautilya at that time. The four pillars of good governance i.e., accountability, transparency, fairness and responsibility and all these four pillars have relevance in *Kautilya's Arthashastra* also. An indicator of good governance is that the ruler must place common interest before self-interest, as stated by Kautilya in *Kautilya's Arthashastra* that a King must use his powers for the welfare of his subjects, not for his own self-interest (Gairola, 2021). It is also stated in *the Arthashastra that the treasury should be used by the King for the protection of subjects*, not for his own self-interest. This view of Kautilya has been stated in:

*Dharmādhigataḥ pūrvam svayaṁ vā hāryaṁ prayacchati,  
dīrgham apy āpadām anarthaṁ na sahate kośa-sampat.*

**(Kautilya Arthashastra, p. 443).**

One of the important aspects of good governance is transparency, which has also been advised by Kautilya. Kautilya stated that a treasurer should know the income of the district and the city very well. In this regard, he should have so much information that if he is asked about the account of income of a hundred years back, he can immediately give proper information about it. He should always show the remaining money in the treasury. This view of Kautilya has been stated in:

*Tasmād āptapuruṣādhiṣṭhitāḥ sannidhātā nicayaṁ anutiṣṭhet;  
Bāhyam ābhyantaram cāyaṁ vidyād varṣāsatād api,  
Yathā pṛṣṭo na sajjeta vyayaśeṣam ca darśayet.*

**(Kautilya Arthashastra, p. 98).**

Kautilya also advised to take taxes on the basis of capacity to pay. Rich should be charged with more taxes than poor one. This has been stated in *Kautilya Arthashastra* as the king should take the wealth of wicked men in the same way as ripe fruits are taken from the garden; but he should leave the wealth of pious men in the same way as unripe fruits are left. Like unripe fruits, the money recovered from pious men becomes the reason for the anger of the people. This view of Kautilya has been stated in:

*Pakvaṁ pakvam ivārāmāt phalaṁ rājyād avāpnuyāt,  
Ātmacchedabhayād āmaṁ varjayet kopakārakam.*

**(Kautilya Arthashastra, p. 419)**

Another important indicator of good governance is to maintain law and order in the country same as suggested by Kautilya. Kautilya suggested that one of main duty of the king is to maintain law and order in the state and to protect the life and liberty of people and to ensure the proper judicial system and he laid down the strict norms for proper conduct and control. Kautilya has also specified strict norms for corrupt practices as according to him it is difficult to find whether the fishes in the water are drinking the water or not so it is also a difficult task to find whether any officer is indulging in corruption practices or not so there is a need of close supervision and control on them which is again necessary to maintain good governance practices in the economy as a whole (Ali, 2006).

The 'governance' term is also being used in the corporate sector as during last two decades corporate sector has been facing corporate scandals, frauds and failures, abuses of corporate power, mismanagement which is the result of bad governance, to overcome these problems the emphasis on corporate governance is growing (Muniapan, 2009). One of the important aspects of corporate governance is salary fixation and Kautilya has been also specified the principle of salary fixation as according to him salary of king and other servants should be fixed and they should not be allowed to take even a single penny more than that unless approved by the council (Ali, 2006).

Kautilya has also been specified the concept of good governance and social responsibility when he recognized the importance of providing financial relief to the family of government servant after his death at the time of service. He stated that if an employee dies while working, then his son-wife should take his salary. May the king keep a kind eye on the children, old people and sick relatives of his dead employees, death at their homes; Keep helping them financially and verbally in case of illness or during child birth which again proves the concept of good governance practices by Kautilya. This view of Kautilya has been specified in:

*Karmasu mṛtānām putra-dārā bhakta-vetanam labheran,  
Bāla-vṛddha-vyādhitān cānuvrāhyān,  
Preta-vyādhita-sūtikā-kṛtyeṣu cāsām artham anukuryāt.*

**(Kautilya Arthashastra, p. 423)**

As suggested by Kautilya that medical care should be the responsibility of the state. State should be responsible for the maintenance of orphans, aged, affected and helpless women and children. A medical superintendent needs to be appointed for the prevention of spreading of diseases and to look after the affected one (Vadapalli, 2019).

Kautilya was not only in the favor of material welfare of the state but he also considers the moral welfare as a supreme concern of a ruler. Kautilya's framework of good governance includes weaker and vulnerable sections of society and provision of concessions and facilities also to be included for backward sections of our society. At that time also duties of king regarding different sections, society, Nation was also clearly defined and guidelines regarding different fields of trade and commerce, financial and economic administration, mining were also clearly specified (Ali, 2006).

