

Subject Economics

Teacher Ms Geeta Subbaraj

CLASS XII A and C

Topic National Income

Date 24 April 2020

- \* Content to be discussed.
- \* In today's class students will be learning to solve numericals.
- \* Numericals will be given for practice.

Mode of Teaching - Online class using Microsoft Teams!

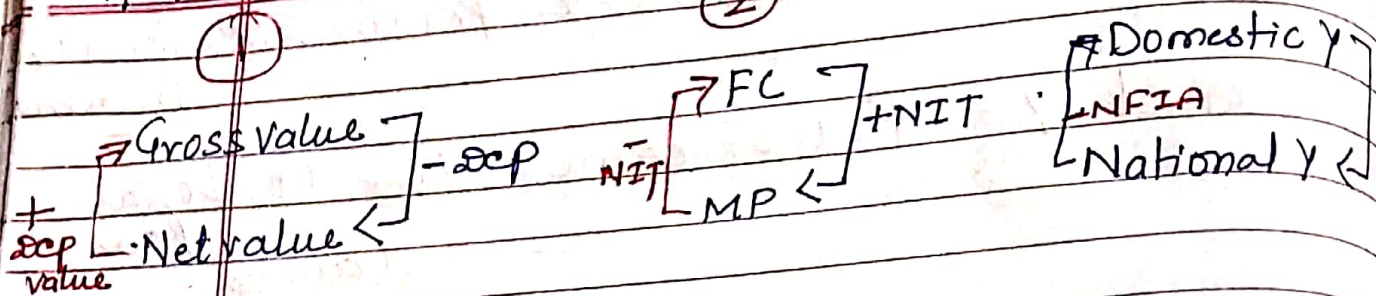
Previous assignment will also be discussed.

# National Income and its Aggregates

24/4/20

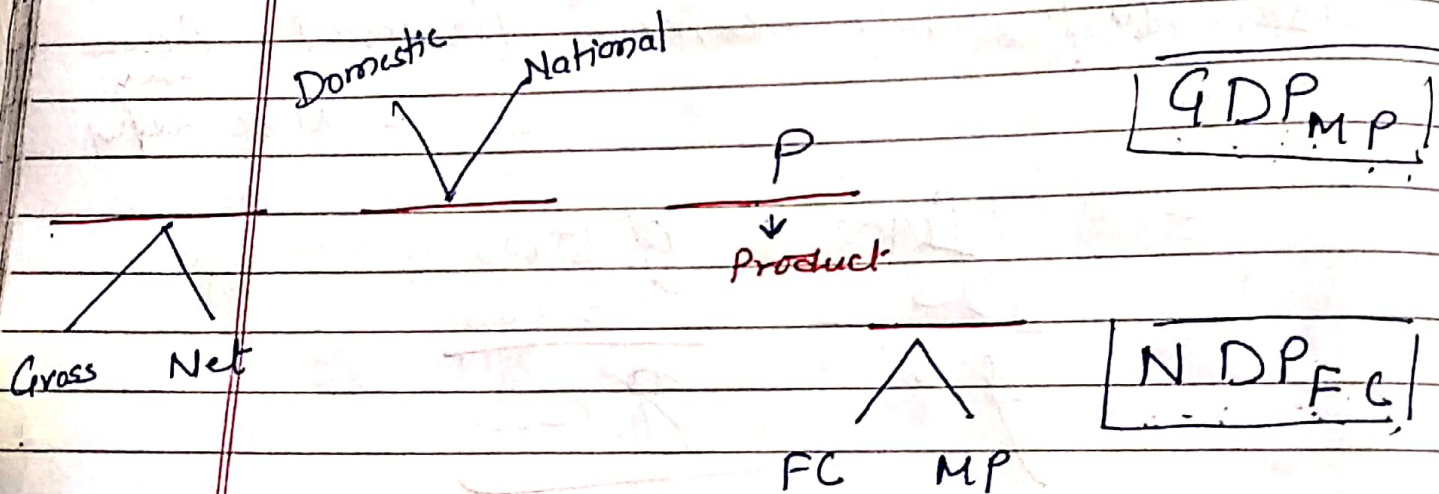
(3)

(2)



\* NIT  $\rightarrow$  Indirect tax - Subsidies

\* NFIA  $\rightarrow$  Factor income received from abroad  
 — Factor income paid to abroad



