

## Five Sheaths of Good Governance Practices: A Dialectic Approach

Effulgence

Vol. 23, No. 1

January - June 2025

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### Abstract

India's new national education policy emphasizes seeking the application of ancient Indian teachings from a modern perspective. This article conceptualizes the five sheaths doctrine (*punch kosha vivek*) described in ancient Indian literature from the perspective of good governance. The search for the true nature of Brahman is reflected as a metaphor for good governance. Ancient Indian literature uses it as the soul or essence of human life. The dialectical method is used to examine the elements of good governance practices through reasoned arguments. The article begins with a brief narrative of the history of the Tattiriya Upanishad, followed by its relation to organizational attributes. The article uses oriental and western views while making philosophical arguments. The necessity of the individual sheath is systematically argued and at the same time criticized with counterarguments. The arguments examine the essential cause for the existence of life and the existence of governance upon which it can be built and operated and ultimately all the actions and decisions unified within it. The article concludes that devotion should be the essence of life's existence. Similarly, Work Is My Worship should be a fundamental understanding while making all governance decisions. Almighty God is only the owner of this universe. The rest are the trustees who take care of his creation. It is the director's responsibility to work to uphold universal necessity rather than just focus on the company's financial performance. This understanding helps the company to grow sustainably in the long term. The five sheaths doctrine is equally applicable in the context of medical science, sociology, and organizational behavior.

**Keywords:** Governance, Board Structure, Board Characteristics, Firm Performance, Annamaya, Pranamaya, Manomaya, Vijnanamaya, Anandamaya.

### INTRODUCTION

The search for the aim and the essence of life was considered the highest human goal in Indian

philosophy. One of the concerns of the NEP (National Education Policy) is to create awareness of the rich and vast knowledge that lies in the treasures of Indian literature (Thakur & Kumar, 2021). "Knowledge of India" covers knowledge from

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ancient India and its contributions to modern India. India owns a rich tradition of holistic and multidisciplinary knowledge derived from the Prasthanatrayi. The base of ancient Indian philosophy lies in Prasthanatrayi i.e., Bhagavad Gita, Upanishads, and Brahma sutra (Nicholson & Balasubramanian, 2004). The concept of governance in the Ramayana and Mahabharat is a reflection of it (Sah & Sah, 2021). India needs to bring back these lessons to create good governance that can transform governance practices of other nations as well. An attempt has been made to examine these lessons here.

Good governance deals with the issues of code development, code, adoption, and compliance (Aguilera & Cuervo-Cazurra, 2009). It balances the complexities of the attributes of human nature, emotionality, egoism, amorality, human dignity, security, human rights, accountability, transparency, inclusivity, innovation, and equity (Al-Rodhan, 2022).

The third chapter of the Tattiriya Upanishad illuminates the ideas of the discerning of five sheaths (panch-kosha vivek) (Gambhirananda, 1977), namely Annamaya (physical), Pranamaya (life force), Manomaya (mental), Vijnanamaya (intellectual) and Anandamaya (bliss or causal). There is a little story in this Upanishad. Once Bhrigu, the son of the sage Varuni, approached his father and curiously inquired about Brahm. Brahm reflects various meanings in ancient Indian literature. It can be the reality of the universe, the true nature of the soul, or perhaps the true essence of life. The systematic study of these five sheaths will enable us to understand the essence of life. The dialectic technique with which it was studied. Dialectics is a philosophical method developed by Hegel (1770-1831). It is practiced educational pedagogy for conducting philosophical arguments (Zwart, 2022). The sheaths range from the gross aspects of physical reality to the more subtle aspects of emotion, mind, and spirit. Finally, the metaphor of the essence of life is repeated to understand the essence of good governance. The

sage gave him three principles to identify the reality of life. The form from which these beings are born, from which they live, and finally the form into which they pass. Using these three axioms, we can look for good governance practices. Good governance is the basis of an entire organization. It guides organizations to survive, grow and perform according to these values.

- Creation—values on which governance stands (totem)
- Maintenance—values by which governance is maintained and controlled
- Destruction—values on which actions and decision of governance unites (taboo)

### Context

#### First Sheath—*Annamaya Kosha*

The sage asked Bhrigu to seek the essence of life through austerity. The elements that are the causes of creation, maintenance, and destruction. He implemented austerity measures to seek the essence of life. First Bhrigu realized that sustenance (physical world) is the reality of this universe. All living beings are born from food, grow from food, and eventually unite with it. Likewise, corporate profit is the primary result of good corporate governance. Without money, a firm cannot survive or grow in the competitive market.

