Post Graduate Diploma in Management (Hospital & Health Management)
PGDM – 2022-24 Batch
Term – 1st Year 2nd Term End Examination

Course & Code	:	**CC 611 & Financial Management and Accounting**	**Reg. No.**	:	
Term & Batch	:	**II, 2022-24**	**Date**	:	**24th Feb 23**
Duration	:	**3 Hrs**	**Max. Marks**	:	**70**

Instructions:

- All questions carry equal (14) marks. Attempt any five.
- Don’t write anything on the Question Paper except writing your Registration No.
- Mobile Phones are not allowed even for computations.

Q1. HLFPPT produces a single article. Following cost data is given about its product: -

Selling price per unit Rs.40, Marginal cost per unit Rs.24, Fixed cost per annum Rs. 16000.

Calculate: (a)P/V ratio (b) Break Even Sales (c) Sales to earn a profit of Rs. 2,000 (d) Profit at sales of Rs. 60,000 (e) New Break-Even Sales, if price is reduced by 10%.

Q2. TATA Co. Ltd. is to start production on 1st January 2023. The prime cost of a unit is expected to be Rs. 40 (Rs. 16 per materials and Rs. 24 for labor). In addition, variable expenses per unit are expected to be Rs. 8 and fixed expenses per month Rs. 30,000. Payment for materials is to be made in the month following the purchase. One-third of sales will be for cash and the rest on credit for settlement in the following month. Expenses are payable in the month in which they are incurred. The selling price is fixed at Rs. 80 per unit. The number of units to be produced and sold is expected to be: January 900; February 1200; March 1800; April 2000; May 2,100; June 2400 Draw a Cash Budget indicating cash requirements from month to month.

Q3. For a product managed according to the Economic Order Quantity method, the table shows monthly demand rates for the last two years:

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Year 1	80	70	110	100	110	90	80	120	100	130	110	100
Year 2	120	130	50	70	120	100	90	70	100	80	140	140

The product is bought at 20 Rs per unit. Set up cost is 105 Rs and holding cost is 35% of the purchasing price. Service level decided by management is 95%. Delivery lead time is 1 month.

- Calculate EOQ, Number of orders and time between orders.
- Calculate the reorder point ROP.

Q4. Enumerate the various components of ABDHM? Also write a short note on PM – ABHIM.

Q5. The following list of accounts for Company Risks Ltd. is available at the end of 2022.

Accounts payable for goods	132,000
Accounts payable for services	40,000
Accounts receivable, bill of exchange	10,000
Accumulated depreciation of constructions	30,000
Advances to suppliers	12,000
Called subscribed capital receivable	3,000
Capital grants	40,000
Capital stock	150,000
Cash	84,150
Cash equivalents	500,000
Constructions	120,000
Expenses paid in advance	5,500
Impairment of constructions	6,000
Impairment of inventories of other supplies	400
Income for the year	308,750
Interest payable to credit institutions	3,000
Inventories of other supplies	1,500
Land	140,000
Provisions for other responsibilities	20,000
Salary paid in advance	3,000
Short-term debt with credit institutions	150,000
Short-term holdings in equity	6,000
VAT payable	5,000

REQUIRED: Prepare the Balance Sheet according to the normal model of the new PGC.

Q6. The following Trading and Profit and Loss Account of Fantasy Ltd. for the year 31-3-2022 is given below:

Particular	Rs.	Particular	Rs.
To Opening Stock	76,250	By Sales	5,00,000
" Purchases	3,15,250	" Closing stock	98,500
" Carriage and Freight	2,000		
" Wages	5,000		
" Gross Profit b/d	2,00,000		
	5,98,500		5,98,500
To Administration expenses	1,01,000	By Gross Profit b/d	2,00,000
" Selling and Dist. expenses	12,000	" Non-operating incomes:	
" Non-operating expenses	2,000	" Interest on Securities	1,500
" Financial Expenses	7,000	" Dividend on shares	3,750
Net Profit c/d	84,000	" Profit on sale of shares	750
	2,06,000		2,06,000

Calculate: 1. Gross Profit Ratio 2. Expenses Ratio 3. Operating Ratio 4. Net Profit Ratio 5. Operating (Net) Profit Ratio 6. Stock Turnover Ratio.

Q7. A project with a 4-year life and a cost of Rs. 225,000 generates revenue of Rs. 48,000 in year 1, Rs. 67,000 in year 2, Rs. 95, 000 in year 3 and Rs. 110,000 in year 4. If the discount rate is 15%, Can the project be accepted? Also calculate the IRR and PI of the project.

