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Ancient Fiscal Ethics and Ethical Entrepreneurship: A Manusmṛiti-Based Analysis of Lending Practices, Banking Regulation, and Cross-Border Ad Valorem Taxation

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ABSTRACT

This study explores the foundations of fiscal ethics and ethical entrepreneurship within the framework of classical Indian Knowledge Systems (IKS) with particular reference to lending norms, regulation of interest, banking oversight, contractual integrity, and cross-border ad valorem taxation as articulated in the Manusmṛiti. It demonstrates how principles of transparency, proportional taxation, financial discipline, and moral accountability embedded in this ancient juridical text resonate with contemporary models of financial governance and regulatory ethics.The Hindu concept of dharma is clarified as the rule of moral duty and moral responsibility of action for a person depending on their stage of life or a Sanskrit term that describes the responsibilities of practitioners of commerce and householders (as Vaiśya Dharma) that assists individuals and businesses in their ethical instant choice decision-making of entrepreneurship. The Dharmic Business Ethics model applies to most aspects of business including entrepreneurship, finance, human resources, marketing, trade, and foreign trade, conflict resolution—as such, the moral instructions elucidated in the Manusmriti and more specifically-developed into dharmic principles to provide a practical component of business ethics. The current study argues that employing and building on ideas from Vedic wisdom of ethical responsibility into modern business skills offers guidance to Indian entrepreneurs with role modelling, or theory of mind, of dharma toward equity in lending (money), possession (property), asset ownership, banking, marketing activities, wage equity, and foreign trade.

Keywords: Ethical Entrepreneurship, Vedic Wisdom, Manusmriti Principles, Money-Lending Ethics, Banking Ethics, Foreign Trade, International Taxation, Financial Governance, Business Governance, Ad Valorem Duty, IKS

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1. INTRODUCTION

Ethical entrepreneurship has become very important in today's business world. It shows that real success in business is not only about earning profit but also about doing good for society, acting morally, and protecting the environment (Robinson et al., 2007). In India, where culture and traditions strongly influence business practices, following ethical values in entrepreneurship is especially meaningful. When moral thinking, good governance, and social responsibility come together, they help businesses grow in a sustainable and trustworthy way (Chauhan et al., 2025).

The present study follows the observations from Manusmriti, an ancient Indian text that guides its followers towards Dharma (duty), Satya (truth), and Nyaya (justice). Such values promote honesty, fairness, and responsibility, which are critical for running an ethical business. Even as there is more discussion in the world now about ethical entrepreneurship, few studies have linked ancient Indian values with contemporary notions of corporate governance, sustainability, and social responsibility. But most research is on these things in isolation rather than in concert.

It is with an objective to develop a model of Ethical Entrepreneurship anchored in Manusmriti, accommodating the essential moral values, responsible management, and social peace. It takes Indian entrepreneurship back to traditional wisdom for the challenges of today by popularizing ethical, sustainable, and socially responsible businesses.

2. REVIEW OF LITERATURE

The review of the literature indicates that there is an increasing demand for ethical entrepreneurship by combining moral values, good governance, and social responsibility. Drawing from the Manusmriti that propagates Dharma (duty), Satya (truth), and Nyaya (justice), this review attempts to get insights into the global perspective as well as the Indian viewpoint in order to create a stronger platform for moral business and responsibility.

2.1 Ethical Decision-Making and Entrepreneurial Conduct

Entrepreneurs regularly confront tough moral decisions that can impact their reputation and the trust of their customers and employees. Research reveals that an ethical reflection on businesses is a contributor to better and wiser decision-making by business owners (Robinson et al., 2007). Culture also shapes perception of right and wrong, and creates long-term trust (Belás et al., 2020). Ethical leadership enhances honesty in organizational behavior (Sroka & Lőrinczy, 2015) while the practical skills taught ensure ethics and sustainability are incorporated into actual business operations (Charlebois & Foti, 2017). The Manusmriti principles of Truth (Satya) and Non-Violence (Ahimsa) can help an entrepreneur take just and honourable decisions in dire conditions.

Research Question 1: How can ethical principles from the *Manusmriti* influence decision-making and moral behavior among Indian entrepreneurs?

2.2 Governance, Sustainability, and Ethical Responsibility

Good governance is a critical element of sustainable entrepreneurship, including transparency, accountability, and participation of all stakeholders (Aras & Crowther, 2008). According to the Ordoliberal Approach, "open discourse" can contribute to shaping institutional economics in a sustainable way (Pies & Schultz, 2023). Another conditional factor of contribution is social innovation, which represents a lever for more responsible entrepreneurship (Grilo & Moreira, 2022). Inspired by Manusmriti's definition of dharma, this concept provides a holistic ethical

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framework to guide the governance and business endeavours, which founders can use to harmonize profits with people and planet.

