



Shiksha Mandal, Wardha's

**G. S. College of Commerce & Economics, Nagpur**

An Autonomous Institution

(Affiliated to Rashtrasant Tukadoji Maharaj Nagpur University)

Second Semester Bachelor of Business Administration Examination (CBCS)

**MONETARY ECONOMICS**

(BBAC 2.2)

Time: 3 Hours

Maximum Marks: 80

Note: All Questions are compulsory.

- Q.1 Answer the following question in about 150-200 words: 10  
A) Explain the concept of Paper Currency with its merits and demerits.  
OR  
B) Define Money. Explain the functions of money.
- Q.2 Answer the following question in about 150-200 words: 10  
A) Explain the role of Fiscal Policy in controlling inflation.  
OR  
B) Explain the causes and effects of deflation.
- Q.3 Answer the following question in about 150-200 words: 10  
A) What is Monetary Policy? Explain its importance.  
OR  
B) Explain the Qualitative Methods of credit control.
- Q.4 Answer the following question in about 150-200 words: 10  
A) Explain the importance and principles of Public Finance.  
OR  
B) Explain the characteristics and cannons of Taxation.
- Q.5 Answer the following questions in about 75-100 words: (Any Two) 08  
A) Explain the stages of evaluation of money.  
B) Explain the nature of money.  
C) Explain the merits of Fixed Fiduciary method of note issue.
- Q.6 Answer the following questions in about 75-100 words: (Any Two) 08  
A) Explain the effects of inflation on production.  
B) Explain the impact of deflation.  
C) 'Inflation is a lesser evil than deflation'. Comment.
- Q.7 Answer the following questions in about 75-100 words: (Any Two) 08  
A) Explain the importance of Money Market.  
B) Explain the objectives of Fiscal Policy.  
C) Explain the limitation of Qualitative method of credit control.

Q.8 Answer the following questions in about 75-100 words: (Any Two)

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- A) Explain the criticisms of theory of Maximum Social Advantage.
- B) Explain the merits of Proportional Taxation System.
- C) Explain the difference between Direct and Indirect Taxes.

Q.9 Answer the following questions in about 3 to 4 sentences.

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- A) Explain the concept of Minimum Reserve System of note issue.
- B) Explain the concept of Deflation.
- C) Explain 'Bank Rate' as a method of credit control.
- D) Explain the Progressive Taxation System.

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