International business and multinational corporate activities have grown significantly during the past two decades. With the failure of the communication the world learned the lesson that without cooperation and integration with global environment no economy can survive for a long. After recognising a big change in global polity and economy the world community proceeded ahead for the search of a global institution to regulate and promote multilateral global trading system. The members of GATT joined themselves to hold a talk in Uruguay to find out modalities of such an institution.

The World Trade Organisation (WTO) was established in Jan. 1995 after successful conclusion of Uruguay round of negotiations at the end of the year 1994. In 2001, the WTO embarked on another major round of talks aimed to reduce barriers of trade, the Doha round. The European Union moved forward with its post 1992 agenda to achieve a closer economic and monetary union, including the establishment of common currency, which came into existence in January 1999. The North American Free Trade Agreement passed into law. The Asia Pacific Economic Cooperation Forum (APEC) emerged as a new trade bloc. The global money market continued its meteoric growth. The World Wide Web emerged to become the back-bone of a global network for electronic commerce. The world continued to become more global. New multinationals emerged from developing nations in addition to the world’s established economic powers. Increasingly, the globalisation of the world economy affected a wide range of firms of all sizes, from the very large to the very small.
In the new world economic order India had to integrate its economic policies with the global economic financial system. Liberalisation, Privatisation and globalisation became the new ‘Mantras’ of revitalising economic system. The last decade of the bygone century would be remembered as the decade of transition to transform the world economic order into a new one. India entered into the new millennium with much of doubts about the success of its experiments with economic, financial and trade policies as well as business capabilities.

As a student of commerce I found worth study the “Impact of Globalisation on India’s Foreign Trade with European Union”. The purpose being evaluating India’s globalised economic and trade policies with reference to its trade with European Union. India is a major trading partner of European Union (EU), which came into existence to replaced the European Economic Community (EEC).

Efforts have been made in the course of this research work to analyse the impact of India’s new trade policy on its exports and imports trade with European Union. All possible efforts have been made to give authentic and updated information both in quantitative and qualitative terms to support the conclusion. This work also does contain workable suggestions that if implemented shall prove valuable.

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