

**BRIDGING VALUES: THE INFLUENCE OF INDIAN ETHOS ON CORPORATE SOCIAL
RESPONSIBILITY PRACTICES**Bawa, Simmin¹, Rani, Jesha², Nisar, Shalini³ and Somaiya, Saptami⁴¹Head of Department, Philosophy and Assistant Professor, Jai Hind College, Mumbai²TYBA student Philosophy-Psychology, Jai Hind College, Mumbai³TYBA student Philosophy-Psychology, Jai Hind College, Mumbai⁴TYBMS student, Jai Hind College, Mumbai**Abstract**

Are organizations only about people, products and profits or also for the prosperity of society? While profitability is the primary focus these entities have a significant responsibility of contributing to the public good. This responsibility is especially pronounced for organizations originating in India, which is a constellation of interrelated concepts in the enormous field of human thought, shedding light on the way to both societal harmony and spiritual enlightenment. Indian ethos explores the metaphysical, going beyond the domain of material existence to examine the nature of awareness, the soul, and ultimate reality. This study endeavours to examine the relationship between Corporate Social Responsibility (CSR) and Indian ethos. The Indian ethos offers a rich framework for comprehending social duties and responsibilities. In one paradigm it can be assumed to be based on the ideals of dharma (righteousness), artha (wealth), kama (pleasure), and moksha (liberation). The study explores the ways in which CSR can possibly be incorporated into this ethos by looking at the historical developments of CSR in India's various socioeconomic groups. It also examines how the Vedas, Bhagavad Gita, and Arthashastra, among other ancient texts, make reference to CSR. Additionally, taking into account the changing business environment and public expectations, our study investigates modern interpretations of corporate social responsibility in India. The paper concludes with an analysis of case studies that emphasize the many CSR strategies that Indian organizations have adopted and their benefits to societal growth and well-being. The paper also attempts to demonstrate the emerging CSR needs of today which are deeply rooted in India's ancient school of thoughts. Through this research study, we further endeavour to emphasize that organisations can create a framework for CSR that is more

efficient and culturally appropriate for use in Indian culture by looking at it through the prism of traditional Indian ideas and practices. Considering the long-lasting impact of Indian culture, a model based on indigenous values is probably more relevant and long-lasting than one that is Western-centric. We want to draw attention to the wisdom found in Indian scriptures and use these lessons to inform the conversation around corporate social responsibility today.

Keywords: Corporate Social Responsibility (CSR), Indian Ethos, Vedas, Bhagavad Gita, Arthashastra, Ethics, Business, Culture, Western, Organization

INTRODUCTION: EVOLUTION OF CORPORATE SOCIAL RESPONSIBILITY

The idea of corporate social responsibility, or CSR, has changed dramatically over time. Though the idea as we know it now started to take shape in the early 1950s, its origins may be found in the mid-to-late 1800s, when worries about social issues and working conditions first surfaced. Pioneering industrialists such as Andrew Carnegie and John D. Rockefeller were well-known for their charitable endeavours, which established a standard for socially conscious conduct. American economist Howard Bowen did not create the term ‘Corporate Social Responsibility’ until 1953, when he published *Social Responsibilities of the Businessman*. With the advent of the ‘social contract’ idea in the 1970s, it gained popularity and emphasised that corporations are required by the public to participate in societal requirements. By the 1980s, businesses were addressing stakeholder concerns and social interests more frequently, and CSR had become more ingrained in business operations.

Despite being relatively new in India, the concept of corporate social responsibility (CSR) has Mauryan historical roots, when philosophers such as Kautilya stressed the need for ethical practices and principles in business dealings. Since ancient times, CSR has been performed informally by giving to the underprivileged and impoverished. Indian texts have made several references to the value of dividing one's income between the underprivileged members of society. Our culture is deeply ingrained with compassion and sharing.

Another important factor in the promotion of the idea of CSR was religion. Islam has a provision known as Zakaat that mandates that a person give donations to the impoverished out of their earnings. Hindu merchants-built temples, provided night refuge for the lower classes, and accepted

alms from the public. Hindus adhered to Dharmada, in which the merchant or producer collected a set amount from the buyer to be donated to charity. The sum was referred to as the Dharmada or charity money. Sikhs also adopted Daashaant's style.

According to Sawati Nagwan¹ India has among the wealthiest of CSR traditions among other nations. Although a lot has been done recently to educate Indian entrepreneurs about the importance of social responsibility as a component of their corporate operations, CSR is still not well-known in India. CSR's history in India corresponds to the country's historical growth and has produced a variety of CSR philosophies that has four stages.

First stage: The key motivations of the original phase of Corporate Social Responsibility (CSR) were philanthropy and charity. CSR was significantly impacted by traditional, familial, religious, and cultural factors throughout this time. Rich merchants made a positive social contribution to society prior to the Industrial Revolution (till 1850) by building temples for religious purposes. They also provide food and financial support to populations affected by diseases and famines. This guaranteed their significant place in society. An approach to corporate social responsibility (CSR) changed when colonial control was introduced to India in the 1850s. Economic and societal factors drove the actions of industrial dynasties like the Singhanias, Modis, Bajajs, Godrejs, and Tata families. However, caste groups and political ambitions also had an impact on their efforts in addition to humanitarian and religious impulses.

Second stage: During India's independence movement, in the second phase of corporate social responsibility (CSR), there was increased pressure on Indian industrialists to demonstrate their dedication to social progress. The word 'trusteeship,' which Mahatma Gandhi popularised, emphasises the necessity for business leaders to manage their wealth for the benefit of the public. Industrialists were inspired by Gandhi to support the socioeconomic advancement of the country. Indian corporations were to him "temples of modern India." Businesses set up trusts for training and educational institutions under his direction. These trusts supported rural development,

¹ Nagwan, Sawati. *Evolution of Corporate Social Responsibility in India*. July 2014, www.ijltemas.in/DigitalLibrary/Vol.3Issue7/164-167.pdf.

women's emancipation, and the abolition of untouchability—all goals consistent with Gandhi's reforms.

Third stage: The third phase of corporate social responsibility (CSR) took place between 1960 and 1980 in a mixed economy, with a focus on public sector undertakings (PSUs) and stringent labour and environmental laws. During this period, the private sector faced certain limitations. It was believed that the public sector was the main force behind development, while the private sector was subject to onerous laws and restrictions during what was commonly referred to as the "era of command and control." Legislation pertaining to corporate governance, labour, and environmental issues was enacted as a result of business malpractices caused by the policy of industrial licensing, high taxes, and restrictions on the private sector. The state created PSUs to guarantee a fair allocation of resources. However, expectations moved from the public to the private sectors as a result of the public sector's poor performance. In 1965, a national workshop on corporate social responsibility was organised with an emphasis on social accountability, transparency, and stakeholder involvement to settle these disputes. Despite these efforts, CSR did not advance much during this phase.

Fourth stage: Indian businesses moved away from traditional CSR participation and integrated it into a sustainable business strategy during the fourth phase of CSR (1980–present). Globalisation and economic liberalisation began in the 1990s, when restrictions and licensing requirements were partially lifted, which helped to stimulate the economy. Indian businesses were able to grow quickly and were more inclined and capable of supporting social issues due to the country's enhanced economic success. India became a major manufacturing and production base for multinational corporations (TNCs) because of globalisation. Indian businesses that export to Western markets need to give adherence to international standards top priority because these markets are growing increasingly focused on labour and environmental standards in developing nations. Corporate Social Responsibility (CSR) is now required for businesses with profits of at least Rs 5 crore under the new Companies Act. The day this law becomes operative is April 1, 2014. At least 2% of a company's average profit over the last three years must be allocated to CSR initiatives. The Greentech Foundation hosted a two-day CSR conference that drew over 150

experts. Companies are required to propose three board members to its CSR committee starting on April 1. According to the law, CSR initiatives cannot be classified as human resource initiatives or as compliant with rules; rather, they must be carried out in accordance with a company's CSR strategy. The board must approve CSR projects, and they must have a defined beginning and ending date. The CSR economy is anticipated to grow dramatically with the new regulations.