Research Question 2: How can *Manusmriti's* concept of **Dharma** help improve ethical governance and support sustainable business in India?

2.3 Social Harmony, Cultural Wisdom, and Vedic Entrepreneurship

The foundation of ethical entrepreneurship also relies on cultural values and on social equity. Vedic doctrines such as karma yoga (selfless action) and seva (service) relate closely to social entrepreneurship (Madan, 2017). Encouraging social harmony can enhance the existence of business ethics (Muzayanah et al., 2024). The concept of Vedic Entrepreneurship is based on disciplined morality, able leadership, and community wellbeing (Chauhan et al., 2025). If entrepreneurs, as Indians, can take their Manusmriti and Vedic values to develop ethical leadership, good governance, and social harmony in companies.

Research Question 3: How can Vedic and Manusmriti based values help build social harmony and ethical leadership in today's Indian businesses?

3. RESEARCH GAP

Earlier studies have looked at ethical decision-making, governance, and social entrepreneurship separately. However, there is very little research that combines **ancient Indian ethical principles** with modern corporate governance and sustainability ideas. In particular:

- Only a few studies explore how values from the **Manusmṛiti** can guide modern Indian entrepreneurs.
- There are no clear models showing how ethical decisions, good governance, and social well-being can work together under a dharmic approach.
- There is limited work on connecting global ideas about ethics and sustainability with India's cultural and spiritual context.

Because of this, there is a need for a study that creates a complete framework for ethical entrepreneurship in India, based on its culture and traditions.

4. OBJECTIVES OF THE STUDY:

- To understand ethical rules for business from the Manusmṛiti
- To develop a governance model based on Dharma (duty) and Fairness in business
- To connect ancient Vaishya responsibilities with modern business ethics
- To examine rules and guidelines for finance, trade, labor, and sustainable practices

5. RESEARCH METHODOLOGY

5.1 Research Design and Philosophical Orientation

The study will focus on in-depth understanding and descriptions of views, experience and perspective

5.2 Source of Data

The research is based on existing information (**secondary data)**, primarily obtain from the *Manusmṛiti*—specifically **Chapters 8 and 9**, which discuss law, morals, and money. Few related books and papers by experts(scholars) have been used to help understand the Manusmriti teachings. A focused study of Manusmriti's text has assisted in understanding the relevant ethical lessons and their analysis.

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5.3 Data Analysis

The study uses a **textual and thematic content analysis technique** which means they look closely at the text (what it says) and the themes (the main idea) is to interpret and sort the ethical teachings and lessons found in Manusmriti. Each selected shloka is analyzed to pull out moral values and ethical insights relevant to modern ideas like entrepreneurship, governance, and leadership.

5.4 Pillar-Based Thematic Coding Framework

A **pillar-based thematic coding framework** is employed to systematically organize and interpret the ethical insights derived from the Manusmṛiti. Each selected Shloka is carefully analysed and categorized under one of the following eight conceptual pillars:

1. Duties and Dharma
2. Knowledge & Skills
3. Money-Lending Ethics
4. Banking Ethics
5. Sale of Goods (Marketing Ethics)
6. Labor & Wage Ethics
7. Foreign Trade and International Taxation Ethics

Source: *Adapted from Khandelwal, N. M. (2018). Learn Ethics From Manusmriti (Dharma as Eternal Ethics or Duties) (First ed.). University Book Production Board Guj rat State*

5.5. Dharma-Guided Entrepreneurship in Manusmṛiti

Pillar	Ethical Focus	Key Shlokas
1. Duties & Dharma	Agriculture, trade, and animal husbandry as sacred obligations	9.326–9.328
2. Knowledge & Skills	Commodity pricing, quality control, logistics, wage setting	9.329–9.333
3. Money-Lending Ethics	Interest cap (15% p.a.), no compound interest, ethical promissory notes	8.140, 8.143–8.155
4. Banking Ethics	Moral character, deposit return, fraud penalties, secrecy norms	8.180–8.195
5. Sale of Goods (Marketing Ethics)	No adulteration, fair pricing, return policies, breach penalties	8.199–8.223
6. Labor & Wage Ethics	Performance-based pay, backlog clearance, sickness clauses	8.215–8.217
7. Foreign Trade and International Taxation Ethics	Legal trade only, 5% ad-valorem duty, expert price setting	8.399–8.400

5.5.1. DUTIES & DHARMA

The Manusmṛiti is a key text in ancient Indian law and social ethics outlining the duties of the Vaishya class, who are traditionally responsible for occupations like commerce, agriculture and livestock care. Shlokas 9.326-9.328 makes clear the ethical basis of Vaishya entrepreneurship, situating economic behaviour not as a mere pursuit of profit, but as a sacred duty to act for the purposes of dharma.

