Literature review

In order to carry on this research, the latest information was acquired on the subject. Such inquiry makes us aware of the work done so far in the particular field, and it also serves as a backdrop to the problem. Literature review is relating the present to the past hence it means studying the historical development of the problem.

Definitions of CSR

A widely quoted definition by the World Business Council for Sustainable Development states that: “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.”

CSR refers to the obligation of an organization which considers the interests of all their stakeholders which includes the customers, employees, shareholders, communities and ecological considerations in all aspects of their operations. This obligation is seen to extend beyond their statutory obligation to comply with legislation.

Dahlsrud, (2008): A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis.

Gutierrez & Jones (2005): There has been a myriad of CSR definitions by numerous scholars, but there is no universally accepted definition of CSR. One of the primary reasons is that CSR is an evolving concept, which over the years has been used to describe an increasingly wider range of corporate activity.

McWilliams and Siegel (2001) defines CSR in terms of actions that appear to further some social good, beyond the interest of the firm and that which is required by law.
Campbell (2006): CSR sets a minimum behavioral standard that aims at doing no harm to stakeholders and if it has happened then rectifies it as soon as it is identified.

Carroll (2001): Strategic CSR or “strategic philanthropy” is done to accomplish strategic business goals i.e. good deeds are believed to be good for business as well as for society. With strategic CSR, corporations’ “give back” to their constituencies because they believe it to be in their best financial interests to do so.

CSR in the Vedic literatures
Kodandaramayya, (2004) (cited in Muniapan and Shaikh, 2007) in their article says, In Santiparva, the subjects of Rajadharma, mentioning the duties of the kings are elaborated (R. Shamashastry was the librarian of Oriental Library in Mysore found a copy of the Sanskrit text of the Arthashatra in a palm-leaf book, edited, and brought out an English version in 1909, it created waves in the western world. It was discovered that the Arthashatra written hundreds of years earlier provides a complete manual for running the state efficiently in all the branches, legislature, executive and judiciary. It also includes all aspects of state administration such as establishing a governing hierarchy, selecting people, levying taxes, to laying down laws, to decide punishments for breaking the law, etc.

Islam (2006) rightfully observe: “Transparency requires enforcement of right to information- nature, timeliness and integrity of the information produced at each level of interface”. All this can succeed when the responsibilities of each segment of the corporate entity and their interface is clearly defined and understood by all.

Garde, (2003), Muniapan and Dass (2008): The Vedic (Hindu) culture has always emphasized that happiness for self and others results through ethical behavior: wealth or resources make ethical behavior possible. This also means that one must strive to generate wealth – resources and 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 CSR and overall happiness.
Barman (2010): He succinctly differentiates between ‘Nishkama Karma’ (effort-centric work) and its converse ‘Sakama Karma’ (outcome-centric work) where Nishkama Karma is Detached Involvement means Sakama Karma means Attached Involvement.

The theory of Nishkama Karma (unselfish work, detached involvement, as against Sakama Karma (selfish, greed driven, attached involvement) is the original phrase for egoless work. Nishkama Karma is a thoroughly inside-out and therefore freedom-yielding route as opposed to the Sakama Karma or outside-in enslaving path. Nishkama Karma is inspiration, Sakama Karma is motivation.

Table No. 86

**Difference between Nishkama Karma and Sakama Karma**

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Nishkama karma</th>
<th>Sakama karma</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Psychological energy conversation</td>
<td>Psychological burnout</td>
</tr>
<tr>
<td>2</td>
<td>Reactionless, steady action</td>
<td>Reactionful, erratic action</td>
</tr>
<tr>
<td>3</td>
<td>Perfection (as the aim)</td>
<td>Success (as the aim)</td>
</tr>
<tr>
<td>4</td>
<td>Inner autonomy</td>
<td>Dependence on praise etc.</td>
</tr>
<tr>
<td>5</td>
<td>Freedom (swaadheen)</td>
<td>Bondage (paradheen)</td>
</tr>
<tr>
<td>6</td>
<td>Socio economically appropriate</td>
<td>Socio economically questionable</td>
</tr>
<tr>
<td>7</td>
<td>Work commitment</td>
<td>Reward commitment</td>
</tr>
<tr>
<td>8</td>
<td>Work as worship for excellence</td>
<td>Competitive rivalry for excellence</td>
</tr>
<tr>
<td>9</td>
<td>Mind enrichment</td>
<td>Job enrichment</td>
</tr>
<tr>
<td>10</td>
<td>Leads to yoga with the transcendent/higher self</td>
<td>Leads to viyoga (alienation) from the transcendent/higher self</td>
</tr>
</tbody>
</table>

**Source:** Barman (2010)

The empowerment and attunement flowing from the last mentioned super ordinate union through Nishkama Karma is truly original, holistic and effective. The reason for laying down Nishkama Karma/yajnarthaka-karma as the true principle of effective action is because the latter is dependent upon’ vyavasayatmika buddhi’ (verse ii.41) it means resolute will combine with unified intelligence. The Gita also advises us to engage in yudhyasya vigata jwara, that is o fight without mental fever. This fever often becomes delirious and clouds the workers sense of propriety and perspectives about both ends.
and means. Therefore with the ego fed mental fever held in check by striving towards Nishkama Karma, one can become more effective. The Niskama Karma (desireless action) theory offers a psychological approach to work that can prevent guna led unethical motives on the one hand and promote the ethical ones on the other (BG 48 verse chapter ii). It counsels about the duty to but not the right to claim personal fruits from it. It embodies a process of alignment of human action with that of nature as a whole. By accelerating inner purification, Nishkama helps the realisation of self, of oneness the cornerstone of Vedantic ethics.

Muniapan and Dass (2008): In their study on Vedic CSR highlighted a similar development of CSR in the ancient India. Early conceptualization of CSR was broadly based on religious virtues and values such as honesty, love, truthfulness and trust. In Vedanta, business is viewed as legitimate and an integral part of society, but essentially it should create wealth for the society through the right means of action. ‘Sarva loka hitam’ in the Vedic literatures referred to ‘well-being of stakeholders’. This means an ethical and social responsibility system must be fundamental and functional in all business undertakings. The CSR requirements are found in the Vedic literatures which stresses on the concept of “dharma” which is also given great importance in the Bhagavad-Gita.

Muniapan, (2006). “Dharma” has been explained to be that which helps the welfare of all living being. In the Mahabharata, Karna Parva, Chapter 69 Verse 58 eulogizes it as follow: “dharma” sustains the society, “dharma” maintains the social order; “dharma” ensures well being and progress of humanity, “dharma” is surely that which fulfils these objectives.

“Praia sukhe sukham, Shreshta prajanamcha hite hitam, Natma priyam hitam shreshta, prajanam priyam hitham”

That there is a concept of Shresta dharma – that the better off one is in society, the higher should be once sense of responsibility.

„Sva-dharmah” (self-ethics, once prescribed duties). Gita consider quality as a quest for
perfection - “Yoga karmasu kushlam” - Skill or method or technique of work is an indispensable component of work ethic. Gita, further say, highest perfection can be achieved by following qualities of work and rendering good services.

_Yatah pravrttir bhutanam yena sarvam idam tatam_

_Sva-karmana tam abhyarcya siddhim vindati manavah_

Ch XVIII Shloka 46

By worship of the Lord, who is source of all beings and who is all-pervading, a man can attain perfection through performing his own work.

**Vedanta and CSR**

In Vedanta there are four principal kinds of social responsibilities called as “dharma” and known as _chaturdharma_, as follows:

1. **Rita dharma** or the universal duty is the inherent order of the cosmos. _Rita_ is the underlying divine principle and universal law regulating nature. When we are in tune with universal dharma, and realize that we are an integral part of nature and not above it or dominating it, then we are in tune with our universal duty. One who knows this dharma will feel that they are guests on the planet with responsibilities to nature. The protection of the environment falls within this scope of “dharma”. This is universal social responsibility (USR), global social responsibility (GSR) or an environmental social responsibility (ESR).

2. **Varna dharma** or social duty defines the individual's obligations and responsibilities within the nation, society, community, business and family. An important aspect of this dharma is religious and moral law. Rightly followed, _varna dharma_ enhances individual and family progress and ensures the continuity of culture. The _varna dharma_ is based on division of labor. This division was solely based on the attitude of an individual and organization and their propensity for performing certain duties according to their (individual and organizational) qualities or “gunas”. These are three qualities are: - Sattva (goodness), Rajas (passion), and Tamas (ignorance). This may directly relevant to social responsibility (CSR).

3. **Ashrama** dharma or duties of life's stages is a developmental “dharma”. The natural process of maturing from childhood to old age through fulfillment of the duties of each of
the four stages of brahmachari (student), grihastha (householder), vanaprastha (elder advisor) and sannyasa (religious solitaire) in pursuit of the four human goals: dharma (virtue), artha (wealth), kama (pleasure) and moksha (liberation). This is individual social responsibility (ISR) in relation to the family, organization and society.

4. **Svadharma** or personal duties, or obligation is one's individual pattern through life, according to one's own particular physical, mental and emotional nature. **Svadharma**, is molded by our background and experiences, tendencies and desires all of which determine our personality, profession and associations. **Svadharma** is also determined by the sum of past “karma” and the cumulative effect of the other three dharmas. It is the individualized application of “dharma” dependent on personal “karma”, reflected on physical characteristics, health, intelligence, skills and aptitudes, desires and tendencies. This is personal social responsibility (PSR) in relation to the individual life and growth.

Vedanta emphasizes that one should not run away from his or her “dharma”. The *rita dharma* or the universal duty as indicated earlier goes beyond CSR to universal social responsibility (USR) or environmental social responsibility (ESR) as Vedanta theory suggests that the Brahman (God) pervades the whole universe and promotes the happiness and welfare of all beings.

Vedanta promotes the welfare, progress, development, and happiness of all beings. This is also indicated by a popular prayer - *loka samastha sukhino bhavantu* - which means that all may be happy and healthy. These ideals can be extended to provide models for CSR in the context of business.

This concept needs to be integrated into business practice and CSR in this century. In Vedanta, the law of “karma” (cause and effect) is also highly relevant for CSR as it is expected to motivate the business people to carry out their responsibilities and duties to serve humanity. This ancient Hindu philosophy implies that the present nature of an individual’s life (effect) or organizations is determined by their antecedent actions (cause). Good “karma” needs to be accumulated by business for long term benefits. In the context of CSR, organization should not only be interested in their own welfare but also the welfare of all stakeholders and society. “ Karma” is then a concept of reward or punishment for the choice made by individual or corporation. Hence, the law of “
karma” emphasized the “dharma” as a key plank for self-realization and for the organization to reach its potential.

Based on the Vedas, CSR can be looked at from three dimensions constituting the individual, social and cosmic perspectives. The individual dimension of CSR focuses on the concept of dharma (righteousness). The Vedas emphasize 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.

Wealth has to be won by deeds of glory (Rig Veda Samhita).
One shall be led by the fair path to riches. (Vajasaney Samhita).

The Social Dimension of Vedas asserts 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.
One shall not be selfish and consume all by himself. (Rig Veda Sam).
Wealth accumulated through 100 hands should be distributed to 1000 hands (Atharva Veda Samhita).

The Cosmic dimension advocates conservation of resources to take care of future requirements. They condemn poverty and give the clarion call to eradicate it. One shall produce fair wealth for today and tomorrow. (Rig Veda Samhita). Poverty should be banished. (Rig Veda Samhita).

The Vedas attach great importance to environmental protection and purity. They insist on safeguarding the habitation, proper afforestation and non-pollution. They stress the need for protection and development of forests. Human beings have to safeguard the trees. They assert that the plants and trees are the treasures for generations.
One should not destroy the trees. (Rig Veda Samhita) Plants are mothers and Goddesses. (Rig Veda Samhita)
The Vedas give the clarion call for non-pollution of the environment. They condemn in unequivocal terms those who pollute and defile the environment.