Mandatory provisions of CSR under section 135 of the Companies act, 2013 became effective from 01.04.2014.²

The Vedas, Bhagavad Gita, and the Arthashastra are such works that hold validity even today regarding ethics, governance, and social concern. For instance, the Rigveda speaks of the wealthy's responsibility to yield to the poor their wealth, thereby indicating that the gathering of more wealth brings along with it a responsibility to serve other members of society. The Manu Smriti also makes it clear that companies must always put the welfare of society at the centre of their operations and that they have an obligation to contribute to the common good. The foundation for incorporating corporate social responsibility into Indian culture can be seen in these ancient writings. The ethical factors of these texts—duties in society, responsible governance, and truthful use of wealth—are true to today's CSR systems. Encompassing ancient principles, Indian businesses can create frameworks of CSR that will be culturally attuned with Indian values and effective at the same time.

² History. www.csr.gov.in/content/csr/global/master/home/aboutcsr/history.html.

UNDERSTANDING INDIAN ETHOS

अयं बन्धुरयनेति गणना लघुचेतसाम् ।

उदारचरितानां तु वसुधैव कुटुम्बकम् ॥

The idea that ‘the whole world is one family’ originates from Indian culture. The concept of ‘Vasudhaiva Kutumbakam’ is widely recognized and taught by revered Hindu scriptures. Vasudhaiva Kutumbakam is a great part of our culture where we are part of one family and we can share our happiness, sadness, noble ideas, our thought process and these family members are real well-wishers for us.³

Ethos, values and ethics are very important to human life, without these, humans can't lead a peaceful and successful life. Indian Ethos teaches and guides humans to lead a life with traits like equality, care, to forgive, humility, truthfulness, and more. If humans effectively embrace the Indian ethos, morals and values, they can lead a life with satisfaction and happiness. Ethos assists humans in making big and difficult decisions. Indian Ethos helps in building character in humans. It is also very supportive to the people in corporate life. Indian Ethics and Ethos govern the business system and management. They are a proper set of practices that can become a shape force for an efficient system of management and leadership roles for positive human behaviour.

The application of Indian Ethos to modern day management provides three areas of knowledge creation like structural, cultural and spiritual model which in return increases management and leadership knowledge in an organisation. Spirituality behaves as a regulative model. It creates an installed system of good values that speaks to an “internalised character” to act and be persuaded in specific ways.⁴ Indian ethos holds that the ultimate aim of all actions is to cleanse the soul and attain the state of eternal truth, conscience, and bliss (Sat-Chit-Ananda). Therefore, every task in an organisational setting must be carried out with this ultimate goal in mind. Many organisations embrace workplace spirituality, for instance Coca-Cola, Boeing and Sears have incorporated in

³Jadhav, Samadhan B. “Role of Indian Ethos in Corporate Life.” *Role of Indian Ethos in Corporate Life*, 28 Aug.

2021, imr.dypvp.edu.in/Blogs/role-of-indian-ethos-in-corporate-life.

⁴ Kumar, Ankur. “Indian Ethos in Management.” *Geektonight*, 10 Aug. 2023, www.geektonight.com/indian-ethos-in-management/#:~:text=Indian%20ethos%20refers%20to%20the%20core%20values%2C%20beliefs%2C,Indian%20society%2C%20including%20religion%2C%20art%2C%20literature%2C%20and%20philosophy.

their culture and strategies. Similarly, businesses like The TATA Group and The Infosys have incorporated spirituality in their CSR initiatives. Historically, CSR has been a firmly established practice in India, companies have long embraced social responsibility, with the country having one of the most well- established and richest traditions of social responsibility. Unlike western management practices, where work satisfaction is valued but they often overlook the spiritual goals, whereas the Indian ethos regards work as a means to attain both material and spiritual aspirations. There is an abundance of Vedic literature which describes management and CSR from multiple viewpoints. The ancient Vedic classics such as the Mahabharata, the Upanishads and the Puranas offer several lessons on management which are useful in contemporary CSR.⁵ From the Vedic perspective, business plays a vital role in society, yet it should create wealth for society by adhering to the right principles of action. ‘Sarvam loka hitam’ in the Vedic literature refers to ‘well-being of stakeholders. This means an ethical and social responsibility system must be fundamental and functional in all business undertakings.⁶ The Rigveda speaks about the wealthy sharing their riches with the poor, and ancient works like the Manu Smriti discusses how business should serve society’s good and remain sustainable overtime. The CSR requirements found in the Vedic literature stresses on the concept of “dharma” which is given great importance in the Bhagavad Gita. The Vedic view suggests that anyone taking up a CSR leadership should, from the onset, must regulate their senses early on to curb intense desires.

Indian ethos emphasises execution of the respective duties by individuals. Bhagavad Gita Chapter 2, Verse 47 says:

कर्मण्येवाधिकारस्ते मा फलेषु कदाचन । मा कर्मफलहेतुर्भूर्मा ते सङ्गोऽस्त्वकर्मणि ॥47 ॥⁷

The literal meaning of it is: You have the right to work only but never to its fruits. Let not the fruits of action be your motive, nor let your attachment be to inaction. In other words, the duties assigned

⁵ Muniapan, Balakrishnan. “The Roots of Indian Corporate Social Responsibility (CSR) Practice From a Vedantic Perspective.” *CSR, sustainability, ethics & governance*, 2013, pp. 19–33. https://doi.org/10.1007/978-3-319-01532-3_2.

⁶ Muniapan, Balakrishnan. “The Roots of Indian Corporate Social Responsibility (CSR) Practice From a Vedantic Perspective.” *CSR, sustainability, ethics & governance*, 2013, pp. 19–33. https://doi.org/10.1007/978-3-319-01532-3_2.

⁷ Kumar, Ankur. “Indian Ethos in Management.” *Geektonight*, 10 Aug. 2023, www.geektonight.com/indian-ethos-in-management/#:~:text=Indian%20ethos%20refers%20to%20the%20core%20values%2C%20beliefs%2C,Indian%20society%2C%20including%20religion%2C%20art%2C%20literature%2C%20and%20philosophy

to an individual must be performed with complete dedication without any attachment to results or any desperation to control them. The idea is also known as Nishkam Karma, a concept that we will discuss later in the chapter.⁸

According to Professor Klaus K. Klostermaier, a prominent researcher on Hinduism, since ancient times, India has been famous for its wisdom and thoughts. The ancient Persians, Greeks and Romans were eager to learn from its sages and philosophers.⁹

The core principle of Karma Yoga is Nishkama Karma, which refers to selfless actions, which is the opposite of Sakam Karma, which involves actions driven by self-interest and personal gain. According to Nishkama Karma, work should not be confined, but rather a path to liberation. It also implies that performing work with full commitment and detachment from its results, it frees the individual from unneeded stress and burden.

INTEGRATING CSR WITH INDIAN ETHOS

Corporate social responsibility (CSR) and Indian ethos integrate in-depth and mutualism well in hand. As conceived in the ancient philosophy of India, the idea of CSR could be easily put in sync with the Indian ethos, thus it is not a mere obligation for businesses but a moral compulsion towards society and the living world in general. The synthesis of CSR and Indian ethos transcend beyond a mere transactional notion of business responsibility and give the possibility of an all-around and spiritually aligned approach where every action creates goods for greater society harmony and spiritual upliftment.

