

Time: Three Hours

Max. Marks: 80

Financial Management in Health Care - (RS)

Q.P. CODE: 3248

(QP contains two pages)

Your answers should be specific to the questions asked
Draw neat, labeled diagrams wherever necessary

LONG ESSAYS (Answer any Two)

2 x 10 = 20 Marks

1. Explain various forms of dividend
2. Nova Limited Company has equity share capital of Rs.1,00,000 divided into 100 each. It wishes to raise further Rs.60,000 for expansion plans. The company has following financial schemes
 - a) All equity shares
 - b) 50% equity shares and the balance in 10% debentures
 - c) 20000 equity shares and balance in 10% debenturesThe company has estimate EBIT Rs.30,000. The corporate tax 50%. Calculate EPS in each case, give a comment
3. Discuss the traditional and modern approaches of financial management

SHORT ESSAYS (Answer any Eight)

8 x 5 = 40 Marks

4. What is leverage? Explain different types of leverage
5. Discuss the role of financial manager
6. Discuss the relevance of cost of capital. What do you mean by marginal cost of capital?
7. Capital budgeting is a long term planning for making and financing proposed capital outlay. Explain
8. Discuss the various factors affecting capital structure
9. X limited issues 12% debentures of face value Rs.100 each and realizes Rs.95 per debenture. The debentures are redeemable after 10 years at a premium of 10%. Calculate the cost of debt
10. What is dividend? Explain the types of dividend
11. Project requires 75000 initial investment for payable of an equipment. Its annual income before tax and depreciation is estimated. Tax rate 20%

Year	Annual income before tax and depreciation
1	25000
2	35000
3	45000
4	55000

Calculate the present value if discount factor 9% is as follows:

Year	1	2	3	4
DF @ 9%	0.917	0.841	0.712	0.708

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12. The following information is available in respect of a product:

Units sold - 60000

Sales price per unit - 12

Fixed cost - 60000

Variable cost - 6 per unit

10% debt capital of 120000

Calculate all types of leverages

13. Mention the need for financial planning

SHORT ANSWERS (Answer any ten)

10 x 2 = 20 Marks

14. What is preference share capital?
15. What is net and gross working capital?
16. What is contribution?
17. What is operating cycle?
18. What is retained earnings?
19. Receivable management
20. What is permanent and temporary working capital?
21. What are the scope of financial management?
22. Expand EAT, EBIT and PAT
23. What are the decisions involved in financial management?
24. What are the functions of finance?
25. What is inventory management?

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