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vaiśyas tu kṛtasaṃskāraḥ kṛtvā dāraparigraham |
vārtāyāṃ nityayuktaḥ syāt paśūnāṃ caiva rakṣaṇe || 9.326 ||[1] "A Vaishya, after completing his spiritual rites and marriage, should always engage in trade and protect cattle."
prajāpatir hi vaiśyāya sṛṣṭvā paridade paśūn |
brāhmaṇāya ca rājñe ca sarvāḥ paridade prajāḥ || 9.327 ||[2]
"The Creator assigned cattle to Vaishyas, education to Brahmins, and governance to Kshatriyas."
na ca vaiśyasya kāmaḥ syān na rakṣeyaṃ paśūn iti |
vaiśye cecchati nānyena rakṣitavyāḥ kathaṃcana || 9.328 ||[3]
"A Vaishya must never think, 'I will not protect the cattle.' Even if he wishes otherwise, the responsibility of protecting them cannot be given to anyone else."

5.5.1.1 Interpretation and Ethical Implications

These These three shlokas form the **core duties (dharma) of the Vaishya class**, showing that business is not just about making money but is a **sacred responsibility**. The Manusmriti shows the ethics for a business person in **three main parts.**

Personal Readiness (9.326):

- A person should first take care of their spiritual and social life (like completing life events such as religious ceremonies, marriage.
- Entrepreneurship or business not just about profit making is seen as a part of person's moral development and contribution to society.

Divine Delegation (9.327):

- Everyone has a role to play and everyone is assigned to do different social jobs
- Vaishyas are responsible for agriculture and material wealth, especially caring for cattle.
- Business is seen as a way to **safeguard life and resources**.

Non-Delegable Responsibility (9.328):

- Caring for cattle cannot be passed on to someone else.
- Entrepreneurs must stay personally responsible, showing that ethical governance starts with **direct involvement and integrity**.

5.5.1.1.2. Relevance to Contemporary Business Governance

These verses offer a **values-based framework** for modern Indian entrepreneurship:

- **Business as Dharma:** Companies should focus on social responsibilities, not just profit.
- **Sustainability & Animal Welfare:** Ethical treatment of animals and sustainable practices are essential.
- **Accountability:** Leaders cannot delegate ethical duties entirely; they must be personally engaged in the well-being of their business and stakeholders.

5.5.2 KNOWLEDGE & SKILLS

The Manusmṛiti explains that a Vaishya (businessperson) needs **both good morals and practical knowledge** to run a proper and responsible business. Shlokas 9.329–9.333 describe the main skills a Vaishya should have, from understanding goods to managing wages and logistics.

1Manusmṛiti. (Chapter 9, Shloka 325). On Vaishya duties: spiritual readiness, trade, and cattle protection.

2 Manusmṛiti.. (Chapter 9, Shloka 327). Divine delegation of duties: cattle to Vaishyas, education to Brahmins, governance to Kshatriyas.

3 Manusmṛiti.. (Chapter 9, Shloka 328). Non-delegable responsibility of cattle protection by Vaishyas.

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maṇimuktāpravālānāṃ lohānāṃ tantuvastrayaḥ |
gandhānāṃ ca rasānāṃ ca vidyāyāṃ ca balābalam || 9.329[4]

"A Vaishya must know how to set the value of goods, improve seeds, and check the quality of land."

sārāsāraṃ ca bhāṣāṇāṃ deśānāṃ ca guṇāguṇān |
lābhālābhaṃ ca paṇyānāṃ paśūnāṃ paripālanam|| 9.331 ||[5]
bhṛtyānāṃ ca bhṛtiṃ vidyād bhāṣāś ca vividhān guṇān |
dravyāṇāṃ sthānayogākṣaṃ kāryavikrayam eva ca [6]

"He should know the good and bad qualities of goods, the best places to buy them, the markets to sell, and how profit and loss works".

These verses offer a **values-based framework** for modern Indian entrepreneurship.