CSR is not a modern import from the West but has a healthy history in India since ancient times. The concept of Dharma that connotes not only righteousness, but also moral duty provides one of the key perspectives into this matter. The concepts of Dharma provide leadership to personal, social, and corporate life. Therefore, the Indian approach to CSR cannot be completely recognized

⁸ Kumar, Ankur. "Indian Ethos in Management." *Geektonight*, 10 Aug. 2023, www.geektonight.com/indian-ethos-in-management/#:~:text=Indian%20ethos%20refers%20to%20the%20core%20values%2C%20beliefs%2C,Indian%20society%2C%20including%20religion%2C%20art%2C%20literature%2C%20and%20philosophy.

⁹Kumar, Ankur. "Indian Ethos in Management." *Geektonight*, 10 Aug. 2023, www.geektonight.com/indian-ethos-in-management/#:~:text=Indian%20ethos%20refers%20to%20the%20core%20values%2C%20beliefs%2C,Indian%20society%2C%20including%20religion%2C%20art%2C%20literature%2C%20and%20philosophy.

without scrutinising the principles of Dharma, Artha, Kama, and Moksha, which constitute the Purusharthas—the four objectives of human life.¹⁰

Since Indian ethos encompasses an amalgamation of various philosophical concepts for guiding personal as well as societal life, these principles, when applied to CSR, lay down the path for businesses to serve society with integrity, fairness, and compassion.

Dharma and CSR

Dharma is most relevant to solving the query of how CSR can be connected to the Indian ethos. Dharma is the maxim of righteousness and duty, guiding people and organisations regarding morality and accountability for responsible action. In the view of the corporate world, Dharma compels companies to execute their enterprise with openness, fairness, and social responsibility concerning their activities. It ranges from fair wages and proper safety at the workplace to keeping activities environmentally sustainable, wherein more importance is given to ethical factors rather than to maximisation of profit.¹¹ As Kedar Nath Tiwari in *Classical Indian Ethical Thought* says, Dharma is not an external duty but an internal moral duty binding all humankind.¹² Here, according to Indian ethos, Dharma is not seen merely as an individual obligation but a collective one; therefore, business is also expected to contribute toward the welfare of society at large. It is consistent with the stakeholder theory and the new CSR perspective, which implores companies to be responsible not only to shareholders but to all stakeholders—employees, customers, communities, or the environment.¹³ Dharma calls for businesses to strike a balance between profit-making and societal welfare, saying that the pursuit of wealth must not compromise ethical values or social justice. Dharma is multifaceted and includes Samanya Dharma (universal duties) as well

¹⁰ Tiwari, Kedar Nath. *Classical Indian Ethical Thought*. Kanishka Publishers, 2015.

¹¹ Gupta, Shweta, and Shivendra K. Kashyap. "Revisiting the purpose of corporate social responsibility from the lens of Dharma." *International Journal of Education and Management Studies* 8.2 (2018).
<https://www.proquest.com/openview/1ffef56e3e6306dbfe2bbec717fc7f42/1?pq-origsite=gscholar&cbl=2032132>

¹² Tiwari, Kedar Nath. *Classical Indian Ethical Thought*. Kanishka Publishers, 2015.

¹³ Tripathi, Naresh. (2019). Corporate Social Responsibility: The Ancient Indian Perspective. 05. 27-32.
https://www.researchgate.net/publication/373842740_Corporate_Social_Responsibility_The_Ancient_Indian_Perspective

as Varnashrama Dharma (duties based on caste and stage of life). Both are indispensable for the ethical life in Indian society.¹⁴

Samanya Dharma refers to the universal moral principles governing human conduct irrespective of caste, creed, or status. These include virtues like truth, non-violence, compassion, and honesty, qualities that no corporate world can do without as well. In the context of CSR, Samanya Dharma can be termed as the company's obligation to society at large, responsibility to act ethically, to promote social good, and ultimately the well-being of all stakeholders. For example, in CSR, a company needs to not only develop the nation economically, but it should also safeguard the environment, engage in ethical labour practices, and donate philanthropically. Whereas Varnashrama Dharma details the duties and responsibilities according to an individual's caste and the stage of life he or she has entered, corporate parlance can define them as duties that different sectors and professions owe to society. For example, the managers and industrialists who fall under the Vaishya varna have the mandate to produce wealth, but they should do so responsibly with the intention for social welfare so that their actions enhance the public good. Or say for Kshatriyas, this is the class of traditional warriors and rulers, a duty to uphold and provide justice and protect society. In its modern corporate sense, it may be interpreted to connote the accountability of leaders, decision-makers, and bureaucrats for fairness, good governance, and protection of the public interest. They must perform their power in defending the rule of law and social order and also in executing policies that promote ethical business, sound environments, and the common good of the poor majority in ways consistent with the greater public good even as they act administratively. As Shyam Ranganathan opines in *Ethics and Indian Philosophy*, Indian ethics places collective good above personal good.¹⁵

This closely aligns with CSR, where businesses are expected to transcend profit-making and go further into a broader impact on society and the environment. The Varnashrama system, despite it

¹⁴ Tiwari, Kedar Nath. *Classical Indian Ethical Thought*. Kanishka Publishers, 2015.

¹⁵ Ranganathan, Shyam. *Ethics and Indian Philosophy*. Cambridge University Press, 2020.

being controversial, provides a model of activity where every person and institution in society has a designated role that helps preserve harmony in society. This, applied to CSR, means that businesses must balance their profits with also what they do contributes to the good of all.

Artha and CSR

In Purusharthas, Artha means wealth and is considered a legitimate activity in human life. The concept of wealth in Indian values, however, is never banked for selfish gratification alone. Rather, it should be created and distributed with a view of collective wellbeing. Kautilya's Arthashastra. A classical treatise on how to govern, economics, and ethics. It emphasises that making wealth should be carried out in a way that helps everyone and is fair.¹⁶ It gives guidelines to leaders and companies to make wealth ethically so that the goal of making money helps the whole community, not just individuals or businesses. This is apparent in today's interpretations of CSR as followed in practice by corporations today, where companies are formally required to reserve and dedicate a certain percentage of their profit towards good causes such as education, health care, and environmental sustainability. Kautilya also postulated that though profit was an essential yardstick for measuring the health of the enterprise, it had to be supported by consideration for social responsibility.¹⁷ In today's times this can also be shown by the Indian Companies Act 2013, which mandates a specific profit-earning company to undertake at least 2% of its average net profit towards CSR activities.¹⁸ Thus, Artha fits well with modern Corporate Social Responsibility efforts that focus on using wealth to improve social well-being, rather than just accumulating it. The idea is that sustaining profits now depends on the positive impact on society; this aligns with the Indian philosophy of creating wealth in a balanced and meaningful way.

Kama and CSR

While it may seem that Kama, as a quest for pleasure and personal gratification, stands in direct contradiction to the altruistic nature of CSR, it too has relevance in the corporate world. Indian

¹⁶ Kautilya. Arthashastra. Translated by R. Shamasastri, 1915.

¹⁷ Kautilya. Arthashastra. Translated by R. Shamasastri, 1915

¹⁸ Government of India, Ministry of Corporate Affairs. Help & FAQs - CSR.
<https://www.csr.gov.in/content/csr/global/master/home/home.html>.

philosophy defines Kama as something which is not just limited to physical pleasure but also covers mental and intellectual satisfaction.¹⁹ In company terms, this is the gratification from self-interest adjusted for harmonious social responsibility. From a CSR perspective, Kama can be viewed as the enjoyment companies realise from being a change for good. More and more organisations today undertake CSR not merely out of legal obligation but because it ultimately helps them build their image, facilitates workers' motivation, and makes them seek something more than profit. This satisfaction resonates with the Indian vision that Kama, when embraced in harmony with Dharma and Artha, contributes to individual and social welfare.