#### Second Sheath—*Pranamaya Kosha*

After realizing this, he was not satisfied with the results. He again approaches the sage Varuni and asks for further instructions to seek the reality of the universe. The sage asked him to see reality through rigor and faith. In the second case, he found that the life spirit (Prana) is the essence of this universe. It is also backed by the law of conservation of energy, which means that energy cannot be created or destroyed, but can be transferred from one form to another. Likewise, the entire universe is a result of spirit. Moreover, it also lives and grows with the spirit, eventually turning into the spirit. The company's operational efficiency reflects its vitality.

Ultimately, a company benefits in the long term from efficient and effective operations. The vital forces of the organization are the employees. The resources of the companies are used through the skills and competencies of the employees. Without human resources, there is no impact on the organization's physical resources.

### **Third Sheath— *Manomaya Kosha***

After realizing this, he asked his father to guide him further to find the true reality beyond spirit. Therefore, his father asked him to recognize it by severity. He practiced and realized that the mind (emotion) is the true reality of life. Differing from Darwin's Principle of Evolution, i.e., Survival of the Fittest. All living beings in the universe live off the love and affection of other beings in the universe. Every action and reaction in this universe is the reflection of love and affection. They live and grow in the shadow of love, affection, and emotions, which are objects of the mind. The market performance can be extrapolated to this shell. The concept of reputation management has gained popularity in the Indian business landscape over the past 15 years. It attempts to understand the factors that determine the reputation of companies. This sheath explains the importance of the emotional connection between the stakeholders and the respective firm. The organization should put in place mechanisms to manage the trust deficit of stakeholders.

### **Fourth Sheath— *Vijnanamaya Kosha***

Still, Bhriku is not happy with the results. On his father's orders, he is still trying to find the reality of the universe through austerity. In the fourth case, he experienced that the intellect (Vijnana) is the essence of life. He found that all creations are the result of the intellectual application. Therefore, all knowledge is knowledge by concept or wisdom. The essence of all behavior is rooted in the intellect. In the Bhagavad Gita, it is mentioned that all actions eventually lead to knowledge (Chapter 4.33) (Prabhupada., 1971). The company's vision, mission, goals, and strategies reflect this sheath. Businesses

need to establish a solid code of ethics and professional conduct. It shapes the ethical principles that guide decision-making and behavior at work. It should guide how an employee should behave and how to deal with certain issues where there is a conflict of interest.

### **Fifth Sheath— *Anandamaya Kosha***

According to the teachings of Neti Neti, the sage asks Bhriku to seek reality again through rigor. He practiced it and eventually discovered that bliss is the ultimate reality of life. This provides the bases for the four previous sheaths. Because we start, continue, and stop all activities in order to live a peaceful life. All living beings in the universe seek peace and bliss in life. The bliss of life can be found in the hidden cave of the heart. Good governance efforts should produce outcomes that meet stakeholders' self-actualization needs while making efficient use of the organization's resources. Bliss is the highest good (Fremstedal, 2011). Unlike happiness, which is objective in nature, bliss, on the other hand, is subjective (Alexandrova, 2005). Stakeholders should identify with the organization while meeting their personal and professional needs. The bliss is informal. No material aids are needed to remain with the firms in the condition of up and down. In Ram Rajya, every citizen of the kingdom identified with King Rama. In the absence of Rama, they identified the kingdom as the forest. In the presence of its king Rama, they identified the forest as a kingdom. Ram Rajya is the symbol of good governance based on the feeling of devotion to Almighty God.

### **Significance**

If the company's board of directors is viewed as the identity of good corporate governance, then we cannot explain how the company's successes and failures come about in a certain way or explain the results of its good and bad deeds. The continuity of the system should exist before the formation of the board. One company performs differently than the other company. Although the board structure of all companies is the same, they develop differently.

Therefore, performance should not be equated with a board structure. The board structure is not the cause of good corporate governance. Hence, through the argument of inference, we can conclude that there should be something other than a bodily structure that should be the cause of good governance. What should the common causes be? What good governance is based on is argued dialectically in this article.

## Dialectic Arguments

### 1. Annamaya Kosha ~ Board Structure

This is the outermost sheath made up of physical elements. Our physical body is made up of this sheath (five gross elements i.e., ether, air, fire, water, and earth). We feel that the physical body is everything that is not true. It covers the true reality of the eternal soul; hence it is known as the sheath. A feature of this sheath is that it changes over time. It is the fundamental aspect of the organization. It can be perceived by the organs of perception.

