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(Special Issue)

“Twenty-First Century: Cultural and Economic Globalization”

## Opportunities of Indian economy in era of globalization

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#### Abstract

After the coming of liberation privatization and globalization, a new venue of growth and opportunities has open for the Indian economy. To acquire better participation in the world economy. India has to initiate vast changes in those areas in which earlier stiff barriers existed. After becoming a W.T.O. member, The Indian economy has open to the world economy and similarly world economy has open for the Indian economy. By 2019 Indian economy is 2.87 lakh crores USD (2019). Government of India ambition to achieve 5 trillion dollar Economy. Government must explore new market and opportunities in the world trade order of globalization.

**Keywords:** liberation globalization, WTO, privatization, Indian banking etc.

#### Introduction

Since the Indian economy is a five-year program base. It is the composition of mixed and open economy in 20th-century Indian participation in world trade was grim. Continuous growing trade deficit compel Indian economy to borrow from international monetary fund and World Bank. Foreign trades of India have changed from 1990.in the export portfolio there is a significant change. Export of engineering goods has increased from 12% to 28%. and also significantly increase in pharmaceuticals and medically important drug from the financial year 1990/91 to 2017/18, the total value of exports increased 16 times (\$18 billion to over \$300 billion) and imports increased almost 20 times (\$24billion to \$460billion).

#### Research methodology

Since all data which was earlier publish is to be analyzed to get the trend of Indian economy analysis of Indian economy in the twentieth century has shown the trend after analysis it shows projection and trend in 21st century so research methodology is descriptive and all the secondary data from various sources government website, journal and newspaper is taken for analysis.

#### Literature review

*Dhaval et al.*, have reviewed the importance of globalization. Globalization cannot be underestimated or ignored. It is need of the hour. Only countries which have effective social practices can pay off of globalization. So Indian economy we must not, nevertheless, miss the opportunities that the global trade opportunities offer.

*Md. Suresh Khan* has presented his view that Globalization always depends on economic efficiency and this brings competitiveness, to achieve the broader objectives of economic and social development. Globalization is necessary. The gamut of globalization has brought significant success for our country's economy-in GDP growth rate; strengthen the volume of exports and imports, bring the huge flow of investment and many others. Though India's

rank in per capita GDP showed a significant improvement from 117 in 1990 to 94 in 2009. Globalization has played a significant role in improving India's world trade scenario. **J.S. Sodhi** has made a comparison between pre-liberation economy and post-liberation economy. Pre liberation Indian economy was closed social and welfare economy growth was modest. Public sector performance was grim and participation of Indian economy was almost negligible. After the advent of liberation and become a member of WTO. GDP witness growth with robust foreign exchange and increase in FDI and FII.

**Smita Srivastava** has presents her views that after changes of national and international trade scenario in the era of the world it creates new challenges and opportunities. Face challenges of globalization. Government has taken several steps to change political and social policies. Change of policy focus on decentralization of economy brings several reforms to dismantle economic and trade barrier bring privatization, e-governance, and administrative changes.

### India's exports, imports, and balance of trade

India's balance of trade is significantly declining in Rs. term in 21st century most export in Africa and central Asia in comparison of Europe and USA, china India is in huge trade deficit. The export which includes re Exports in 2019-20 is 26.07 but the import is 41.40 and in 20-21 10.36 and export is 17.12. This analysis shows a significant growth in 2019-20 and 2020-21 is 60.28(minus). While import in 2019-20 is 41.40 and in 2020- 21 17.12 so overall growth percentage is- 58.65.

**Table 2:** Share of Top Ten Item Groups in India's Export

Major Item Groups	Export Value (Rs. Cr)			% Share in Total Export Value			% Growth over Previous Year	
	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13	2011-12	2012-13
Petroleum Products	188779	267915	330790	16.7	18.3	20.3	42	23
Engineering Goods	220848	279702	308948	19.5	19.1	19.0	27	10
Gems & Jewellery	184420	214889	236162	16.3	14.7	14.5	17	10
Drug, Firmicutes & Fine Camels	48810	63554	79823	4.3	4.3	4.9	30	26
RMG of all Textiles	52861	65613	70343	4.7	4.5	4.3	24	7
Other Basic Chemicals	39148	54045	63250	3.5	3.7	3.9	38	17
Electronic Goods	37378	42419	43845	3.3	2.9	2.7	13	3
Cotton Yarn/Fabs./made-ups, Handloom Products etc.	27936	35237	43759	2.5	2.4	2.7	26	24
Rice	11586	24109	33858	1.0	1.6	2.1	108	40
Plastic & Linoleum	21297	29912	33730	1.9	2.0	2.1	40	13
Total of Top Ten Item Groups	833062	1077395	1244509	73	74	76	29	16