Moksha and CSR

Moksha, the highest aim of human life in Indian ethos, is liberation from the cycle of birth and death. In the context of CSR, Moksha means liberation through ethical and responsible action: when businesses couple their practices with a higher goal that spreads welfare to society, they contribute toward a larger purpose beyond profit-making. CSR practices like environmental sustainability, for instance, encompass this concept of Moksha. A business devoted to preserving the world for their future generations is creating a beneficial and sustained future for this earth, which resonates with the Indian philosophy where all forms of life are respected. Moksha, therefore, also marks the ultimate recompense to a business that has been undertaking ethical activities—an after-effect that serves society and the environment in perpetuity.

Nishkama Karma and CSR

The most fundamental principle of Indian ethos to directly apply to CSR is Nishkama Karma as presented in the Bhagavad Gita. Nishkama Karma strongly advises that one go about performing his duties without attachment to the outcome. In a corporate context, this simply means that businesses would be involved in CSR activities with no attention to the anticipated financial return or public image attached to such efforts.²⁰ Incorporating Nishkama Karma into CSR could be an

¹⁹ Tiwari, Kedar Nath. *Classical Indian Ethical Thought*. Kanishka Publishers, 2015.

²⁰ Singh, Raj. (2012). *Nishkam Karma: The Path For Corporate Social Responsibility*. 9-2.
https://www.researchgate.net/publication/377968803_Nishkam_Karma_The_Path_For_Corporate_Social_Responsibility

orientation for organisations to make successful contributions to societal welfare. It is a notion of responsibility that goes beyond being only profit motivated. The absence of attachment with the result would bring businesses closer to their ethical obligations toward society and thus making it a more realistic and sustainable form of corporate responsibility. Nishkama Karma urges businesses to conceive CSR as a core and not peripheral function of doing business within society, rather than something undertaken for compliance or marketing reasons. Within a more traditional corporate context, CSR would often be regarded merely as a way of prettifying the corporation's image, gaining increased customers' loyalty, or fulfilling requirements of law. However, in the context of Nishkama Karma, CSR becomes a core responsibility that the corporation owes to society with no material returns sought for their actions.

Vasudhaiva Kutumbakam and CSR

Another core value of the Indian culture, which is deeply reflected in Corporate Social Responsibility (CSR), is Vasudhaiva Kutumbakam, or "the world is one family."²¹ This expression thus portrays the universal relationship considering an umbrella family system. It projects the living as interconnected and jointly responsible for the good works of society at large. In fact, with regards to CSR, Vasudhaiva Kutumbakam inspires the business world to look beyond their immediate stakeholders, taking the vitality of their impact upon the global community into mind. As such, it may require addressing global issues like climate change, poverty, and inequality through good corporate citizenship, ethical sourcing, and sustainability initiatives. From an integrated global perspective, businesses can really prove to be very instrumental in addressing issues that affect humanity as a whole and which find a resonance in the Indian ethos of universal responsibility.

CSR and Historical Development of Indian Ethos Ancient Indian society followed the beliefs of Dharma and the Purusharthas, that were praised for their conviction in social responsibility.

²¹ Tripathi, Naresh. (2019). Corporate Social Responsibility: The Ancient Indian Perspective. 05. 27-32.
https://www.researchgate.net/publication/373842740_Corporate_Social_Responsibility_The_Ancient_Indian_Perspective

This can be observed in the ancient activities of philanthropic merchants such as building temples, feeding the poor, and educational schemes which transcended monetary profits-the driving force behind religio-cultural values that are expressed in today's terminology of CSR.

CSR has also experienced changes with India's shift from colonial rule into independence, and also as it went through post-independence industrialization. Back in the movements for independence, Indian businessmen such as Tata and Birla, under the influence of Gandhi's trusteeship, saw themselves not just as the creators of wealth, but as the trustees of society's welfare. The concept of trusteeship mentioned by Mahatma Gandhi insisted that wealth should be used for the upliftment of the society, which is now an influential factor among the CSR practices in India.

Nowadays CSR has become much more structured and regimented, and corporations in today's India have been forced to be linked with contributing a portion of the profits to philanthropic causes that are not only beneficial to the community but for themselves as well. But the Indian ethos must be the backbone of these programs. Companies need to realise that their CSR needs to reflect the Dharma, Artha, Kama, and Moksha to promote material and spiritual abundance. This amalgamation will see to it that CSR in India is not just the sharing of profits but a pledge for the betterment of society, for moral behaviour, and for the quest of both material and spiritual advancement.

CSR IN ANCIENT INDIAN SCRIPTURES

Corporate Social Responsibility is essentially an ethical concept that revolves around shifting views on human welfare and emphasising the social aspects of business operations that affect the overall standard of life in mankind. True CSR requires hard work and must be put in order with the company's essential operations. The instinct to pursue happiness is inherent in humans, and the teachings of Indian ethos provide a way to achieving lasting happiness. The three most important scriptures for that are the Vedas, the Bhagavad Gita and the Arthashastra.

Vedas- The Vedas are a compilation of texts that encapsulate the spiritual and the philosophical wisdom of ancient India. The *Vedas* provide a fresh outlook on life and existence, it presents a view of a dynamic, interdependent reality that parallels modern ecological and systems thinking, reminding us of our role within the vast web of life. The concepts of harmony, balance and unity in Vedic metaphysics can offer inspiration for addressing modern day challenges such as

environmental decline, social division, and existential unease. The primary *Vedas* are four in number — Rigveda, Yajurveda, Samaveda and Arthaveda — each serving a distinct purpose and presenting a unique perspective on the divine and the cosmos.²² The *Rig-Veda* explicitly declares that the universe is governed by the connection between human actions and moral laws, and breaking these laws will have detrimental effects. According to the *Vedas*, CSR can be portrayed from three aspects constituting the self, the community and the other-worldly perspective. They are as follows:

“The individual dimension of CSR focuses on the concept of dharma (righteousness). The Vedas call upon one to speak the truth and follow the righteous path.”²³

One shall speak the truth. (Satyam Vada - Taittiriya Upanishad i-11)

One shall follow the path of righteousness. (Dharmam cara - Taittiriya Upanishad i-11)²⁴

One shall do what he speaks and what he thinks. (Taittiriya Aranyaka i-90)

One shall not sin against his neighbour or a foreigner. (Rig Veda Samhita v-85-7)

One who does not work is a social evil. (Rig Veda Samhita x-22-8)²⁵

“The Vedas assert that there shall be proper distribution of wealth from the wealthy to the poor. They also condemn those who enjoy wealth without partaking it with others.”²⁶

One shall not be selfish and consume all by himself. (Rig Veda Sam x-117-6)

²² Pi-Prince. “🙄 the Vedas: Foundations of Indian Metaphysical Thought & Bull; Philosophy Notes by Philosophy.Institute.” *Philosophy Institute*, 27 Mar. 2024, philosophy.institute/metaphysics/vedas-indian-metaphysical-thought-foundations/#google_vignette.

²³ Rajendran, Abhilash. “Vedic Management – Echoes of Corporate Social Responsibility in the Vedas.” *Hindu Blog*, www.hindu-blog.com/2008/01/vedic-management-echoes-of-corporate.html.

²⁴ Rajendran, Abhilash. “Vedic Management – Echoes of Corporate Social Responsibility in the Vedas.” *Hindu Blog*, www.hindu-blog.com/2008/01/vedic-management-echoes-of-corporate.html.

