

Liberalisation, Privatisation and Globalisation: An Appraisal

Choose the correct alternative.

Question 1.

Economic reforms were introduced in India in the year _____

- (a) 1991
- (b) 1992
- (c) 2001
- (d) 2005

▼ [Answer](#)

Answer: (a) 1991

Question 2.

Make in India programme was launched in _____

- (a) 1991
- (b) 2014
- (c) 2015
- (d) 2016

▼ [Answer](#)

Answer: (b) 2014

Question 3.

MUDRA Bank was set up to meet the credit needs of the _____

- (a) farmers
- (b) small enterprises
- (c) large enterprises
- (d) exporters

▼ [Answer](#)

Answer: (b) small enterprises

Question 4.

Which of the following replaced MRTP Act?

- (a) Competition Act
- (b) Foreign Exchange Management Act
- (c) New Companies Act
- (d) None of these

▼ [Answer](#)

Answer: (a) Competition Act

Question 5.

To provide refinance facilities to micro-units, an agency named MUDRA was established by the government. In which year this agency was set up?

- (a) 1991
- (b) 1999
- (c) 2005
- (d) 2015

▼ [Answer](#)

Answer: (d) 2015

Question 6.

At present how many industries are exclusively reserved for the public sector in India?

- (a) Two
- (b) Three
- (c) Four
- (d) Five

▼ [Answer](#)

Answer: (b) Three

Question 7.

At present the number of industries requiring company licensing is _____

- (a) Eight
- (b) Six
- (c) Four
- (d) Five

▼ [Answer](#)

Answer: (d) Five

Question 8.

GST has been implemented from _____

- (a) April 1, 2018
- (b) January 1, 2018
- (c) January 1, 2017
- (d) July 1, 2017

▼ [Answer](#)

Answer: (d) July 1, 2017

Question 9.

When did the Gulf Crisis take place?

- (a) 1985

- (b) 1990-91
- (c) 1995
- (d) 1975

▼ [Answer](#)

Answer: (b) 1990-91

Question 10.

How much loan was provided by World Bank and IMF during the nineties to bail India out of the crisis?

- (a) \$10 million
- (b) \$10 billion
- (c) \$7 billion
- (d) \$20 billion

▼ [Answer](#)

Answer: (c) \$7 billion

Question 11.

For how many industries, licensing is still necessary?

- (a) 7
- (b) 6
- (c) 9
- (d) 10

▼ [Answer](#)

Answer: (b) 6

Question 12.

How many industries are entirely reserved for the public sector?

- (a) 6
- (b) 10
- (c) 2
- (d) 4

▼ [Answer](#)

Answer: (c) 2

Question 13.

What is the investment limit in small scale industries?

- (a) 50 lakh
- (b) 1 crore
- (c) 25 lakh
- (d) 75 crore

▼ Answer

Answer: (b) 1 crore

Question 14.

Who is the Chairman of the GST Council?

- (a) Finance Minister
- (b) Prime Minister
- (c) Finance Secretary
- (d) Deputy Chairman of NITI Aayog

▼ Answer

Answer: (a) Finance Minister

Fill in the blanks with the correct word.

Question 15.

India met with the economic crisis in 1991 as it failed to repay its _____ from abroad.

▼ Answer

Answer: borrowings

Question 16.

_____ is the excess of expenditure (borrowings) over income.

▼ Answer

Answer: Deficit

Question 17.

To overcome the crisis, India approached IMF and World Bank for _____

▼ Answer

Answer: loan

Question 18.

Fiscal policy refers to the revenue and expenditure policy of the government to achieve _____ development in the economy.

▼ Answer

Answer: balanced

Question 19.

Trade policy reforms led to the removal of export duties to _____ India's competitive position.

▼ [Answer](#)

Answer: increase

Question 20.

India has become an important destination for global _____ since the reforms.

▼ [Answer](#)

Answer: outsourcing

Question 21.

Trade between two countries is called _____ trade.

▼ [Answer](#)

Answer: bilateral

Question 22.

Industrial sector has experienced _____ in growth pattern.

▼ [Answer](#)

Answer: fluctuations

[State whether the following statements are True or False.](#)

Question 23.

The crisis led to a rise in the prices of essential goods.

▼ [Answer](#)

Answer: True

Question 24.

Reserve Bank of India announced New Economic Policy as a condition to support the Indian economy.

▼ [Answer](#)

Answer: False

Question 25.

Opening up the economy by removing restrictions on the private sector is called

globalization.

▼ [Answer](#)

Answer: False

Question 26.

Industrial licensing was abolished on all products except on those which were important from a profit point of view.

▼ [Answer](#)

Answer: False

Question 27.

The rupee was devalued to resolve the balance of payments crisis.

▼ [Answer](#)

Answer: True

Question 28.

Private ownership is capable of utilizing capital and other resources more efficiently.

▼ [Answer](#)

Answer: True

Question 29.

GATT is the successor to the WTO.

▼ [Answer](#)

Answer: False

Question 30.

Opening up of the economy resulted in a rapid increase in FDI and foreign exchange reserves.

▼ [Answer](#)

Answer: True

[Match the alternatives given in Column II with respective terms in Column I.](#)

Question 31.

Column I	Column II
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(i) Liberalisation	(a) Removing trade restrictions
(ii) Privatisation	(b) July 2017
(iii) Globalisation	(c) Collected on inter-state sale
(iv) Tariff barriers	(d) Removing restrictions on the private sector
(v) Non-tariff barrier	(e) Imposing excise duty on imports
(vi) Introduction of New Economic Policy in India	(f) November 2016
(vii) Implementation of GST in India	(g) Reducing the role of the government
(viii) Demonetisation took place in India	(h) Fixing quotas restrictions
(ix) SGST	(i) Collected on intra-state sale
(x) IGST	(j) 1991

▼ [Answer](#)

Answer:

Column I	Column II
(i) Liberalisation	(d) Removing restrictions on the private sector
(ii) Privatisation	(g) Reducing the role of the government
(iii) Globalisation	(a) Removing trade restrictions
(iv) Tariff barriers	(e) Imposing excise duty on imports
(v) Non-tariff barrier	(h) Fixing quotas restrictions
(vi) Introduction of New Economic Policy in India	(j) 1991
(vii) Implementation of GST in India	(b) July 2017
(viii)	(f) November 2016

Demonetisation
took place in India

(ix) SGST

(i) Collected on intra-state
sale

(x) IGST

(c) Collected on inter-state
sale
