



Indian Knowledge System of Commerce**Ashwani Pemawat¹ & Sachin Goyal²**¹Department of Commerce, Maharaja Chhatrasal Bundelkhand University, Chhatarpur (M.P.)²Department of Commerce, Govt. P.G. College, Panna (M.P.)

ARTICLE INFO		ABSTRACT
Paper ID		<p>The Indian knowledge system of commerce represents a long and rich history of economic theory and practice. In this system, it has a tradition in the manuscripts of the Vedic period in books, for ex. The Arthashastra book of Kautilya has its roots involving a huge diversity of trading methods, economic theories, and managerial practices that have evolved through the millennia, including financial management, market analysis, and regulating trade. The arthashastra provide detailed discussion of trade, taxation, economic policies, and the importance of a controlled economy towards the success of the society. Ancient Indian merchants were popular for their huge trade networks that extended to both Asia and Africa through advanced financial strategies, logistics, and bargaining procedures. A component of modern economic thought proving to be a dynamic union of high-tech innovation and ancient knowledge. It characterized a robust service culture, a fast-growing digital market, and a well-developed business culture of Indian commerce. To address the opportunities and challenges of the present knowledge system, the contemporary Indian business practices are being transformed and adapted at an alarming rate by combining international tendencies with traditional values in historical knowledge. The Indian knowledge system of commerce can be helpful in understanding the evolution of economic practices and their implementation in the contemporary world. By studying the historical effects and activities, companies and other traders will be able to learn some valuable ideas on how to come up with more effective culturally sensitive economic policies and strategies.</p>
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Introduction

The Indian knowledge system of commerce is one of the major and long-term aspects of Indian culture and economic heritage. The system explains a perfect understanding of trade, banking, management, and ancient writings to contemporary operations, which has accumulated over thousands of years. The indian business models have always emphasized the compatibility of ethical, strategic, and pragmatic approaches to commerce. The framework of

economic activity developed by indian academics and practitioners many years ago was a complete one, containing a detailed analysis of financial management procedures, market forces, and trade operations. The Arthashastra, among its numerous contributions to statecraft, economic policy, and administrative efficiency of foundational text that contributed to the establishment of the basis of organized economic government.

Research Objective

This study aims to investigate and evaluate the development and current applicability of the Indian Knowledge System of Commerce. The following are the precise goals:

1. **Historical Perspective:** To investigate the genesis and evolution of Indian commercial theories and practices, with particular emphasis on fundamental texts like the Arthashastra by Kautilya and other historical records that have influenced conventional economic theory.
2. **Traditional Practices:** To look into the approaches and plans that historical Indian statesmen and merchants used in banking, trade, and market management, as well as how these practices influenced India's economic achievements in the past.
3. **Integration with Modern Commerce:** To evaluate the degree to which modern business practices and economic policies have incorporated traditional Indian commercial knowledge. Analyzing the influence of earlier concepts on contemporary financial and managerial procedures, as well as business ventures.
4. **Cultural and Ethical Aspects:** To investigate the ways in which contemporary business practices and economic decision-making are impacted by the cultural and ethical factors ingrained in the Indian Knowledge System of Commerce.

