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Indian knowledge system as the soul of sustainable corporate strategy

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Abstract

This paper endeavours to view if and how the Indian Knowledge System (IKS) can serve as a philosophical and strategic foundation for a sustainable corporate strategy, thereby making a choice against profit-centrism arising from Western philosophy. Thus, concepts such as Dharma (ethical duty), Karma Yoga (selfless action), Artha (value-based prosperity), and Sattva (balance and purity) derived from classical literature such as Bhagavad Gita, Arthashastra, and Upanishads serve as a theoretical lens. Using qualitative methodology, the study combines both hermeneutic analysis and multiple case studies of TCS, Infosys, and Patanjali. Based on secondary data, the study found out that the governance structure, stakeholder relationships, and sustainability-related activities of TCS and Infosys reflect implicit values of IKS, whereas Patanjali explicitly integrates IKS into its core corporate strategy through Ayurveda-based product development and cultural branding. Therefore, IKS principles are not just philosophical ideals but real strategic bases for long-term vision, inclusive leadership, and holistic growth. From a managerial standpoint, the study suggests that Indian firms maximize Indian firms through IKS to facilitate ethical decision-making, ESG, and cultural authenticity. Despite limitations arising from the exclusive use of secondary data and interpretative ambiguity, the research highlights the relevance of IKS today in constructing sustainable, value-based organizations standing on indigenous wisdom.

Keyword: Indian knowledge system (IKS), sustainable corporate strategy, dharma, karma yoga, artha, sattva

Introduction

The Indian Knowledge System is relevant to modern corporate strategy because it provides valuable insight into ethical behavior, sustainability, and community approach, which can all be integrated into a corporate business model for performance and societal impact. With the help of this traditional knowledge, companies can innovate in structuring solutions, nurture strong staff relations, and create a more resilient and socially responsible corporation.

Our present environment pushes companies not only to make profits but also to behave ethically, inclusively, and sustainably. Conventional Western models of corporate strategy, from Porter's theory of competitive advantage to Freeman's stakeholder approach, might have great insights but perhaps do not completely account for the cultural and ethical considerations of doing business in pluralistic societies like India^[1]. Hence, there has been a surge in interest to revisit the Indian Knowledge System (IKS) to explore the possibilities of carving out alternative methods of business guided by Indian thought that is relevant today^[2]. Indian Knowledge System is an endless ocean of wisdom stretching many miles, comprising philosophy, economics, governance, and ethics. Authors such as Bhagavad Gita, Arthashastra, and the Upanishads frequently give ideas that are very relevant to current-day corporate issues^[3]. For one, the Gita emphasizes performing actions without attachment to their fruits (Nishkama Karma), which is similar to ideas of purpose-driven leadership^[4].

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¹ Freeman, R. E. (1984). Strategic Management: A Stakeholder Approach. Boston: Pitman Publishing.

² Radhakrishnan, S. (1929). Indian Philosophy: Volume I. London: George Allen & Unwin, p. 78

³ Paranjape, M. (2020). Debating the 'Post' Condition in India: Critical Vernaculars, Unstable Politics, and the Quest for Empowerment. Routledge India, pp. 23–25.

⁴ Radhakrishnan, S. (1948). The Bhagavad gita. London: George Allen & Unwin, p. 113.

The Arthashastra by Kautilya presents the Saptanga Theory—an organizational framework of seven pillars for effective governance—which can be applied to contemporary organizational contexts ^[5]. On the other hand, the Upanishads speak of the interconnectedness of all beings (Sarvam Khalavidam Brahma), an idea that parallels sustainable and collective responsibilities in business ^[6].

Literature Review

The Indian Knowledge System (IKS) shall have its roots in thought created by classical texts like the Bhagavad Gita, Arthashastra, and Upanishads, offers a normative framework to guide sustainable corporate strategy in terms of Dharma (duty), Karma Yoga (selfless action), and Artha (ethical wealth). According to the Arthashastra, principles of governance and economic strategy are based on statecraft and focus on welfare and ethical management of resources (Kautilya, trans. Rangarajan, 1992, pp. 145–160). The Bhagavad Gita focuses on making decisions by exercising self-discipline and holding detachment to the results, viewed as some of the basic elements of sustainable leadership (Easwaran, 2007, pp. 73–79).

