IIHMR UNIVERSITY

Institute of Health Management Research

MBA Hospital and Health Management

Batch-23 (2018-2020)

First Year

EXAMINATION CELL IIHMR UNIVERSITY

Financial Management

Term Examination

Time - 3 Hours **MM-70**

The question paper contains 3 printed pages.

This question paper is divided into two parts. Both the parts have to be done in separate sheets.

Part - A

Q. 1. Pass the journal entries for the following transactions in January 2014:

Jan 1	Additional capital invested in business	40000
	Sold goods with cash	400
Jan 2	opened a bank /c by depositing cash	20000
	Sold goods with cash	300
Jan 3	Bought goods from Pawan Associates with trade discount 5%	620
	Sold goods with cash	350
	Bought goods from m/s Radha swami food products	2500
Jan 4	Sold goods to Ram karan on credit	2500
Jan 4	Sold goods to Ganesh	7500
Jan 4	sold goods to Hari tea stall and received cash	1000
Jan 6	sold good to Mr.D.S.Chauhan and received cash	15,000
Jan 7	Paid salary to Mahesh	1500
	Sold goods with cash	550
Jan 8	Received cash from Ganesh in full settlement	7400
	Sold goods with cash	670
Jan 8	Received cash from Ram Karan in full settlement	2450
Jan 9	Paid for rent in cash	5000
	Sold goods with cash	650
Jan 10	Paid for fixture repair	500
	Sold goods with cash	250
Jan 11	Bought goods from Vinay traders on credit	20000
	Sold goods with cash	325
Jan 13	Sold goods to Hanuman Singh and received cash	10000
Jan 13	paid for charity on a/c of Makar Sankranti	251
	Sold goods with cash	250
Jan 13	Issued cheque to m/s Radha Swami Food Products	2450
Jan 14	sold goods(kites) to Subodh campus and received cash	600
Jan 15	Bought goods from m/s S.K.B.Traders and paid cash and received 15% trade discount	400
	Sold goods with cash	150
Jan 16	sold goods to Suresh of list price ; less 10% trade discount.	7000

(15 Marks)

Q. 2. From the following Trial Balance of M/s Vikram Brothers prepare Trading and Profit and Loss Account for the year ended 31st March 2006 and Balance Sheet as on that date.

Dr		Cr	
Cash in hand	500	Capital	70000
Motor car	25000	Discount Received	2000
Drawings	48000	Sales	230000
Legal charges	1500	Creditors	46000
Plant & Machinery	60000	Interest on investment	5200
Investments	40000	Purchases Return	3800
Opening stock	35000	Bills payable	34000
Sales Returns	2500		
Salaries	12000		
Discount allowed	600		
Carriage Inward	1800		
Wages	21000		
Postage	400		
Debtors	60000		
Interest	1500		
Insurance Premium	1200		
Purchases	80000		

(10 Marks)

Q. 3. Write Short Notes on the following – (Not more than 50 words. Stick to word limit)

a. Concept of Money measurement
b. Concept of Historical Cost
c. Intangible Assets
d. Convention of consistency

(4*2.5 = 10 Marks)

Part B: Financial Management

Q. 1. Write Short Notes on the following – (Not more than 50 words. Stick to word limit)

a. Cash Credit
b. Hire Purchase
c. Bank Overdraft
d. Working Capital Management
e. Bills Payable

(10 Marks)

Q. 2. Ms Kusum has retired recently. She received rupees 5 lakhs as her return benefits, which she had invested in a bank @ 15% rate of interest. If she expects to live independently for another 15 years, how much money she can withdraw at the end of every year so as to live a nil balance in her account at the end of her maturity.

(10 Marks)

Q. 3. Find NPV, BCR and Payback of the following project if the cost of Capital is 12%-

Year	Inflow
0	-50000
1	25000
2	15000
3	25000
4	16000

(10 Marks)

Q. 3 Compare between these two ratios given for XYZ and ABC companies. Give your comment on the performance of these two companies.

Ratio	XYZ	ABC
Asset Turnover Ratio	1.25	2.50
Quick Ratio	1.20	.60

(5 Marks)