It is the outermost layer that composes the physical aspects of the organization. In the context of governance, this cell represents the physical structure of the board. The board composition, committees, the board size, board presence, and multiple directorships are represented in this sheath. The majority area of research in corporate governance is at the level of board structure. The researchers are attempting to establish the connection between board characteristics and corporate governance.

The number of directors, proportion of directors, presence of women on the board, etc. mentioned in Companies Act 2013, Section 149 are merely represented at the outermost sheath. Compliance with this requirement simply does not serve the purpose of good corporate governance (Singh et al., 2019). It is necessary to add a vital element to this to get a broader picture of how the board is

functioning.

### 2. Pranamaya Kosha ~ Board Characteristics

Internal to the Annamaya Kosha there is a Pranamaya Kosha. It consists of five vital Prana (Pran, Apan, Vyan, Udan, and Saman) and five senses of action. Because of this, we feel like I am hungry; or thirsty. This kind of feeling also covers the reality of life. It is the second layer composed of vital energy, essence, and life-living elements of the organization. The vital forces are responsible for blood circulation in the body, maintaining the digestive system, and providing oxygen to all the organs, the respiratory system, and speech. This vital energy gives strength to the system. The power that we are feeling in our body is due to this vital energy moving in the body. Just as a vital energizes the sense organ, so the various organizational plans in the form of objectives, strategies, policies, principles, methods, and disciplines energize organizational performance. It is a subtle aspect of the system. Since life energy works even in the state of waking, sleeping, or dreaming, but we are not aware that life energy works, it cannot be the real essence of life.

Likewise, the board structure is simply not serving the purpose of corporate governance. The experience and qualifications of directors give vital energy to the board. Competent directors can only contribute to good corporate governance (Mustafa et al., 2016). The company must identify the right directors to achieve organizational goals. Directors' experience, training, and competencies should be matched to organizational needs. Competence mapping should become an essential part of good governance (Allen et al., 2014). There are concerns about the directors' determination and willingness to contribute to good corporate governance at the same time. Some directors, particularly independent directors, are competent enough to contribute to good

corporate governance, but in many cases are unwilling to do so.

Maharshi Aurobindo correctly identified the issue of pre-1947 India. The problem in India is not only poverty and freedom but the problem is an inability to think and unwillingness to think (Heehs, 2015). Several people can think but cannot participate and those who participate in the thinking process are unable. Therefore, the ability and willingness to think is the fundamental issue when working on good governance practice

This sheath is reflected in the job description of the board of directors. The Board of Directors is responsible for formulating management policies, protecting the interests of minority shareholders, and making decisions on strategic issues facing a company (Hiland, 2015). Fredrik Taylor has given the scientific principles of management to improve the efficiency and effectiveness of operations. But it neglects the human aspect of the organization. Therefore, the scientific principles of management in the modern context are criticized. Similarly, the roles and responsibilities of directors prescribed by the Companies Act 2013 Section 149 lack the emotional aspect of governing process.

### 3. Manomaya Kosha~ Job Involvement and Organisational Commitment

It consists of the mind and five senses of knowledge. It is the layer that lies within the first and second layers which consist of affectionate elements of the organization. All the feelings of the mind like happiness, suffering, fear, desires, anger, etc. are part of this sheath. However, it also covers the eternal soul therefore, it is also known as a sheath. The senses cannot perceive their objects unless the mind is connected to them.

Similarly, the organizational objectives and

strategies will be justified by the intention to achieve them i.e., the end determines the means. A good job with bad intentions becomes bad and a bad job with good intentions becomes a good one. This cell represents the affectional attachment of the board to the organization. Emotional attachment to the organization leads to organizational commitment. Where the directors identify themselves with the organization while making the decision (Eliyana et al., 2019). Director's emotional quotient should be considered while tracking their performance. where it reflects the emotional attachment to the job and organization. It leads to actions beyond the job description and participation in organizational activities and reduces the desire to quit the job (Gupta & Sharma, 2016).

The mind is continuously functioning without taking any breaks. But the system also exists if the mind is not functioning in the case of unconscious, death, deep sleep, swoon, or delusion. Similarly, when it comes to professional contribution and organizational commitment, directors should show concern beyond the organizational goals. Therefore, we need to identify the factor beyond the limit of this sheath which may be a higher cause for good governance.

