

**Second Year MHA Degree Regular/Supplementary Examinations
October 2025**

Hospital Economics and Finance

(2013 and 2016 Scheme)

Time: 3 Hours

Total Marks: 100

- *Answer all questions to the point neatly and legibly • Do not leave any blank pages between answers • Indicate the question number correctly for the answer in the margin space*
- *Answer all parts of a single question together • Leave sufficient space between answers*
- *Draw table/diagrams/flow charts wherever necessary*
- *Simple calculator shall only be permitted*
- *Write section A and section B in separate answer books (32 Pages). Do not mix up questions from section A and section B.*

QP CODE: 222380

Section A – Hospital Economics

Marks: 50

Essay:

(20)

1. What is budgeting. Illustrate on the capital budgeting process and principles.

Short essay:

(10)

2. Explain the role of government in health system

Short notes:

(4x5 =20)

3. Demand curve
4. Differentiate cost and price. Comment on any one method of cost analysis
5. Risk adjusted rate approach in investment decision making
6. Spot and forward exchange markets

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Section B - Finance

Marks: 50

Essay:

(20)

1. Capital budgeting decision of the organisation has to consider both finance and non finance factors

Short essay:

(10)

2. "Cash is king" explain the importance of having appropriate cash at appropriate time

Short notes:

(4x5=20)

3. Economic Order quantity (EOQ)
4. PE multiple shows the premium enjoyed by the company's shares
5. Briefly explain the MM approach to the capital structure of the company
6. Cost Effectiveness Analysis and its uses
