



GLOBALISATION AND THE INDIAN ECONOMY

Module-1/5

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- What is Globalization
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HOW INDIAN MARKETS HAVE BEEN TRANSFORMED

- All international brands sell their consumer goods in India
- As a result consumers have a wide choice
- This has become possible because of globalisation
- But it was not the same some 30 years ago. Only few brands were available to the consumers.



CONSUMER MARKET IN INDIA BEFORE GLOBALISATION



CONSUMER BRANDS IN INDIA AFTER GLOBALISATION



WHAT IS GLOBALIZATION

- Globalization is the process of rapid integration or interconnection between countries.



MULTINATIONAL CORPORATIONS

- Main force behind globalisation
- MNC is a company that owns or controls production in more than one country
- It not only sells the finished products globally, the goods and services are produced also globally
- This is done to reduce the cost of production and earn greater profit



CONTI.....

- Production is divided in small parts across the globe to gain advantage for their closeness to the market, cheap labour and raw material.
- The MNC may save around 50-60% in production and increase profit.



HOW MNCs SPREAD PRODUCTION

Pankaj Saikia/MES-2014

SPREADING PRODUCTION OF NOKIA MOBILE.

**Technology
development in USA**

**Headquarter and
control from Finland**

**Assembled in India
and China**

Hardware in China

**Software by Microsoft
in India and USA**

EXAMPLES OF MNCs

Name of some MNCs

- **Apple:** Started by Steve Jobs and his friends in 1976. American MNC.
- **Coco-Cola:** Established in the year 1886 by Asa Briggs Candler. Thump up, Fanta, Mazza are few beverages brought out by this famous company in India.
- **Nestle:** Switzerland based food company that introduced in India in the year 1912. Some of its selling products are Nescafe, maggie, Nestle Milk, Kitkat, Barone, Milky Bar etc.



EXAMPLES OF MNCs

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o Thank you