²⁵ Rajendran, Abhilash. “Vedic Management – Echoes of Corporate Social Responsibility in the Vedas.” *Hindu Blog*, www.hindu-blog.com/2008/01/vedic-management-echoes-of-corporate.html.

²⁶ Rajendran, Abhilash. “Vedic Management – Echoes of Corporate Social Responsibility in the Vedas.” *Hindu Blog*, www.hindu-blog.com/2008/01/vedic-management-echoes-of-corporate.html.

Wealth accumulated through 100 hands should be distributed to 1000 hands. (Atharva Veda Samhita iii-24-5)

One who eats alone is a sinner. (Rig Veda Samhita x-117-6)

The leader is the distributor of wondrous wealth. (Vajasaneya Samhita xxx-4)

Let the rich satisfy the poor with a broader vision. (Rig Veda Samhita x-117-5)²⁷

"The Vedas emphasise that wealth has to be earned only through fair means and one should put in his best efforts to acquire wealth through ethical and moral practices. One has to acquire wealth by ethical means."²⁸

Wealth has to be won by deeds of glory. (Rig Veda Samhita vi-19-10)

One shall be led by the fair path to riches. (Vajasaneya Samhita v-36)

One should tread the sinless path and gather wealth. (Vajasaneya Samhita iv-9)

A man shall strive to win wealth by the righteous path. (Rig Veda Samhita x-31-2)

One who helps others wins wealth. (Rig Veda Samhita iv-50-9)

One who gets up early in the morning gets the treasure. (Rig Veda Samhita i-125-1)²⁹

The Vedic philosophy insists that quality of work and service needs to be achieved in the business process model for long - term sustainability, besides an equitable redistribution of wealth after acquiring it.³⁰

Bhagavad Gita

²⁷ Rajendran, Abhilash. "Vedic Management – Echoes of Corporate Social Responsibility in the Vedas." *Hindu Blog*, www.hindu-blog.com/2008/01/vedic-management-echoes-of-corporate.html.

²⁸ Rajendran, Abhilash. "Vedic Management – Echoes of Corporate Social Responsibility in the Vedas." *Hindu Blog*, www.hindu-blog.com/2008/01/vedic-management-echoes-of-corporate.html.

²⁹ Rajendran, Abhilash. "Vedic Management – Echoes of Corporate Social Responsibility in the Vedas." *Hindu Blog*, www.hindu-blog.com/2008/01/vedic-management-echoes-of-corporate.html.

³⁰ Mohan, Dass. "Corporate Social Responsibility: A Philosophical Approach From an Ancient Indian Perspective." *www.academia.edu*, Aug. 2022, www.academia.edu/85626982/Corporate_Social_Responsibility_a_philosophical_approach_from_an_ancient_India_n_perspective.

The Bhagavad Gita was said to have been delivered at the battleground in Kurukshetra more than 5,000 years before the beginning of war between the Pandavas and the Kauravas. Sri Krishna was said to have spoken the Bhagavad Gita to Arjuna on the battlefield of Kurukshetra in 3102 B.C.; just prior to the commencement of the Mahabharata war. This date corresponds to 1700 years before Moses, 2500 years before Buddha, 3000 years before Jesus and 3800 years before Prophet Mohammed.³¹ The Bhagavad Gita starts with the word ‘dharma’ and ‘dharma’ is a key point in the Vedanta philosophy and in India. In the context of Vedanta (Vedas) and Hinduism, it means one’s righteous duty. ‘Dharma’ is often interpreted as professional duty, integrity, morals, righteousness and belief. Lord Krishna asserts that people ought to carry out their duties to society with selflessness and responsibility. Besides ‘dharma’ in Bhagavad Gita, ‘karma’ is the concept of ‘action’ or ‘deed’, understood as that which causes the entire cycle of cause and effect. ‘Karma’ is considered to be a spiritually originated law of nature. ‘Karma’ is not fate, for humans’ act with free will to create their destiny. According to karma theory, if one sows goodness, one will reap goodness; if one sows evil, one will reap evil. Karma refers to the totality of our actions and their concomitant reactions in this and previous lives, all of which determines our future. The conquest of karma lies in intelligent action and dispassionate response. Both concepts are also found in various other Indian religions such as Buddhism, Sikhism and Jainism.³² The following shloka from the Gita relates with what is considered a good karma.

दातव्यमिति यदानं दीयतेऽनुपकारिणेत्र ।
देशे काले च पात्रे च तद्दानं सात्त्विकं स्मृतम् ॥20॥

Meaning– Charity given (1) out of feeling of duty, (2) without any expectation of return, (3) at the proper time and (4) place and to (5) worthy persons considered to be in the mode of goodness [Satva].³³

³¹ Muniapan, B., and B. Satpathy. "The ‘Dharma’ and ‘Karma’ of CSR from the Bhagavad-Gita." *Journal of Human Values*, vol. 19, no. 2, 2013, pp. 173-187. SAGE Journals, <https://doi.org/10.1177/0971685813492265>.

³² Muniapan, B., and B. Satpathy. "The ‘Dharma’ and ‘Karma’ of CSR from the Bhagavad-Gita." *Journal of Human Values*, vol. 19, no. 2, 2013, pp. 173-187. SAGE Journals, <https://doi.org/10.1177/0971685813492265>.

³³ Joshi, Makarand. "TYPES OF CHARITIES IN BHAGAVAD GITA." *CHARTERED SECRETARY*, June 2021, www.mmjc.in/wp-content/uploads/2022/02/Chartered-Secretary-CSR-in-the-Context-of-Bhagavad-Gita.pdf.

Furthermore, the Bhagavad Gita emphasises the principle of mutual dependence and interconnectedness. It educates that all beings are interlinked and dependent on each other, and therefore, it is essential to consider the well-being of all relevant parties in business decisions. In the context of corporate social responsibility, this teaching emphasises the importance of considering the impacts of business decisions on various stakeholders, including employees, customers, suppliers and the wider community.³⁴ This is better explained in the next shloka.

सर्वधर्मान्परित्यज्य मामेकं शरणं व्रज ।

अहं त्वां सर्वपापेभ्यो मोक्षयिष्यामि मा शुचः ॥ 66॥

Meaning- Abandon all varieties of religion and just surrender unto me. I shall deliver you from all sinful reactions. Do not fear.

This shloka emphasises the importance of surrendering to a higher power and taking responsibility for one's actions. In the context of corporate governance, this shloka reminds organisations to prioritise ethical conduct and take responsibility for their actions.³⁵

Arthashastra

The Arthashastra is an ancient Indian text on political economy, authored by Kautilya, also known as Chanakya. He served as the prime minister and advisor to Emperor Chandragupta Maurya, who was a contemporary of Alexander the great. In Sanskrit, “Arthashastra” is referred to as “the Science of Material Gain”, but it is also translated “the Science of Politics” or “the Science of Political Economy” This book was missing for many centuries but a copy of it, which was written on palm leaves, was rediscovered in India in 1904CE.³⁶ Despite the wealth of organisational management lessons in Kautilya’s Arthashastra, many managers, both in and outside India, are unaware of its insights. The first five Kautilya’s sutras (aphorisms) itself provide relevance on the foundations of management in organisations as follows:

(1) Sukhasya mulam dharmah – the basis of happiness is righteousness or ethics³⁷

³⁴ Sehgal, Gaurav. "Aligning Corporate Social Responsibility with Bhagavad Geeta's Principles." *Department of Management Studies, Baba Ghulam Shah Badshah University, Rajouri.*

³⁵ Sehgal, Gaurav. "Aligning Corporate Social Responsibility with Bhagavad Geeta's Principles." *Department of Management Studies, Baba Ghulam Shah Badshah University, Rajouri.*

³⁶ “---.” *Docslib, docslib.org/doc/5321298/public-administration-in-kautilyas-arthashastra.*

³⁷ ---. “Kautilya’s Arthashastra and Perspectives on Organisational Management.” *www.academia.edu*, Dec. 2023, www.academia.edu/112168605/Kautilya_s_Arthashastra_and_Perspectives_on_Organizational_Management.