### 4. Vijnanamaya Kosha ~ Organizational Resilience and Organisational Citizenship Behaviour

This is internal to Pranmay Kosha. Plato's doctrine of the "idea of good" is represented here (Thilly, 2009). "Good" is the origin of knowledge that is a final and independent reality (Copleston, 1953). It is the intellectual element of the body. The mind simply thinks and identifies different alternatives on the other side, the intellect can understand and judge which alternative is best to choose. It consists of intellect and the five senses of knowledge. The desire to do something, being, and well-being



manifest from this sheath. The sense of ownership is the result of this sheath. Decisions of the intellect are not the true form of the soul. Therefore, it is also treated as a sheath.

The policies and principles of the organizations can be treated as an essential component of the governance process. What is right and wrong for good governance originates from this sheath. This cell is reflected in the organization's vision and mission statement. The purpose of the organization should not be solely for profit. The purpose of the organization should be sustainable development and harmony with nature (Zu, 2022). Reverence for self, reverence for man, and reverence for the whole creation of God should be the concern here. The IQ of directors should be taken into account when assessing their performance. Organizational resilience is an organization's ability to anticipate, prepare for, respond to, and adapt to incremental changes and sudden disruptions to survive and thrive (Duchek, 2020). Organizational commitment refers to the level of commitment and devotion team members feel toward their work and the organization. It also describes the various reasons why professionals stay with one employer rather than looking for opportunities elsewhere.

##### **5. Anandamaya Kosha~ Organisational Citizenship Behaviour**

This sheath generally works in the case of deep sleep. The mind and intellect stop here and dissolve into their cause. It is the state of harmony between Satv, Rajas, and Tamas attributes of nature (Prakriti). The reason bliss is the essence of life is because of the internalization of the psyche. The inwardness of activities towards the soul, which is the essence of our life. The more we are aware of the object, the less we would be aware of the self. Bliss is the true nature of self, which is the essence of life.

This sheath is internal to the Vijnanamaya Kosha. Mind and intellect are controlled by the conscious self. The innermost self is the ultimate perceiver. It is the bliss part of the organization. This cell reflects the spiritual quotient of the directors (Sarangan et al., 2014). "Work is my worship" is the underlying belief that lies here. Directors should refer to their duties as their worship of Almighty God (Shastri, 2004). The Ramayana stewardship model should be reflected in the governance of the organization. (Currall, 1988) defines organizational citizenship behavior (OCB) as which the behavior reflected by directors is non-formal. Some of the characteristics of OCB are altruism, courtesy, sportsmanship, conscientiousness, and civic virtue. It is an individual's voluntary commitment by an employee within an organization that is not part of their formal duties. Ancient Indian philosophy mentions that devotion should be the foundation of all creation, maintenance, and destruction.

The work should be treated as worship of the Almighty God. This attitude towards work only leads to solving all problems related to corporate governance in private, public, or social organizations. The board of directors is the trustee of the company. Gandhiji identified the most important problems in the work environment, e.g., Pleasant, and honourable work. The doctrine of work is worship leads to the solution of the problem of work being honourable and pleasant (Duari & Sia, 2013).

##### **CONCLUSION**

The relationship between board characteristics and corporate governance has become the most debated topic around the world over the past two decades. The articles provide logical arguments to examine the factors that contribute to creating a good governance mechanism. A critical review of these envelopes helps organizations evaluate their overall performance and make decisions to improve the

effectiveness of governance processes. Each shell focuses on the dimensions of governance effectiveness. The outermost shells reveal the formal structure of the board, work processes, board structure, and board development. On the contrary, the innermost shells represent the board's informal culture, rooted in the devotional attitude. Shrimad Bhagavad Gita (chapter 2.50) also treats efficiency and effectiveness (Yogah Karmasu Kaushalam) as are means to attain Yoga. The devotional attitude toward God should be the basis of good governance. Based on this governance process should be created, after creation that should be maintained in the same spirit, and after extermination that should be conserved in it. Service to Almighty God should be reflected in vision and mission accomplishment. The goals of good governance should be devotion and the means to achieve this are organizational efficiency, organizational ability to learn and innovate, employee morale, external stakeholder satisfaction, and organizational reputation. Secular values should be a means to achieve spiritual value in the organization. The five-sheaths doctrine can be used in different contexts, e.g., medical science uses it for health and well-being. Likewise, the doctrine can be used in other areas of human activity.

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