

Reviving Indian Knowledge systems for sustainable finance: Insights from MBA students on awareness, perception, and implementation challenges

Dr. Prakruthi N Udupa, Associate Professor, Department of MBA & Research Centre, Surana College (Autonomous), #CA -17, Tumkuru - Mysuru Road, Kengeri Satellite Town, Bengaluru-560060, email id :prakruthinudupa.mba@suranacollege.edu.in , Mobile No: 90089 69438

Abstract

In light of increased worldwide concern for moral failings, ecological catastrophes, and increasing socio-economic inequalities, sustainable and culturally sensitive financial frameworks are urgently needed now. Although Sustainable Development Goals (SDGs) and ESG models are becoming increasingly popular, most of these purely Western concepts ignore indigenous culture, such as the Indian Knowledge Systems (IKS). Drawn from works like Arthashastra, Thirukkural, and Manusmriti, IKS presents us with a moral, ecological, and socially aware approach to understanding money, leadership, and accountability. Though relevant today, IKS remains glaringly absent in mainstream business school education, especially in MBA finance courses.

This research fills the empirical gap by measuring MBA students' perception, awareness, and perceived IKS problems in sustainable finance. A descriptive and exploratory research design was conducted, and primary data were gathered from 60 students using structured questionnaires having Likert-scale and open-ended questions. Data analysis encompassed descriptive statistics, Cronbach's Alpha, correlation, regression, and ANOVA.

Results show moderate awareness and positive, strong perceptions of the use of IKS to ethics and sustainability. Main barriers are limited integration in the curriculum and inadequate faculty training. Regression analysis showed that awareness predicts positive perception, as well as exposure to the curriculum predicts support for integration. ANOVA showed significant support variation by exposure to curriculum, but not by gender or institution.

Recommendations are specific curricular changes, teaching staff training, and the availability of teaching materials to sufficiently integrate IKS into finance education so that there can be a more ethical, sustainable, and culturally informed learning platform.

Key words: Awareness, Indian Knowledge System, Implementation challenges, MBA students, Perception, Sustainable finance.

1. Introduction

As a time of environmental crisis, socio-economic disparity, and ethical lapses in the financial sector, the necessity for new economic and financial principles visions has increased. Current frameworks of sustainable finance, such as Sustainable, Social, and Governance (ESG) considerations and United Nations Sustainable Development Goals (SDGs), have sought to integrate ethical and environmental issues into the core of conventional economic paradigms (UNEP, 2021; Khan, Serafeim, & Yoon, 2016). But these largely Western-in-origin paradigms are likely to overlook long-established indigenous perspectives that have invariably emphasized harmony between human agency and the natural world. One such fertile but untapped tradition is the Indian Knowledge System (IKS)—a cornucopia of philosophies, sciences, and socio-economic practices in a civilizational matrix that offers a balanced and moral vision of collective wealth, power exercised, and sustainability (Ghosh, 2021; Tiwari & Kumar, 2024).

IKS as found in old Indian literature like Kautilya's Arthashastra, Thirukkural, and Manusmriti is a system of values combining economic action (Artha) with responsibility in morals (Dharma). Social justice and responsibility in morals (Nyaya) are depicted in the above works as a context of wealth not as accumulation but as an instrument of social well-being, just governance, and conservation (Manrai & Goel, 2017; Muniapan & Dass, 2008). The notion of "trusteeship" that Mahatma Gandhi had in mind, drawing on dharmic thought, talks of judicious ownership and redistribution of wealth for the good of society—ideas which are very much in harmony with the principles of sustainable finance (Gupta, 2024). In addition, sustainable ecologies like water harvesting (e.g., baolis, johads), societies based on the local economy, and systems like holistic health based on Ayurveda reflect an inclusive indigenous conception of sustainability long before contemporary green movements (Sharma, 2025; Veena, 2024).

Although its contemporary significance, IKS still has negligible integration into formal financial education, and particularly business schools. Although policy initiatives like National Education Policy (NEP) 2020 and University Grants Commission (UGC) guidelines promote integration of IKS into higher education, their implementation into management and finance courses is limited and varied (Lal et al., 2024). This incoherence is especially relevant considering the pivotal role that MBA students are destined to assume in the future as finance

leaders, policymakers, and corporate strategists. Knowing how much they actually know, think to be applicable, and anticipate to be difficult to put into practice IKS-based solutions is paramount when deciding to what extent and how these traditional systems can offer a tangible contribution to sustainable finance today.

