



A Study of Recent Trend in India with Reference to Selected Sectors

KALPESH GANDHI

Lecturer in Satyaprakash College, Affiliated with Saurashtra University, Rajkot

Abstract

India being second largest populations country with 1.2 billion people (2013) according to World Bank report ("Population, Total" 2015) is also a very huge market for corporate and entrepreneurs. To get better picture about corporate trend in Indian economy first lets understand major industries influencing our economy. This will give idea about industries which generate large revenue and hence large production, employment etc. In the present paper researcher has tried to analyze the trends of corporate sectors to realize the development and growth for the country in coming time.

Introduction

India being a developing country is doing a remarkable work in the field of Industrial progress. After the new industrial policy of 1991, India has registered marked growth in the field of national and international trade together with the remarkable progress in each and every kind of Industry. After the Industrial progress in our country, India has been placed at an important place in the world map. Being the most populous country, India has a big market for consumer goods of every kind and with the help of Industrial progress the importance and production of capital goods production has also registered the remarkable growth. Besides the above advantages India has also proved expected growth in the export and import front in the world market.

Keywords: Corporate trends, "Make in India", Retail, Import/Export analysis, E-commerce, Innovation.

Object of the Study

1. To know the values in the field of Imports and Export
2. To analyse the impact of E-commerce
3. To review of recent trends

Research Methodology

It includes research design, sampling framework, methods of data collection, framework of analysis and limitations.

Data Collection

Secondary data are used for the research purpose of present study.

Limitation of the Study

1. Only secondary data is selected for the purpose of research paper
2. Selected sectors are covered
3. Research is conducted for selected period

Figure1: Major industries of India with (a) Import and (b) Export share (“Economy of India” N.D.).

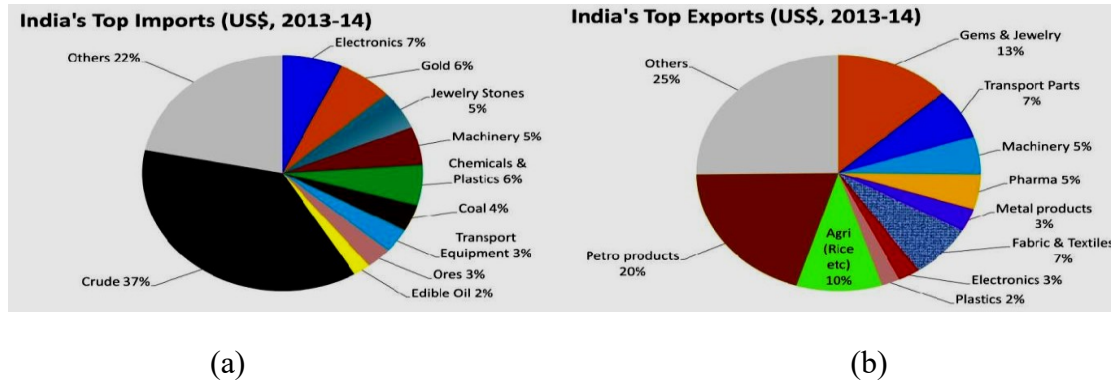


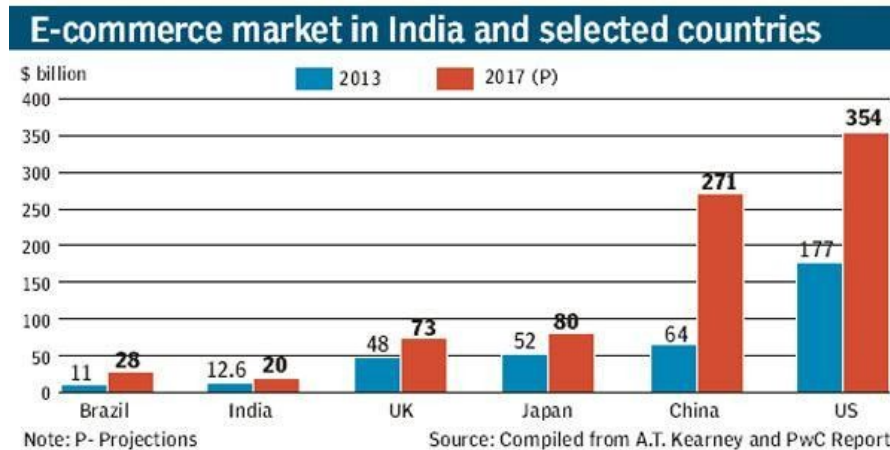
Figure1 shows how key industries like power, agriculture, electronics, and jewelry contribute to whole economy. It is interesting to see from figure that we import 37 % (of total import) crude and export 20 % (of total export) petro product which shows impact of power industries like RIL, Indian Oil Corp, NTPC, Power Grid Corp. Some more interesting facts we can derive from Figure1 (b) is that we our major export are petro products 20%), Gems & Jewelry (13%), Agriculture (10%), Automobile parts (7%) & Textile (7%) all of these industries prove our expertise, skills, investment and productivity in these particular areas. Also important industries which is not mentioned here is Real estate and E-commerce.