$GDP_{mp}$   $\rightarrow$  Gross Domestic Product at  $(mp)$

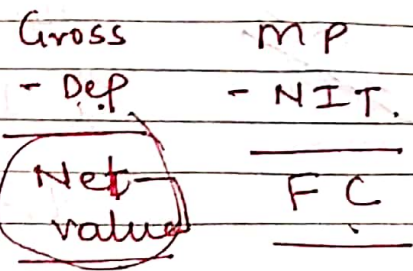
$NDP_{fc}$   $\rightarrow$  Net Domestic Product at  $(FC)$

\*  $mp$   $\rightarrow$  Market Price

\*  $fc$   $\rightarrow$  Factor Cost

$$\text{NDP}_{FC} = ?$$

$$\text{GDP}_{mp} = 600$$



$$\text{NDP}_{FC} = \text{GDP}_{mp} - \text{Dep} - \text{NIT} \left( \text{IT} - \text{Subsidies} \right)$$

$$\text{GDP}_{mp} = 500$$

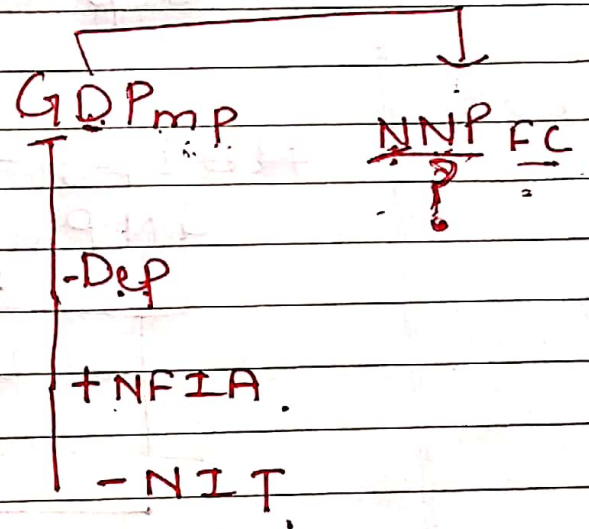
$$\text{Dep} = 200$$

$$\text{Indirect tax} = 100$$

$$\text{Subsidies} = 50$$

$$\text{NFIA} = 20$$

$$\text{NNP}_{FC} = ?$$



$$\text{NNP}_{FC} = \text{GDP}_{mp} - \text{Dep} + \text{NFIA} - \text{NIT} \left( \text{IT} - \text{Subsidies} \right)$$

$$= 500 - 200 + 20 - (100 - 50)$$

$$= 320 - 50$$

$$= ₹ 270 \text{ Ans}$$

Q2

$$NDP_{fc} = ?$$

$$GNP_{mp} = 6000$$

$$NFIA = 400$$

$$IT = 300$$

$$\text{Subsidies} = 200$$

$$\text{Dep} = 100$$

$$\begin{array}{l} \text{NDP}_{fc} = \text{GNP}_{mp} - \text{Dep} - \text{NFIA} - \text{NIT} \\ \text{GNP}_{mp} = \text{NDP}_{fc} + \text{Dep} + \text{NFIA} + \text{NIT} \end{array}$$

$$\begin{aligned} \text{NDP}_{fc} &= \text{GNP}_{mp} - \text{Dep} - \text{NFIA} - \text{NIT} \\ &= 6000 - 100 - 400 - \left( \text{IT} - \text{Subsidies} \right) \\ &= 6000 - 100 - 400 - (300 - 200) \\ &= 6000 - 100 - 400 - 100 \\ &= 6000 - 600 \\ &= ₹ 5400 \end{aligned}$$

1

$$NDP_{mp} = 800$$

$$dep = 100$$

$$NIT = 300$$

factor income paid to abroad = -10

$$NNP_{fc} = ?$$

$$\begin{aligned}
 NNP_{fc} &= 800 + (0 - (-10)) - 300 \\
 &= 800 + 10 - 300 \\
 &= 510
 \end{aligned}$$

2

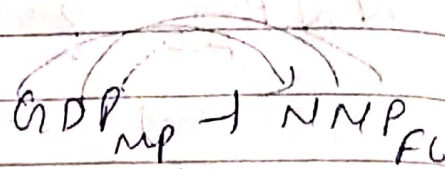
$$GDP_{mp} = 1000$$

$$NFTA = 200$$

$$NIT = 300$$

$$NNP_{fc} = 500$$

$$dep = ?$$



$$GDP_{mp} =$$

$$NNP_{fc} = GDP_{mp} - dep + NFTA - NIT$$

$$500 = 1000 - dep + 200 - 300$$

$$500 = 1000 - dep - 100$$

$$500 = 900 - dep$$

$$dep = 900 - 500$$

$$dep = 400$$