

DIGITAL ENTREPRENEURSHIP AND INDIGENOUS INNOVATION: REDEFINING INDIA'S START-UP ECOSYSTEM IN THE LIGHT OF IKS AND NEP 2020

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Abstract

India's entrepreneurial environment is undergoing a structural transformation due to rapid digitalization, progressive policy reforms, and renewed attention to Indian Knowledge Systems (IKS). Digital entrepreneurship has emerged as a significant driver of innovation, employment creation, and inclusive economic development. This paper examines the integration of digital entrepreneurship and indigenous innovation within the framework of the National Education Policy (NEP) 2020 and the long-term national vision of Viksit Bharat @2047.

The study adopts a conceptual and descriptive research design based on secondary data drawn from government reports, policy documents, academic literature, and selected case studies of Indian start-ups and MSMEs. It explores how traditional Indian knowledge, ethical values, and community-based economic practices are being blended with modern technologies such as artificial intelligence, data analytics, cloud computing, and digital platforms.

The study finds that entrepreneurship rooted in indigenous knowledge and supported by digital technology enhances sustainability, ethical governance, women participation, financial inclusion, and scalable local-to-global business models. NEP 2020 significantly contributes by promoting multidisciplinary education, experiential learning, innovation, and research orientation. The paper concludes that digital entrepreneurship aligned with Indian Knowledge Systems can serve as a foundational pillar in building a self-reliant, inclusive, and globally competitive India, thereby supporting the realization of Viksit Bharat @2047.

Keywords: Digital Entrepreneurship, Indigenous Innovation, Indian Knowledge Systems, NEP 2020, Viksit Bharat @2047

1. Introduction

Entrepreneurial activity has historically formed the backbone of India's socio-economic structure. Traditional Indian society promoted trade, craftsmanship, and enterprise through family-based businesses, community networks, and guild systems known as Shrenis. These institutions emphasized ethical conduct, sustainability, social responsibility, and collective prosperity rather than short-term profit motives (Sharma, 2019).

In recent decades, entrepreneurship has evolved significantly with the integration of digital technologies, leading to the emergence of digital entrepreneurship. Digital entrepreneurship refers to the creation and operation of enterprises that rely primarily on digital platforms, tools, and data-driven processes to deliver value (OECD, 2020). Such ventures are characterized by scalability, innovation, and global reach.

India's digital transition has been accelerated by initiatives such as Digital India, Start-up India, Atmanirbhar Bharat, and Make in India. Simultaneously, the National Education Policy 2020 emphasizes creativity, innovation, skill development, and multidisciplinary learning (Government of India, 2020). In this context, integrating Indian Knowledge Systems with digital entrepreneurship is essential for building a sustainable and inclusive entrepreneurial ecosystem.

2. Objectives of the Study

The study aims to:

1. Examine the concept and significance of digital entrepreneurship in India.
2. Analyze Indian Knowledge Systems as a foundation for indigenous innovation.
3. Evaluate the role of NEP 2020 in promoting entrepreneurship and innovation.
4. Study real-life Indian examples of digitally enabled indigenous enterprises.
5. Assess the contribution of digital entrepreneurship to Viksit Bharat @2047.

3. Research Methodology

The study is conceptual and descriptive in nature. Secondary data have been collected from official government publications, NEP 2020 policy documents, NITI Aayog reports, peer-reviewed journals, books, and credible institutional sources. Analytical and interpretative methods have been used to establish linkages between digital entrepreneurship, indigenous innovation, Indian Knowledge Systems, and national development goals.

4. Concept of Digital Entrepreneurship

Digital entrepreneurship involves leveraging digital technologies such as online platforms, mobile applications, artificial intelligence, cloud computing, and data analytics to identify opportunities and create innovative business models (OECD, 2020). Unlike traditional enterprises, digital ventures operate with lower transaction costs and greater scalability.

In India, increased internet penetration, widespread smartphone usage, and the adoption of digital payment systems such as UPI have contributed to the rapid expansion of digital enterprises. Sectors including fintech, ed-tech, health-tech, agri-tech, and e-commerce have emerged as major growth drivers. Digital entrepreneurship enhances innovation, responsiveness, and market access, making it a critical component of modern economic development.