5.5.2.1 Interpretation and Ethical Implication

These verses define the **skillset of a dharmic entrepreneur**, integrating economic acumen with ethical responsibility:

- **Product knowledge (9.329)**: The business person must understand things like how to set the product prises, the quality of land and how much crops can be produced during the time. This shows dharmic commitment to using resources sustainable (not wasting them) and informed decisions.
- **Trade Intelligence (9.331)**: Ethical trade means requires knowledge of where to get goods(sourcing) how to sell them (selling) and how much profit you make (profit margins.) The Vaishya (business person) must avoid cheating or taking an advantage of people (exploitation) and must be good at fair pricing and managing the entire supply chain.
- **Operational Excellence (9.332)**: Fair Wage setting, communication in different language, storage warehousing, and knowing the right timing are essential for management skills for deciding all this business activities. These skills will ensure the business run fairness and efficiency.
- **Social Contribution (9.333)**: creating wealth must benefit society. The Vaishya (business person) has a duty to make sure there in enough food and that is equally distributed fairly to everyone. This reinforces the idea that running a business is a service to the public

5.5.2.2 Relevance to Modern Business

These old verses offer a practical and ethical guide or blueprint for business people in modern Indian entrepreneurship:

- **Competence as Dharma: Being good at your job (technical skills) isn't separate from being a good person(ethics). It means technical skill is not separate from ethics. Being skilled is part of moral duty(dharma)**
- **Fair Trade transparency: Knowledge of pricing, sourcing, and logistics and make sure the business is honest and open and protects customer.**
- **Human Resource Ethics and workplace justice: It means treat you workers with respect and fairness. and decision about setting fair wages and communicating with staff should**

4 *Manusmṛiti. (Chapter 9, Shloka 329). Knowledge of pricing, seed improvement, and land quality.*

5 *Manusmṛiti. (Chapter 9, Shloka 331). Understanding product quality, sourcing, selling, and profit/loss.*

6 *Manusmṛiti. (Chapter 9, Shloka 332). Understanding product quality, sourcing, selling, and profit/loss.*

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show respect for **labor** and having a **diverse** workforce to contribute in the growth of business.

- **Social Impact Orientation: Entrepreneurs must make money while also helping society and making sure there is enough food for everyone (food security)**

5.5.3. MONEY-LENDING ETHICS

This part of the *Manusmṛiti* gives a detailed ethical rulebook for financial transaction especially when lending money. Shlokas 8.140 and 8.143–8.155 regulate interest rates, asset pledging, promissory notes, and borrower protection, this rule emphasize fairness, self control, and moral responsibility when dealing with financial terms.

ṛṇe deye pratijñāte patrakaṃ śatam arhati |
apahvaye taddviguṇaṃ tan manoḥ anuśāsanam || 8.139 ||
vasiṣṭhavihitāṃ vṛddhiṃ sudviguṇtivivardhanīm |
aśīti bhāgāṃ gṛhṇīyān māsād ardhabhājikām || 8.140 ||[7]

“Wealth can grow through lending, but interest must not be more than 15% per year.”

a tv evavādhyaḥ sopakāre kausīdīṃ vṛddhim āpnuyāt |
na cādheḥ kālasaṃrodhāt trisarge ’sti na vikrayaḥ || 8.143 ||
na bhoktavyā balād ādhibhūṣāṇo vṛddhim utsṛjet |
mūlyena toṣayec cainam ādhiṣṭhāneno ’nyathā bhavet || 8.144 ||8

“He may take share of output in lieu of interest. He has no right to claim interest if he has no right to claim interest if he is using pledged / mortgaged asset. Such assets are owned by a debtor and cannot be sold without his consent. Any loss or damage of such asset be made good by money lender to debtor. “

kusīdavṛddhidviguṇyaṃ nātyeti sakṛd āhatā |
dhānye sade lave bāhye nātikrāmati pañcatām || 8.151 ||
kṛtānusārād adhikāṃ vyatikrāntāṃ na siddhyati |
kusīdapatham āhus taṃ pañcakaṃ śatam arhati || 8.152 ||[9]

“If principal amount and interest both are paid together, the amount of claim will not exceed double of the principal amount. “

5.5.3.1. Interpretation and Ethical Implications

These verses create a **dharmic code for financial ethics**, focusing on fairness, self-restraint, and protecting vulnerable borrowers:

- **Interest Limit (8.140, 8.151):** Lending is fine, but interest must not be higher than **15% per year**, and total amount with interest you can pay back can never be twice the principal loan amount. This prevents lenders from taking an advantage of people.
- **No Compound Interest (8.143):** Charging interest on interest is forbidden. It means you can’t charge interest on the interest on the internet that hasn’t been paid yet. Its main goal is money should grow in an honest way not by creating massive unfair debt for the borrower.
- **Borrower Protection (8.155):** Lenders must be kind and honest when collecting debts and not **use force**. They are expected to act with honesty and kindness.