- (2) Dharmasya mulam arthah – the basis of righteousness or ethics is resources ³⁸
- (3) Arthasya mulam rajyam – the basis of resources is kingdom (organisation or enterprise) ³⁹
- (4) Rajyamulam indriyajayah – organisation or enterprise is rooted in conquering the senses ⁴⁰
- (5) Indriyajayasya mulam vinayah – conquering organs is rooted in training and discipline ⁴¹

The above five sutras (aphorisms) although written in a different context, a careful analysis and interpretation reveals basic lessons in foundations of management.⁴²

Kautilya's management philosophy takes an inside- out perspective, focusing on self-management before managing anything else. Kautilya examines the entire management problem in the following manner:

Why do we engage in business? To create wealth (artha) and earn profits. Why are wealth and profits generated? To share them with shareholders. Why is this important? Because it brings satisfaction to shareholders, employees, customers, suppliers, distributors and the government. Kautilya, however, stated that true happiness comes not just from wealth and profits, but from acting rightly and doing right things (sukhasya mulam dharma). Without wealth, *dharma* is powerless (dharmasya mulam artha), and wealth without dharma is worthless, as a poor individual cannot support the whole society.

Indian culture has always emphasised that sukhasya mulam dharma and dharmasya mulam artha taken together – namely wealth does not directly lead to happiness. Contentment for self and others results through ethical behaviour: wealth or resources make ethical behaviour possible. This also

³⁸ ---. "Kautilya's Arthashastra and Perspectives on Organisational Management." www.academia.edu, Dec. 2023, www.academia.edu/112168605/Kautilya_s_Arthashastra_and_Perspectives_on_Organizational_Management.

³⁹ ---. "Kautilya's Arthashastra and Perspectives on Organisational Management." www.academia.edu, Dec. 2023, www.academia.edu/112168605/Kautilya_s_Arthashastra_and_Perspectives_on_Organizational_Management.

⁴⁰ ---. "Kautilya's Arthashastra and Perspectives on Organisational Management." www.academia.edu, Dec. 2023, www.academia.edu/112168605/Kautilya_s_Arthashastra_and_Perspectives_on_Organizational_Management.

⁴¹ ---. "Kautilya's Arthashastra and Perspectives on Organisational Management." www.academia.edu, Dec. 2023, www.academia.edu/112168605/Kautilya_s_Arthashastra_and_Perspectives_on_Organizational_Management.

⁴² ---. "Kautilya's Arthashastra and Perspectives on Organisational Management." www.academia.edu, Dec. 2023, www.academia.edu/112168605/Kautilya_s_Arthashastra_and_Perspectives_on_Organizational_Management.

means that one must strive to generate wealth – resources, money – share it equitably to create happiness for oneself and others. Such generation of wealth must also be through ethical means, which alone would lead to overall happiness.⁴³

Kautilya also emphasised that to generate wealth, one needs an enterprise, organisation, or asset (arthasya mulyam rajayam). He noted that an organisation's foundations rest on its organs, (rajasya mulyam indriyajayah), including functions, processes and activities. In Indian culture, the idea of controlling the body's control, known as indriyajayah, involves mastery over the five senses (eyes, ears, tongue and skin) and the five organs of action (hands, feet, genitals, anus and mouth). This control over the senses leads to conquering the six mental enemies: desires (kama), anger (krodh), greed (lobh), arrogance (mada), infatuation (moha), and envy (matsara). Only a governor or CEO who has gained control over these forces can prioritise the organisation's goal over self-interest. The Kautilyan principle of management emphasises an inside-out approach, prioritising self-management before any other form of management. Managers need to be trained in self-discipline through humility and adherence to ethical guidelines of dharma.

Kautilya's Arthashastra is an ancient Indian text that offers valuable insights into management, even though it was originally intended for kings to rule their kingdoms. Numerous management principles from the Arthashastra continue to be relevant in modern organisational management.

CSR IN THE MODERN ERA

Now, looking at the contemporary view of Corporate Social Responsibility (CSR), it has transitioned from a traditional focus on philanthropic activities to attend the changing landscape of globalisation including environmental degradation and societal inequalities. With time the main idea of CSR has turned to be a top calculated issue for organisations worldwide. This transition

⁴³---. "Kautilya's Arthashastra and Perspectives on Organizational Management." *www.academia.edu*, Dec. 2023, www.academia.edu/112168605/Kautilya_s_Arthashastra_and_Perspectives_on_Organizational_Management.

has come from a push in society for the public to expect more from companies and highlighted environmental and social issues have enjoyed increased media attention driving these concerns⁴⁴. Today, CSR is a core component of a firm's business operations that combine reputation, risk, and sustainability. It involves ethical practices, social responsibility for economic development, as well as the welfare of employees and communities. Traditionally, firms were based upon shareholder value maximisation, but more recently there is an expectation to consider multiple stakeholders as well as long-term consequences of their actions. It makes the company increasingly needful of aligning operations with socially responsible practices⁴⁵.

As companies incorporate ethical factors and stakeholder perspectives into their decision-making processes different frameworks have developed to shed light on modern day corporate social responsibility. These frameworks detail the responsibilities that businesses should consider and stress the significance of catering to the needs of all stakeholders. They offer valuable perspectives on the motivations behind socially responsible behaviours in companies.

Stakeholder Theory

The first CSR theory is the work of R. Edward Freeman, who says that companies have a responsibility to all stakeholders' needs and interests and not just to investors. Stakeholders include customers, employees, suppliers, communities, and the environment. The theory went to the extent of saying that companies could sustain over a long term if they harmonised and met the interest needs of all these groups instead of pursuing profit maximisation as a sole objective.⁴⁶

⁴⁴ Carroll, Archie B., and Ann K. Buchholtz. "Business & Society: Ethics, Sustainability, and stakeholder Management, 9." *Cengage Learning, USA* (2015).

⁴⁵ 1. Porter, M. E., & Kramer, M. R. (2011). Creating Shared Value. *Harvard Business Review*, 89(1/2), 62-77. <https://hbr.org/2011/01/the-big-idea-creating-shared-value>

⁴⁶ Freeman, R. E. (2004). The stakeholder approach revisited. *Zeitschrift für Wirtschafts- und Unternehmensethik*, 5(3), 228–241. Retrieved from https://www.researchgate.net/profile/R-Freeman/publication/228946075_The_Stakeholder_Approach_Revisited/links/589def1c45851598bab43c00/The-Stakeholder-Approach-Revisited.pdf

Managerial Theory

Managerial theory is all about how CSR can work for the company itself. For example, according to McWilliams and Siegel⁴⁷ CSR might become a means for enhancing the prestige of the company and gaining competitive advantages in relation to customer loyalty or brand differentiation. However, it may improve the public image without bringing real social impact therefore managerial theory also cautions against CSR only as an image-building activity.