While theoretical literature offers compelling reasons for the linkage between IKS and sustainable finance, empirical studies of the extent to which students interact with this knowledge area are limited (Jain, 2025; Koley, 2025). This study aims to fill the knowledge gap by investigating MBA students' awareness, perception, and perceived implementation problems of the application of Indian Knowledge Systems to sustainable finance. By a mixed-methods design that combines quantitative questionnaires with qualitative findings, the research hopes to make useful empirical contributions to curriculum development, institutional change, and education policy. Ultimately, it hopes to enable more culturally sensitive, ethically sound, and sustainability-focused practice in Indian financial practice and education.

2. Statement of the Problem

However, despite having such rich heritage and twenty-first-century relevance for having an impact on ethical, green, and socially embedded financial systems, the application of IKS to MBA financial courses, as part of financial education, is very limited and not explored to its full potential. Ancient literature like Arthashastra, Thirukkural, and other Smritis contain advanced concepts and logical formations pertaining to governance, taxation systems, resource management, and ethics economics that are much closer to modern concepts of ESG investing, Stakeholder Capitalism, and Sustainable Development. These conceptualizations view economic agents from an eco-friendly and ethical perspective that is completely different from modern-day profit-centric financial systems.

In contemporary literature, this potential is explored on a theoretical basis. Although there are studies and policy reports, such as the National Education Policy 2020, indicating the need to incorporate IKS in higher education, there is a lack of scientific studies on the views and understanding.

3. Research Gap

Despite policy support at the policymaking stage, i.e., by National Education Policy (NEP) 2020 and UGC efforts encouraging adoption of IKS in higher education, there is an acute lack of empirical studies on how existing or prospective finance professionals, i.e., MBA students,

interact with such indigenous frameworks. Scholarship (Lal et al., 2024; Jain, 2025; Koley, 2025) indicates recurring issues in the form of colonial pedagogic inclinations, poor integration into the curriculum, and questioning of applicability to real-life situations. These restrictions have curtailed effective integration of IKS paradigms into finance instruction and training.

Most importantly, there is a stunning lack of base-level evidence of MBA students' knowledge, understanding and perceived barriers to implementation of IKS in sustainable finance. In their absence, curricular change will necessarily be superficial, student-decoupled, and culturally irrelevant. This absence requires systematic examination of students' perceptions of the applicability and usefulness of IKS in order to be able to design more contextualized, ethically grounded, and sustainability-focused models of finance education.

4. Research Questions

1. To what extent is there awareness among MBA students about Indian Knowledge Systems (IKS) and their sustainable finance principles?
2. How much do MBA students value the applicability and use of IKS in current financial practice, especially sustainable finance?
3. What are the barriers or challenges MBA students identify in the adoption of IKS-based frameworks in finance practice and education?
4. How do demographic variables (e.g., year of study, specialisation, type of institution) shape MBA students' awareness, perception, and use of IKS in sustainable finance?
5. What are the likely entry points and mechanisms for adopting IKS in finance education, based on the views of MBA students?

5. Research Objectives

1. To evaluate the awareness level of MBA students regarding Indian Knowledge Systems (IKS) and their applicability for sustainable finance.
2. To establish the perceptions of MBA students regarding the use, usefulness, and applicability of IKS principles in financial decision-making and sustainability processes.
3. To determine the key challenges and obstacles MBA students envision in incorporating IKS with modern finance education and practice.

4. To examine the impact of demographic and academic factors (i.e., level of study, specialisation, and type of educational institution) on students' consciousness and understanding of IKS.

5. To receive student-offered observations and recommendations on the successful incorporation of IKS into finance studies and the delivery of culturally appropriate, sustainability-focused financial education.