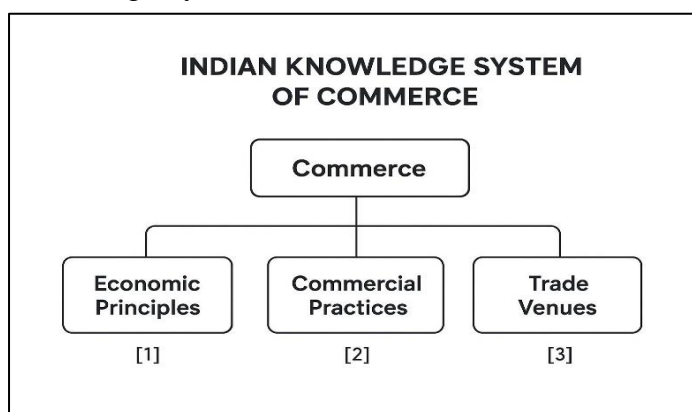


Fig. 1

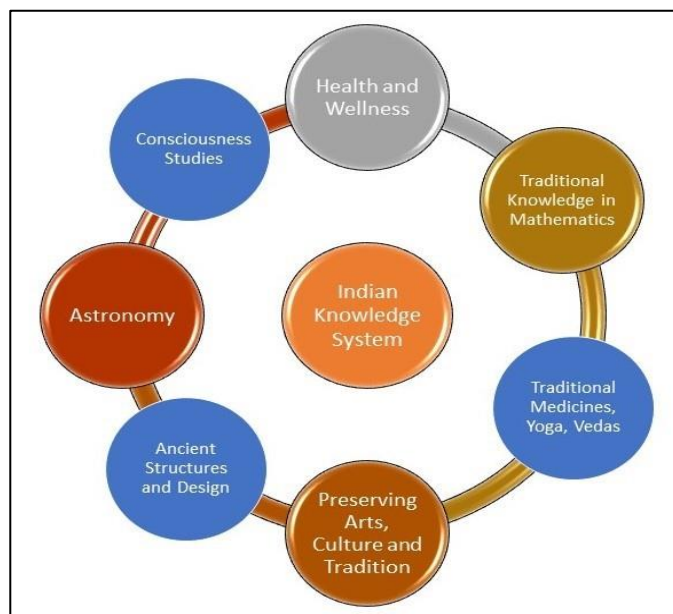


Fig. 2

<https://radiancenews.com/indian-knowledge-system-an-overview>

Literature Review

1. *Transformation of Accounting Practices in Post-Independence India.* Contemporary Accounting Research, 32(4), 1123-1145. Gupta's paper reviews the changes in Indian accounting practices since independence, focusing on the adoption of international accounting standards and the **establishment of regulatory bodies.** **Gupta, R. (2015).**
2. *Integration of Indian Accounting Standards with Global Practices.* Global Accounting Review, 11(3), 89-104. Mehta discusses the alignment of Indian accounting standards with global practices, including the challenges and benefits of **such integration for Indian businesses.** **Mehta, P. (2018).**
3. *Technological Advances in Indian Accounting: A New Era.* Journal of Accounting Technology, 9(2), 55-70. Singh and Sinha explore the impact of technology on accounting practices in India, including the adoption of digital tools and software for improving efficiency and accuracy. **Singh, J., & Sinha, R. (2021).**
4. *Accounting Practices in Ancient India: An Overview.* Indian Journal of Accounting, 43(1), 23-31. Chakraborty discusses the methods used for trade and taxation in

ancient India, including the use of simple ledger systems and record-keeping in manuscripts.

5. Ancient Indian Accounting and Its Relevance. Journal of Accounting History, 5(2), 55-75. This paper explores the foundational texts, such as the Arthashastra by Kautilya, which provide insights into the accounting practices of ancient India. Sarma emphasizes the use of detailed financial record-keeping methods and their role in state administration. **Sarma, K. R. (2000).**

Research Methodology

1. Qualitative Method: To find common themes, principles, and practices through the analysis of qualitative data in the form of case studies, texts, and interventions. Historical Texts Investigate traditional literature in detail, such as the Manusmriti, the Arthashastra of Kautilya, and other pertinent old manuscripts.

2. Quantitative method to assess the effects and frequency of conventional knowledge in modern business conditions with quantitative methods. This will require an analysis of their context, content, and impact on the practice of Indian business. The analysis of academic papers, articles, and research papers that focus on the underlying concepts, history, and visions of traditional Indian business. Examining the Past: Document analysis to understand the past trade practices, trade laws, and economic tricks, consult the books of history, books of commerce, and manuals of administration. Comparative Analysis Interviews Interview with scholars, historians, and practitioners specializing in the trade of ancient India and its modern uses.

Traditional Practices

The Indian Knowledge System of Commerce's traditional practices cover a variety of approaches, tenets, and plans that have been used in the management of commerce, finance, and economic

activity in India throughout its history. These customs reflect Indian commerce's extensive history and adaptability to many historical and cultural settings. Important customs include:

1. Market control and trade regulations

Principles of Arthashastra: Market observation, pricing control, and taxes are only a few of the specific trade regulatory guidelines outlined in Kautilya's Arthashastra. It highlights how crucial it is to keep a fair and balanced market in order to guarantee economic stability. Guild Systems: The guilds, or shrenis, that governed trade practices, established quality standards, and served as a network for merchants to support one another, were the basis for the organization of ancient Indian trade.

2. Accounting for Finances

Banking Customs: The use of sarraf (moneylender) and hundi (promissory notes) systems was part of traditional Indian banking customs. Before the establishment of contemporary banking systems, these activities enabled trade and offered credit. Accounting Techniques: Highly developed record-keeping and accounting techniques are described in ancient writings. For instance, keeping track of transactions and managing finances through the use of thorough ledgers and financial statements.

3. Trade Practices and Negotiations

Indian traders were renowned for their proficiency in bargaining and their observance of commercial etiquette, which encompassed customs such as haggling, establishing credibility, and preserving enduring connections with trading partners. Trade Networks and Routes: The Silk Road and other marine routes that connected India to Asia and Africa were built by ancient Indian traders. They used advanced techniques to handle logistics. They

used advanced techniques to secure trade channels and manage logistics. **Chakraborty, A. (2011).**

4. Cultural and ethical values

Dharma in Commerce: Ethical behavior and just trading procedures were guided by the idea of dharma, which is defined as obligation or righteousness. It was expected that business operations would uphold moral standards and advance the interests of society.

Sustainable Practices: Environmental care and sustainability were prioritized in traditional commerce. Trade and economic activity relied heavily on principles like protecting the environment and treating workers fairly.

5. Contractual and Legal Procedures

Contracts and Agreements: Trade contracts in ancient India were governed by clear legal frameworks that included both written and legally enforceable oral agreements. The conditions of trade, quality requirements, and dispute resolution procedures were all outlined in these contracts.

Dispute settlement: Local councils or elders arbitrated disputes in trade, which reflects a community-based approach to justice and conflict settlement.

