

**B.TECH. DEGREE EXAMINATION, NOVEMBER 2014****Third Semester**

Common to all Branches

EN 010 302—ECONOMICS AND COMMUNICATION SKILLS (AI, AN, AU, CE, CH, CS,  
EC, EE, EI, IC, IT, ME, MT, PE, PO, ST)

(New Scheme—2010 Admission onwards)

[Regular/Improvement/Supplementary]

Time : Three Hours

Maximum : 100 Marks

**Part A**

*Answer all questions briefly.  
Each question carries 3 marks.*

1. What are the objectives of credit control ?
2. What is WTO ? What are its objectives ?
3. State the merits of indirect taxes.
4. List the different types of inflation.
5. Distinguish between free trade and protection.

(5 × 3 = 15 marks)

**Part B**

*Answer all questions.  
Each question carries 5 marks.*

6. What is meant by credit creation ? What are the tendencies behind credit creation ?
7. Render your comments on the disinvestment of public sector undertakings.
8. What are the differences between a tax on income and tax on a commodity ? Why is a tax on income preferred in modern times ?
9. What are the major methods of measuring national income ? Explain.
10. State and explain the various items included in the balance of payments of a country.

(5 × 5 = 25 marks)

**Turn over**

**Part C***Answer all questions.**Each full question carries 12 marks.*

11. What are the main functions of banks ? Explain the role played by Commercial banks in the economic development of a country.

*Or*

12. "Stock market can be regarded as an economic barometer." Critically examine this statement in the context of Indian economy.
13. What are the measures taken by Indian Government in the case of Globalisation, Liberalisation and Privatisation. Explain their impacts on Indian economy.

*Or*

14. Discuss the past, present and future prospects of Information Technology industries on Indian economy.
15. (a) Distinguish between Forward and Backward shifting of tax. Explain the impact and incidence of tax.

(7 marks)

- (b) Explain progressive, proportional and regressive taxes with suitable examples. (5 marks)

*Or*

16. (a) Explain the important problems associated with deficit financing in Indian Economy. (7 marks)
- (b) Define tax evasion. Explain the reasons for the same in India. (5 marks)
17. (a) Define National Income. What are its concepts ? Explain the difficulties arising in the calculation of National Income. (7 marks)

(7 marks)

- (b) Explain the significance of national income statistics. (5 marks)

*Or*

18. Describe the different types of inflation and their causes. What are the steps taken by the Government to control the same ? Explain.
19. What are the different types of disequilibrium in BOP ? Explain the causes for and the methods of correcting disequilibrium in BOP.

*Or*

20. What are the main causes of India's adverse balance of payments ? Explain the measures that have been adopted to correct the adverse balance of payments. Critically examine India's trade policy.

[5 × 12 = 60 marks]