

**HOSPITAL ADMINISTRATION****Financial Management in Health Care****Q.P. CODE: 8717**

Your answers should be specific to the questions asked.

Draw neat, labeled diagrams wherever necessary.

**LONG ESSAY****1 X 20 = 20 Marks**

1. A hospital is considering to purchase a machine two machines are available in morlst namely product X and product Y. Each of it is costing Rs.50000 these machine generate cash flow after tax and deprecation as follows.

Year	Machine X	Machine Y	Discount at 10%
1	Rs. 15,000	Rs. 5,000	.909
2	Rs. 20,000	Rs. 15,000	.826
3	Rs. 25,000	Rs. 20,000	.751
4	Rs. 15,000	Rs. 30,000	.683
5	Rs. 10,000	Rs. 20,000	.621

Evaluate the Machines bred on

- Pay back period
- Net present value at 10% discount factor

Advise the hospital as to which machine has be inverted and which has to be rejected

**SHORT ESSAY (Answer any Seven)****7 X 10 = 70 Marks**

- Explain the concept of time value of money.
- Budget is a tool for effective management Discuss.
- Explain the concept of credit policy in brief.
- Objectives of financial management
- Highlight few recent developments in health care financing in India
- Long term decision in finance has be evaluated for financing discuss the question using capital budgeting
- What is inventory management?
- Explain the role of a finance manager in a charitable hospital.

**SHORT ANSWERS (Answer any Five)****05 X 02 = 10 Marks**

- What is zero based budget?
- What is bond?
- What is financial leverage?
- What is preference share?
- What is time valve of money?
- What you understand by bills receivable?

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