7 Manusmṛiti. (Chapter 8, Shlokas 139–140). Interest rate cap: not exceeding 15% annually.

8 Manusmṛiti. (Chapter 8, Shlokas 143–144). Prohibition of compound interest; interest may be in kind.

9 Manusmriti. *(Chapter 8, Shlokas 151–152. Regulation of Interest, Prevention of Usury, and Ethical Lending Practices.*

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5.5.3.2. Relevance to Contemporary Financial and Business Governance

These learnings from Manusmriti argue that ancient teachings give a **timeless guide for ethical finance**:

- **Fair Lending:** Keep interest rates reasonable and transparent. This is essential to protect borrowers from falling into debt traps.
- **Financial Justice:** Lenders must avoid charging interest on interest (**compound interest**) and unfair repayment plans, this following both ancient ethical (dharmic principles) and modern laws.
- **Honest Contracts:** All documents such as Loans, promissory notes, and collateral must be handled clearly and legally.
- **Respect for Borrowers:** Borrowers' rights and dignity must be protected; no coercion or abuse is allowed.

5.5.4. BANKING ETHICS

The Manusmṛiti gives guidance on **ethical banking and financial trust**. Shlokas 8.180–8.195 explain the duties of deposit holders, rights of depositors, and penalties for fraud or mismanagement.

yo yathā nikṣipedd haste yam arthaṃ yasya mānavaḥ |
sa tathaiva grahītavyo yathā dāyas tathā grahaḥ || 8.180 ||[10]

"Whoever accepts a deposit must return it as agreed, without involving third parties, and stay accountable to the depositor."

nikṣepopanidhī nityaṃ na deyo praty-anantare |
naśyato vinipāte tāv anipāte tv anāśinau || 8.185 ||[11]

"If the deposit is lost or its value is unclear, the custodian must fairly compensate the depositor."

nikṣepeṣv eṣu sarveṣu vidhiḥ syāt parisādhane |
samudre nāpnuyāt kiñcid yadi tasmān na saṃharet || 8.188 ||12

"If the custodian hides the deposit or its details, he should be punished."

5.5.4.1. Interpretation and Ethical Implications

- **Deposit Integrity (8.180):** Custodians must return deposits as promised and be personally accountable. Banking is based on **trust, not just transactions**.
- **Fair Compensation (8.183):** If someone loses a money or if the value of the deposit is uncertain, the custodian must **pay back the original owner fairly**
- **Transparency & Penalty (8.185):** Hiding deposits or lying about them and giving false information is a serious crime that must be punished. Ethical banking requires **complete honesty and openness**.

5.5.4.2. Relevance to Contemporary Financial and Business Governance

These teachings provide a **timeless guide for ethical banking**:

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10 *Manusmṛiti. (Chapter 8, Shloka 180). Deposit integrity: return as agreed, no third-party involvement*

11 *Manusmṛiti. (Chapter 8, Shloka 185). Penalty for hiding deposit details or misreporting.*

12 Manusmṛiti. (Chapter 8, Shloka 188). Accountability and Ethical Custodianship in Financial Transactions.

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- **Trust-Based Banking:** Banks must maintain the trust of depositor through **open transparent, responsible and accountable practices**.
- **Preventing Fraud:** Poor management, hiding information, and misuse of customer funds are **unethical** and against the law.
- **Consumer Protection:** Consumers who spend money must be protected **with fair compensation** and clear rules.
- **Integrity:** Bankers and anyone else holding customer money must demonstrate **moral character**, they should treat banking as a sacred responsibility.

5.5.5. MARKETING ETHICS

The Manusmṛiti provides guidance on **ethical trade and marketing**, emphasizing honesty, product quality, and protecting the buyer. The Shlokas 8.199–8.223 outline rules about, falsification, fair pricing, how to handle returns, and punishments for breaking trust.

asvāminā kṛto yas tu dāyo vikraya eva vā |
akṛtaḥ sa tu vijñeyaḥ vyavahāre yathā sthitiḥ || 8.199 ||[13]

"Sale of goods or assets without consent of its owner will be void".

vikrayād yo dhanaṃ kiñcid gṛhṇīyāt kula-santriyaḥ |
kreṇā sa viśuddhaṃ hi nyāyato labhate dhanam || 8.201 ||
atha mūlam anāhāryaṃ prakāśa-kraya-śodhitaḥ |
anṛṇyo mucyate rājñā nādhiko labhate dhanam || 8.202 ||[14]

"But if the goods are purchased from a commission agent in the market, the bonafide buyer can't be punished. The owner can claim back goods after making repayment of price paid by bonafide buyer."

nānyad annena saṃsṛṣṭaṃ vikrayam arhati |
na cāsāraṃ na ca nyūnaṃ na dūreṇa tirohitam || 8.203||[15]

"The trader should not misrepresent fake goods as genuine goods. He should not charge excess price and under weigh goods. He shall be liable to punishment by the State."

pareṇa tu daśakasya na dadyāt rāpy adāpayet |
ādadāno dadac caiva rājñā daṇḍyaḥ śatāni ṣaṭ || 8.223||[16]

"The defaulter will be punished by the State. The condition 'Goods once sold be not taken back' is not lawful."