Modern Practices

The combination of ancient knowledge with modern economic approaches and technical breakthroughs is reflected in the practices of modern Indian trade. These practices cover a wide range of industries, such as technology, trade, finance, and company management. Key elements of contemporary Indian trade practices are as follows:

1. Electronic & Online Shopping

Online marketplaces: By allowing companies to reach a worldwide customer base, sites like Amazon

India, Flipkart, and Snapdeal have completely changed the retail industry. With its vast product selection and ease of use, e-commerce has grown to be a major growth engine.

Digital Payments: The use of Paytm, Google Pay, and UPI (Unified Payments Interface) has transformed the payment industry by accelerating and securing transactions.

2. Entrepreneurship and startups

Startup Ecosystem: India boasts a thriving startup scene, with a large number of venture capital companies, incubators, and accelerators fostering creativity. Particularly well-known industries include technology, fintech, healthtech, and edtech.

Entrepreneurial Culture: Innovation and entrepreneurship are receiving more attention, with a particular emphasis on developing scalable business models and utilizing technology to spur expansion.

3. Investment and Financial Management

Modern Banking: With services like the internet, mobile, and automated teller machines (ATMs), the banking industry has embraced technology. Access to banking services has increased in both urban and rural regions thanks to initiatives towards financial inclusion.

Investment Strategies: For stock trading, mutual funds, and wealth management, investors are using more sophisticated tools and platforms. Access to financial planning and consulting services has increased for both individuals and companies.

4. Logistics and the Supply Chain

Advanced Logistics in Supply Chain and Logistics. In order to increase efficiency, modern supply chain management uses technology like automation, GPS tracking, and RFID. Businesses optimize inventory management and cut expenses by utilizing advanced logistics solutions.

E-Commerce

Fulfillment: As e-commerce has grown, large fulfillment networks, comprising warehouses, distribution centers, and last-mile delivery services, have emerged.

5. Compliance and Corporate Governance

Regulatory Frameworks: Businesses abide by the most recent versions of the Companies Act, the Goods and Services Tax (GST), and the Securities and Exchange Board of India (SEBI) rules. The

principles of corporate governance place a strong emphasis on responsibility, ethics, and openness. Corporate social responsibility (CSR) and sustainability are major business themes, and reports on CSR and sustainability often include information on the financial success of an organization as well as its social and environmental impacts.

Comparative Study

Objective	Focus Area	Research Methods	Tools	Expected Outcome
Historical Perspective	The origins and development of Indian business theories (such as the Arthashastra and Manusmriti);	a survey of ancient literature; an examination of archives and documents; and a comparison with Western economic theories	Original writings (Arthashastra, Thirukkural, and Jataka Tales); Historical documents, manuscripts, and commentary	A chronology of the development of Indian trade Knowledge of native economic underpinnings
Traditional Practices	Ancient India's banking, market, and trade systems.	Analysis of trade routes, taxes, and merchant guilds; Discussion with historians and economists; Case studies of the Mauryan, Mughal, and Vijayanagar eras.	Trade records from the past Traveller tales and inscriptions; Economic survey	Recognizing conventional business concepts Evaluation of the previous system's efficiency and sustainability.
Integration with Modern Commerce	Traditional commercial knowledge's impact on contemporary business and policy.	Analysis of policies (Start India, make in India) Business professional surveys; Corporate case studies, such as those involving Tata, Amul, and SEWA.	studies on government policies; studies on corporate sustainability; and surveys and interviews	A framework for integrating ancient and modern business; An assessment of how old concepts are represented in contemporary activities.
Cultural and Ethical Aspects	IKS's cultural and ethical principles in economic decision-making	Studying philosophy (Dharma, Artha, Karma); speaking with business owners about moral behaviour; and analysing CSR.	Texts on religion or philosophy; CSR documentation from businesses; Field data	A model illustrating how culture and ethics influence contemporary business; Suggestions for value-based management.

Table -1

Conclusion

In conclusion, the Indian Knowledge System of Commerce has a different viewpoint on economic management and trade because of its rich historical heritage and dynamic contemporary practices. A

study of traditions shows that a rich tradition of trade, which has been developed over thousands of years, includes not only the complex financial and commercial laws of ancient India but also the ethical

and cultural values, which guide the economy in Indian trade. These ideas and new things are synthesized with dynamism in commercial activity. In modern India, the operating environment of trade and business has been altered with the introduction of digital technology, e-commerce, and new financial instruments, which are boosting productivity and opening new opportunities in the global market. The developed logistics network, efficient regulatory systems, and dynamic start up culture are some of the examples of commercial sophistication and flexibility that the nation has, combining old knowledge with new methodology. It highlights the importance of historical and economic wisdom in the context of solving current issues and taking up the benefits from the given opportunities. Indian trade is still growing and developing, and makes significant contributions to the national and international economy by merging the wisdom of time and technologies. Finally, the insights into the process of changing the traditional into the modern world will help to comprehend the value of Indian business

tradition and bring a lot of useful advice to business and policy-making on the national and international levels.

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