6.Literature review

The Indian Knowledge Systems (IKS) literature explains increasing scholarly and policy interest in applying indigenous wisdom to respond to contemporary sustainability issues. Primary texts such as Kautilya's Arthashastra, Thirukkural, and Smritis present elaborate paradigms on managing money, public finances, taxation, and moral rule-making that are highly relevant to contemporary debates about sustainable finance (Manrai & Goel, 2017; Tiwari & Kumar, 2024). Experts like Sharma (2025) and Gupta (2024) argue that these ancient maxims are not Platonic abstract ideas but provide practical advice on the handling of resources, economic fairness, and prudent statecraft. Additionally, the moral foundation of principles like Dharma (righteousness), Artha (economic enterprise), and Nyaya (justice) is extremely flexible with respect to contemporary blueprints like ESG investing, stakeholder capitalism, and the UN SDGs. Particularly, Muniapan and Dass (2008) juxtapose Indian intrinsic ethical CSR models with extrinsic compliance-led Western models, thus supporting the incorporation of IKS into global financial ethics discourse.

Environmental and social sustainability also resonate very deeply in IKS. Research by Ghosh (2021), Sharma (2025), and Veena (2024) has presented traditional ecological practices—such as community-based water harvesting systems, sustainable agriculture, and integrated health systems such as Ayurveda—as having a harmonious coexistence between economy, nature, and humankind. They predate the science of environmentalism in modern times and provide indigenous solutions to current ecological challenges.

Madej, T. J. Researchers claim that IKS offers a coherent global vision in which economic activity is neither regulated by profit motives but rather by balance of nature and spirituality. In spite of this integration, IKS within business and finance research is not yet fully integrated. Lal et al. (2024), Jain (2025), and Koley (2025) remark that IKS is not included in regular MBA

courses because of a mix of colonial intellectual biases, lack of teachers to prepare for it, and misconceptions regarding its applicability in the current times. Therefore, as massive potential lies in IKS to instill financial education, ethics, and sustainability thinking, there is an acute necessity for pedagogy frameworks and curriculum design approaches to connect up indigenous knowledge with modern academic fields.

Specifically, according to the literature, there is a gap in ground-level empirical knowledge—i.e., how future financiers and policymakers, i.e., students, view and interact with IKS. The majority of current studies depend upon institutional efforts or conceptual frameworks such as NEP 2020 and UGC guidelines. Though general policy changes indicate the desire to revitalize IKS in the field of higher education, empirical research about actual awareness levels, attitude, and perceived obstacles among students, particularly business school students, is missing. Scholars such as Icchprani (2025) and Vora & Hussain (2025) have emphasized the need for more student-focused and subject-based studies to critically examine if IKS can be meaningfully integrated in sustainable finance, corporate ethics, and governance. It puts the focus of the current study into perspective where an attempt has been made to explore the awareness, perception, and implementation issues of IKS-based financial concepts primarily among MBA students. This kind of attention is crucial in creating contextually rooted yet internationally applicable models of financial education that will promote sustainability and cultural continuity.

7. Research methodology

To systemically analyze the awareness, perception, and implementation issues of Indian Knowledge Systems (IKS) in sustainable finance among MBA students, the current study applies a descriptive and exploratory research methodology. To fill in the empirical gap found in past research and the necessity of student-level analysis, a quantitative method of systematic questionnaires was utilized to develop primary data from students in chosen institutions. The method is not only intended to gauge the degree of knowledge and perceptions of IKS by students but also to determine demographic variables and institutional impediments discouraging its incorporation within finance education. This approach facilitates statistically analyzable data gathering while also allowing for extensive student voice representation, ultimately to inform well-reasoned curriculum and policy integration recommendations.

This research employs a descriptive and exploratory research design to examine the awareness level, perceptions, and barriers to implementing Indian Knowledge Systems (IKS) in sustainable finance among students of MBA. Utilization of this design is based on the twin need of describing extant trends and examining underlying attitudes and barriers poorly explained in available literature.

7.1. Nature of the Study

The study is quantitative, and the primary data collection instrument is a standardized questionnaire. The objective of the study is to contribute measurably towards an understanding of how MBA students relate to IKS principles, particularly in relation to their schooling training in finance and sustainability.

7.2. Design Purpose

Descriptive: Quantifying students' awareness and perception levels towards IKS in sustainable finance.

Exploratory: To identify and investigate the problems and opportunities perceived by students to adopt IKS-based methods for learning finance and practice.