	Discount Rate															
Period	1%	2%	3%	4%	5%	6%	7%	8%	9%	10%	11%	12%	13%	14%	15%	Period
1	0.9901	0.9804	0.9709	0.9615	0.9524	0.9434	0.9346	0.9259	0.9174	0.9091	0.9009	0.8929	0.8850	0.8772	0.8696	1
2	0.9803	0.9612	0.9426	0.9246	0.9070	0.8900	0.8734	0.8573	0.8417	0.8264	0.8116	0.7972	0.7831	0.7695	0.7561	2
3	0.9706	0.9423	0.9151	0.8890	0.8638	0.8396	0.8163	0.7938	0.7722	0.7513	0.7312	0.7118	0.6931	0.6750	0.6575	3
4	0.9610	0.9238	0.8885	0.8548	0.8227	0.7921	0.7629	0.7350	0.7084	0.6830	0.6587	0.6355	0.6133	0.5921	0.5718	4
5	0.9515	0.0328	0.8626	0.8219	0.7835	0.7473	0.7130	0.6806	0.6499	0.6209	0.5935	0.5674	0.5428	0.5194	0.4972	5
6	0.0161	0.0176	0.8375	0.7903	0.7462	0.7050	0.6663	0.6302	0.5963	0.5645	0.5346	0.5066	0.4803	0.4556	0.4323	6
7	0.9327	0.0096	0.8131	0.7599	0.7107	0.6651	0.6227	0.5835	0.5470	0.5132	0.4817	0.4523	0.4251	0.3996	0.3759	7
8	0.9235	0.0053	0.7894	0.7307	0.6768	0.6274	0.5820	0.5403	0.5019	0.4665	0.4339	0.4039	0.3762	0.3506	0.3269	8
9	0.9143	0.7477	0.7664	0.7026	0.6446	0.5919	0.5439	0.5002	0.4604	0.4241	0.3909	0.3606	0.3329	0.3075	0.2843	9
10	0.9053	0.8401	0.7441	0.6756	0.6139	0.5584	0.5083	0.4632	0.4224	0.3855	0.3522	0.3220	0.2946	0.2697	0.2472	10
11	0.8963	0.9004	0.7224	0.6496	0.5847	0.5268	0.4751	0.4289	0.3875	0.3505	0.3173	0.2875	0.2607	0.2366	0.2149	11
12	0.8874	0.7885	0.7014	0.6246	0.5568	0.4970	0.4440	0.3971	0.3555	0.3186	0.2858	0.2567	0.2307	0.2076	0.1869	12
13	0.8787	0.7730	0.6810	0.6006	0.5303	0.4688	0.4150	0.3677	0.3262	0.2897	0.2575	0.2292	0.2042	0.1821	0.1625	13
14	0.8700	0.7579	0.6611	0.5775	0.5051	0.4423	0.3878	0.3405	0.2992	0.2633	0.2320	0.2046	0.1807	0.1597	0.1413	14
15	0.8613	0.7430	0.6419	0.5553	0.4810	0.4173	0.3624	0.3152	0.2745	0.2394	0.2090	0.1827	0.1599	0.1401	0.1229	15
16	0.8528	0.7284	0.6232	0.5339	0.4581	0.3936	0.3387	0.2919	0.2519	0.2176	0.1883	0.1631	0.1415	0.1229	0.1069	16
17	0.8444	0.7142	0.6050	0.5134	0.4363	0.3714	0.3166	0.2703	0.2311	0.1978	0.1696	0.1456	0.1252	0.1078	0.0929	17
18	0.8360	0.7002	0.5874	0.4936	0.4155	0.3503	0.2959	0.2502	0.2120	0.1799	0.1528	0.1300	0.1108	0.0946	0.0808	18
19	0.8277	0.6864	0.5703	0.4746	0.3957	0.3305	0.2765	0.2317	0.1945	0.1635	0.1377	0.1161	0.0981	0.0829	0.0703	19
20	0.8195	0.6730	0.5537	0.4564	0.3769	0.3118	0.2584	0.2145	0.1784	0.1486	0.1240	0.1037	0.0868	0.0728	0.0611	20
21	0.8114	0.6598	0.5375	0.4388	0.3589	0.2942	0.2415	0.1987	0.1637	0.1351	0.1117	0.0926	0.0768	0.0638	0.0531	21
22	0.8034	0.6468	0.5219	0.4220	0.3418	0.2775	0.2257	0.1839	0.1502	0.1228	0.1007	0.0826	0.0680	0.0560	0.0462	22
23	0.7954	0.6342	0.5067	0.4057	0.3256	0.2618	0.2109	0.1703	0.1378	0.1117	0.0907	0.0738	0.0601	0.0491	0.0402	23
24	0.7876	0.6217	0.4919	0.3901	0.3101	0.2470	0.1971	0.1577	0.1264	0.1015	0.0817	0.0659	0.0532	0.0431	0.0349	24
25	0.7798	0.6095	0.4776	0.3751	0.2953	0.2330	0.1842	0.1460	0.1160	0.0923	0.0736	0.0588	0.0471	0.0378	0.0304	25
26	0.7720	0.5976	0.4637	0.3607	0.2812	0.2198	0.1722	0.1352	0.1064	0.0839	0.0663	0.0525	0.0417	0.0331	0.0264	26
27	0.7644	0.5859	0.4502	0.3468	0.2678	0.2074	0.1609	0.1252	0.0976	0.0763	0.0597	0.0469	0.0369	0.0291	0.0230	27
28	0.7568	0.5744	0.4371	0.3335	0.2551	0.1956	0.1504	0.1159	0.0895	0.0693	0.0538	0.0419	0.0326	0.0255	0.0200	28
29	0.7493	0.5631	0.4243	0.3207	0.2429	0.1846	0.1406	0.1073	0.0822	0.0630	0.0485	0.0374	0.0289	0.0224	0.0174	29
30	0.7419	0.5521	0.4120	0.3083	0.2314	0.1741	0.1314	0.0994	0.0754	0.0573	0.0437	0.0334	0.0256	0.0196	0.0151	30