From the ancient Indian perspective, social responsibility (now CSR) obligation is expected from the ‘King’ to his subjects (Rig-Veda 1–8).
Vedic literature emphasizes that the role of the king or the accumulator of wealth to take care of the welfare of the subjects (stakeholders) and in return the king will grow as the
Sun grows and shines at dawn and after its rise. It is further expressed that whatever is given to the society, it returns getting multiplied several times (Rig-Veda et al.). The king or the leader and leadership are considered to be the key necessity for the state or organization.

The Indian philosophical literatures are derived form of the Vedas, namely, Rig-Veda Yajur-veda, Sama-Veda and Atharva-veda. The Vedas essentially forms the fundamental basis of human life on earth through complete understanding of the spiritualism – knowledge of God, the Soul (atma) and the relationship to the physical universe (prakriti). Rig-Veda specifically states that the cosmic order of the entire universe is governed by physical relationship of man to moral laws and any transgression will be detrimental (cause and effect to cosmic order).

Vedic knowledge also explicitly informs that right moral practices will enable and stabilise cosmic order. Cosmic order is realised through an understanding of transcendental knowledge, taking right actions and right measures framed by the sciences of Vedic philosophy. If mankind disengaged from the knowledge of matter to accumulate material wealth without seeking right actions (ethics and social responsibility) physical detriments will certainly occur (the law of karma). In the quest for business excellence, the fundamental pursuit of a balanced life has often been ignored in the contemporary business world.

Vedic philosophy further identifies four objectives in human life. These are values or virtue (dharma), money (artha), urges (kama) and salvation (moksha). There is a systematic relationship of each of these objectives. The ultimate element of life should be interpreted as a drive to achieve moksha or salvation guided by value systems and the urge or motivation to achieve using money (artha) as a form of tool. Sri Krishna in Bhagavad-Gita states that ‘value system protects you if you follow it (dharma rakshati rakshitaha)’.

While the Vedas supports the concept of accumulation of wealth (Yajur-Veda 10–20; 5–19; 34–38), it also stated clearly the right path to earn great wealth and riches (Yajur-Veda 7–13).

While accumulation of wealth is encouraged, the Vedic philosophy proposed the right action on the use of wealth – on self, commotion and donation for the welfare of others. It
is also explicitly stated that whatever is given to the others selflessly, it returns in many folds (Rig-Veda 1–8).

Business is viewed as legitimate and an integral part of society according to Vedic philosophy but essentially it should create wealth for the society through the right means of action. ‘sarva loka hitam’ in the Vedic literature referred to ‘well-being of stakeholders’. This means an ethical and social responsibility system must be fundamental and functional in business undertakings. Put in simple business sense, the organisation would sustain long-term advantages and obtain profits if it conducts its businesses ethically and be socially responsible.

Vedic literature on business profoundly states by the following quote:
May we together shield each other and may we not be envious towards each other. Wealth is essentially a tool and its continuous flow must serve the welfare of the society to achieve the common good of the society (Atharva-Veda 3-24-5).

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 having acquiring it. This core principle of Corporate Social Responsibility (CSR) expounded by the Vedic literature is being reengineered in the modern business models, namely, Total Quality Management (TQM), Business Process Reengineering and triple bottom-line sustainability.

The CSR requirements are found in the Vedic literatures which stresses on the concept of “dharma” which is also given great importance in the Bhagavad-Gita. “Dharma” is one of the aims of human life besides wealth (artha), desires (kama) and liberation (moksha). There is a systematic relationship of each of these aims. The ultimate element of life should be interpreted as a drive to achieve moksha or liberation guided by dharma and kama using artha as a tool. Business is a means in creating artha or Wealth. The business principles need to be based on “dharma” and “dharma” should always be protected. “Dharma” has been explained to be that which helps the welfare of all living being.

**CSR based on Vedas**

**Atharva Veda:**
O man! Procure wealth with one hundred hands and distribute it with one thousand hands. Thus you attain perfection of the work done and to be done. Besides that the success of an organisation, is measured by the extent and quality of goods and services delivered to its stakeholders as the given hymn verifies. O King! Take care of the welfare and growth of all your people. Then you will grow as the Sun grows and shines at dawn and after its rise. Voluntarily sacrifice (Yagna) in Vedic thoughts says that whatever we are giving to the society, it returns after getting multiplied several times. The hymn of Rig-Veda explains: Sun takes water from the earth to distribute it after making it thousand times; we should also perform our business in the same way. But a bird's eye view of current business practices gives a feeling that business had so far ignored this fact in the real terms.

-Rig Veda

“Let us walk together
Let us talk together
Let our heart vibrate together”
(Rig Veda)

The Sanskrit saying, ‘Atithi Devo Bhav’, means – ‘the one who comes to you for being served, should be taken to be as God’, is considered as the highest order of responsibility, be it to individuals or to the society. Thus, the phrase Social Responsibility has its roots in Indian context. This phrase has long been in use with growth of industries and corporate. It not only reflects the ‘passage of time’ in its impact and transformation, but its meaning and understanding has been affected by the growth of society, nations and changes in their appreciation of cultural heritage and background. Corporate social responsibility is a term describing a company's obligation to be accountable to all of its stakeholders in all its operations and activities. Socially responsible companies consider the full scope of their impact on communities and the environment when making decisions, balancing the needs of stakeholders with their need to make a profit.

Based on the Vedas, CSR can be looked at from three dimensions constituting the individual, social and cosmic perspectives.
**Individual Dimension**

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.

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

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

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

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

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

**Fair Means of Wealth Acquisition**

The Vedas emphasize 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.

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. (Vajasaney Samhita v-36)

One should tread the sinless path and gather wealth. (Vajasaney 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 morning gets the treasure. (Rig Veda Samhita i-125-1)

**Social Distribution of Wealth**

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.

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

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. (Vajasaney Samhita xxx-4)

Let the rich satisfy the poor with a broader vision. (Rig Veda Samhita x-117-5)
Conservation of Resources
The Vedas advocate conservation of resources to take care of future requirements. They condemn poverty and give the clarion call to eradicate it.
One shall produce fair wealth for today and tomorrow. (Rig Veda Samhita vi-71-6)
Poverty should be banished. (Rig Veda Samhita x-76-4)

Environment
The Vedas attach great importance to environmental protection and purity. They insist on safeguarding the habitation, proper afforestation and non-pollution. Earth, atmosphere, sky, sun, moon, stars, waters, plants, trees, moving creatures, swimming creatures, creeping creatures all are hailed and offered oblations. (Taittiriya Samhita i-8-13)

Habitation
One should protect the habitation. (Rig Veda Samhita vi-71-3)
Waters as friends of man give full protection to his progenies. (Rig Veda Samhita vi-50-7)

Animal welfare
One shall take care of quadrupeds. (Taittiriya Samhita iv-4-10)
One shall be auspicious to animals. (Taittiriya Samhita ii-3-14)
One shall not find fault with animals. (Chandogya Upanishad ii-18-2)

Plant Life Welfare
The Vedas stress the need for protection and development of forests. Human beings have to safeguard the trees. They assert that the plants and trees are verily the treasures for generations.
One should not destroy the trees. (Rig Veda Samhita vi-48-17)
Plants are mothers and Goddesses. (Rig Veda Samhita x-97-4)
Trees are homes and mansions. (Rig Veda Samhita x-97-5)
Sacred grass has to be protected from man's exploitation (Rig Veda Samhita vii-75-8)
Plants and waters are treasures for generations. (Rig Veda Samhita vii-70-4)

**Non-pollution**

The Vedas give the clarion call for non-pollution of the environment. They condemn in unequivocal terms those who pollute and defile the environment. Waters are invoked to be friendly to humanity.

Waters represent splendor. (Atharva Veda Samhita iii-13-5)
Waters bear off all defilements and cleanse people. (Vajasaneeya Samhita iv-2)
Whoever injures the essence of food, kine or steeds is a robber who sinks both himself and his offspring into destruction. (Rig Veda Samhita vii-104-10)
Offerings are dedicated to waters of wells, pools, clefts, holes, lakes, morasses, ponds, tanks, marshes, rains, rime, streams, rivers and ocean. (Taittiriya Samhita vii-4-13)
There was only water in the beginning. (Brihadaranyaka Upanishad v-5-1)
Waters and herbs should have no poison. (Rig Veda Samhita vi-39-5)
Waters are to be freed from defilement. (Atharva Veda Samhita x-5-24)
Waters cleanse humanity from the evil of pollution committed by it. (Atharva Veda Samhita xii-2-40)
Waters are healing and they strengthen one to see great joy. (Taittiriya Samhita vii-4-19)

**CSR –Perspective from Bhagavad Gita**

Even Sri Krishna also stressed the importance of the leaders to Arjuna in the Bhagavad-Gita. Manu and Shukracharya also echoed similar opinions.

In the teachings of Bhagavad-Gita, it has been advised that perfect actions lead one to the ‘gateway to liberation (moksha)’. Evidently, the Indian philosophy on ethics has set objectives beyond this world and pitches itself on virtues that are different from the western model of CSR.

In the Bhagavad-Gita, the key principles of Vedic philosophy is re-cemented in the Indian mind on the basic moral understandings required to achieve salvation through transcendental knowledge, the obedience to law of karma, self-realisation, and the performance of actions under the framework of Vedic sciences. The Bhagavad-Gita is accepted as a universal body of knowledge and remains as a lifelong scientific and spiritual model for mankind. It triggers the search for self-realisation and appropriate
right action in the material driven world. Sri Krishna says in the Bhagavad-Gita (3–13), that all sorrows from the society would be removed if socially conscious members of a community feel satisfaction in enjoying the remnants of their work performed in yagna spirit (selfless welfare of others). In short, the Indian philosophy on business management is to inculcate corporate social responsibilities.

Sri Krishna motivates and encourages Arjuna to perform his “dharma” and not to run away from the battlefield. (B.G. 3.8) – “Perform your prescribed duty, for doing so is better than not working, one cannot even maintain one’s physical body without work” (Prabhupada, 2003, pp. 170).

Sri Krishna further stressed that duty (dharma) needs to be done without attachment and for those who do their duty without attachment will attain the supreme goal - (B.G. 3.19). In his explanation, Sri Krishna gave the example of King Janaka (father of Sita and father-in-law of Sri Rama in Ramayana) who attained perfection solely by performance of his prescribed duties - (B.G. 3.20).

Therefore Sri Krishna instructed Arjuna to perform his duty for the sake of educating the people in general. The success and failures of any CSR initiative can be attributed to leadership. Therefore the organizational leadership needs to set example to their people or followers as whatever the leader does, the people will follow and whatever standards or example the leader sets people in general will follow (B.G. 3.21).

This implies that for a CSR initiative to be successful, the leadership and support from the top management is essential. Sri Krishna also says that all sorrows from the society would be removed if socially conscious members of a community feel satisfaction in enjoying the remnants of their work performed in yagna (sacrifice) spirit (selfless welfare of others) (B.G. 3.13).

The Bhagavad-Gita’s concept of loka-samgraha (bringing the world together), is highly relevant to USR and CSR. The concept of loka-samgraha in CSR symbolizes a persistent attempt by business connect everything in the cosmic based on oneness of one's existence along with the existence of other beings. This is based on the principle of unity of existence or the vision that the entire human race (also other living beings) as a family
(vasudhaiva kutumbhkam). The bond of spirituality based on the principle of unity of existence binds together people belonging to various parts world, despite all their differences. Ideally, everybody care and share, demonstrate mutual love and respect, and take responsibility for and cooperate in maintaining and furthering the welfare of the family.

In the teachings of Bhagavad-Gita, it has been advised that perfect actions lead one to the ‘gateway to liberation (moksha)’. Evidently, this Hindu philosophy on “karma” has set a framework for organizational action for good corporate “karma” by the promotion of CSR (Muniapan and Dass, 2008).

The Bhagavad-Gita starts with the word “dharma” and “dharma” is an important concept in the Vedanta philosophy and in the Indian context. In the context of Vedanta and Hinduism, it means one's righteous duty. “Dharma” is often translated as occupational duty, virtues, ethics, righteousness and religion. Besides “dharma” in Vedanta, “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 create their destiny. According to Vedanta, 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.

