The eighth round of trade negotiations held at Uruguay with many doubts and prospects. The major reasons for dead lock were the intricacies of the problem arising out of the new areas that included for the first time in the forum of multilateral trade negotiations, lack of consensus among contracting parties in any contentious issue and belligerent attitude of the EC and the US in question of agricultural subsidies being granted by the EC to its farmer under the common agricultural programme (CAP), since mid sixties. The Uruguay round of talks mainly covered General Agreement on Trade and Tariff (GATT) rules, discipline on subsidies and safeguards, trade in services and trade related investment measure and intellectual property right etc. The biggest achievement of the Uruguay round of the trade negotiations is the upgradation of the GATT to the position of the World Trade Organisation (WTO). The creation of WTO after the Uruguay round of negotiations in January 1995 at Geneva, reiterates the objectives of GATT. The key role of WTO is to ensure that the trade floors as smoothly, predictably freely as possible.

The basic objective of this research work largely concentrates on some neglected issues and aspects, which are very relevant for an understanding about the new international economic order. It will throw some light to raise the debate on neglected but important issues pertaining to developing countries including India rather than to provide definite solutions and to focus on the implications of WTO on Indian economy particularly on banking sectors of India.

The performance of Indian banking sector, preferably Public Sector Banks (PSBs) were evaluated by using various statistical tools like Regression analysis, ACGR, ANOVA, DEA analysis etc. by using different softwares. The data from 2000 to 2010 of all PSBs were collected and the performance was evaluated from 2000 to 2005 and 2005 to 2010 as per the Financial Services Agreement under WTO, and also the important parameters were examined.
Here, Chapter – I deals with the objective of Research Work, secondary data collection from different source and research methodology. The Chapter – II deals with various literature survey and express the opinion of various researchers working in the related areas. The Chapter – III describes an evolution of the World Trade Organisation (WTO) negotiations on Trade & Tariff and also different rounds of Conference. The Chapter – IV describes the banking sector in India, recent trends in banking sector reforms and the era of globalization. The Chapter – V deals with the operation of Indian banking sector, preferably public sector banks and growing concerns over the increasing trends of NPAs etc. The Chapter – VI depicts the implications of WTO on Indian banking sector. The main findings were derived by implementing various research methodology based on statistical tools like regression analysis, ACGR, ANOVA, DEA analysis using various softwares likes SPSS, DEAP Ver. – 4.0 etc. At the conclusion, the Chapter – VII draws the concluding observations and future scope of this Research Work. It also explains the implications of WTO and outlined some points for Indian banking sector particularly for PSBs.