

[LD 1013]

OCTOBER 2013

Sub. Code: 2032

**MBA HOSPITAL AND HEALTH SYSTEM
MANAGEMENT DEGREE EXAMINATION
FIRST YEAR**

(for candidates 2011 – 2012 onwards)

PAPER II – FINANCIAL AND MANAGEMENT ACCOUNTING

Q.P. Code : 432032

Time : 3 hours

Maximum : 100 marks

I. Elaborate on :

(2x20=40)

1. Describe the scope of financial management. What role should the finance manager play in a multi-specialty hospital?
2. An equipment manufacturing factory consumes 60 units of material per day which is supplied by a vendor in lots of 240 units each at Rs.2,400 per lot. The factory works for 300 days per annum. Each order involves handling charges of Rs.120 and Freight charges of Rs.380. The storage cost is Re.0.50 per unit per annum. The interest cost to carry inventory works out at 1.25% per month. You are required to ascertain:
 - a. Calculate Economic Order Quantity (EOQ).
 - b. Find number of units to be ordered each time to minimize the overall inventory cost.
 - c. Analyse the frequency of placing orders.

II. Write Notes on :

(10x6=60)

1. What is an ordinary share? How does it differ from a preference share and a debenture?
2. Explain the tools and techniques of management accounting.
3. What is factoring? Explain the various types of factoring.
4. Describe the purpose and importance of underwriting of shares.
5. Explain the basic problems of cash management.
6. You are given the following data for the year 2011 – 2012.

Particulars	Rs.
Variable cost	6,00,000
Fixed cost	3,00,000
Net profit	1,00,000
Sales	10,00,000

- (a) Find out Break even sales?
 - (b) Profit / Loss when sales amounted to Rs.12,00,000 and Rs.8,00,000
 - (c) When the sales becomes Rs.14,00,000 what will be the margin of safety?
7. Enumerate the determinants of working capital.
 8. Elaborate the different types of budgets.
 9. What are the uses of breakeven analysis? How can its applications be used in a multi-specialty hospital?
 10. Write short notes on:
 - a. Operating Cycle
 - b. Capital gear ratio
 - c. Hedging