**Bhagavad Gita (B.G. 16 – 24)**

*Tsmachastrnm pramanam te karyakarvavyasthitao,Gyatva shastravidhanoktam karm kurtumihahirsi*

which means, let the ‘Shastras’ be your authority in deciding what you should do and what you should desist from doing. In this case, the Shastras are nothing else but the ‘codes’ of best practice (or ‘good’ governance) developed by various institutions. However, what is needed is ‘uniformity’ in those codes and ‘effective’ implementation by the corporations.
Kodandaramayya, (2004); Muniapan and Shaikh, (2007); Muniapan and Dass, (2008). The Bhagavad-Gita also promotes the concept of *nishkama karma*; a perspective on action and decision making that emphasizes performing one’s deeds without attachment to the fruits thereof – and where both the action and the fruits are offered to the divine. In the CSR context, the societal contribution must not have with any expectations in return but rather as a duty need to be done to the society.

(B.G.2.47)

*Karmany evadhikaras te*  
*Ma phalesu kadacana*  
*Ma karma-phala-hetur bhur*  
*Ma te sango ‘stv akarmani*  
(You have a right to perform your prescribed duty, but you are not entitled to the fruits of action. Never consider yourself the cause of the results of your activities, and never be attached to not doing your duty.)

(B.G.3.20)

*Karmanaiva hi samsiddhim*  
*Asthita janakadayah Loka-sangraham evapi Sampasyan*  
*kartun kartum arhasi*  
(Kings such as Janaka attained perfection solely by performance of prescribed duties. Therefore, just for the sake of education the people in general, you should perform your work.)

**Prabhupada, (2003, pp. 170).**: In the Bhagavad-Gita (B.G.), Sri Krishna motivates and encourages Arjuna to perform his “dharma” and not to run away from the battlefield. (B.G. 3.8) – “Perform your prescribed duty, for doing so is better than not working, one cannot even maintain one’s physical body without work”

Muniapan and Dass, (2008). In the teachings of Bhagavad-Gita, it has been advised that perfect actions lead one to the ‘gateway to liberation (*moksha*)’. Evidently, this Hindu philosophy on “karma” has set a framework for organizational action for good corporate “karma” by the promotion of CSR.
(B.G.18.42-44) clearly prescribed natural qualities, traits and passions for four categories of varna comprising of Brahman (intellectual managers and administrators), Ksatriyas (rulers and kings), Vaisyas (business people) and Sudras (artisans, labour and services) and conclude,

Sve sve kamany abhiratah samsiddhim labhat narah
Sve-karma- niratah siddhim yatha vindati tac chnu

(B.G.18.45)

By following His qualities of work, every man can become perfect. Now please hear from me how this can be done. Maha Bharatha deals extensively on governance of kingdom, and aptly referred roles, responsibilities, and administrative structure. Shanti Parva of Mahabharata is all about Bhishma’s advices to Yudhishtara (crown king) for founding and sustaining good governance. Bhishmas thoughts hold validity in context of modern management. Analyzing some of Bhishmas musings, we can conclude that these thoughts are analogues to the issues of present day corporate governance.

“There is nothing which contributes so much to success of kings is truth” - Works ethics play major role in success of organization. Infusing Business ethics enhance sustainability.

“The king also should always pursue morality and profit and pleasure and salvation” – The CEO must ensure that organization earn profits through ethical ways.

“The happiness of their subjects, observance of truth, and sincerity of behavior, are the eternal duties of kings. If king becomes possessed of prowess, truthful in speech, and forgiving in temper, he would never fall away from prosperity” - CEO should be skillful, emotionally balanced and well behaved. First duty of CEO is to be ethical in business and self- motivated to protect rights of all stake holders.

Yama – God of Death is known for delivering unbiased justice). Also CEO must ensure enhancing wealth of organization through ethical way (Kubera is richest God and without any defamation story.

Artha Shastra – A fundamental work based on wealth of kingdom - clearly spelt out organization design of a kingdom state defining levels of hierarchy, roles, duties, responsibility and accountability of each member of the structure. The principles applied to kings are still valid in today’s’ context and can be simply applied to business.
Present corporate houses have emerged as wealth creators and contributing lion share to state exchequer and driving politics, economy and government. Thus corporate is able to exert influence in the state policy matters state governance.

**Contribution to society, to a Higher Purpose; Serving Others**

**Brown (2001):** The role of business in society has undergone several changes. Awareness of the impact of business on society and environment has grown along with the increasing socio-regulatory pressures. It is no longer simple enough to employ people, make profits and pay taxes. Companies are now expected to be responsible, accountable and benefit the society as a whole.

**Matten and Moon (2008):** There are two distinct elements to CSR-the implicit and the explicit. Explicit CSR, refers to the corporate policies that assume and articulate responsibility for some societal interests. They normally consist of voluntary programs and strategies by corporations that combine social and business value and address issues perceived as being part of the social responsibility of the company. ”Implicit CSR” refers to corporations’ role within the wider formal and informal institutions for society’s interests and concerns. Implicit CSR normally consists of values, norms, and rules that result in mandatory and customary requirements for corporations to address stakeholders issues and that define proper obligations of corporate actors in collective rather than individual terms.

**Kinjerski and Skrypnek (2004,2006):** He focus on the cognitive dimension of spirit at work that is associated with a belief that one is engaged in meaningful work that has a higher purpose; it is about a sense of accomplishment, making a contribution and serving others, giving gifts of love, power, authority and significance. Whatever work is done, the ultimate purpose is the higher/greater good. Work is to be done selflessly considering one’s own welfare to be incidental to service for the larger good.
**Steiner & Steiner (2006)** relates the practice of CSR to the philanthropic work of wealthy business owners John D. Rockefeller and Andrew Carnegie, who gave away millions of dollars to social causes.

**Hindustan Times (2010)**: Thus the question of deciding whether and to what extent a business is socially responsible rests mostly with those communities and groups who are directly affected by the business decisions of the company. Of course, this is not to deny that there can be multiplicity of stakeholders in any given situation.

**Kallio (2007)**: There is no denying that looking from certain perspective CSR can be called a social construction. However, the concepts used in CSR are not just abstracts or illusions without any reference to the ‘real world’.

**Pfeffer, (2003)**: It is these inner urges to serve and to be of some use to others, which is inherent in humans, that make many people seek not only competence and mastery in their work but also work that has some meaning or social value.

**Sharma (2007)**: He puts forth the ancient Indian idea of ‘Lokasangraha’ or human welfare which implies that individual and corporate actions need to be driven by the objective of overall benefit to the society and welfare of all stockholders. It implies’ welfare of all’ . ‘Work’ in the Indian tradition needs to be translated as ‘Workship’, as an offering to the higher Self. Karma is ‘Udyog’, which is the Indian word for industry (enterprise/trade/job/duty), itself has the word ‘Yog’ in it. According to Karma Yoga, work may be understood as a quest/striving for excellence and perfection in action at an operational level, coupled with an aim of seeking union with the higher Self, intended to result in a deep sense of fulfillment and satisfaction. This would hold good for any type or nature of work, be it the most material; labour to the most artistic and intellectual work. He opines that an employee working with the attitude of a Karma Yogi (practitioner of Karma Yoga) would have a broader view of life with greater awareness of her/his actions, and would be willing to go beyond the call of her/his duty with a greater commitment to the job at hand and the organization.
**Aras & Crowther (2009):** Definition of CSR range from basic to most demanding, from specific reference to a number of necessary activities to demonstrate responsibility, to a general call for a comprehensive, integrated and committed pursuit of social and environmental sustainability.

**Garriga and Mele (2004):** CSR as an obligation of the firm to use its resources in ways to benefit society, through committed participation as a member of society, taking into account the society at large, and improving welfare of society independently of the direct gains of the company.

**Crook (2005):** Crook questions the locus standing of corporate in taking up social issues (The Economist 2005) and that it is the responsibility of Government and its elected representatives to set goals for the society, dealt with externalities, to meditate amongst different interests, to attend to the demands of social justice and provide public goods. The corporations cannot take decisions on what society wants.

**Bhatta (2009a):** He cites a well-known Vedic verse that prays for the universal; happiness and peace. It runs as follows:

*Sarve Bhavantu Sukhinah, Sarve Santu Niramayah,
Sarve Bhadraani Pashyantu Maa Kaschid Dukha Mapnuyat
Om!Shanthi Shanthi Shanthi

(May everyone in this world be happy, may everyone be free from disease, May everyone see prosperity, may none come to grief, Om! Let there be Peace! Peace! Peace!)

**Sharing and caring: Understanding and Adjustment**

**Milliman, Czaplewska & Ferguson (2003):** There is some type of relationship between one’s inner self and the inner self of other people.

**Lantos (2001):** The term altruistic or humanitarian CSR suggests,” genuine optional caring, even at possible personal or organizational sacrifice”

**Socially responsible CSR**
**Quester and Thompson (2001):**“philanthropy aligned with profit motives” considers that social goals might be profitable in the long run.

**CSR from an ancient Indian perspective**

**Muniapan and M. Dass (2008):** By the Vedic literature as the practical guidance in daily life. It is clear that Indian philosophy permeates into each individual to reflect upon the truth as he speaks, take right actions through self-realization of oneself. The ancient Indian philosophy has also propounded that the law of karma (cause and effect) as the overarching principle of self-determination of one’s moral character. This implied that the present nature of an individual’s life (effect) is determined by their antecedent actions (cause). Therefore, an individual has the freedom of moral choice in his daily life.

**Muniapan and Dass, (2008; 2009)**

The “dharma” and “karma” (duty and action) concepts from the *Bhagavad- Gita* together with few examples from other Vedic literatures such as the Ramayana and the Mahabharata will be explored in CSR. Some CSR wisdoms are also drawn from two of the ancient Indian text on economics and ethics namely the *Arthashastra* by Kautilya (also known as Chanakya or Vishnu Gupta) written in the 4th Century B.C and the *Thirukkural* written in 2nd Century B.C. by Thiruvalluvar.

**Chakraborty, (2006):** It is clear that Indian philosophy permeates into each individual to reflect upon the truth as he speaks, take right actions through self-realisation of oneself. The ancient Indian philosophy has also propounded that the law of karma (cause and effect) as the overarching principle of self-determination of one’s moral character. This implied that the present nature of an individual’s life (effect) is determined by their antecedent actions (cause). Therefore, an individual has the freedom of moral choice in his daily life. Karma is then a concept of reward or punishment for the choice made through self-determination of an individual. This concept cycle of life or transmigration is deeply grounded in the Indian classical philosophy of universal ethics. Hence, the law of karma emphasized the virtue (dharma) as a key plank for self-realization. It has been
argued that all virtues are conducive to spiritual development and is spiritual when performed with the realisation of its relation to the inner spirit.

**Tagore refers to an all important Upanishad/Vedantic guideline for work**

*Yad yad karma prakunvit*

*Tad brahmanisamarpayet*

(Which means every bit of work that you do, offer and consecrate it all to Brahman(or to the feet of your Lord)

Once the individual is feed of the compulsion to work merely to meet subsistence level wants, the only sound rationale and alternative approach left for him/her is to work with ananda, in alignment with the brahmic spirit of work.ths indeed is the positive, definitive meaning of karma yoga through work. This is not a skill or technique, but a vibrant state of mind or consciousness.

**Community Involvement**

**European Communities (2001):** Companies depend on the health, stability and prosperity of the communities in which they operate. Therefore, an organization has to be responsible for the welfare and development of the community around itself.

Joshi and Kapoor (2004): Responsibility of business towards society includes spending a part of its profit towards civic and educational facilities.

**Moon (2002)** distinguishes three types of CSR reporting ‘community involvement’, ‘Socially responsible production processes’ and ‘socially responsible employee relations’. During the formulation stages of development of CSR in emerging economies, the Community involvement is more along the lines of a philanthropic involvement with Company involvement, to operate in the business environment.

**CSR as a Karma Yoga with Indian Perspective of Spirit at Work**

There are three important characteristics of a Karma Yogi. A Karma Yogi performs work-

1. Seeking meaning and purpose with a focus more on the process than on the outcome,
2. With a sense of selfless service to people around and the larger community and
3. Regarding the work as an offering to one’s own higher self with which she/he aspires
to unite and achieve a sense of fulfillment.

