Enrolment No.: ……………………………

Institute of Health Management Research

MBA Hospital and Health Management
Batch-28th (2023-2025)
First Year, Term 3 End Term Examinations, April 2024

CC – 611 Financial Management

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

Instructions to students:

- **This question paper contains 2 printed pages.**
- **Don't write anything on the Question Paper except writing your Enrolment No.**

Part A

(Maximum Marks: 5)

Q1. If the debt for a firm is 20 lakhs, and the equity is 80 lakhs, what is the value of the debt equity ratio? (2.5)

Q2. If the firm is holding current assets of 25 lakhs, current liabilities of 20 lakhs and inventories of 3 lakhs, what is the value of quick ratio? (2.5)

Part B

(Maximum Marks: 15)

Q3. Sheela deposited Rs. 200,000 on retirement in a bank. What can she withdraw annually for a period for 10 years if the interest rate is 12%. (5)

Q4. Find out the present value of an annuity of Rs. 5000 starting immediately and lasting until ninth year at a discount rate of 10%. (5)

Q5. Distinguish between (5)

(a) Tangible and Intangible assets
(b) Money and capital

Part C

(Maximum Marks: 30)

Answer the following questions, in detail. There is a choice between Q7 and Q8.

Q6. 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% (15)

Year	Cashflows
0	-2500000
1	1658725
2	1256368
3	1025639
4	1156893
5	1458963

Q7. Prepare the journal in the account books of Mohan, January 2023. (15)

Jan1. Mohan started business with cash Rs.60,000, goods Rs.25,000, furniture Rs.1,000
Jan 3. Sold goods to Sheela costing Rs.5,000 @ 10% above cost.
Jan4. Purchase Building Worth Rs. 1,50,000 .
Jan7. Bought Good Worth Rs. 5,000 from Ram and Received Cash Discount @ 5%.
Jan9. Purchase Goods from Raju worth Rs. 10,000.
Jan10. Salary paid to Sohan an Employee Rs. 3,000.
Jan11. Received a cheque form Sheela and deposited to Bank.
Jan12. Returned goods of Rs.2,000 purchased from Raju.
Jan14. Goods sold for cash Rs. 50,000 and received sales Tax 10%
Jan15. Furniture worth Rs. 3,000 transfer to Mohan's House for the Decoration.
Jan16. Paid Outstanding Salaries for the December, 2008; Rs. 12,000.
Jan18. Cash deposited into bank Rs. 10,000.
Jan19. Rakesh purchased goods of Rs.6000 from us.
Jan20. Rakesh paid cash of Rs.2000
Jan22. Paid Life Insurance Premium Rs.3,000
Jan24. Charge Depreciation on Furniture @ 10%p.a. for three month (Furniture Rs. 8000)

OR

Q8. Explain the long-term and short-term sources of finance. What is the golden rule of working capital management? (15)