Contemporary scholars positioned IKS within current business paradigms. Prasad (2012) relates Karma Yoga to employee empowerment and purpose-driven leadership (pp. 56–58), while Sharma and Talwar (2019) bring issues of IKS-based stakeholder models for the long-term corporate social responsibility (pp. 102–104). Business kingpins such as Narayana Murthy recognize the Gita's influence on ethical corporate governance. Further knowledge management models at Infosys and TCS reflect indigenous approaches giving importance to mentorship and shared wisdom—that sort of thing is in the very spirit of the Gurukul (Joshi, 2011, pp. 89–91).

Research Gap

While there have already been ample explorations on the relevance of the Indian Knowledge System (IKS) in the philosophical, ethical, and educational spheres, its contemporary applications in corporate strategy have neither been theorized adequately nor validated sufficiently through applied empirical studies. Furthermore, case studies in Indian corporations like TCS, Infosys, and Patanjali reveal at best an implicit adoption of IKS values, yet the integration of those values into strategic decision-making, leadership models, and sustainability approaches is rarely given serious treatment in an academically rigorous manner.

Thus, the present work connects the two by critically analyzing how IKS as a construct can be used as the foundational framework of sustainable corporate strategy, as an alternative to the Western perspective, which is mainly profit-centered against long-term well-being.

Objectives

This study aims to examine how the Indian Knowledge System (IKS) can form the foundation of

sustainable corporate strategy. It explores key IKS principles like dharma, karma yoga, and artha, compares them with Western strategy models, and analyzes their implicit use in Indian firms such as TCS, Infosys, and Patanjali. The research also seeks to develop and empirically validate a conceptual IKS-based strategic framework for ethical and sustainable business practices.

Methodology

This study is qualitative in nature, combining IK anamnesis with multiple case study approaches, relying on secondary data alone.

- **Hermeneutic Analysis:** The core IKS texts (Bhagavad Gita, Arthashastra, and Upanishads) are interpreted through the traditional methods of hermeneutics. Translations, commentaries, and peer-reviewed articles constitute the entire corpus of the text. This study condenses through successive reading and thematic coding the principles of dharma, karma yoga, artha, and sattva and tries to trace them into strategic-language concepts of leadership, governance, stakeholder engagement, and sustainability in modern times.
- **Multiple case studies:** Three Indian companies, TCS, Infosys, and Patanjali, are dealt with through publicly available documents, yearly reports, sustainability disclosures, mission and vision statements, corporate governance filings, press releases, and credible media analyses. Each case is examined to unearth strategic traits laden with IKS concepts, and cross-case synthesis brings common patterns, variations, and contextual enablers into the limelight.

This study looks at the applicability of the Indian Knowledge System (IKS) in the formulation of sustainable corporate strategies. The analysis rests upon the hermeneutic interpretation of classical texts and the case-based examination of secondary sources using three Indian companies, Tata Consultancy Services (TCS), Infosys, and Patanjali Ayurved, as examples.

Results and Discussion

1. Tata Consultancy Services (TCS)

- Dharma and Ethical Leadership:** In Bhagavad Gita (Chapter 3, Verse 19) the idea is "-- Therefore perform your obligatory duty without attachment/interest." So, from this philosophy, leaders are expected to discharge their responsibilities ethically and for the welfare of society, rather than serving only selfish purposes.

TCS applies the same in its operational continuum through the Tata Code of Conduct which requires that decisions be made ethically, with transparency and with respect for stakeholder interests. For instance, the Integrated Annual Report of TCS for 2022–23 elucidates this ethos wherein an intention is laid out for "long-term value creation for all stakeholders" reflecting a leadership paradigm of Dharma per Bhagavad Gita.

TCS further goes ahead with the implementation of a Dharma-based leadership ideal through education and

⁵ Rangarajan, L. N. (1992). Kautilya: The Arthashastra. New Delhi: Penguin Books India, p. 511.

⁶ Radhakrishnan, S. (1953). The Principal Upanishads. New Delhi: HarperCollins, p. 447.

skill improvement initiatives (TCS iON, TCS Ignite) aimed at benefiting society as a matter of corporate duty, thus going beyond CSR.

