



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: a) All Questions are compulsory

b) Draw well labeled diagrams wherever necessary

- Q.1 Answer the following question in about 150-200 words: 10  
A) Define Money. State the Primary & Secondary functions of Money.  
OR  
B) Discuss the merits & demerits of Minimum Reserve Method.
- Q.2 Answer the following question in about 150-200 words: 10  
A) 'Inflation is unjust & Deflation is harmful', Discuss.  
OR  
B) Suggest measures to control Inflation.
- Q.3 Answer the following question in about 150-200 words: 10  
A) Explain the objectives of Monetary Policy.  
OR  
B) Discuss the quantitative methods of Credit Control.
- Q.4 Answer the following question in about 150-200 words: 10  
A) Explain the Principle of Maximum Social advantage.  
OR  
B) Write the merits & demerits of Progressive Taxation System.
- Q.5 Answer the following questions in about 75-100 words: (Any Two) 08  
A) State the conditions for Barter System to flourish.  
B) Write a note on 'Evaluation of Money'.  
C) Explain the nature of Money.
- Q.6 Answer the following questions in about 75-100 words: (Any Two) 08  
A) Write a note on Stagflation.  
B) Explain the causes of Deflation.  
C) Discuss the economic effects of Inflation on Production. 08
- Q.7 Answer the following questions in about 75-100 words: (Any Two) 08  
A) Explain the limitations of Selective Credit Control.  
B) Explain the objectives of Fiscal Policy.  
C) Explain the instruments of the Money Market.
- Q.8 Answer the following questions in about 75-100 words: (Any Two) 08  
A) State the merits of Direct Taxes.  
B) Differentiate between Public Finance and Private Finance.  
C) Explain the principles of Taxation.
- Q.9 Answer the following questions in about 3-4 sentences. 08  
A) Define 'Barter System'.  
B) What is the effect of Deflation on Creditors?  
C) What is Monetary Policy?  
D) What do you understand by Tax?