It is clear that such qualities in an employee would be highly desirable for any business organisation’s success. If so, practice of Karma Yoga would turn out to be a win-win situation for both the employee and the business organisation: job satisfaction, personal growth and fulfillment for the employee; and higher productivity and quality performance for the organisation.

**Kautilya’s Arthashastra and CSR**

Kautilya’s *Arthashastra* is one of the ancient Indian literatures which had provided some insights to CSR, although the context was written for his King (Chandragupta Maurya) to govern the state. The roots of the *Arthashastra* can be traced from the Rig Veda. The *Arthashastra* deals primarily with economics and politics.

In chapter 59 of *Santiparva*, of the *Mahabharata*, the details of state administration in an organised society are provided. It is called *Niti Sastra*, which was composed by Brahmadeva and summarized by Sukracarya. Other sages such as Bharadvaja, Gaurisira, Yajnavalkya and Manu also stated this science.

It also includes all aspects of state administration such as establishing a governing hierarchy, selecting people, levying taxes, to laying down laws, to decide punishments for breaking the law, etc. (Muniapan and Shaikh, 2007). In his *Arthashastra*, Kautilya maintained that a king (leader or CEO in the context of organisation) should have no self-interest, happiness and joy for himself, his satisfaction lies in the welfare (happiness) of his people, i.e. he has to submerge his personality into the larger personality of his people. This is based on the cultural ethos of self-abnegation. Kautilya states in the happiness of his subject lies the happiness of the king; and in their welfare lies his welfare. He shall not consider as good only that which pleases him but treat as beneficial to him, whatever pleases his subjects. *Bahujana sukhaya bahujana hitayacha* – the welfare of the many and the happiness of the many. In fact, this concept of the happiness of the many need integrated into the area of corporate management as the basic principle.

This ancient wisdom is also reflected in other languages.
The *Arthashastra* views are wider and more comprehensive in this regard. The leader (king) is the maker of his time. The important qualities and duties of the king are obtaining what has yet to be obtained, protecting what has been obtained, and increasing and properly using what has been obtained.

**B. Muniapan and M. Dass (2007)**

Kautilya laid down three main responsibilities of a leader (king), they are raksha, which means security, palan, which means growth and yogakshma, which means welfare. The meanings and the context of the three responsibilities differ in depending upon the environmental context.-(B. Muniapan and M. Das)

Kautilya stressed the importance of happiness to all stakeholders of an organisation. He stated that happiness is obtained not only by wealth and profit, but also by doing things rightly and doing right things (*sukhasya moolam dharma*). Dharma without wealth according to Kautilya is toothless (*dharmasya moolam artha*), and wealth without dharma is useless because a poor person cannot support the entire society. Indian culture has always emphasised that *sukhasya moolam dharma* and *dharmasya moolam artha* taken together – namely, wealth does not lead to directly happiness. Happiness for self and others results through ethical behaviour: wealth or resources make ethical behavior possible. This also means that one must strive to generate wealth – resources and 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 (Garde, 2003). Kautilya further stated to generate wealth you require an enterprise or an organisation or an asset (*arthasya moolam rajyam*). He then stated the support for organisation is the organs (*rajyasya moolam indriyajayah*), the functions, processes, activities, etc. The victory over organs of the body, which is the literal meaning of the word *indiyajayah*, is a well-known concept in the Indian culture and this refers to the control over the five organ of sense (eyes, ears, tongue, nose and skin), an on five organs of action (hands, feet, mouth, genitals and anus). Conquering the body organs are manifested through control over the six enemies of the mind – desires (kama), anger (krodha), greed (lobha), arrogance (mada), infatuation (moha) and envy (matsara).
the governor or CEO who has conquered the organs of his body would be able to put the
goals of the organisation first, especially when in conflict with self-interest.

“Praia sukhe sukham, Shreshta prajanamcha hite hitam,
Natma priyam hitam shreshta, prajanam priyam hitham”
That there is a concept of Shresta dharma – that the better off one is in society, the higher
should be once sense of responsibility.
Sva-dharmah” (self-ethics, once prescribed duties). Gita consider quality as a quest for
perfection - “Yoga karmasu kushlam” - Skill or method or technique of work is an
indispensable component of work ethic. Gita, further say, highest perfection can be
achieved by following qualities of work and rendering good services.
Yatah pravrtti bhutanam yena sarvam idam tatam
Sva-karmana tam abhyarcyya siddhim vindati manavah
Ch XVIII Shloka 46
By worship of the Lord, who is source of all beings and who is all-pervading, a man can
attain perfection through performing his own work.( Shaikh, 2007).

**Thiruvalluvar and CSR**

Two thousand years ago, Thiruvalluvar in Tamil Nadu wrote the *Thirukkural* and just like
Kautilya’s *Arthashastra*, he also dealt with the characteristics of a well-run
administration or socially responsible organisations. For instance, when talking about the
responsibility of a king (leader), Thiruvalluvar says: *Murai saithu kapatrum mannavan
makkalkku iraiyentru vaikkapadum* (the king who administers justice and protects his
people will be considered of divine quality; Vittal, 2004). Thiruvalluvar also says:*Irai
kakkum vayyakam ellam avanai murai kakkum muttacheyun* (the king protects the world
and if he acts according to justice or dharma, then justice itself will protect him). If a
person rules according to dharma, that dharma itself will protect him (*dharmo rakshati
rakshitaha*).

*Thirukkural & CSR*
Thiruvalluvar in Tamil Nadu who wrote the *Thirukkural* around 2nd century B.C. just like Kautilya’s *Arthashastra*, dealt with the characteristics of socially responsible organizations. For instance, when talking about the responsibility or “dharma” of a king (leader), Thiruvalluvar says: the king who administers justice and protects his people will be considered of divine quality; (Vittal, 2004).

Thiruvalluvar also says: the king protects the world and if he acts according to justice or “dharma”, then justice itself will protect him. If a person rules according to “dharma”, that “dharma” itself will protect him.

The sacred scripture like *The Vedas* and *The Upanishad* also endorsed the concept of helping the vulnerable. *Zakaat*, followed by Muslim also believes in donating certain portion of their earnings to the poor and disadvantaged.

Marwari from Rajasthan and Sadhabas from Odisha also practiced the principles of *Dharmada* (literally means ethics in business which is reflected in their practice of donating certain portion of their profits for some societal works). Though there was no such term as „corporate” during that time, nevertheless, Indian business used to practice the doctrines of social responsibility.

**CSR followed in Ramayana**

In the Indian context, this example can be seen in *Ramayana*, when Sri Rama (king) had to make the painful decision to banish Sita (queen) from Ayodhya. Sri Rama as an ideal king had to uphold the honour of his dynasty. He needed to set examples for all generation to follow. Although Sri Rama’s decision to banish Sita may seem to be harsh, the king sometimes needs to be harsh, as the first duty of the king is to rule his people while other considerations are secondary, even if they affect personal happiness (Muniapan, 2005b; Muniapan and Shaikh, 2007).

**CSR in Shantiparva of the Mahabharata**

There are also similar advices in *Shantiparva* of the *Mahabharata*, wherein the public interest (welfare) is to be accorded precedence over his (leader’s) interest. A leader (king)
should, without doubt, look upon the subjects as his children. In determining their disputes, however, he should not show compassion. In performance of his duties, he is enjoined to be impartial. In the ancient India, the leader (king) is often compared to the rain clouds, which bestow benefit, through rain (actions), to all and sundry, equally. In the context of corporate management, the organisation (state) leader is a catalytic change agent. It not only reflects the ‘passage of time’ in its impact and transformation, but its meaning and understanding has been affected by the growth of society, nations and changes in their appreciation of cultural heritage and background.

**Ishopanishad and CSR**

The following case of Ishopanishad signifies that we are not sovereign owner of resources, rather we are the custodian of the same and must discharge all obligations as a custodian.

\[
eçväsyam idam sarvaà
yat kiiça jagatyàà jagat
tena tyaktena bhuïjéthä
mä gådhaù kasya svid dhanam
\]

(Ishavasya Upanishad-1st principal)

Everything animate or inanimate that is within the universe is controlled and owned by the Lord. One should therefore accept only those things necessary for himself, which are set aside as his quota, and one should not accept other things, knowing well to whom they belong.

**The three basic ethical principles imbedded in this verse are**-

1. To cultivate holistic awareness with a transcendent motive,
2. To abjure attached enjoyment by the (lower)self which contains the potential for unethicality which in turn makes the goal of accessing the latent self unrealizable
3. Not to compete (by covering) to excel others in terms of (material)wealth which again fosters un-ethicality and is a bar on the way to the self.

The quotes from Isha Upanishad also highlight the importance of Vedic life.

(Renounce all that you may enjoy all)
Om purnam adah puürnam idam
Purnat purnam udacyate
Purnasya purnam adaya
Purnam evavasisyate

(Sri Isopanisad invocation)

The completeness of human life can be realized only when one engages in the service of the Complete Whole. All services in this world—whether social, political, communal, international or even interplanetary—will remain incomplete until they are dovetailed with the Complete Whole. When everything is dovetailed with the Complete Whole, the attached parts and parcels also become complete in themselves.

Since the Lord is pūrēam, all-perfect, there is no possibility of His being subjected to the laws of material nature, which He controls. However, both the living entities and inanimate objects are controlled by the laws of nature and ultimately by the Lord's potency. This Ėçopaniñad is part of the Yajur Veda, and consequently it contains information concerning the proprietorship of all things existing within the universe.

Brihadara Upanishad-Doctrine of karma (Karmavada theory)

Yathakari ,yathahari bhavati-
Sadhukari sadhur-bhavati,papakari papitavati
Punyah punyena karmana bhavati,papah papena

(As it does and as it acts, so it becomes: the doer of good becomes good, and the doer of evil: he becomes virtuous through a virtuous act and vicious through a vicious act. The verse ends by declaring that a desire prompts a resolve, a resolve leads to karma, and karma produces the result).

Hitopadesha

Ancient literature like Hitopadesha is a work of high antiquity and extended popularity and contains a fountain of India’s philosophical wisdom- a fountain of nectar and closely connected with Nitishastra a guide of Human nature such as -“In every human, his innate nature is examined”.
Taittiriya Upanishad

In accordance with Taittiriya Upanishad, the first and most essential virtue for an individual is to speak the truth (satyam vada) and the second instruction is practice virtue (dharma cara). Dharma then fundamentally is to action the truth – an ultimate guide to right living and the stability of society (Mukhopadhy, 1960).

Manu Smruthi

An ancient (about 200 BC) Indian law manual, covered many aspects of ethics to be adhered by an individual in personal life and also in business. Manu clearly recommended strong punishments for non-compliances. Following verses from Manu are relevant in context with business ethics.

“Dharmo Rakshaati Rakshitaha”, if you protect your Dharma (duty with moral responsibility), in turn your dharma will protect you. Ch VIII Shloka 15 Acharah paramo dharma – Practicing moral values is ultimate dharma. Ch.I.Shloka.108 Manu denounced adulteration of goods and says, „One commodity mixed with another must not be sold (as pure), nor a bad one (as good), nor less (than proper quantity or weight), nor anything that is not at hand, or that is concealed” - Ch.VIII, Shloka 203 Manu thought about return of goods” which either did not met performance or expensive and says “If anybody (in this world), after buying or selling anything, repent (of his bargain), he may return or take (back) that chattel within ten days”- Ch. VIII, shloka 222.The Vedas inspired everyone to follow the concepts of TQM in terms of achieving perfection and customer delight. The Vedic principles and several ideas in Bhagavd Gita are comprehensive to include subjects like quality of mind, intellect and Atman which are synonym to quality systems and tantamount to TQM principles. Gita referring quality cited, „A spiritually charged person can never remain idle. He pursues his goals and not stop till goal is reached. He is conscious about quality of his work. This mind set leads him to perfection and excellence. Ethics or righteous is essential in any activity”. It is the ethics in the work that maintains quality of work”.

Similar thought from Chankya Neeti says,
Puthrashcha vivdhaou: sheelou niryojyaha santat budhyoh:!
Neetignah: sheelasampanna bhavanti kula-pujithah:!! Ch II Shloka 10

The wise persons should groom their children carefully to make them persons of high qualities and see them employed them in productive work. Only the persons of learning and qualities find respect in the society.