5.5.5.1 Interpretation and Ethical Implications

- **Ethical Sales (8.200):** Sellers must always be truthful and avoid deceiving buyers.
- **Fair Pricing & Quality (8.202):** Products must meet quality standards, and prices should be fair.
- **Transparency requirement (8.203):** Sellers are mandated to fully disclose defect and respect the consumer trust.

5.5.5.2. Relevance to Contemporary Business Governance

These teachings are served as a practical **guide for ethical marketing today**:

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13 *Manusmṛiti (Chapter 8, Shloka 199).* **Ownership Rights and Ethical Conduct in Trade Transactions.**

14*Manusmṛiti,(Chapter 8, Shlokas 201–22).Fair Trade Practices, Transparency, and Justice in Commercial Transactions.*

15*Manusmṛiti,(Chapter 8, Shloka 203). Purity, Quality Standards, and Ethical Practices in Sale of Goods.*

16 Manusmṛiti, *(Chapter 8, Shloka 223) Consumer Rights, Accountability, and Legal Enforcement in Trade.*

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- **Consumer Protection:** Buyers should be safe from fraud and defective products.
- **Product Quality:** Businesses must maintain high-quality standards and clear labeling.
- **Refunds & Redress:** Defective products should be replaced or refunded as a matter of ethical obligation.
- **Trustworthy Branding:** Honest marketing is key to establishing a healthy relationship and build long-term trust with consumers.

5.5.6. LABOR & WAGE ETHICS

The Manusmṛiti highlight the **moral aspects of employment**, give guidelines for pay workers fairly and on time, taking care of worker health condition, clear work agreement. Shlokas 8.215–8.217 highlight performance-based pay, timely payment, and health considerations.

kṛtaṃ karma prayacchet na ca kāle 'tikramet |
na ca kiñcid avijñāya dātavyaṃ karma-kurvate || 8.215 ||[17]

"Wages must be paid only after work is completed, on time, and after they finish their agreed upon tasks

na ca rogeṇa pīḍitaṃ karmaṇā yojayet kvacit || 8.216 ||[18]

"No one should be forced to work while sick."

karmaṇaḥ samyag ācakṣyaṃ vetanaṃ ca yathārhataḥ |
na cātikrāmyaṃ kālaṃ syāt pratidānaṃ ca yathāvidhi || 8.217 ||[19]

"Work must be clearly defined, wages should be fair, and payment must be made on time and correctly."

5.5.6.1 Interpretation and Ethical Implications

- **Timely and Transparent Payment:** Workers must be paid promptly for agreed-upon tasks.
- **Health-Based Exemption:** Sick employees should not be forced to work.
- **Fair Compensation:** Wages should reflect the value of work, ensuring dignity and fairness.

5.5.6.2 Relevance to Contemporary Business Governance

- **Employment Contracts:** Clear job descriptions and wage agreements ensure fairness.
- **Sick Leave & Welfare:** Respecting health and providing humane working conditions is essential.
- **Timely Payroll:** Delayed payment are categorized as unethical and illegal (against the law)
- **Labor Dignity:** Workers are considered as a stakeholder whose rights and well-being must require protection

5.5.7 Foreign Trade and International Taxation Ethics

The Manusmṛiti offers guidance for **ethical international trade and international taxation ethics.** Shlokas 8.399–8.400 emphasize legal compliance, expert valuation, and fair taxation for cross-border commerce.

rājñaḥ prakhyāta-bhāṇḍāni pratiṣiddhāni yāni ca |
tāni nirharato lobhāt sarvahāraṃ haren nṛpaḥ || 8.399 ||
śulka-sthānaṃ pariharan akāle kraya-vikrayī |
mithyāvādī ca saṃkhyāne dāpyo 'ṣṭaguṇam atyayaṃ || 8.400 ||[20]

17 *Manusmṛiti. (Chapter 8, Shloka 215). Timely payment for agreed work.*

18 *Manusmṛiti.(Chapter 8, Shloka 216). No forced labour during illness.*

19 Manusmṛiti. (Chapter 8, Shloka 217). Fair wages and timely payment.

20 *Manusmṛiti (Chapter 8, Shlokas 399–400) — Regulation of Foreign Trade, Fair Pricing, and Ethical Taxation in Foreign Trade*

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"Import -export experts to determine prices every 5 days or 15 days . Ad-valorem duty be kept at 5%. Don`t indulge in illegal foreign trade."