Sources: www.dgciskol.gov.in

This projection has shown significant improvement in the growth of export from September 2019 to 2020. In these time periods significant decline in imports. This projection shows growth in export but this Growth in certain Region

From September 19-20		
Export	1,85,642.32 Crore (September 2019)	2,02,694.07 Crore (September 2020)

### This trend shows continuous improvement in trade balance from -15.33 to -6.76

**Table 1:** India's Exports, Imports and Balance of Trade from 2000-01 to 2011-12

Year	value in Rs. crores			percentage growth		
	Exports	Imports	Balance of Trade	Exports	Imports	Trade deficit
2000-01	203571	230873	-27302			
2001-02	209018	245200	-36182	2.68	6.21	32.53
2002-03	255137	297206	-42069	22.06	21.21	16.27
2003-04	293367	359108	-65741	14.98	20.83	56.27
2004-05	375340	501065	-125725	27.94	39.53	91.24
2005-06	456418	660409	-203991	21.60	31.80	62.25
2006-07	571779	840506	-268727	25.28	27.27	31.73
2007-08	655864	1012312	-356448	14.71	20.44	32.64
2008-09	840755	1374436	-533681	28.19	35.77	49.72
2009-10	845534	1363736	-518202	0.57	-0.78	-2.90
2010-11	1142922	1683467	-540545	35.17	2-3.45	4.31

Source: www.dgciskol.gov.in

### Share of India's export

India's Market share is growing significantly in core products. In the 21st century. India is leading Exporter in Gems and Jewellery and light engineering goods in previous year. It has increased its participation in Global Trade. After prevailing of WTO TRADE ORDER India's Export has to increase.

The above analysis shows positive growth of 9.19per cent. India's participation in world Trade has improved significantly in the 21st century. But it has increase imports in comparison to export. Trade deficits continue from the 20th century to the 21st century.

### Trade deficits

Summary table of recent India foreign trade (in billion \$)

**Table 3:** Trends of Tread Deficits of India's Foreign Trade

Year	Export	Import	Trade deficits
1999	36.3	50.2	-13.9
2000	43.1	60.8	-17.7
2001	42.5	54.5	-12.0
2002	44.5	53.8	-9.3
2003	48.3	61.6	-13.3
2004	57.24	74.15	-16.91
2005	69.18	89.33	-20.15
2006	76.23	113.1	-36.87
2007	112.0	100.9	11.1
2008	176.4	305.5	-129.1
2009	168.2	274.3	-106.1
2010	201.1	327.0	-125.9
2011	299.4	461.4	-162.0
2012	298.4	500.4	-202.0
2013	313.2	467.5	-154.3
2014	318.2	462.9	-144.7
2015	310.3	447.9	-137.6
2016	262.3	381	-118.7
2017	275.8	384.3	-108.5
2018	303.52	465.58	-162.05
2019	330.07	514.07	-184
2020	314.31	467.19	-152.88

Source: 1-www.cia.gov 2-www.eximatlasindia.com

India trade deficits from in different region have provided better opportunities The following data 2019-20 shows present in some region it is in deficits and in some region, it is in a positive state. So to give impetuous of Indian economy new opportunities has arisen in a new region.

Ex OPEC, OECD and also in Latin American countries, for example after established HERO MOTOR in Colombia HERO is recognized as a two-wheeler Giant.

EU Countries	9.90	-8.32
European Free Trade Association (EFTA)	4.64	0.51
North America	-16.67	-0.12
Latin America	30.47	-15.48
India's Total Import	3.98	-4.98

Source: Department of Commerce Feb 2019 to Feb 2020.

So India has vast opportunities in the world export market. By changes in government policy and inflow of investment. Should explore the new market to raise it".

### Conclusions

After 1992 in the era of liberation privatization and globalization were started. Indian economy seeks better opportunities in the gamut of world trade. After the creation of WTO, it gives better opportunities in world trade.it desalts in intellectual property and trade and services and settlement of disputes. Since India is member of WTO and WTO has framed new world trade order. Now the whole world is now converted into a market in which new culture, product and business model have arisen. Since the Indian economy in the transition phase from manufacturing to establishing EPZ, EOU and become a member of ASIAN, SAFTA. It is imperative for the Indian economy to change its import oriented economy to export-oriented economy by changes in domestic investment policy and inflow of funds. Hence In 21st-century the Indian economy witness new opportunities to convert import oriented economy to an

export-oriented economy to increase its market share in Globalization Era.

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