7.3. Target Population

The target population are MBA students studying finance and general management subjects at some of the selected Indian universities and business schools. They are the target population because they are future professionals who will most probably face financial decision-making and policy making.

7.4. Sampling Technique

A stratified random sampling design is employed so that representation can be done by institution type (public and private), year of study (first-year and second-year), and subject of study (finance, marketing, operations, etc.).

7.5. Sample Size

Approximately sample size is 100 MBA students based on availability and response. The sample size is deemed adequate to provide statistically valid insights without compromising the scope for subgroup analysis.

7.6. Data Collection Method

Data collection employs a systematic questionnaire, both online and offline. The questionnaire contains: Dichotomous questions (Yes/No) for measuring elementary awareness of IKS. 5-point Likert scale items to measure perceptions, agreement levels, and perceived difficulties. Open-ended questions to obtain qualitative data and recommendations from students.

7.6.1 Methodology:

Sample: 100 government and private college students pursuing MBA.

Tool: Scaled questionnaire with Likert-type items.

Construct	Statement	Mean (M)	Standard Deviation (SD)
Awareness of IKS	Aware of key IKS principles	3.33	1.17
	IKS has relevance in modern education	3.90	1.00
	Ancient IKS ideas can influence sustainable finance	4.00	1.02
	Curriculum includes IKS references	3.13	1.03
	Personally explored IKS texts	3.25	1.10
Perception of IKS in Financial Ethics	IKS promotes ethical & sustainable values in finance	3.97	1.00
	Concepts like “Dharma” & “Artha” are relevant to financial ethics	4.05	0.97
	IKS supports ESG and green investment	3.85	1.01
	IKS should be formally part of MBA curriculum	4.15	0.96
	Traditional IKS can complement Western financial theories	3.98	0.98
Implementation Challenges	Lack of awareness is a barrier	4.08	1.01
	Academic materials are insufficient	3.92	0.98
	Difficult to relate ancient to modern finance	3.42	1.19
	Faculty are not sufficiently trained	3.70	1.07

Construct	Statement	Mean (M)	Standard Deviation (SD)
	Students perceive IKS as outdated	3.65	1.06

The results reflect moderate knowledge of Indian Knowledge Systems (IKS) and high agreement in its application to contemporary education and green finance ($M > 3.9$, $p < 0.05$). The respondents strongly feel that IKS is ethical finance with high agreement in the integration of IKS into MBA studies ($M = 4.15$, $p < 0.01$). Severe implementation issues still exist with unawareness and low study material ($M > 3.9$, $p < 0.05$). The fairly low means for across curriculum exposure and personal participation indicate a disparity between action and perception ($M \approx 3.13\text{--}3.25$, $p > 0.05$). Standard deviations across items indicate moderate variability, and institution-specific measures are needed to incorporate IKS in an effective way.

Analysis: Descriptive statistics, Cronbach's Alpha (reliability), Pearson correlation, multiple regression, and ANOVA.

Scale	No. of Items	Cronbach's α	Interpretation
Awareness of IKS	5	0.78	Acceptable Reliability
Perception of IKS	5	0.84	Good Reliability
Implementation Challenges	5	0.76	Acceptable Reliability

The internal consistency test shows that all three constructs are good to excellent.

Awareness of IKS ($\alpha = 0.78$) and Implementation Challenges ($\alpha = 0.76$) show acceptable reliability, which shows consistent but relatively variable responses. Perception of IKS ($\alpha = 0.84$) shows good reliability, which shows high internal agreement in the ethical and academic value of IKS. These findings affirm that the items of the survey assess their intended constructs consistently, justifying the use of follow-up statistical analyses. Minor adjustments would make the challenge and awareness scales more parallel.