5. Indian Knowledge Systems and Indigenous Innovation

Indian Knowledge Systems encompass a comprehensive body of traditional wisdom related to economics, governance, ethics, sustainability, and social welfare. Ancient Indian texts such as the Arthashastra highlight principles of trade regulation, taxation, entrepreneurship, and state responsibility in economic development (Kautilya, trans.).

Indigenous innovation refers to context-specific solutions derived from traditional knowledge, cultural practices, and local experience. Historically, Indian enterprises balanced wealth creation with ethical responsibility and environmental harmony. Digital technologies now enable indigenous innovations to scale and reach broader markets while preserving cultural authenticity.

The ancient Shreni system closely resembles modern entrepreneurial clusters and incubation ecosystems, emphasizing collaboration, skill-sharing, and ethical norms. Digital platforms today replicate these principles by fostering innovation networks and community-based enterprise models.

6. Role of MSMEs and Start-ups in Digital India

MSMEs are a vital pillar of the Indian economy, contributing significantly to employment generation and economic output. Digital entrepreneurship has enabled MSMEs to improve operational efficiency, reduce costs, and expand market reach through e-commerce, cloud accounting, and digital marketing tools (NITI Aayog, 2021).

Start-ups play a crucial role in innovation, technological advancement, and economic diversification. Government support in the form of funding, incubation centers, and digital infrastructure has strengthened the start-up ecosystem, enabling enterprises to compete at national and global levels.

7. Real-Life Examples of Digital Entrepreneurship Rooted in Indigenous Innovation

Amul represents a successful integration of indigenous cooperative principles with modern digital systems. Rooted in traditional dairy practices, Amul utilizes digital supply chain management and analytics to ensure efficiency while safeguarding farmer interests.

Patanjali Ayurved is another example where ancient Ayurvedic knowledge has been transformed into a modern enterprise through digital marketing and e-commerce platforms, demonstrating ethical commercialization of traditional knowledge.

Meesho enables small-scale entrepreneurs, particularly women, to market indigenous products through social commerce platforms, promoting financial inclusion and local-to-global trade. Similarly, agri-tech start-ups such as DeHaat and Ninjacart combine traditional agricultural knowledge with digital logistics and data-driven advisory services to improve farmer incomes and supply chain efficiency.

8. Women Entrepreneurship and Indigenous Practices

Women entrepreneurship is essential for inclusive development. Traditionally, Indian women have contributed significantly to cottage industries, agriculture, and handicrafts. Digital entrepreneurship provides

flexible opportunities, access to markets, and financial inclusion for women entrepreneurs (World Economic Forum, 2021).

Digital platforms, self-help groups, and women-led start-ups enable the scaling of indigenous enterprises, fostering economic independence and social empowerment in alignment with IKS values.

9. NEP 2020 and Entrepreneurial Ecosystem

NEP 2020 introduces a holistic and multidisciplinary approach to education, emphasizing experiential learning, vocational skills, innovation, and research (Government of India, 2020). The policy supports the integration of traditional knowledge with contemporary education, fostering ethical and creative entrepreneurship.

By promoting incubation centers, flexible curricula, and institutional autonomy, NEP 2020 encourages students to develop entrepreneurial capabilities and become job creators rather than job seekers.

10. Technology, Ethics, and Sustainability

While digital entrepreneurship offers immense opportunities, it also presents challenges related to data security, privacy, and ethical governance. Indian Knowledge Systems emphasize dharma, transparency, and accountability, providing a moral framework for responsible digital innovation (Sharma, 2019).

Entrepreneurship guided by IKS promotes sustainability through responsible resource utilization, circular economy practices, and community welfare. Ethical digital enterprises build trust and long-term value.

11. Digital Entrepreneurship and Viksit Bharat @2047

The vision of Viksit Bharat @2047 aims to establish India as a developed, inclusive, and globally competitive nation. Digital entrepreneurship rooted in indigenous innovation supports this vision by fostering self-reliance, employment generation, technological advancement, and sustainable growth (NITI Aayog, 2021).

By aligning technology with tradition, India can position itself as a global leader in ethical and inclusive enterprise.

12. Conclusion

Digital entrepreneurship integrated with Indian Knowledge Systems and reinforced by NEP 2020 offers a balanced and sustainable pathway for national development. This integration ensures that innovation is guided by ethics, technology respects tradition, and economic growth benefits society at large. As India progresses toward Viksit Bharat @2047, such a value-based entrepreneurial ecosystem will play a decisive role in shaping a resilient and globally respected economy.

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