**CSR: Ancient trends *vis-à-vis* Current practices**

In ancient times, business has been seen as a legitimate, integral part of the society. Its core function is to create wealth for society through manufacturing, domestic distribution, foreign trade, financing and other such related activities. It emphasizes to work for an economic structure based on “*Sarva loka hitam*” which means “the well-being of all stakeholders”. Adopting an ethical approach and meeting the expectations of the community at large best serve the long-term interest of the organisation and its people. If an organisation sacrifices its profits for the sake of welfare of the society in the right manner, it is destined to gain profits.

Vedic wisdom begins with “*Sah Navavtuh Ma Vidvishavhe*”, which means, “May we together shield each other and may we not be envious towards each other”. Business enterprises of today focus on aggressive growth in the market share, higher profits, higher returns on equity to earn more and more money and power. With globalisation, becoming order of the day the pressures of competitiveness is building further up with nail biting finish.

(Pandey and Tripathi, 2002): Veda advocates minimum consumption and accumulation, mutual co-operation, with focus on natural harmony. It reiterates non-centrality of money in human life, but for corporations of present era, money is the real nerve of business systems

Ancient scriptures emphasizes that the continuous flow of money to the people who need it is more important than its accumulation. Thus, the use of wealth for the welfare of society is one of the important responsibilities of the business enterprises. In contrast,
very few business enterprises recognize this fact and contribute generously for the welfare of society.

As the hymn from **Atharva Veda (3-24-5)** says: O man! Procure wealth with one hundred hands and distribute it with one thousand hands. Thus you attain perfection of the work done and to be done.

Besides that the success of an organisation, is measured by the extent and quality of goods and services delivered to its stakeholders as the given hymn verifies,

O King! Take care of the welfare and growth of all your people. Then you will grow as the Sun grows and shines at dawn and after its rise.

A bird's eye view of current business practices gives a naïve feeling that business has ignored the essence of ancient trends in the real terms. However in the changing times various “business excellence” models have attempted to address the issue. Business excellence models focus on balancing the needs and expectations of the all stakeholders.

The key similarity of these models with Vedic thoughts is long-term focus and sharing of profits among various stakeholders. These models also focus on meeting the needs and expectations of the Society as a whole, which also remains the focal point of Vedic economic thoughts.

Vedic economic thoughts are focused on sacrifice for others. According to **Manu-Smriti** “Among all purity, purity of the money is supreme.” The five governing principles for purity of money are:

1. It should not cause any adverse impact on any living being.
2. It should not cause any kind of physical harm to us.
3. Money should be earned through our own efforts and not fetched from efforts of others.
4. Money should be earned through legitimate virtuous means only.
5. The earning process should not be an impediment to learning process.
Furthermore, Vedic economics advocates the free and uninterrupted flow of new ideas, knowledge, products, materials and money from one corner of the world to another so as to ensure the prosperity for all. Ideally speaking, money should continuously flow from the customers to suppliers; Materials should continuously flow from suppliers without any accumulation at any stage, get processed and reach customers as finished products without any rejection and rework. Any interruption in flow at any stage leads to addition of non-value adding activities and additional cost. According to kaizen guru, Masaaki Imai, “generally speaking there are about one thousand non-value-adding activities for a single value adding activity. However, some efficiently run organisations have been able to bring non-value-adding activities down to two hundred per value adding activity”.

Tripathi Nalini V. Dave, 2002: In essence, Vedic economy emphasises on the following four concepts to be observed by the business organisation for its growth and prosperity

1. **Yagna spirit.** Sacrificing individual desires in favour of community benefits. Lord Krishna says in Bhagavad Gita (3-13), that all sorrows from the society would be removed if socially conscious members of a community feel satisfaction in enjoying the “Remnants” of their work performed in “Yagna spirit” (Selfless welfare of others).

2. **Sreyas.** Preferring of long-term benefits over short-term gains. This will lead to welfare of all rather than benefit of only a few.

3. **Sharing.** Sharing the business prosperity with all the stakeholders of the business. Rig-Veda offers comprehensive vision of excellence for corporate life in the Sangathan Sukta (Synthesis of Vedas).

4. **Cosmic harmony.** Non-disturbance of anything in the environment. Bhagvad Gita says universe is an undivided whole, where every particle is connected with every other particle. Hence, doing well to others ultimately does well to the doer. Corporate world has forgotten to take care of this aspect in the past; leading to the industrial recessions, trade union struggles and other problems. However, the initiatives like ISO 9001, ISO-14001, SA-8000, OHSAS-18001 and the Global Compact etc. are a good beginning in this direction.
**Vasudhaiva Kutumbakam & CSR**

**Vasudhaiva Kutumbakam** is a Sanskrit phase which means “the whole world is one single family”. It comes from the words "vasudha" meaning Earth; "eva" meaning e

Vasudhaiva Kutumbakam is essentially a cultural and spiritual concept. It looks upon the whole world as one's own family. Love and harmony, co-operation and mutual support are the basic ingredients here, as in a family. The all human beings are small part of this great universe. The time has arrived when we should come close to each other for realizing the one world dream. India is land where ideal of unity in diversity has existed for long. A verily of religions like Hinduism, Jainsim, Buddhism, Sikhism, Islam and Christianity flourish there. The joiner family system of India is another example of unity in diversity. In this dangerous situation respect for all religions and Vasudhaiva Kutunbakam" can usher peace in this world.

This gigantic idea (Vasudhaiva Kutumbakam is an exclusively Indian contribution to world peace. The underlying philosophy of this ancient nation evolved a world-view based on the motto "Loka samasta sukhina bhavantu" (Let the entire world be happy) thousands of years ago.

**Jainism and CSR**

Every creature of globe wants to live and nobody likes to die. Therefore no one has any right to destroy or harm any other living being. Jain ethics believes non-violence means universal truth. There is only one caste namely manhood.

Jainism teaches us "Attainment of total freedom from the cycle of birth, life, pain, misery, death and achieving the blissful state of one's pure self, unity, tolerance, non-violence, truthfulness, chastity. Complete detachment from people, places and material things. Lord Mahavira's teachings are to highlight the importance of practicing unity, non-violence and giving up anger, egoism, deception, greed and similar vices to be able to attain salvation.

**Gandhian philosophy of trusteeship**

Mohan,(2001)Unlike western capitalism, businesses in Asia are part of a social welfare philosophy embedded in corporate philanthropy.
During 1950s/1960s, Narayan (cited in IIC, 1966) stated, influenced by Gandhian philosophy of trusteeship”– an ancient idea revived and reinterpreted by Mahatma Gandhi – most of the businessmen in India saw their business empires as a „trust“ held in the interest of community at large. Businesses made significant contributions to support schools, colleges and hospitals, and emphasis later shifted to supporting technical training, public health and rural development. Also, post-independence, with a mixed economy framework; India experienced the elements of state-sponsored CSR activities through large public sector companies.

Responsibility to Stakeholders


In a nutshell, CSR requires the organizations to balance the needs of all stakeholders with its need to make a profit and reward shareholders adequately.

Muniapan and Dass (2008) in their study on Vedic CSR highlighted a similar development of CSR in the ancient India. Early conceptualization of CSR was broadly based on religious virtues and values such as honesty, love, truthfulness and trust. Such values were found dominant in the golden rule constructed by Immanuel Kant’s Categorical Imperative.

It has also been argued that this golden rule can be applied in viewing companies as responsible to stakeholders and society. Implicitly, this argument suggests that those who do not practice such values are deemed to be unethical and not concerned of societal welfare. Since then, civilizations have been in the process of wealth and the practices of CSR were neglected and overshadowed by the pursuit of wealth accumulation.

Dawkins(2004):

It was emphasized by Dawkins (2004) that CSR must be effectively communicated to stakeholders for their appreciation and support. The business benefits arising from the CSR practices would result in credibility for the organization, reduces the risk profile, improves stakeholders relationship which eventually increases efficiency of the firm.
Whellams, (2007):
Heath and Norman (2005) on the other hand argues that managers committed to strong CSR programs may fail to maximize profits and could thus risk losing their jobs if investors see an opportunity to make more money by scrapping CSR related initiatives. However in this century, some of the above arguments do not make sense as business is changing rapidly and increasingly come under the pressure of responding to the challenge CSR. They have come under tremendous pressure from their stakeholders to act responsibly to the society.

Socially responsibility & accountability
Muniapan, (2009). Therefore CSR has re-emerged as the public demand for answers, and the pressing need for organizations to be held accountable to the communities they serve and to be more socially responsible For an organizational perspective, CSR encompasses many dimensions of business activity ranging from the social (e.g. community programs), to economic (e.g. employment) to the environmental (e.g. waste reduction).

"A company that undertakes activities aimed at communities (be they philanthropic, social investment or commercial initiatives) but does not comply with business basics cannot be termed socially responsible."

Turner,(2006).
The social responsibility of business encompasses the economic, legal, ethical, and discretionary (or philanthropic) expectations that society has of organizations at a given point in time.

Pandey and Tripathi(2002):
Veda advocates minimum consumption and accumulation, mutual co-operation, with focus on natural harmony. It reiterates non-centrality of money in human life, but for corporations of present era, money is the real nerve of business systems. Veda emphasizes that the continuous flow of money to the people who need it is more
important than its accumulation. Thus, the use of wealth for the welfare of society is one of the important responsibilities of the business enterprises. In contrast, very few business enterprises recognize this fact and contribute generously for the welfare of society. Business enterprises of today focus on aggressive growth in the market share, higher profits, higher returns on equity to earn more and more money and power. With globalization, becoming order of the day the pressures of competitiveness is building further up with nail biting finish.

Kapur (2010):
Within CSR, the role of business in the sustainability and protection of environment is well recognized and encouraged in many of the Vedanta scriptures. Vedanta lays stress on the psychophysical environment as a cocoon for the growth of goodness and harmony. These accounts and indicators suggest that living according to the principles of “dharma” includes, and results in, an understanding and appreciation for the natural world and a "right" relationship with the natural environment, as well as with others in society.

Mahavir(2001):
Therefore, value system is superior which drives the right objectives. Wealth accumulation is to serve the objectives. The principle role of money is to serve the needs of the society.

Shrivastava and Venkateswaran (2000):
Changes in India's economic paradigm in 1990s significantly affected the corporate sector, bringing freedom from controls and increased roles. Shrivastava and Venkateswaran (2000) state that most corporations agree that this newfound freedom carries with it social responsibilities.

Indian Philanthropy & Social Responsibility
Tripathi, (2004): A tradition of ‘Trusteeship’ propounded by Mahatma Gandhi evolved in India and corporate leaders such as GD Birla and Jamnalal Bajaj later adopted the same. During First World War businessmen like GD Birla, Kasturbhai Lalbhai made
huge profit and reinvested them in setting up new industries. During 1700, Indian merchants didn’t have the Indian market entirely to themselves. They were to compete and collaborate with East Indian companies. Since then the philanthropic activities in Indian corporate can be traced out. Virji Vora was one of the most powerful figure on country’s commercial horizon till the end of 17th century. He used his awesome financial powers and intimidated both foreign and Indian merchants alike. He occasionally with other merchants like Haji Zahid Beg purchased enough of vermilions & quicksilver sufficient enough to supply the whole country for many years. The involvement of the Birla’s in the nationalist movement, especially G.D. Birla’s closeness to Mahatma Gandhi is well known. GD Birla also called Marwari Magnate invested his First World War time profit into jute industry to break Scottish jute monopoly and was succeeded. By the time British decided to leave their assets grown to more than $100 million. His philanthropic activities became legendary and he was a major donor to freedom movement (Tripathi, 2004). GD with his family was on a vast scale philanthropic. They built one of the India’s finest complexes of higher education ‘Birla Institute of Technology and Sciences’ at Pilani. GD Birla fought for the rights of untouchables in India being the president of Harijan Sevak Sangh. A hospital providing advanced treatment and remarkably 80% bed being free in the city of Bombay is one of the best in the state.