8. Results and Analysis:

8.1. Correlation Analysis:

Variable Pair	Correlation (r)	Significance (p)	Interpretation
Awareness of IKS ↔ Relevance in modern education	0.64	p < 0.001	Strong positive correlation
Awareness ↔ Ethical value in sustainable finance	0.47	p < 0.01	Moderate positive correlation
Explored IKS texts ↔ Support for IKS curriculum integration	0.41	p < 0.01	Moderate positive correlation
Ethical value perception ↔ IKS perceived as outdated	-0.32	p < 0.05	Negative correlation: outdated view decreases ethical value

The results of the correlation show that the level of awareness regarding the Indian Knowledge System (IKS) is significantly and positively correlated with the feeling of its applicability to the current education ($r = 0.64$, $p < 0.001$), i.e., people who are aware of more regarding IKS are highly probable to feel that IKS can be used today. Awareness is also strongly and positively correlated with the perception of ethical value of sustainable finance ($r = 0.47$, $p < 0.01$), showing that increased knowledge of IKS is associated with increased awareness of the ethical value of IKS. Likewise, reading IKS texts is moderately and positively correlated with support for inclusion of IKS in curricula ($r = 0.41$, $p < 0.01$), showing that reading texts results in support for inclusion in curricula. Alternatively, the belief that IKS is archaic negatively correlates strongly with ethical value perception ($r = -0.32$, $p < 0.05$), such that the more archaic respondents feel it to be, the less ethical value they place upon it.

8.2 Regression Analysis: Predictors of Outcome Variable Among MBA Students

Predictor	Coefficient (β)	p-value	Significant?
Awareness Score	0.52	0.000	<input checked="" type="checkbox"/> Yes
Curriculum Exposure	0.16	0.074	<input type="checkbox"/> No
Explored IKS Texts	0.11	0.132	<input type="checkbox"/> No
Gender	0.09	0.267	<input type="checkbox"/> No
Institution Type	0.07	0.348	<input type="checkbox"/> No
R² = 0.48			Model explains 48% of variance

Regression analysis indicates that out of the predictors under study, only awareness score is a significant predictor of the outcome ($\beta = 0.52$, $p = 0.000$), and hence increased awareness levels

are positively and strongly related to the dependent variable. The other control variables—exposure to curriculum ($\beta = 0.16$, $p = 0.074$), discovered IKS texts ($\beta = 0.11$, $p = 0.132$), gender ($\beta = 0.09$, $p = 0.267$), and type of institution ($\beta = 0.07$, $p = 0.348$)—have no significant effects, i.e., their impact on the outcome is zero or not statistically different from zero in this model. R^2 for this model is 0.48, representing predictors as a group explaining 48% of the variance in the dependent variable, generally considered to represent a moderately strong explanatory influence with awareness as the strongest single cause of observed effects.

8.3 Regression Analysis : Predictors of IKS Perceptions Among MBA Students

Predictor	Coefficient (β)	p-value	Significant?
Curriculum Exposure	0.45	0.001	<input checked="" type="checkbox"/> Yes
Awareness of IKS	0.35	0.005	<input checked="" type="checkbox"/> Yes
Explored Ancient Texts	0.08	0.204	<input checked="" type="checkbox"/> No
$R^2 = 0.41$			Model explains 41% of variance

The regression results show that curriculum exposure ($\beta = 0.45$, $p = 0.001$) and awareness of IKS ($\beta = 0.35$, $p = 0.005$) are positive predictors in which increased exposure to IKS in the curriculum and increased awareness significantly improve the dependent variable. Conversely, tested ancient sources ($\beta = 0.08$, $p = 0.204$) is not significantly strong, indicating that simply being exposed to ancient sources alone are not as strong a predictor for this type. The R^2 value for the model at 0.41 indicates that all of the predictors collectively explain 41% of the variance in the outcome and share a moderate degree of explanatory ability, with the strongest among them being curriculum exposure.

8.4 ANOVA Results:

Group Comparison	F-Value	p-Value	Significant?
Institution Type vs Perception	3.12	0.082	<input checked="" type="checkbox"/> No
Gender vs Perception	2.77	0.102	<input checked="" type="checkbox"/> No
Curriculum Exposure vs Support for IKS	4.61	0.003	<input checked="" type="checkbox"/> Yes

The ANOVA analysis indicates that exposure to curriculum has a statistically significant effect on support for IKS ($F = 4.61$, $p = 0.003$), so that the degree of exposure to IKS curriculum

significantly contributes to the degree of support expressed. Yet, institution type ($F = 3.12, p = 0.082$) and gender ($F = 2.77, p = 0.102$) perceptions are not significantly different, indicating neither institution type nor gender has a significant influence on perceptions of IKS within this study.

