

**BHARATIYA VIDYA BHAVAN'S V.M.PUBLIC SCHOOL, VADODARA**  
**SESSION 2017-18**  
**Question Bank**

**SECTION B**

**UNIT : 5 Chapter 2 : NATIONAL INCOME ACCOUNTING**

**SHORT ANSWER TYPE QUESTIONS (3 MARKS)**

1. Distinguish between real and nominal gross domestic product.
2. Explain how distribution of G.D.P. is its limitation as a measure of economic welfare.
3. Explain the meaning of "Domestic Territory of a country".
4. Distinguish between 'factor income' and 'transfer income'.
5. Explain how distribution of Gross domestic product is a limitation in taking domestic product as an Index of welfare.
6. How can externalities be a limitation of using gross domestic product as an index of welfare.
7. What is meant by a normal resident? State which of the followings are treated as  
as  
State which of the followings are treated as normal resident of India.
  - (i) An American working in the office of WHO located in India.
  - (ii) Indian working in U.S.A. embassy located in India.