Consumers were protected against the practices hoarding or cornering of goods; market hours were regulated and prices were fixed. Weights and measures were standardized. This view of Kautilya has been stated in the:

*Śulka-bhayāt paṇyānām mūlyam vā hīnam bruvatas tad-atiriktam rājā haret, pratimānam aṣṭaguṇam vā dadyāt;*

*Tad eva niviṣṭa-paṇyasya bhāṇḍasya hīna-prativarṇakena rāghava-prakarṣaṇe, sāra-bhāṇḍasya phalgu-bhāṇḍena praticchādane ca kuryāt;*

*Pratirūpabhyām vā paṇya-mūlyād upari mūlyam vardhayato mūlyam rājā haret, dviguṇam vā śulkaṁ kuryāt; tad evāṣṭaguṇam adhyakṣasya chādayataḥ.*

**(Kautilya Arthashastra, p.186).**

It has also been stated as a part of good governance that it is the king's personal duty to rule the subjects righteously; that takes him to heaven. On the contrary, the king who hurts his subjects by not protecting them is never happy. The given *shloka* has specified it correctly as given by Kautilya:

*Rājñah svadharmah svargāya prajā dharmeṇa rakṣituḥ,  
Arakṣitur vā kṣantur vā mithyādaṇḍam ato'nyathā.*

**(Kautilya Arthashastra, p.259).**

It is the duty of the King to govern his state righteously and by following good governance practices.

## 9. CONCLUSION

The concepts of good governance and social responsibility have not originated in the Western world, but have already been articulated in our ancient scriptures. The *Kautilya Arthashastra* has already specified the pillars of good governance, which have relevance in today's world. The various measures of governance have been specified by Kautilya in the form of measurement and weighing measures, salary fixation, common interest over self-interest, price fixation and financial assistance to employees, all of which have relevance in today's corporate world. The concept of good governance has gained much importance in today's world, but it was also followed in ancient times. To reduce corruption, it is very important to follow ancient governance principles. Some of the good governance practices have become mandatory to be followed by corporate sector itself explains its relevance. Although *Kautilya's Arthashastra* and other ancient texts contain numerous teachings applicable to the corporate world, few managers are aware of them. Using the topics of corporate governance and corporate social responsibility, this study seeks to connect the *Arthashastra's* lessons and other ancient literature on stakeholder welfare to contemporary business management. To profit from multinational organizations without engaging in unethical or unhealthy business methods, it is possible to directly apply the concepts of the *Arthashastra's Chanakya Neeti* and other ancient literatures to the modern corporate world. This idea is known as *Shubh Labh*, which means auspicious profit.

Management's ethical issues (social responsibility) were prevalent throughout Vedic culture, whether during the Ramayana, Mahabharat, or Bhagavad Gita eras. Management's ethical issues (social responsibility) remain today and will always be present. Human beings make up and are the focus of any civilization or collaborative effort. If this component is developed correctly, any culture can experience its most prosperous period. Because of this, in Hindu culture, God is offered at the beginning and the end of every celebration, event, or activity. Every effort is made to foster a culture of ethics, morality, and a value-based society. This will result in the birth of a moral, ethical, and socially conscious human being. Every action we take is an offering to our God. God's grace is more significant than our ego or "I" which is not to blame. The managerial style of Indian mythology has a hint of spirituality. The goal of every *Brahmin, Kshtriya, Vaishya, and Shudra* action is to reach *Moksha*. The most significant factor is the motivating force: *God*. The only important thing is grace. The management literature in the West does not include this strategy. And every culture needs this in real life.

The conclusion of this study is that the concept of corporate social responsibility is not new, but it has been practiced in ancient India. The story of Goddess Parvati shows how she protected the environment and offered lessons for the modern world. The ancient scriptures state how to protect forests, rivers, flora, fauna, and the environment, all of which are essential for the earth to survive. The Vedas also state the ways to acquire wealth, donate to charity, remove poverty, distribute wealth, and perform duty in the right way. This study highlights the potential value of integrating moral values and social responsibility into contemporary corporate governance practices by drawing on timeless knowledge from several texts. The results can provide a benchmark for companies, businesses, and government looking to promote a more responsible, socially conscious, and sustainable approach to their operations, thereby benefiting not only their stakeholders but society at large.

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