8.5. Hypotheses Testing:

H1: Awareness → Perception \t <input checked="" type="checkbox"/> Supported
H2: Curriculum Exposure → Support \t <input checked="" type="checkbox"/> Supported
H3: Institution Type → Perception \t <input checked="" type="checkbox"/> Not Supported

9. Findings:

Awareness was the strongest predictor of IKS positive attitude among students. Despite non-significance of demographic variables (institute type, gender), exposure to curriculum was a predictor factor for generating student support for integrating IKS. Pedagogical practices involved in content integration and generating awareness can seem to be the forces behind IKS institutionalization. The pilot module can be generated where a month's elective bridge course of 12 sessions of 2 hours each for MBA students. This should blend ancient Indian Knowledge Systems with Western financial theories to foster ethical, green decision making can be given.

10. Conclusion and Recommendations:

The integration of IKS in financial education is not just desirable but becoming more imperative for conformity to ethical and sustainable development agendas. Students who are informed and exposed to IKS tend to identify with its applicability and advocate for its inclusion in their study module. Universities ought to: Embed formal modules addressing IKS topics. Offer pedagogy training for staff in IKS. Offer easily accessible intellectual materials on ancient Indian financial wisdom.

References:

- Ghosh, B. (2021). *Sustainable development in Indian Knowledge Systems*. *EPH–International Journal of Educational Research*, 5(1), 142–157. <https://doi.org/10.53555/ephijer.v5i1.142>
- Gupta, R. K. (2024). *Role of Bharatiya Gyan Tradition in Modern Concept of Arthashastra*. *ShodhKosh: Journal of Visual and Performing Arts*, 5(2), 742–745. <https://doi.org/10.29121/shodhkosh.v5.i2.2024.3232>
- Jain, B. (2025). *The need for the Indian Knowledge System (IKS) in the contemporary education system for sustainable life: A systematic review*. *IJIERM*, 12(4), 159–163.
- Khan, M., Serafeim, G., & Yoon, A. (2016). *Corporate sustainability: First evidence on materiality*. *The Accounting Review*, 91(6), 1697–1724. <https://doi.org/10.2308/accr-51383>
- Koley, J. (2025). *Indian Knowledge Systems: Historical foundations, current challenges and future prospects*. *Asian Journal of Management and Commerce*, 6(1), 1365–1373. <https://doi.org/10.22271/27084515.2025.v6.i1o.600>
- Lal, S. K., Srivastava, S., Narayan, V., Pal, N., & Kumar, R. (2024). *Indian Knowledge System challenges and its application in higher education for sustainable future development*. *Library Progress International*, 44(3).
- Manrai, R., & Goel, U. (2017). *Sustainable economic governance: Learning from Kautilya's Arthashastra*. *International Journal of Indian Culture and Business Management*, 15(2), 241–253. <https://doi.org/10.1504/IJICBM.2017.086091>
- Muniapan, B., & Dass, M. (2008). *Corporate Social Responsibility: A philosophical approach from an ancient Indian perspective*. *International Journal of Indian Culture and Business Management*, 1(4), 408–420.
- Sharma, D. (2025). *Ethical business and sustainable economic growth through Indian Knowledge System*. *IJIERM*, 12(4), 32–35. <https://doi.org/10.69758/GIMRJ/25040401V13P0012>
- UNEP. (2021). *Making Peace with Nature: A Scientific Blueprint to Tackle the Climate, Biodiversity and Pollution Emergencies*. United Nations Environment Programme.
- Tiwari, D. A. K., & Kumar, P. (2024). *Tradition meets modernity: Indian Knowledge Systems in oil companies' financial decision-making*. *American Journal of Economics and Business Management*, 7(2), 205–210. <https://doi.org/10.31150/ajebm.v7i2.2778>

- Icchprani, G. S. (2025). *Impact of Indian Knowledge Systems on Sustainable Development Goals*. *International Journal of Innovation in Engineering Research & Management*, 12(4), 52–55. Retrieved from [IJIERM, April 2025] (journal.ijierm.co.in, journal.ijierm.co.in)
- Veena, R. S. V. (2024). *Rediscovering Indian Knowledge Traditions: A path to sustainable and inclusive growth*. *Library Progress International*, 44(3), n.p. (bpasjournals.com, bpasjournals.com)