As we know agriculture sector had highest share in our GDP around 13.7% in year 2012-13. According to The Economic Time report share of agriculture sector in our GDP declined where as share of service sector and manufacturing sector inclined (“Agriculture’s Share in GDP Declines to 13.7% in 2012-13” 2013). It is to be noted here that service sector includes construction, telecom, IT, tourism, education, health care, travel, banking and others.

From past some years Indian retail industry is also booming with new players coming into this business along with FDI. Retail industry is one of the pillars of Indian economy and accounts for 14 to 15 percent of India’s GDP (“Retailing in India” N.D.). Retailing is the link that directly connects manufacturer and buyer without any intermediate institution (e.g. Government, bulk customer) and opened doors to eases of business. The Economist forecasts that Indian retail will nearly double in economic value, expanding by about \$400 billion by 2020 (“India’s Retail Reform: No Massive Rush” 2011). The housing sector contributes 5-6 per cent to the country’s GDP but the fact that Indian real estate is considered as property bubble by some experts indicates risk factor associated with this industry.

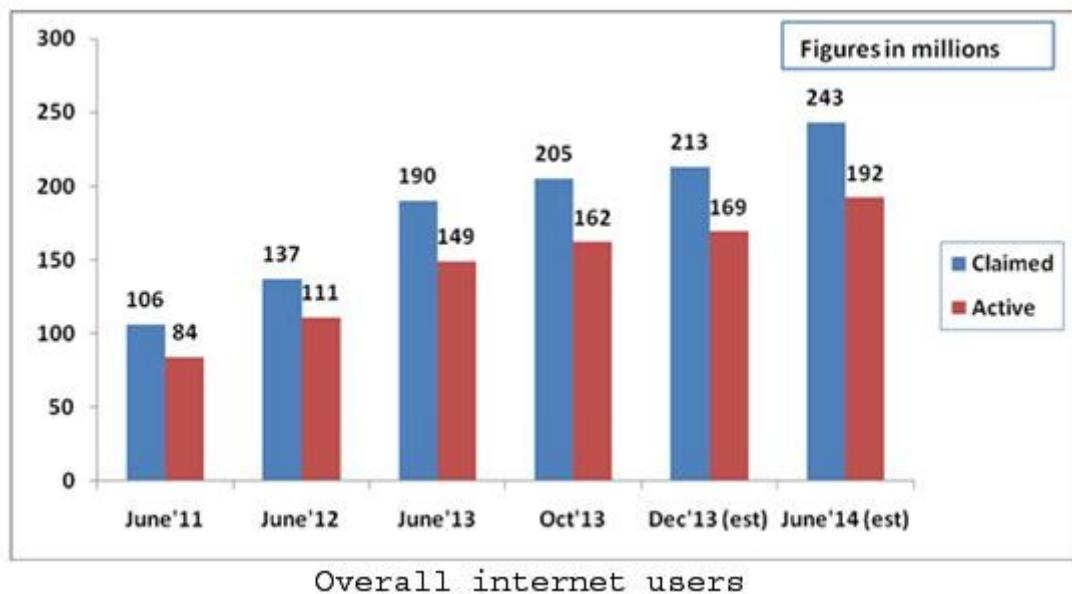
So far we have discussed about traditional corporate sectors like power, agriculture, retail and real estate. Let’s now focus on the sector which is immersing rapidly and with high growth rate that is Internet. E-commerce is the sector with very high opportunities and possibilities. Indian e-commerce has grown at a compounded annual growth rate of 30% since FY09, and is expected to be \$18 billion (around Rs 1, 116, 00 crore) opportunity by FY15. With big names like Amazon, ebay, Alibaba.com, Flipkart, Snapdeal retail sector also comes under E-commerce.

To observe macro (overall) growth or trend of Indian economy we consider micro (individual) view. For this purpose we observe growth of Indian based E-commerce Company Flipkart, company was established in 2007 with ₹ 400,000 only and Flipkart's last fundraising round in December had pegged its valuation at \$12 billion in year 2015.

Figure 2: Growth of E-commerce in different countries over 4 year time period

(“Alibaba Lessons for Indian E-Tail” 2014).

Figure 2 shows the trend of some of important world economy where E-commerce market in US is expected to reach 354 billion \$ in year 2017 which is twice of year 2013. Where is Indian E-commerce market in same time period will grow by 8 billion \$, which show a large possibility and scope for E-commerce in India. In a report Internet and Mobile Association of India (IAMAI) said India to beat US to become second-largest internet user base by June 2014.

Figure 3: Growth of internet users in India reported by I-Cube 2013

According to the report, named I-Cube 2013, India will have 243 million internet users by June 2014 (“India to Beat US to Become Second-Largest Internet User Base by June 2014: IAMAI” 2013). This shows that only around 20% of our total population is able to access internet but in near future it’s going to spread widely across country.

Conclusion

From this work it is clear that Indian market is changing very fast with globalization along with that new ideas are being promoted by means of “Make in India” campaign. We should also consider the fact that in the process of globalization lie a huge competition for our entrepreneurs. Future is of E-commerce that we see from our observation so to remain ahead in the world market innovation and promoting new ideas are the keys to success.

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