Carroll's Pyramid of CSR

Conceptualised by Archie Carroll, the pyramid consists of four layers- economic, legal, ethical, and philanthropic responsibilities. Economic responsibility occupies the base, followed by legal responsibilities, which include obeying laws; next is ethical responsibility, which means doing what is right beyond what is legally required of a business enterprise; lastly, there is philanthropic or benevolent responsibility- making voluntary contributions to the welfare of society. According to this model, businesses need to fulfil their economic and legal responsibilities first before moving on to more selfless activities.⁴⁸



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⁴⁷ McWilliams, A., & Siegel, D. (2001). Corporate Social Responsibility: A Theory of the Firm Perspective. *Academy of Management Review*, 26(1), 117-127. Retrieved from <https://www.jstor.org/stable/259398?seq=1>

⁴⁸ Carroll, A. B. (1999). *Corporate Social Responsibility: Evolution of a Definitional Construct*. https://www.academia.edu/419517/Corporate_Social_Responsibility_Evolution_of_a_Definitional_Construct

⁴⁹ "The Four Levels of CSR: Carroll's Pyramid of CSR." *The CSR Journal*, The CSR Journal, <https://thecsrjournal.in/understanding-the-four-levels-of-csr/carrolls-pyramid-of-csr-2/>

Legitimacy Theory

The main argument of the approach is that companies engage in CSR activities to maintain or regain their legitimacy in society. Businesses must subscribe to a "social contract" by which they must prove how they conduct business within the expectations of society. The social licence to operate is ensured as the legitimacy theory explains how CSR may be an action against public pressure.⁵⁰

The Triple Bottom Line (TBL) Theory

This theory was first propositioned by John Elkington in 1994 in the attempt to move the bottom line beyond just numbers, focusing on performance in three areas: people, planet, and profit. Fundamentally, this theory focuses on the practice of sustainable business where economic goals are balanced with social and environmental requirements.⁵¹



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CSR with Shareholder Value Maximisation

Formulated as an alternative approach to traditional models that are seen as narrow and profit-maximising, this theory proposes that businesses should strive for the maximisation of shareholder

⁵⁰ Suchman, M. C. (1995). Managing Legitimacy: Strategic and Institutional Approaches. *Academy of Management Review*, 20(3), 571-610. Retrieved from https://www.researchgate.net/publication/273070350_Managing_Legitimacy_Strategic_and_Institutional_Approaches_Academy_of_Management_Review_20_571-611

⁵¹ Elkington, J. (1998). *Cannibals with Forks: The Triple Bottom Line of 21st Century Business*. <https://www.sdg.services/uploads/9/9/2/1/9921626/cannibalswithforks.pdf>

⁵² "Benefits of the Triple Bottom Line for Local Businesses." *EZ Office Products*, EZ Office Products, <https://ezop.com/blog/water-cooler-talk/benefits-of-triple-bottom-line-madison-wisconsin/>.

value but do so in such a way as to incorporate CSR practice as part of their strategy. It is argued that over the long run, the effects of shareholder value can be positive while making investments in CSR activities that mitigate risk, enhance reputation, and spur innovation.⁵³

Key Components of Modern CSR

CSR of today encompasses stakeholder expectations in a more intricate way and merges well with corporate strategy. For evolutionary development purposes, the following are the major areas on how CSR is applied in today's business.⁵⁴

Ethical Practices

A minimum requirement of CSR is ethical business practices. All the operations conducted by businesses must be ethical to their proceedings, thus showing regard for human rights and applying standards of labour. An ethical approach toward employees, customers, and other stakeholders helps companies build trust and develop a reputation for integrity. Historically, this role of CSR has changed from being something optional or marginal to becoming a core one. Organisations now understand that ethical behaviours are essential for sustainable long-term success, thereby lowering the perils of their activities and building trust among stakeholders.

Environmental Sustainability

The central feature of CSR is environmental issues where firms are expected to minimise adverse impacts on the environment through the 'best practices' such as waste reduction, saving energy, and recycling. This domain of CSR also comprises climate change solutions such as the adoption of clean renewable sources and low-carbon business models. In light of escalating environmental concerns, the world of business is being put both directly and indirectly on trial for its direct environmental impact and influence within supply chains and the ecosystem.

⁵³ Garriga, E., & Melé, D. (2004). Corporate social responsibility theories: Mapping the territory. *Journal of Business Ethics*, 53(1-2), 51-71. Retrieved from https://media.wix.com/ugd/f84284_5ec4e7e76f41476aa53ec1fdb8f31af8.pdf

⁵⁴ Carroll, A. B. (1999). *Corporate Social Responsibility: Evolution of a Definitional Construct*. https://www.academia.edu/419517/Corporate_Social_Responsibility_Evolution_of_a_Definitional_Construct

Social Responsibility

Social responsibility comprises a firm's efforts toward contributing to community development and supporting the cause for the social good. In the modern demands of modern CSR, businesses are challenged to invest in their own community by way of economic opportunities, social equity, and managing pressing social issues. Ethical supply chain management is also one of the areas where businesses are held accountable for making sure that all of their partners or suppliers meet the right standards of social and environmental demands. Diversity, equity, and inclusion have grown significantly more prominent within companies; here, the underlying requirement is to foster inclusive business environments and support social justice movements. This perspective of corporate social responsibility is one that identifies the existence of companies as profitable and socially good.

Governance and Transparency

Although governance is the core of CSR, companies should have high standards of governance practices to enhance the transparency of their undertaking of issues. Organisations need to have clear policies on their ethical decision-making, leadership, and reporting. Transparency is crucial because most stakeholders demand openness in communication regarding their CSR activities and outcomes. Good governance, apart from legal compliance, shows ethical leadership and commitment beyond the threshold.

KEY FRAMEWORKS FOR CSR IN THE CONTEMPORARY ERA

Apart from conceptual foundations, contemporary CSR has various frameworks and standards to help in designing and reporting CSR activities efficiently in the organisation.

ISO 26000

Guidance on Social Responsibility- ISO 26000 is an international standard that has been developed to guide the operating of organisations about how to operate in an ethical manner. Unlike other ISOs, ISO 26000 cannot be certified but offers guidance on integrating seven core principles of social responsibility as follows: organisational governance, human rights, labour practices,

environmental responsibility, fair operating practices, consumer issues, and community involvement.⁵⁵

Global Reporting Initiative (GRI)

The GRI framework ranks among the most known frameworks for CSR reporting. It presents guidelines in standards to report economic, environmental, and social impacts by organisations. Such reporting helps companies to communicate their efforts in being sustainable towards stakeholders. GRI emphasises transparency and accountability in CSR practices and is being used globally by companies to report on their sustainability efforts.⁵⁶

Integrated Reporting (IR)

An integrated report is a report that integrates financial and non-financial information for an overall view of the company's performance. This framework of the International Integrated Reporting Council (IIRC) has been developed to encourage businesses in reporting both ESG impacts and the financial result. The framework of integrated reporting draws attention to the interlinking of financial and non-financial factors to focus on sustainable value creation.⁵⁷

Sustainable Development Goals (SDGs)

SDGs refer to the United Nations' 17 interconnected goals put in place in 2015, focusing on worldwide efforts on poverty, inequality, climate change, and environmental degradation. Many companies connect their CSR activity with SDGs and insert these goals into their strategy to strengthen their position for global sustainability efforts.⁵⁸

⁵⁵ ISO. (2010). *ISO 26000:2010 Guidance on Social Responsibility*. International Organization for Standardization. <https://www.iso.org/obp/ui/#iso:std:iso:26000:ed-1:v1:en>

⁵⁶ Global Reporting Initiative. (n.d.). *Universal standards*. Global Reporting Initiative. <https://www.globalreporting.org/standards/standards-development/universal-standards/>

⁵⁷ "International Integrated Reporting Framework." *IFRS Foundation*, <https://integratedreporting.ifrs.org/resource/international-ir-framework/>. Accessed 29 Sept. 2024.

