



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 Commerce (Computer Application) Examination (CBCS)

**MONETARY ECONOMICS**

(BCCAC 2.2)

Time: 3 Hours

Maximum Marks: 80

N.B.: All questions are compulsory.

- Q. 1 Answer the following question in about 150-200 words. 10  
A) Define Money. Explain the functions of Money.  
OR  
B) Explain Minimum Reserve Method with its merits and demerits.
- Q. 2 Answer the following question in about 150-200 words. 10  
A) Explain the causes of Inflation.  
OR  
B) What do you mean by Fiscal Policy? Explain the role of Fiscal Policy in Controlling Deflation.
- Q. 3 Answer the following question in about 150-200 words. 10  
A) Explain the concept and objectives of Money Market.  
OR  
B) Explain the Quantitative Methods of Credit Control.
- Q. 4 Answer the following question in about 150-200 words. 10  
A) Critically examine the Theory of Maximum Social Advantage.  
OR  
B) What do you mean by Indirect Taxes? Explain its merits and demerits.
- Q. 5 Answer the following questions in about 75-100 words. (Any Two) 08  
A) Explain the nature of Money.  
B) Explain the merits of Paper Currency.  
C) Explain the stages of Evolution of Money.
- Q. 6 Answer the following questions in about 75-100 words. (Any Two) 08  
A) Explain the causes of Deflation.  
B) Explain the effects of Inflation on Distribution.  
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 recent trend in Monetary Policy.  
C) Explain the limitations of Selective Credit Control Method.
- Q. 8 Answer the following questions in about 75-100 words. (Any Two) 08  
A) Explain the characteristics of Taxations.  
B) Explain the Canons of Taxation.  
C) Explain the principles of Public Finance.
- Q. 9 Answer the following questions in about 2-3 sentences. 08  
A) Explain the concept of Fined Fiduciary Method.  
B) Explain the meaning of Inflation.  
C) Explain 'Moral Suasion' as a method of Credit Control.  
D) Explain the meaning of Regressive Taxation System.