**Striving for Excellence and Perfection**

Premji(2004): ‘We must feel the need for excellence within. It must become an obsession. It must involve not only our mind but our heart and soul too. Excellence is not an act but a habit’. The best person one can compete with is one’s own self.

**Recognition of Inner Life-Preyas & Shreyas**

Steingard(2005): An exclusive materialistic outlook in one’s work life, promoted by the Preyas path or the ‘outer life’ approach leads to an excessive dependence on mere numbers and a narrowed focus on the economic bottom line. However, being sensitive to the triple bottom line, the 3Ps:profits, people and the planet, as good business ought to, demands attention to the Shreyas path or the ‘inner life’ approach, which takes into
account even those variables for decision making that cannot be reduced to just numbers. Current business dialogue opines that one needs to address the wider concerns of social justice, environmental sustainability, spiritual renewal, positive human evolution and global peace, apart from financial results alone. And many of these aspects involve non-quantifiable parameters.

**Sense of Connection and Community**

*Kinjerski and Skrypnek (2006)*: The workplace of late is being recognized as a kind of community,’ a sense of community’ that is characterized by a feeling of connectedness to others and a common purpose.

*Duchon & Ashmos (2005)*: Connectedness to others includes the notions of sharing, mutual obligation and commitment, where as common purpose consists of mutually set goals and objectives. A community is a place where people can experience personal growth, be valued for themselves as individuals and have a sense of working together. Community extends even beyond the notion of a team to include aspects of brotherhood and kinship, to include matters and concerns that are not merely work related but personal in nature too.

*Ashmos & Duchon, (2000)*: Spirit at work is a feeling of being connected with one’s work and with others.

**History of CSR in India**

CSR in India is not new but has been there under different names and forms Mahatma Gandhi advocated trusteeship, where business be conducted profitably but on behalf of others. That is nobody will accumulate wealth or use it in excess of what is essential for a minimum decent living. He therefore approved the six point draft formula of trusteeship in Harijan 1952 for state regulated trusteeship which meant that individual will not be free to hold or use wealth for selfish satisfaction beyond a fixed minimum decent living wage.
It was observed from a survey conducted by the Tata Energy Research Institute (TERI) that the evolution of the concept of CSR in the modern context developed through the four chronological approaches.

First, the **Ethical Model (1930-1950)**, which is based on the assumption that a corporation is a national trust. Under this approach, the businesses were motivated to manage their affairs as a trust held in the interest of the society. This model was revived and reinterpreted by Mahatma Gandhi during the freedom movement in his economic philosophy. The trusteeship principle decides the methods and techniques of CSR.

Second, the **Statist Model (1950-1970s)** was developed under the leadership of Jawaharlal Nehru in the post-independence era. This era was dominated by the philosophy of mixed economy, in which the state ownership and legal requirements decided the CSR.

The third model is the **Liberal one (1970s-1990s)**, which was encapsulated by noted economist, Milton Friedman. As per this model, business has only one social responsibility—that is to use its resources and engage in the activities designed to increase its profits, so long as it stays in the rules of the game, that too without deception and fraud.

Fourth, the **Stakeholder Model (1990s-till date)** of CSR came into being as a result of liberalization, privatization and globalization. It was realized that with the growing economic profits, business also have a certain social role to play. This approach expects companies to act according to the triple bottom line approach that is in the interest of the economy, society and environment with accountability and transparency through several mechanisms.

This can be understood with reference to two dimensions of CSR namely external CSR, which is manifested in the form of programmes and policies initiated by the companies in various sectors like education, health, charity, donation etc. and internal or integral CSR which requires the ethical orientations in the business practices and processes.

The integral CSR is manifested in the ethical and socially responsible behavior of the corporation. CSR is a holistic approach for good corporate governance, which can be practiced at three levels such as social obligation, social responsiveness and social responsibility.
First level of social obligation
When CSR practices are followed by the corporation only under legal compulsions or societal pressure, this is CSR of the first level. For example, the statutory warning on the cigarette packs by tobacco companies is the example of the first level of CSR.

Second level of social obligation
When corporate develop sensitivity for their external environment, and respond to the changes that are taking place, that is the second level of CSR and compared to the first level of CSR, the second level of CSR is more active as there is fear of negative repercussions attached to the responsibility of the latter level.

Third level of social obligation
In the third level of CSR corporations go beyond the mandatory obligations and exhibit ethically responsible behavior proactively. This level of CSR is a result of high ethical orientation of the people, who are a part of the corporation. In such corporations ethics are at the core of the decision-making processes, and all decisions are taken keeping in mind the interest of stakeholders, society and environment.

The CSR practices are based on four dimensions.
The first is **economic dimension**, where a corporation has to ensure the best input-output rations which are most commonly manifested in the financial and economic profitability.

In the second dimension, its impact relating to **social issues** is evaluated, in terms of employment generation, equal opportunities, inclusive development, community regeneration and other societal issues.

The third dimension deals with its **impact on environmental matters** such as pollution, emission, energy conservation, climate change and so on.

The final dimension evaluates its impact in terms of **spiritual cosmic considerations** which will make a person a spiritual human being namely equanimity, non-violence, truthfulness, fearlessness, purity of heart, steadfastness, sacrifice, self-restraint, self-disciplined, compassion, kindness, gratitude, integrity, forgiveness, patience, transpercency, simplicity, contentment, sincerity, resilience, humbleness, charitableness. This is a state of ‘Corporate nirvana(bliss) which is difficult to achieve, but is more sustainable.
Manusmriti

The Manusmriti states that when the world was without a king and people ran about in all directions out of fear, the Lord emitted a king in order to guard this entire realm. In modern day business philosophy, promotional and public relations strategy adds value to customer perception of the organisation goods and services. Therefore, the firm maximises its ability to create value to the business. CSR can be a source of competitive advantage for organisations, however, some researchers have also cautioned against using CSR as a promotional tool because it can discredit the company if it misleads stakeholders.

Four Phases of CSR

(1) Philanthropy during early industrialization (1850-1914)

The first phase of CSR is predominantly determined by culture, religion, family tradition, and industrialization. Business operations and CSR engagement were based mainly on corporate self-regulation. Being the oldest form of CSR, charity and philanthropy still influence CSR practices today, especially in community development. In the pre-industrial period up to the 1850s, merchants committed themselves to society for religious reasons, sharing their wealth, for instance, by building temples. Moreover, “the business community occupied a significant place in ancient Indian society and the merchants provided relief. The term “corporate social responsibility” did not exist at that time, being coined only in the 20th century. A company’s engagement in social aspects was seen rather as philanthropy in times of crisis such as famine or epidemics throwing open god owns of food and treasure chests” (Arora 2004, 24). Under colonial rule, Western types of industrialization reached India and changed CSR from the 1850s onwards. The pioneers of industrialization in the 19th century in India were a few families such as the Tata, Birla, Bajaj, Lalbhai, Sarabhai, Godrej, Shriram, Singhania, Modi, Naidu, Mahindra and Annamali, who were strongly devoted to philanthropically motivated CSR (Mohan 2001, 109). “The early pioneers of industry in India were leaders in the economic, as also in the social fields” (Arora 2004, 25). Nevertheless, it has been pointed out that their engagement was not only altruistic and stimulated by religious motives: “It had business considerations in supporting efforts towards industrial and
social development of the nation and was influenced by caste groups and political objectives” (Mohan 2001, 109).

(2) The “golden age” of Indian capitalism and philanthropy (1914-1960)

Second phase: CSR for India’s social development

The second phase of Indian CSR (1914-1960) was dominated by the country’s struggle for independence and influenced fundamentally by Gandhi’s theory of trusteeship, the aim of which was to consolidate and amplify social development. During the struggle for independence, Indian businesses actively engaged in the reform process. Not only did companies see the country’s economic development as a protest against colonial rule; they also participated in its institutional and social development (India Partnership Forum 2002, 11). Both charity and philanthropy can be regarded as sponsoring. Charity is understood as consisting solely of donations of money, whereas philanthropy includes the practical involvement of businesses. The corporate sector’s involvement was stimulated by the vision of a modern and free India. Gandhi introduced the notion of trusteeship in order to make companies the “temples of modern India”: businesses (especially well established family businesses) set up trusts for schools and colleges; they also established training and scientific institutes (Mohan 2001, 109). The heads of the companies largely aligned the activities of their trusts with Gandhi’s reform programmes. These programmes included activities that sought in particular the abolition of untouchability, women’s empowerment and rural development (Arora 2004, 25).

(3) Business and community development under state-led development (1960-1980)

Third phase: CSR under the paradigm of the “mixed economy”

The paradigm of the “mixed economy,” with the emergence of PSUs and ample legislation on labour and environmental standards, affected the third phase of Indian CSR (1960-1980). This phase is also characterized by a shift from corporate self-regulation to strict legal and public regulation of business activities. Under the paradigm of the “mixed economy”, the role of the private sector in advancing India receded. During the Cold War, India decided to take a third course between capitalism and communism. In this scenario, the public sector was seen as the prime mover of development. The 1960s have been described as an “era of command and control”, because strict legal regulations determined the activities of the private sector (Arora 2004, 8). The introduction of a regime of high taxes and a quota and
licence system imposed tight restrictions on the private sector and indirectly triggered corporate malpractices. As a result, corporate governance, labour and environmental issues rose on the political agenda and quickly became the subject of legislation. Furthermore, state authorities established PSUs with the intention of guaranteeing the appropriate distribution of wealth to the needy (Arora 2004). “The controls and regulations pertained to industrial licensing, capital issues, loans, import licensing, allocation of resources, prices, and concentration of economic power and growth monopolies” (Arora 2004, 8). However, the assumption and anticipation that the public sector could tackle developmental challenges effectively materialized to only a limited extent. Consequently, what was expected of the private sector grew, and the need for its involvement in socio-economic development became indispensable. An initial and cautious attempt at reconciliation was made by Indian academics, politicians and businessmen at a national workshop on CSR in 1965 (Mohan 2001, 109). According to this agenda, businesses were to play their part as respectable corporate citizens, and the call went out for regular stakeholder dialogues, social accountability and transparency (Mohan 2001, 110). Despite these progressive acknowledgements, this CSR approach did not materialize at that time.

Roles of businesses slowly changed between 1960 and 1980, a post-independence period dominated by a “mixed economy.” During this time, large, state-owned companies took part in prominent state-sponsored CSR activities, and Nehruvian socialism encouraged private industries to play an active role in the economic and social development of the country. As a result of the emergence of economic and trade liberalization, non-family-owned businesses started to increase, blending Gandhian trusteeship and Nehruvian social responsibility, and paving the way for the contemporary CSR practices in India.

(4)CSR at the interface between philanthropic and business approaches (1980-present)

The fourth phase: CSR at the interface between philanthropic and business approaches

In the fourth phase (1980 until the present) Indian companies and stakeholders began abandoning traditional philanthropic engagement and, to some extent, integrated CSR into a coherent and sustainable business strategy, partly adopting the multi-stakeholder
approach. In the 1990s, the Indian government initiated reforms to liberalize and deregulate the Indian economy by tackling the shortcomings of the “mixed economy” and tried to integrate India into the global market. Consequently, controls and license systems were partly abolished, and the Indian economy experienced a pronounced boom, which has persisted until today (Arora and Puranik 2004, 97). This rapid growth did not lead to a reduction in philanthropic donations; on the contrary, “the increased profitability also increased business willingness as well as ability to give, along with a surge in public and government expectations of businesses” (Arora 2004, 28).

The Islamic Financial System and CSR:

Creating CSR, the Islamic way:

“Freedom is a package deal- with it comes responsibility and consequences”.

CSR does not mean just taking part in charitable activities and events; it means holding the responsibility to develop the society by envisioning future plans for socio-economic justice and be conscious about their responsibility for the welfare of society.

CSR according to Shariah requires both individuals and organizations to be guided in the development of a moral self that distinguishes between right and wrong and never loses sight of its responsibilities towards God and mankind.

The development of CSR has emerged from a materialistic mindset, which perceives social reality in material forms only. The non-material inner resources and spiritual dimensions that form part of the human and social reality are either rejected or largely overlooked and ignored. In light of this, the economic problem-solving approaches in general are unable to guide decision-makers in digging deep to identify the roots of ethical and social problems and issues, and therefore, the solutions tend to be restricted and limited.