⁵⁸ United Nations. (2015). *Transforming our world: The 2030 Agenda for Sustainable Development*. <https://sdgs.un.org/2030agenda>

SUSTAINABLE DEVELOPMENT GOALS



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CSR in Contemporary India- India is a unique example within the entire rubric of CSR globally. India was among one of the selected few nations that brought the regulation related to spending CSR for big companies after the enactment of the Companies Act of 2013. This law mandates that those businesses whose net worth is more than Rs 500 crore, turnover is more than Rs 1,000 crore, and net profit is more than Rs 5 crore need to spend at least 2% of their average net profit on CSR activities. This legal system has had much influence on the Indian corporate sector as investment in key sectors such as education, healthcare, environmental sustainability, and poverty reduction motivates investors. However, despite these directives, CSR in India remains a challenge in many ways. CSR is seen as more of a compliance exercise than as a strategic initiative by companies to contribute to society or the environment. This is partially why quite a lot of CSR initiatives are termed cosmetic rather than impactful.⁶⁰

The Paradox of CSR

From Image Building to Reality Building- While the reputation of a corporation is visibly improved because of CSR, what can be emerging lately is that it is being misused as an image

⁵⁹ "Sustainable Development Goals (SDGs)." *UN Office for Sustainable Development*, <https://unodsd.un.org/content/sustainable-development-goals-sdgs>.

⁶⁰ KPMG. (2016). *CSR Survey of India: KPMG Report*. <https://assets.kpmg.com/content/dam/kpmg/in/pdf/2017/02/CSR-Survey-2016.pdf>

laundrying mechanism. Companies are doing thin CSR practices by distracting the attention from some disreputable environmental and social practices. The greenwashing shakes the credibility of CSR and makes the concept weak in face of its consumption for desirable change.⁶¹

DIVERSE CSR PRACTICES IN ACTION

Tata Group

The CSR initiatives of the Tata group aim to help communities around the world; they prioritise underprivileged populations and are in line with worldwide sustainable development. Governments, non-governmental organisations, and other pertinent organisations work together to implement these projects. The organisation works on many different environmental and community development projects. They committed INR 1,095 crore to CSR initiatives in FY19, which had a favourable effect on 11.7 million individuals. Education, job training, rural development, water and sanitation, healthcare, and service improvement are all included in the group's efforts.⁶²

“In a free enterprise, the community is not just another stakeholder in business, but is in fact the very purpose of its existence.”- Jamsetji Tata

The Tata Group is one Indian business that has proven its dedication to corporate social responsibility. The Tata Group's well-known CSR project, the Tata Education Excellence Program (TEEP), aims to raise the standard of instruction in Indian government schools. TEEP collaborates with educational institutions and the government to provide digital learning resources, modernise school facilities, and provide teacher training in order to increase educational outcomes for students from disadvantaged families. With projects like the Tata Medical Centre (TMC), the Tata Group has significantly impacted the healthcare industry. TMC is a state-of-the-art cancer

⁶¹ Delmas, M. A., & Burbano, V. C. (2011). The Drivers of Greenwashing. *California Management Review*, 54(1), 64-87. https://www.researchgate.net/publication/228133505_The_Drivers_of_Greenwashing

⁶² “CSR.” *Tata Sustainability Group*, www.tatasustainability.com/SocialAndHumanCapital/CSR#:~:text=The%20Tata%20group's%20activities%20relate, sanitation%2C%20healthcare%20and%20strengthening%20services.

treatment and research centre in Kolkata that supports cancer research in India while providing patients with the best care possible. The Tata Group has implemented several programs to promote the holistic development of rural areas. Enhancing agricultural methods, encouraging water conservation, and guaranteeing access to potable water are the main objectives of the Tata Water Mission. The Tata Kisan Sansar initiative empowers farmers by providing training, skill development, and modern farming techniques. In order to help India meet its clean energy goals, Solar and wind energy projects are among the renewable energy sources that Tata Power is actively investigating. The Tata Group is a leader in environmental sustainability. The Tata Steel Sustainable Mining Program also places a high priority on responsible mining methods, land rehabilitation, and wildlife conservation. These programs are only a handful of the many CSR activities that the Tata Group has carried out.

The organisation's dedication to corporate social responsibility (CSR), which is embedded in its principles and governance structure, makes it a shining example of incorporating CSR into business operations.⁶³

Infosys

Infosys has long been a leader in adopting a strong CSR agenda. Alongside steady economic growth and strong environmental sustainability efforts, they recognize the importance of social responsibility. They accept responsibility for ensuring that the communities in which we live and work are improved by their efforts.

Infosys has released its Integrated Annual Report for the fiscal year 2023-24, showcasing a robust commitment to corporate social responsibility (CSR). The company reported an impressive expenditure of ₹450.76 crore on various CSR initiatives, furthering its mission of sustainable community development. Additionally, ₹39.54 crore remains unspent, earmarked for ongoing projects to be utilised in compliance with CSR regulations.⁶⁴ Infosys has allocated ₹455.67 crore,

⁶³ Pahuja, S. "Tata Group - the pioneer in CSR practices in India." *Lords University*, 13 July 2023, www.lordsuni.edu.in/blog/commitment-to-corporate-social-responsibility.

⁶⁴ Csr, India. "Infosys Spends ₹450 Crore in CSR in FY 2023-24." *India CSR*, 5 June 2024, indiacsr.in/infosys-spends-%E2%82%B9450-crore-in-csr-in-fy-2023-24.

with ₹3.04 crore left over, regarding several projects in fiscal 2024, demonstrating its deliberate focus on significant projects. The money that wasn't used has been put towards continuing initiatives. They are involved in many key projects such as, Healthcare Initiatives: Providing medical equipment for the mother and child block at AIIMS and facilitating the prompt opening of the Advanced Mother and Child Centre at PGIMER Chandigarh are two of the major initiatives underway, Education Programs: STEM laboratories, online courses, scholarships in collaboration with Ramakrishna Mission schools, and Infosys Springboard, a program promoting digital literacy and Environmental Initiatives: Reviving Bengaluru's lakes and the surrounding areas.

The CSR strategy of Infosys emphasises sustainable business practices that cater to social, environmental, and economic demands. The company's CSR programs strive for all-encompassing community development, generating and disseminating solutions that are advantageous to communities and companies alike. Important areas of attention consist of Education, Health and Malnutrition, Empowerment of Women, Sustainability of the Environment, Equal Gender, Development in Rural Areas, and Disaster Management for Cultural and Historical Properties. The organization's extensive integration of corporate social responsibility (CSR) into its governance structure and guiding principles makes it a great example of how to successfully integrate CSR into company operations.

CONCLUSION

In conclusion, there are subtleties and cultural depth in the relationship between Indian ethos and corporate social responsibility that go beyond the widely accepted, Western definition of CSR. A product of ancient Indian philosophies like Dharma, Artha, Kama, Moksh, Nishkam Karma, and many more, the Indian stance on CSR hinges not only on ethical wealth creation but also on a deep sense of duty to the environment and society. It becomes crucial that a good CSR be a shared value and not just a corporate requirement in terms of continuously contributing towards the welfare of stakeholders as a whole in the goal of efficiently managing the dynamics of a modern business system. This also has roots in ancient writings like the Vedas, Bhagavad Gita, and Arthashastra, whereby Indian culture adopted the idea of striking a balance between public welfare and profit-making. This study demonstrates how incorporating CSR into Indian culture might result in an

even more inclusive and sustainable framework for addressing the social and environmental problems of our day. The triumphs of Indian corporations like Tata and Infosys serve as excellent illustrations of how ethical ideals may be integrated into corporate operations to foster success and advance society. As businesses continue to evolve in an increasingly globalised world, it becomes imperative to recognize the enduring relevance of traditional Indian values in shaping modern CSR practices. This study points toward filling the gap that exists between ancient wisdom and modern-day corporate responsibility; it illustrates how a culturally informed model of CSR can promote long-term societal and environmental well-being.

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