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MBA-2
1st Year Examination, Calendar Batch 2017
SECTION-A- Principle of Economics
SECTION-B- Financial Management

Time : 3 Hours]

[Max. Marks : 100

*Note. Attempt any **five** questions. Minimum two questions are compulsory from each section.*

- Q.1** How is elasticity of supply measured? What are the various determinants of supply elasticity?
- Q.2** “Economics is a science of choice”. Give your opinion on the statement.
- Q.3** Write a brief note on utility and significance of commercial banks.
- Q.4** Differentiate between Positive Economics & Normative Economics.
- Q.5** What do you mean by over and undercapitalization?
- Q.6** Explain wealth maximization and profit maximization objectives of the financial management.
- Q.7** Explain the main drawbacks of using payback period for evaluating an investment proposal.
- Q.8** Define optimal capital structure. What is its link with cost of capital?