

**EEC-10**

**Bachelor's Degree Programme  
(BDP)**

**ASSIGNMENT  
(2015-16)**

**Course Code: EEC-10  
NATIONAL INCOME ACCOUNTING**



**School of Social Sciences  
Indira Gandhi National Open University  
Maidan Garhi, New Delhi-110 068**

**EEC-10: NATIONAL INCOME ACCOUNTING**  
**Assignment (TMA)**  
**2015-16**  
**(Coverage: Blocks 1 to 9)**

**Programme Code: BDP**  
**Course Code: EEC-10**

**Dear Student,**

As explained in the Programme Guide for BDP, you will have to do one assignment for this Elective course in Economics (EEC-10). This is a Tutor Marked Assignment (TMA) and carries 100 marks.

It is important that you write answers to all the questions in your own words. The TMA is designed to enable you to answer different categories of questions. Here evaluation is made keeping in view your ability to present your answer in a systematic, precise and coherent manner. The assignment is divided into three Sections. Remember that all questions are compulsory. Section A comprises two long answer questions of 20 marks each. Section B comprises four questions of 12 marks each while in Section C you have to answer two questions of 6 marks each.

**Submission:** The completed assignments should be submitted to the Coordinator of your Study Centre on or before **March 31, 2016 for the session July, 2015** and on or before **30 September, 2016 for the session January, 2016.**

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**Assignment (TMA)**  
**(Coverage: Blocks 1 to 9)**

**Programme Code: BDP**  
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**Asst. Code: EEC-10/AST/TMA/2015-16**  
**Maximum Marks: 100**

**Note: Answer all the questions.**

**A. Long Answer Questions. (Answer in about 500 words each)  $2 \times 20 = 40$**

1. What are the bases of the three methods of estimating national income? What is the purpose of estimating income? What is the purpose of estimating national income through the production method?
2. Explain the meaning of capital inflows. Distinguish between direct investment and portfolio investment. Also, explain the difference between foreign direct investment and portfolio investment.

**B. Medium Answer Questions. (Answer in about 250 words each)  $4 \times 12 = 48$**

3. Explain the meaning of saving. What are the various financial assets in which People put in their savings?
4. Write a note on the historical background of the first “flow of funds accounts” in India. Discuss its limitations.
5. How are national income estimates useful for planning and policy purposes?
6. Discuss the main components and importance of investment.

**C. Short Answer Questions. (Answer in about 100 words each)  $2 \times 6 = 12$**

7. Define disposable income. How do we compute Gross National Disposable Income from the ‘sources’ and ‘uses’ side?
8. Explain the following:
  - (i) Gross value added
  - (ii) Producers of government services
  - (iii) Non-durable capital goods
  - (iv) Disposable income