



Exams: Subjective Theory and Model Questions (Part 5 of 9)

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What is FDI? FDI (Foreign Direct Investment) occurs with the purchase of the “physical assets or a significant amount of ownership (stock) of a company in another country in order to gain a measure of management control” (Or) A foreign company having a stake in a Indian Company.

What is IPO? IPO is Initial Public Offering. This is the first offering of shares to the general public from a company wishes to list on the stock exchanges.

What is Disinvestment? The Selling of the government stake in public sector undertakings.

What is Fiscal Deficit? It is the difference between the government's total receipts (excluding borrowings) and total expenditure. Fiscal deficit in 2009 – 10 is proposed at 6.8% of GDP.

What is Revenue deficit? It defines that, where the net amount received (by taxes & other forms) fails to meet the predicted net amount to be received by the government. Revenue deficit in 2009 – 10 is proposed at 4.8% of GDP.

What is GDP? The Gross Domestic Product or GDP is a measure of all of the services and goods produced in a country over a specific period; classically a year. GDP during 2008 – 09 is 6.7%.

What is GNP? Gross National Product is measured as GDP plus income of residents from investments made abroad minus income earned by foreigners in domestic market.

What is National Income? National Income is the money value of all goods and services produced in a country during the year.

What is Per Capita Income? The national income of a country, or region, divided by its population. Per capita income is often used to measure a country's standard of living. Per capita income during 2008 – 09 estimated by CSO: Rs. 25, 494.

What is Vote on Account? A vote-on account is basically a statement, where the government presents an estimate of a sum required to meet the expenditure that it incurs during the first three to four months of an election financial year until a new government is in place, to keep the machinery running.

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