5.5.7.1 Interpretation and Ethical Implications

- **Expert Valuation:** Goods must be check by qualified experts or professionals to ensure fair pricing.
- **Tax Duty**: For a trade a tax of 5% must be paid after ensures experts have valued the goods and contributes to collective welfare.
- **Regulated Exchange:** Trade must follow ethical and legal norms, balancing what's good for the business and what's good for the country

5.5.7.2. Relevance to Contemporary Business Governance

- **Customs Compliance:** Business who deal with import-export businesses must strictly follow valuation of goods and taxation laws.
- **Expert Oversight:** Trade valuation should be transparent and audited professionally.
- **National Contribution:** Fair taxation supports public revenue.
- **Global Ethics:** Indian businesses in global markets should maintain integrity, legality, and social responsibility.

6. CONCLUSION, SIGNIFICANCE, AND RESEARCH IMPLICATIONS

This study is important for entrepreneurs who wants to be ethical in their business. It helps to fill a theoretical gap by offering a new way to run a business by providing a model based on Manusmṛiti to harmonize the ancient Indian dharmic wisdom (especially from the Manusmriti) with modern business methods. By critically examining primary shlokas, it redefines the business responsibilities of Vaiśyas (commercial and trading people) to match with modern areas like finance, marketing, labor, trade, and corporate social responsibility. The framework highlights that entrepreneurship or business is actually a moral calling, and not just a money-making activity. This study takes the ancient wisdom and turns it into specific actionable on how to make ethical decisions, meet stakeholders' obligations, and build sustainable operations. Build your business case for long-term value. Everything starts with the business case for a long-term orientation. The central part of the study is a Seven-Pillar Framework that offers an organized and clear brief set of moral architecture for ethical business actions.

Integrating the Seven Pillars of Manusmriti into Modern Business Governance and Financial Governance : Towards Ethical and Sustainable Entrepreneurship

These **seven ethical pillars** are the final part of a complete guide to running a business that connects **ancient wisdom** (*dharmic principles*) with **modern ethics and rules**. By using the ideas from the Manusmṛiti in today's business world, this research creates an **ethically strong plan** (a robust roadmap) for business owners in India. This plan helps them solve **ethical problems** and supports innovation that is **socially responsible**. It urges future academics and business leaders to consider how conventional ethical models can help to facilitate inclusive, sustainable, and integrity driven entrepreneurship within India, and international also.

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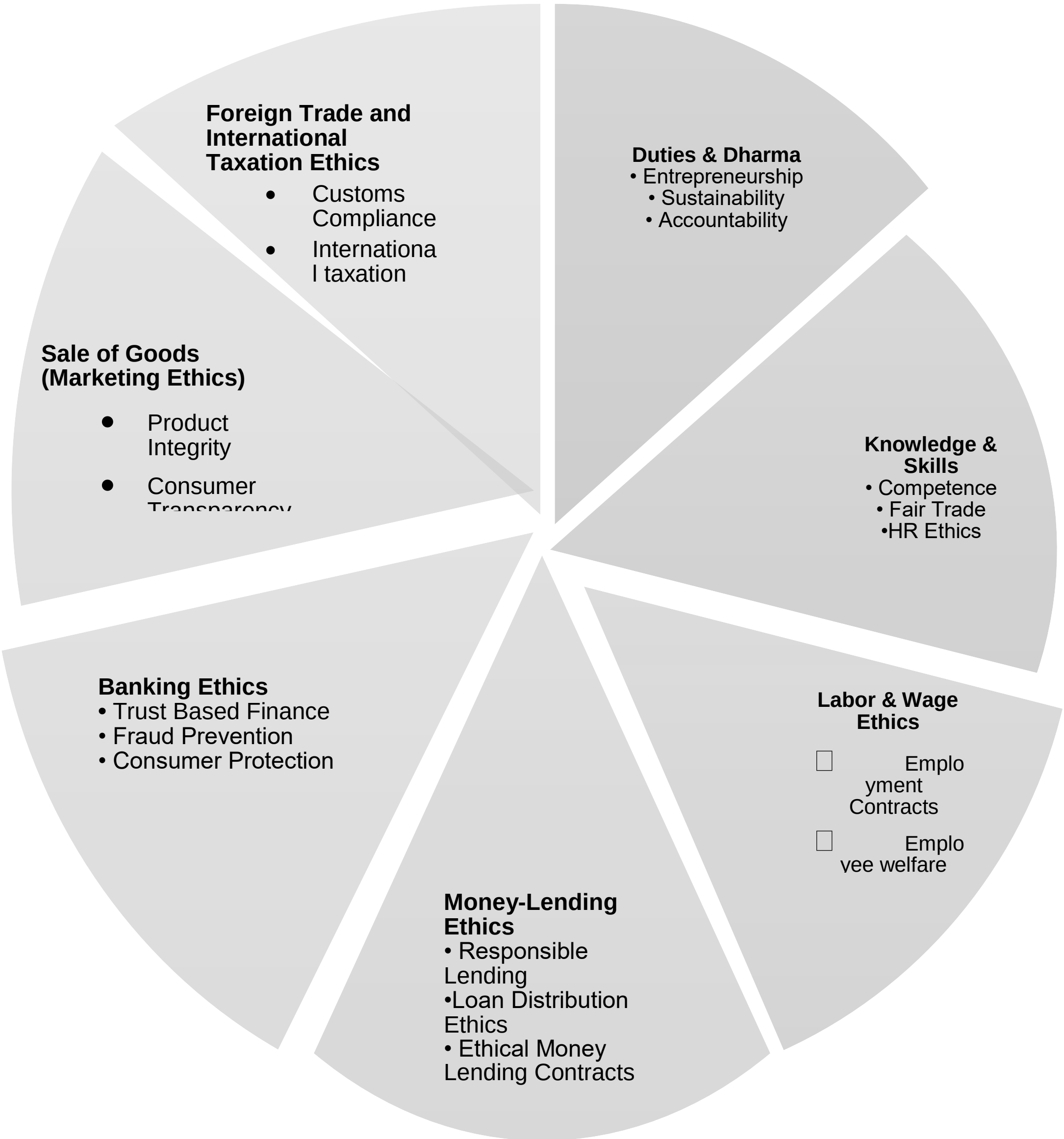

