

Illustration 1. Calculate NDP at FC.

Particulars	₹ in crores
(i) GNP at MP	8,000
(ii) Depreciation	600
(iii) Net Factor Income from Abroad	300
(iv) Net Indirect taxes	700

Illustration 2. Calculate GDP at MP.

Particulars	₹ in crores
(i) NNP at FC	2,000
(ii) Depreciation	200
(iii) Subsidies	70
(iv) Factor Income from Abroad	110
(v) Indirect Taxes	180
(vi) Factor Income to Abroad	50

Example 1. Calculate NDP at FC.

Particulars	₹ in crores
(i) GNP at MP	6,000
(ii) Subsidies	200
(iii) Depreciation	100
(iv) Factor income received from abroad	400
(v) Indirect tax	300

Example 2. Calculate GNP at FC.

Particulars	₹ in crores
(i) NDP at MP	25,000
(ii) Depreciation	5,000
(iii) Subsidies	30
(iv) Factor income from abroad	400
(v) Factor income to the rest of the world	600

Example 3. Calculate Consumption of Fixed Capital.

Particulars	₹ in crores
(i) NNP at FC	4,000
(ii) GDP at MP	5,000
(iii) Net Indirect Tax	300
(iv) Net Factor income from abroad	200

Example 4. Calculate Net Indirect Tax.

Particulars	₹ in crores
(i) GNP at MP	7,000
(ii) NDP at FC	6,200
(iii) Depreciation	600
(iv) Net Factor income from abroad	(-) 400

Example 6. Calculate (a) Depreciation; (b) Subsidies; (c) NDP at FC.

Particulars	₹ in crores
(i) GNP at FC	95,000
(ii) Indirect Tax	14,000
(iii) NDP at MP	1,00,422
(iv) NNP at MP	1,00,000
(v) GNP at MP	1,07,000

Practicals on Basic Aggregates of National Income

1. Calculate GNP at FC.

Particulars	₹ in crores
(i) NDP at MP	80,000
(ii) Net Factor income from abroad	-200
(iii) Depreciation	4,950
(iv) Subsidies	1,770
(v) Indirect Tax	10,600

GNP at FC = ₹ 75,920 Crores

2. Calculate the domestic income.

Particulars	₹ in crores
(i) Gross national product at market price	58,350
(ii) Indirect Tax	2,590
(iii) Subsidies	1,540
(iv) Depreciation	1,625
(v) Net Factor income from abroad	-240

Domestic Income = ₹ 55,915 Crores

3. Gross National Product at market prices of an economy is ₹ 65,000 crores. The capital stock of the economy is valued at ₹ 1,20,000 crores, which depreciates at the rate of 10% per annum. Indirect taxes amount to ₹ 6,000 crores and subsidies amount to ₹ 1,000 crores. Estimate National Income of the economy.

National Income = ₹ 48,000 Crores