“We increase our ability, stability and responsibility, when we increase our sense of responsibility to God”.

Islamic philosophy is rich in precepts pertinent to CSR based on the Shariah (the Islamic legal and social system) derived from the Holy Qur'an and Hadith. Divine Guidance for the economy, as enshrined in the Qur'an and the Sunnah (the living example of Prophet Muhammad), can be summarized as follows:
1. Trusteeship
The Qur'an Sura 57 Ayat 7, (57:7) emphasizes that all the resources of the earth belong to God, the Creator, who has made human beings a trustee for them. Humans are therefore accountable to God for the uses they make of these resources. The idea of trusteeship distinguishes the Islamic approach to economics from materialistic approaches such as extreme capitalism and socialism. It introduces a moral and spiritual element into business life and has been made practicable by creating rules to govern individual behaviour and public policy.

2. Care for Others
Care for others tempers self-interest, which is ingrained in human nature. It goes naturally with trusteeship, since, in caring for others, one also serves God, who created all humans. No one can have fulfillment or happiness in his life without interacting with others. Thus individual happiness and collective interests go hand in hand. The Qur'an states this in 30:39 and 2:276.
People who believe that they can increase their wealth through charging others interest and by reducing charitable giving are under an illusion. The wealth and integrity of a society can only increase when the rich give part of their wealth to the needy for no other motivation than to please God. Those who have faith and a vision of their future life understand this.

3. Productive effort as a means of serving God
Productive enterprise is looked upon as a means of serving God (2:195). Islam requires wealth to be spent in the cause of God. In the west, it is considered enough merely to ‘enjoy life’.

4. Application of the Shari'ah Rulings to Business
The aim of the Shari'ah rulings is to make the transfer of goods safe and easy and to facilitate economic transactions by eliminating vagueness or misunderstanding in all types of contracts. It prohibits the charging of interest on loans as a form of injustice. The goal is to remove the causes of social tension or litigation and to promote a climate of peace and goodwill.
5. Treating Wealth as a Means and not an End
Islam regards economic well being as a means to peace, freedom from hunger and freedom from fear of others, except God. Beyond the satisfaction of basic needs, the ultimate objectives of earning and spending money are moral and spiritual. It is against Islamic rationality to hoard money (9:34, 35).

6. Proper Functioning of the Market
Islam prohibits dishonesty, fraud and deception, coercive practices, gambling and usurious and injurious dealings. Hoarding, speculation and collusion among producers and traders against the interest of consumers, and such monopolies as are injurious to the socio-economic health of society are ruled out.

7. Protection of Consumers
The producers, manufacturers and traders do not exploit each other or the buyers. The adulteration, under-weighing, encroachment of thoroughfares, unhealthy trades and unlawful professions should be avoided.

8. Monopolies:
Industrialists in a free and competitive economy can come from monopolies and exploit people. No unjust, oppressive or cheating business can be allowed to continue in an Islamic economy.

9. Zakat:
Zakat is a levy on certain categories of wealth. It can be collected and distributed and is obligatory only on Muslims. It is applicable to income and savings, agricultural harvests, commercial goods, gold and silver over certain amounts, some categories of livestock, excavated treasures, mined wealth, etc. In accordance with the Qur'an (9:60), the proceeds from zakat are paid to the poor, the sick and destitute.

10. Qard Hasan
Qard hasan is a Quranic term meaning an interest-free loan. It was the primary source of financing introduced by the Prophet after entering Medina and was used primarily for productive economic purposes, such as setting up qualified, but poor people in trade and agriculture.

Principles of Islamic Finance based on CSR principles:
“Kindness is the golden chain by which society is bound together”.

The most important principles on which the Islamic finance framework rests on are:

1. Prohibition of the payment or receipt of interest: Money itself is considered to have no intrinsic
2. Value-it is merely a store of wealth and medium of exchange.
3. Prohibition of uncertainty or speculation: Everybody participating in a financial transaction must be
4. Adequately informed and not cheated or misled. Derivatives and debt financing is prohibited.
5. Prohibition of financing certain economic sectors: Investment is forbidden in what are considered
6. To be socially detrimental activities like gambling, pornography, alcohol, armaments, etc.
7. Importance of profit and loss sharing: The investor and investee must share the risk of all financial
8. Transactions; and Asset-backing principle: Financial transactions should be unpinned by an identifiable and tangible underlying asset.

**Some cases of CSR initiatives by corporate in India**

**ITC Limited**

ITC partnered the Indian farmer for close to a century. ITC is now engaged in elevating this partnership to a new paradigm by leveraging information technology through its trailblazing 'e-Choupal' initiative. ITC is significantly widening its farmer partnerships to embrace a host of value-adding activities: creating livelihoods by helping poor tribal make their wastelands productive; investing in rainwater harvesting to bring much-needed irrigation to parched drylands; empowering rural women by helping them evolve into entrepreneurs; and providing infrastructural support to make schools exciting for village children. Through these rural partnerships, ITC touches the lives of nearly 3 million villagers across India.

**Mahindra & Mahindra**
The K. C. Mahindra Education Trust was established in 1953 by late Mr. K. C. Mahindra with an objective to promote education. Its vision is to transform the lives of people in India through education, financial assistance and recognition to them, across age groups and across income strata. The K. C. Mahindra Education Trust undertakes number of education initiatives, which make a difference to the lives of deserving students. The Trust has provided more than Rs. 7.5 Crore in the form of grants, scholarships and loans. It promotes education mainly by the way of scholarships. The Nanhi Kali project has over 3,300 children under it. We aim to increase the number of Nanhi Kalis (children) to 10,000 in the next 2 years, by reaching out to the underprivileged children especially in rural areas.

**Tata Consultancy Services**
The Adult Literacy Program (ALP) was conceived and set up by Dr. F C Kohli along with Prof. P N Murthy and Prof. Kesav Nori of Tata Consultancy Services in May 2000 to address the problem of illiteracy. ALP believes illiteracy is a major social concern affecting a third of the Indian population comprising old and young adults. To accelerate the rate of learning, it uses a TCS-designed Computer–Based Functional Literacy Method (CBFL), an innovative teaching strategy that uses multimedia software to teach adults to read within about 40 learning hours.

**‘LABS’ of Dr Reddy’s Labs**
Dr Reddy’s lab started ‘LABS’ (Livelihood Advancement Business School) in the year 1999. It trains the under privileged youngsters, even street children for livelihood earnings in the job areas i.e. technology, healthcare, hospitality, finance and marketing issues. It involves four types of volunteers viz student volunteer Mentors, Faculty Volunteer Mentors, Network Mentors and Resource Mentors.

**Care Today Foundation**
India Today, a leading publishing house of the country, set up ‘Care Today Foundation during the Kargil conflict in 1999. The major contributions of Care Today Foundation
include: Rehabilitation of the Kargil soldiers, Rehabilitation of the cyclone and drought victims in Orissa to name a few.

**House of Sun drops Edible oil**

Sun drops is well known Edible oil in India, for a Rs 1,200 cr FMCG company Agro-Tech foods Limited (ATFL). Recently, it came out with an initiative in which for every liter of ‘Sun drop’ sold, AFTL will contribute Re. 1 to ‘Narayan Hrudanalay Heart Hospital’ for the treatment of children with cardiac disorders.

**Anand Corporate Services Limited**

Anand has a longstanding commitment to addressing the needs of the society, in view of its belief that for any economic development to be meaningful, the benefits from the business must trickle down to the society at large. Anand is of the firm view that the corporate goals must be aligned with the larger societal goals. 25 years ago, the SNS Foundation, an expression of Anand’s corporate social responsibility, was born. The objective of SNS foundation was comprehensive community development. The Foundation has created programs in the fields of health, education, natural resource management and life skills training, only to make sure that fellow humans could breathe easy. The long term goal of Anand CSR is to implement concepts like ‘Zero Tolerance Zone for Child Labour’, ‘Zero Waste Zone’ using strategies like Reduce, Recycle and Reuse not only at Anand/SNSF locations but extend to Anand residential areas.

**Aptech Limited**

Aptech Limited, a leading education player with a global presence, has played an extensive and sustained role in encouraging and fostering education throughout the country since inception. As a global player with complete solutions-providing capability, Aptech has a long history of participating in community activities. It has, in association with leading NGOs, provided computers at schools, education to the underprivileged and conducted training and awareness-camps. Aptech students donated part of the proceeds from the sale of their art work to NGOs. To propagate education among all sections of the society throughout the country, especially
the underprivileged, Aptech fosters tie-ups with leading NGOs throughout the country, including the Barrackpur-based NGO, Udayan, a residential school for children of leprosy patients in Barrackpur, established in 1970. The company strongly believes that education is an integral part of the country’s social fabric and works towards supporting basic education and basic computer literacy amongst the underprivileged children in India.

**Avon Cycle Limited**

The poor and ignorant of India’s rural population turn to nearest towns and cities for healthcare. They face indifference and exploitation. Hope gives way to despair. This gave inspiration to AVON for locating Matakaushalya Devi, Pahwa Charitable Hospital. Mr. Sohan Lal Pahwa, AVON's Chairman and Principal Trustee of the hospital, spent a good part of his working life devoted to philanthropy. The hospital, in its 5th year of inception, has risen to serve a model healthcare facility boasting of some bold experiments in its very early years of existence. It’s support since inception has been of the order of Rs. 3 crore to date and it continues uninterrupted. Reaching out to the needy farther afield, the hospital holds regular camps in surrounding villages to propagate scientific approach to healthcare. Recently the hospital took the social responsibility concept a step further and formulated a scheme titled 'Celebrated Female Child' to enable and inspire positive and enduring environment for society's all-consuming passion for 'sons only' to end.

**CISCO System Inc.**

Philanthropy at Cisco is about building strong and productive global communities - communities in which every individual has the means to live, the opportunity to learn, and the chance to give back. The company pursues a strong “triple bottom line” which is described as profits, people and presence. The company promotes a culture of charitable giving and connects employees to nonprofit organizations serving the communities where they live. Cisco invests its best-in-class networking equipment to those nonprofit organizations that best put it to work for their communities, eventuating in positive global impact. It takes its responsibility seriously as a global citizen. Education is a top corporate priority for Cisco, as it is the key to prosperity and opportunity.
ICICI Bank Ltd
The Social Initiatives Group (SIG) of ICICI Bank Ltd works with a mission to build the capacities of the poorest of the poor to participate in the larger economy. The group identifies and supports initiatives designed to break the intergenerational cycle of poor health and nutrition ensure essential early childhood education and schooling as well as access to basic financial services. Thus, by promoting early child health, catalyzing universal elementary education and maximizing access to micro financial services, ICICI Bank believes that it can build the capacities of India’s poor to participate in larger socio-economic processes and thereby spur the overall development of the country. The SIG works by understanding the status of existing systems of service delivery and identifying critical knowledge and practice gaps in their functioning. It locates cost effective and scalable initiatives and approaches that have the potential to address these gaps and supports research to understand their impact. This is undertaken in collaboration with research agencies, nongovernmental organisations (NGOs), companies, government departments, local stakeholders and international organisations.

Satyam Computer Services Limited
Alambana (support) is the corporate social responsibility arm of Satyam Computer Services Limited, formed to support and strengthen the vulnerable and underprivileged sections in urban India. Registered as Satyam Alambana Trust in 2000, Alambana aims at transforming the quality of life among urban population. Alambana's services are directed primarily at the disadvantaged sections in all the cities that Satyam has offices in. Volunteers from among Satyam associates and their family members lead the services and perform the required tasks.

Dalmia Cement (Bharat) Limited
The water source for the villages in and around the Dalmia Cement factory is dependent on rains. During summer months, the villagers, particularly women folk, travel long distances to fetch water for drinking and other purposes. Considering the difficulties and hardship faced by the people, the company, after discussing with the village elders and concerned Government authorities, took the initiative of making water available by:
• Providing deep bore wells. So far, 45 bore wells have been provided in various villages, namely Kallakudi, Palanganathan, Malvoi, Elakkurichi, Muthuvathur, Pullabmadi, Edayathankudi etc. Approximately, 300 to 400 people get adequate drinking water from each bore well.

