Institute of Health Management Research
MBA Hospital and Health Management
Batch-27th (2022-2024)

First Year, Term 3, End Term Examinations, April 2023

CC- 611 Financial Management

Time - 3 Hour **Maximum Marks:50 (Pass Marks: 20)**

The question paper contains 2 printed pages.

Q1. Post the following transactions to a journal :

(10 Marks)

Jan 1 : Initiated business with cash 75,000
Jan 1 : Taken loan of amount 1,00,000 from bank
Jan 2 : purchased Stationary worth 60,000
Jan 2 : purchased furniture of 5,000
Jan 5: sold stationary worth 500
Jan 6 : sold Stationary to Kamlesh of value 1,000 on credit
Jan7 : purchased Stationary from wholeseller worth 10,000 on credit
Jan 9 : sold stationary to Subodh college worth Rs 10,000 cash
Jan11 : paid 9000 to wholeseller and received discount of 1000
Jan11 : bought writing materials from Natraj of value 1200 on Credit
Jan12 : Purchased notebooks from Papu Retailer worth Rs 3000 on credit
Jan12 : stationary returned from Kamlesh of value 250
Jan13 : sold stationary to Suresh of value 5,000 on credit
Jan 14 : Received 550 from Kamlesh in full settlement
Jan15 : paid interest of 2,000 to bank
Jan15 : purchased stationary worth 4500 on cash
Jan15 : goods returned from Suresh of value 1500
Jan 16 : returned Notebooks to Papu retaler worth Rs 500
Jan17 : Paid insurance premium of the Proprietor 1200
Jan 20 : Paid Rs 1000 to Natraj in full settlement
Jan22 : withdrew Rs 5000 for Personal use
Jan23 : Received Rs 3400 from Suresh in full settlement
Jan 25 : Sold stationary worth 3000 Rs
Jan 30 : Paid Rs 2300 to Papu retailer in full settlement

Q2 Write short notes on the following in 30 to 40 words (stick to word limit to avoid marks deduction)

(10 x 2 = 20 marks)

(a) Intangible Assets with two examples
(b) Treasury Bills
(c) Asset Turnover Ratio
(d) Quick Ratio
(e) Current Liabilities with two examples
(f) Hire Purchase
(g) Golden rule of Working Capital Management
(h) Cash Credit
(i) Private Equity
(j) If the class life of an asset is 10 years and cost is Rs. 100000, what will be the depreciation?

Q3 Prepare a trading a/c, P&L a/c and balance sheet from the following Trial Balance:

(8 Marks)

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		

Q4 Sheela deposited Rs. 450,000 on retirement in a bank. If she can withdraw annually Rs. 60000 for a period for 8 years, What is the required rate of return?

(4 marks)

Q5 Find out the Payback, Discounted Payback, NPV and BCR, from the following data, when the discount rate is 12%, annual depreciation is 50000, and the tax rate is 10%.

(8 marks)

Year	Cashflow
0	-450000
1	300000
2	400000
3	650000
4	250000
5	550000