Institute of Health Management Research, Jaipur

PGDHM

Financial Management

Duration – 3 Hours

Maximum Marks - 70

Q1. From the following books of Practice Guru, pass the Journal entries, post them into a ledger and prepare a trial balance. 15 marks

2010, Jan 1	Sold goods to Ram-5600, Mohan-8400, Sohan-7000, Sold goods for cash -8000, Purchased goods worth -25000/-, Purchased Furniture worth -10,000/-
Jan 1	Bought goods from Amit – 11500/- Sumit – 13800/Ramesh-5700
Jan 3	Sold goods for cash - 8000/-
Jan 5	Paid salary -4000/-, Rent-2000/-
Jan 8	Sold goods to Ram of list price -8000/- less 10% trade discount
Jan 10	Paid for stationary-500/- and postage-600/-
Jan 12	Paid to Amit-6500/- and received discount-200/-
Jan 15	Goods of list price 1000/- returned to Ram
Jan 17	Received cash from Ram-11,500/- in full settlement of his account
Jan 19	Withdrew cash -2,000/- and goods-1,000/- for personal use.
Jan 22	Bought goods from sumit for cash-2,500/- and from Ramesh as credit-3,000/-
Jan 25	Received payment from Mohan-3000/- and Sohan-2800/-
Jan 27	Bought furniture – 2000/-
Jan 30	Paid 2900/- to ramesh who allowed 100/- as discount.

Q. No. 2 Answer any ten of the following(word limit – 50 words). Each question carries two marks. Please strictly adhere to the word limit otherwise marks would be deducted. 20 Marks

1. Give two examples of Current Assets
2. Give two examples of Long Term Liabilities
3. Give two examples of the Sources of Funds in a Balance sheet.
4. Distinguish between Bank-overdraft and cash credit .
5. What is an Operating Cycle?
6. Define Marginal Costing.
7. Explain and give the full form of EBIT.
8. Define Private Equity.
9. What do you mean by coupon interest?
10. What is Du Pont Analysis?
11. Give Two examples of Semi Variable Costs.
12. Give two examples of Profitability Ratios.

Q.No.3 Gupta general store sells both tea and coffee. The consumption pattern is changing and they realize that consumers are shifting from Tea to Coffee. The cost data is as follows –

	Coffee	Tea
Budgeted Sales in packets	10000	20000
Sales price per packet	10	10
Variable cost % of sales	50	65
Fixed Cost	38000	52000

Can you help in assessing the impact on profitability when only 10000 packets of Tea and 20000 packets of coffee is sold?

Q. No 4 An investment company offers to pay Rs 25959 at the end of 10 yeras to investors who deposit annually Rs 1000. The implied interest rate is - ?

Q. No. 5 A project which costs Rs. 800,000 involves a net cash inflow of Rs 3 lacs a year for fifteen years and cost of capital is 8%. Find out the NPV, BCR and IRR.

Note – Tables for PV and FV calculations are to be supplied with this paper.