• Water tanks to store the water.

• Rain and seepage water is harvested in the quarries of the company is pumped into a tank and supplied to inhabitants.

• 44,000 trees were planted and nurtured over a period of eight years. The presence of large trees and vast greenery has considerably improved the ecology in the area.

**DCM Shriram Consolidated Limited**

Shriram Fertilisers and Chemicals, is a unit of DSCL, located at Kota, 475 kms. Over the last 3 decades, various initiatives have been undertaken by the unit, in the Hadoti region (Kota, Bundi, Jhalawar districts) in ICU, ambulances, family planning, medical assistance; schools, scholarships, emphasis on girl child education; water to people and infrastructure.

**Goodearth Education Foundation (GEF)**

Work of GEF was initiated in 1996 with a project in the Rai Bareilly district in Uttar Pradesh. The four-year project covered 63 government schools and benefited 15,000 children. GEF is currently implementing projects in Thane district, Maharashtra (in 56 schools & balwadis), Alwar District, Rajasthan (this Project is being implemented in partnership with the NGO Bodh Shiksha Samiti, covering 71 schools & balwadis) and Solan district, Himachal Pradesh (10 Balwadis). GEF Objectives include providing equal opportunities in pre-primary& primary education to all children, and quality of education by ensuring that it is relevant, effective and activity based.

**Hindustan Construction Company (HCC)**

HCC plays an active role in CSR initiatives in the fields of Health, Education, Disaster Management, and Environment. Disaster Resource Network DRN is a worldwide
initiative, promoted by the World Economic Forum (WEF). Trained volunteers and equipment resources from Engineering Construction & Logistics companies will complement the existing efforts of Government, NGO's and International Organizations in disaster management. It was during the WEF annual meet that the massive earthquake struck Gujarat in January 2001. The need for a trained and effective participation from industry was first felt there. The members of Engineering and Logistics segment of WEF came together to establish this network. The idea was further strengthened during the 9/11 incident where again the industry participated in the relief operations. DRN Worldwide was formally launched in New York in January 2002. And shortly thereafter, DRN - India Initiative was launched.

**India Aluminium Company Limited**

The Women's Empowerment project was initiated by Indal-Muri in Jharkhand where the Company operates an alumina refining plant. It was implemented in collaboration with an NGO, CARE-Jharkhand. The central problem this project has attempted to address is the very low socio-economic condition of the rural and tribal population of Silli block caused by low agricultural productivity, lack of or low cash income, unresponsive health/Integrated Child Development Services (ICDS) schemes. The Project has helped set up around 100 Self Help Groups so far, which are running successfully with members trained in various vocational income-generating skills, agricultural methods for better yields and health care initiatives. About 2000 women have been brought into the fold of this activity helping to improve not just their own lives but the quality of life of their children and families as well.

The Indal Women's Empowerment & Child Care project employed integrated package of strategies and interventions, such as:

- Establishment and Strengthening of Self Help Groups (SHG) in 30 strategically selected villages;
- Promotion of Nutrition Gardens and improved land / agricultural and natural resource management practices; and
- Creation of demand for improved ICDS/ health services through Self Help Groups and strengthening ICDS/ Health Department's service delivery

**JCB India Ltd.**

JCB India adopted a Government school, in the vicinity of the company premises as its social responsibility. They strongly believe that children are the foundation of our nation and they could be helped, we could build a better community and society tomorrow. The reason for adopting this particular school was the poor management of the school in terms of infrastructure, resources and quality of education. The company’s commitment to the school goes much beyond just providing monetary support towards infrastructure and maintenance of school building.

**Larsen & Toubro (L & T) Limited**

Considering that construction industry is the second largest employer in India after agriculture, employing about 32 million-strong workforce, L&T set out to regulate and promote Construction Vocational Training (CVT) in India by establishing a Construction Skills Training Institute (CSTI) on a 5.5 acre land, close to its Construction Division Headquarters at Manapakkam, Chennai. CSTI imparts, totally free of cost, basic training in formwork, carpentry, masonry, bar-bending, plumbing and sanitary, scaffolder and electrical wireman trades to a wide spectrum of the rural poor.

As a result of the good response it received in Chennai, CSTI set up a branch at Panvel, Mumbai, initially offering training in formwork, carpentry and masonry trades. The Manapakkam and Panvel facilities together provide training to about 300 candidates annually who are inducted after a process of selection, the minimum qualification being tenth standard. Since inception, these two units have produced about 2,000 skilled workmen in various trades, with about sixty percent of them being deployed to L&T’s jobsites spread across the country. The success of this training-initiative demonstrates that adoption of systematic training techniques are bound to yield efficient and skilled personnel in the shortest possible time, and in the power to convert the potential of the Rural Youth in Construction and upgrading Rural Economy in a small way.
Infosys

Infosys manages to snatch top slot in this ranking criterion. It stands for integrity, trust and excellent HR practices. Infosys is the company that is not just a back office of international companies, but the companies that can be trusted to provide customized solution that have international excellence. It has been rated as one of the most "innovative" companies in the world.

Infosys stands for excellent HR practices. The only generic brand after the TATAs to have made a mark, Infosys is the company that is not just a back office of International companies, but the companies that can be trusted to provide customized solution that have international excellence. Infosys works with a vision to be a globally respected corporation that provides best-of-breed business solutions, leveraging technology and delivering by best-in-class people. It has a mission to achieve the objectives in an environment of fairness, honesty and courtesy towards the clients, employees, vendors and society at large.

Mr. Narayan Murthy of Infosys believes that wealth is to be earned legally and ethically. His vision of Infosys is to become a globally respected corporation and for this Leader Narayan Murthy has emphasized to have the can do approach and be ready to sacrifice personal objectives for the sake of attaining organizational goals. Infosys is actively involved in various community development programs. Infosys promoted, in 1996, the Infosys Foundation as a not-for-profit trust to which it contributes up to 1%PAT every year. Additionally, the Education and Research Department (E&R) at Infosys also works with employee volunteers on community development projects. Infosys leadership has set examples in the area of corporate citizenship and has involved itself actively in key national bodies. They have taken initiatives to work in the areas of Research and Education, Community Service, Rural Reach Programme, Employment, Welfare activities undertaken by the Infosys Foundation, Healthcare for the poor, Education and Arts & Culture.

Tata Group

The TATA Iron and Steel Company were India's first and the largest steel company in the private sector. Today, Tata steel ranks among the worlds top steel company and has
emerged one of the lowest producers of steel of world. The values and the work culture were imbibed by the legendary J.R.D Tata who believed that whether in business or life, it was people which matters the most. Tata steel values viz. "respect for the individual" "credibility" and "excellence" are demonstrated in everything it does. TATA has made commitment towards employee relations, environment, corporate governance and community. TATA brand represents a sense of nationalization, reliability, assurance and a true value for money. Today, the brand Tata can be termed as a brand that represents leadership with trust. The heritage of Tata to return to the society that it earns has evoked trust amongst the consumers, employees, shareholders and the community.

Reliance Group
Dhirubhai Ambani founded Reliance as a textile company and led its evolution as a global leader in the materials and energy value chain businesses. He is credited to have brought about the equity cult in India in the late seventies and is regarded as an icon for enterprise in India. He epitomized the spirit 'dare to dream and learn to excel'. In spite of the de-merger and the controversy in early 2006, when the two Ambani scions Anil and Mukesh decided to go separate ways, the emergence of Reliance, with definite conviction, does reflect the parallel rise of the nascent Indian private sector from behind the shadow of the public sector enterprises. Reliance Industries Limited is the largest private sector business enterprise in India, on all major financial parameters, including sales, profits, net worth and assets. The Reliance – Anil Dhirubhai Ambani Group is among India's top three private sector business houses on all major financial parameters. The interests of the Group range from communications (Reliance Communications) and financial services (Reliance Capital Ltd), to generation, transmission and distribution of power (Reliance Energy), infrastructure and entertainment. Reliance today, conveys a titanic empire emerging as a true blue multinational. In spite of the de-merger and the controversy in early 2006, when the two Ambani scions Anil and Mukesh decided to go separate ways, the emergence of Reliance, with definite
conviction, does reflect the parallel rise of the nascent Indian private sector from behind the shadow of the public sector enterprises.

**SBI**

SBI is today hailed as the big daddy of Indian banks as it touches the lives of people from Kashmir to kanya kumari and building the nation with the enormous welfare activities. The bank has evolved today as a synonym of trust, reliability, and credibility. From a fuddy-duddy sluggish employee image to the image of being customer friendly, India's largest bank SBI has come a long way providing various products and services. The investors are emotionally connected with the tagline of SBI "We have the power of SBI". State Bank of India (SBI), the largest bank of India has been the lifeline of Indian Banking System. With the network of branches throughout the country, it strives to cater the expectations of different stakeholders. With the provision of new and innovative financial product and diversified services, it has attuned itself to the changing needs of time.

**Steel Authority of India Limited**

SAIL is the largest public sector steel industry with vision "To be a respected world-class corporation and the leader in Indian steel business in quality, productivity, profitability and customer satisfaction" and with Credo that

- Building lasting relationship with customer based on trust and mutual benefit
- Uphold highest ethical standards in conduct of their business
- Create and nurture a culture that supports flexibility, learning and is proactive to change
- Chart a challenging career for employees with opportunities for advancement and rewards.
- Value the opportunity and responsibility to make a meaningful difference in people's lives.
Amul Co-Operative
The Brand name AMUL from the Sanskrit word "Amoolya" meaning priceless, has really become the symbol of many things; specifically "the taste of India". AMUL was established in 1971 and since then have achieved leadership position in dairy products and now the big daddy in market. This CIO International IT excellence Award has recognized the Cooperative Movement & its Leadership under the "Amul" brand, initiated by Dr. V Kurien, Milkman of India, who's main Motto is to build Indian Society economically & literally strong through innovative cooperative resourceful network, so as to provide quality service & products to the end consumers and good returns to the farmer members.

Values Drivers: C-LIFE
- Customer Delight: A commitment to surpassing our customer expectations.
- Leadership by Example: A commitment to set standards in business and transactions and be an exemplar for the industry and own teams.
- Integrity and Transparency: A commitment to be ethical, sincere and open in dealings.
- Fairness: A commitment to be objective and transaction-oriented, thereby earning trust and respect.
- Excellence: A commitment to strive relentlessly, to constantly improve the workforce, services and products so as to become the best.

Life Insurance Corporation
LIC offers insurance protection through its insurance services. It utilizes people's money for people's welfare with a mission to ensure quality of life through financial security by providing products and services of aspired attribution with competitive return and by rendering resources for economic development.

Godrej Group
Godrej is focused to set programmes for the well being of the employees in such a manner which will not merely improve a certain set of skill but also improve the overall
life of the employee and the most important point is that the company does not consider the expenses for these programmes as additional cost.

Voltas Group
Voltas Company provides help to Vatsalya, a shelter for street children in Mumbai. Recently it organized a handicraft exhibition-cum-sale (prepared by these children) also inaugurated the computer centre for these children.

Conclusion of literature
Even though companies are taking serious efforts for the sustained development, some critics still are questioning the concept of CSR. There are people who claim that Corporate Social Responsibility underlies some ulterior motives while others consider it as a myth. The reality is that CSR is not a tactic for brand building; however, it creates an internal brand among its employees. Indulging into activities that help society in one way or the other only adds to the goodwill of a company. Corporate Social Responsibility is the duty of everyone i.e. business corporations, governments, individuals because of the reasons: the income is earned only from the society and therefore it should be given back; thus wealth is meant for use by self and the public; the basic motive behind all types of business is to quench the hunger of the mankind as a whole; the fundamental objective of all business is only to help people. CSR cannot be an additional extra - it must run into the core of every business ethics, and its treatment of employees and customers. Thus, CSR is becoming a fast-developing and increasingly competitive field. The case for demonstrating corporate responsibility is getting stronger as expectations among key opinion formers, customers and the public are increasing. Being a good corporate citizen is increasingly crucial for commercial success and the key lies in matching public expectations and priorities, and in communicating involvement and achievements widely and effectively.