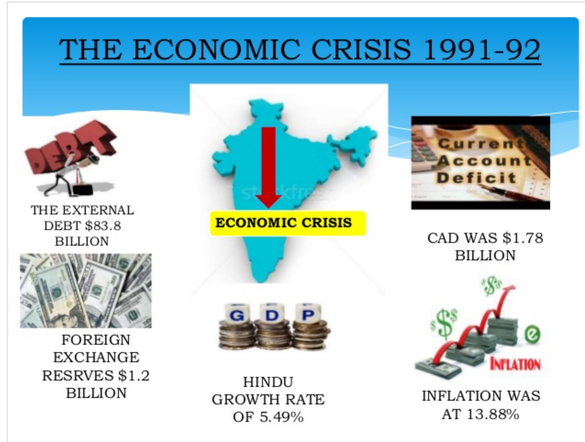

India in 1990

Reasons to Adopt NEP

- Depletion of foreign reserves
- Mounting Fiscal Deficit
- Poor Performance of PSUs
- Pressure from World Bank and IMF
- Poor Growth Rate

Economic Reforms 1991

https://youtu.be/lzWOsS3D0l4

Stabilization Measures

- Controlling Inflation
- Macro - Economic Stability
- Exchange Rate

Structural Measures

Liberalisation

- Industrial sector
- TAX reforms
- Financial Sector
- Trade and Investment
- Foreign Sector

Privatization

- Disinvestment

Globalization

- WTO
  - Functions and Policies
- Outsourcing
  - Advantages to India

Evaluation of NEP