Significance of the Study

- **Cultural Reclamation in Business Ethics:** In a world largely influenced by Western ethical models, this study revives India's indigenous ethical heritage, offering a culturally meaningful alternative based on the moral philosophy of Manusmṛiti.
- **Contextual Relevance for Indian Entrepreneurs:** By linking ancient dharmic duties with modern business functions, the framework gives Indian entrepreneurs a values-based guide that is both spiritually grounded and practically applicable.
- **Bridging Tradition and Modernity:** The study shows that ancient texts like Manusmṛiti are not just historical relics but living sources of ethical wisdom that can guide modern governance, sustainability, and social innovation.

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- **Policy and Pedagogical Utility:** The framework can be integrated into entrepreneurship education, business ethics curricula, and policy guidelines, helping promote responsible and inclusive economic development in India.

7. Research Implications

7.1. Academic and Policy Implications

The Manusmṛiti-inspired framework makes significant contributions to both research and policy:

- **Academic Contribution:** It advances the study of Dharmic Business Ethics by introducing a structured, shloka-based model that merges ancient Indian principles with contemporary governance. This provides a foundation for future conceptual and empirical studies exploring indigenous approaches to ethical entrepreneurship.
- **Empirical Application:** The framework can be tested across different sectors and regions using case studies, surveys, or ethnographic research to measure its impact on ethical decision-making and organizational performance.
- **Pedagogical Value:** This framework helps make business school classes better. And support educational programs (**curricula**) in business schools that are aware of **Indian culture** and have a strong foundation in **ethics**.
- **Policy Guidance:** This offers practical advice for writing modern rules and laws. It also offers practical useful insights for making codes of conduct in important areas like microfinance (small loans), worker protection, consumer protection, and sustainable trade, connecting modern rules with **India's traditional ethical values**.

7.2. Corporate and Practical Implications

the Seven-Pillar Framework provides the guidance for include ethics in business:

- **Values-Based Leadership:** Leaders should run the company based on strong moral values. It encourages founders and executives to lead according to Dharma (duty), Satya (truth), and Nyāya (justice), they should act as protectors of **social well-being**.
- **Stakeholder Trust and Reputation:** Being ethical builds a great company reputation**.** By focusing on fair pricing, consumer protection, and labor dignity, the business earns trust and makes its brand more credible.
- **Risk Management**: Ethics reduce business risk. This framework tells companies not to use unfair or exploitative practices and promote transparency in contracts and operations.
- **Sustainability and Social Impact:** Business must think about the planet and society. It guides companies to include environmental care and social responsibility into their strategies.
- **Global Trade Ethics:** It helps Indian companies trade ethically worldwide. For Indian businesses in international markets, it provides guidance on compliance, fair valuation, and contributing ethically to national interests.

Overall, this entire study offers a set of ethical rules that are relevant to India culture (culturally relevant) and provide a reliable framework for making Indian business more ethical and responsible.

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