- b) **Sattva and Governance:** The concept of sattva (purity, balance, and clarity) detailed in the Bhagavad Gita (Chapter 14) can be equated with clarity in corporate conduct and balanced judging. The TCS governance model intends to respect transparency and responsibility, as viewed through its Board Evaluation disclosures and whistleblower policies. The company has been rated amongst the top for corporate governance practices (as per Institutional

Investor's Emerging EMEA Executive Team survey), confirming its Sattva guna qualities of strategic clarity and ethical restraint.

- c) **Karma Yoga and Strategy Execution:** The TCS "zero distance" initiative, under which employees are encouraged to innovate at Continuous rupture while executing, resonates with the karma yoga principle (to act without attachment to the fruits of one's action). Instead of seeking rewards for performing their action, employees are pushed towards self-driven excellence, which mirrors the term nishkama karma as given by the Gita (selfless action).

Table 1: Key IKS Concepts and Corporate Strategy Mapping

IKS Concept	Source Text(s)	Corporate Strategy Parallel	Interpretation
Dharma (Duty/Ethics)	Gita, Arthashastra	Governance, Corporate Ethics, CSR	Every stakeholder has a role and duty; ethical governance stems from dharmic conduct.
Karma Yoga (Action without attachment)	Gita	Leadership, Vision Execution, Strategic Implementation	Focus on action and purpose, not short-term gains—encourages resilience and sustainability.
Sattva (Balance/Purity)	Upanishads, Gita	Organizational Culture, Decision-Making Quality	Sattvic traits (clarity, balance) lead to conscious, ethical decision-making.
Artha (Wealth/Economics)	Arthashastra, Gita	Profit, Resource Allocation, Wealth Management	Wealth generation is essential but must be balanced with dharma (ethics) and kama (desire).
Yukti (Strategic Pragmatism)	Arthashastra	Competitive Advantage, Strategic Innovation	Use logic and flexibility; strategy must adapt to context and stakeholders.
Atman-Brahman (Self-Universal)	Upanishads	Purpose-Driven Organization, Visionary Leadership	Strategy becomes sustainable when aligned with a larger purpose beyond profit.
Sangha (Collective / Community)	Gita, Arthashastra	Stakeholder Management, Team Building, ESG	Success depends on inclusive participation and harmony among all stakeholders.
Shreyas vs Preyas (Long-term vs Short-term)	Katha Upanishad	Strategic Foresight, Sustainability Focus	Choosing sustainable long-term goals over short-term rewards.
Rta (Cosmic Order / Natural Law)	Rig Veda, Upanishads	Environmental Sustainability, Compliance, Risk Governance	Aligning business practices with ecological and social harmony ensures long-term viability.

Source: The author

2. Infosys

- a) **Artha and Prosperity through Knowledge:** The Arthashastra begins with the assertion by Kautilya regarding "the acquisition and protection of wealth through knowledge and governance" (Book I, Chapter 7). The company's core philosophy of "Powered by Intellect, driven by Values" reflects the Artha sense—not as mere profit-maximization but as knowledge-based prosperity. The firm therefore actualizes the Artha principle of a wisdom economy through Knowledge Management practices (Infosys Knowledge Management Portal, KShop), investing intellectual capital, and through its Innovation Fund and design-thinking approach, a strategic paradigm for hybridizing traditional and contemporary innovation.
- b) **Dharma in Corporate Ethics:** According to Narayana Murthy, the dharma of leadership entails uplifting society through fair business. His expression of "compassionate capitalism" (Murthy, 2010) remains consistent with this view. Corporate governance at Infosys is based on principles such as transparency, fairness, and integrity, which correspond to those found in the Gita on ethical leadership (adharma nivritti—that is, avoidance of unethical conduct). The Sustainability Report (2022–23) details the commitment to net-zero emissions, gender equity, and inclusive growth to underscore its dharma as an ethical

business citizen.

- c) **Sattva in Sustainability:** Infosys has been carbon neutral since 2020, and the company's endeavors concerning green building technologies become strategic decisions made with Sattva—in being pure of intent with calm discernment and an obligation toward preserving the environment. The Foundation of Infosys furthers karma yoga by concentrating on rural development, healthcare, and education, demonstrating industry action grounded in selfless service.

3. Patanjali Ayurved

- a) **Explicit IKS Integration:** Patanjali stands apart from the other two companies in that it explicitly integrates IKS into its business identity, strategy, and branding. Essentially, the entire business model is rooted in Ayurveda, Yoga, and Swadeshi concepts, deriving from the Upanishadic maxim of "sarve bhavantu sukhinah" (May all be happy), whereby translation, economic empowerment is intermingled with spiritual well-being. Its definition of the product revolves around holistic wellness, nature, and traditional science, directed toward healthcare, sustainability, and self-reliance. This is extremely evocative of an Atharva Veda saying that states: "health is the root of prosperity".
- b) **Dharma-Artha Synthesis:** Even while it has an aim for profit, Patanjali makes the case for its mission

in ethical-nationalistic terms—"Swadeshi and Swasthya". This emphasis on perceived strategic growth narrative plays artha alongside dharma, thereby empowering the value-laden interpretation of entrepreneurship.

In public discourse, including Ramdev's speeches, invocation finds place from the Gita's knowledge on karma and the Upanishad's concept of cosmic equilibrium, wherein consumption assumes significance as an ethical choice.

- c) **Cultural Capital as Strategic Tool:** Patanjali's fashioning uses Traditional Knowledge as Strategic Capital. It turns cultural familiarity with Ayurveda and Yoga into competitive advantage, facilitating rapid market penetration (about Rs. 30,000 crore turnover in less than a decade). This represents an intentional thrust from IKS values into a market-oriented framework- a rare example of IKS becoming market strategy itself.

Conclusion

This study shows that the Indian Knowledge System (IKS) based on texts such as the Bhagavad Gita, the Arthashastra, and the Upanishads provides a rich, contextually grounded source for the formulation of a sustainable corporate strategy. Through hermeneutics and secondary case-based evidence from TCS, Infosys, and Patanjali Ayurved, the research finds core principles of the IKS: dharma (ethical responsibility), karma yoga (selfless action), artha (value-centered prosperity), and sattva (purity and balance), to be reflected in corporate governance, leadership, stakeholder engagement, and sustainability.

While TCS and Infosys demonstrate the sub implicit adoption of the IKS values through strategic emphasis on stakeholder welfare and ethical governance, Patanjali truly represents IKS embedded into and defining its core business ideology. Together, these cases validate the relevance of ancient Indian wisdom to modern-day strategy, thus countering the supremacy enjoyed by Western strategy paradigms which are solely profit-oriented.

Managerial Implications

1. **Ethical Anchoring of Strategic Vision:** Managers can derive from dharma notions to define organizational visions and policies that give priority to ethical responsibility toward society and environment, thereby enhancing brand trust and stakeholder loyalty.
2. **Leadership Development through Karma Yoga:** Leaders fostered by karma yoga would be willing to act selflessly on behalf of worthy causes, thus raising employee engagement while erecting value-based work cultures inclusive of short-term turbulence.
3. **Sustainability through Sattva:** Values of sattva-purity, balance, and transparency embedded into the operations may give birth to companies aligning more with sustainable models and international ESG standards though rooted in Indian tradition.
4. **Cultural Capital as Competitive Advantage:** For Indian companies and startups especially, embedding IKS here-and-now themes in their branding, product development, and storytelling shall be the deciding

differentiator in markets at home and abroad.

5. **Profit as Artha:** Managers can choose to see artha as not just the accumulation of wealth but rather as the shared prosperity that enables communities and knowledge capital to make investments that are long-term in nature.

Limitations of the Study

1. **Reliance on Secondary Data:** Primarily, this study remained dependent on publicly available documents (annual reports, press releases, sustainability reports), and these may have not, for example, captured deeper organizational motives or informal practices or internal interpretations of IKS.
2. **Interpretive Nature of Hermeneutics:** Great depth can be achieved with hermeneutics. Yet, one should keep in mind it is a lot more interpretive; hence two different scholars may imbue two different meanings into the same texts, or cultural and translational nuances may step in.
3. **Case Selection Bias:** The study centers around three companies either known for ethical leadership (TCS, Infosys) or for more traditional branding (Patanjali), giving perhaps less room for application to classic industrial or profit-driven business.
4. **Lack of Primary Validation:** The absence of interviews or field work with corporate actors could otherwise have directly verified whether they consciously engage IKS in strategic thinking.
5. **Non-Western Comparison:** The study does not make a direct comparison with the Western corporate sector or Western ideas that could allow better global scrutiny of IKS in corporate strategy.

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