

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

- a) Pay back period
- b) 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

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

SHORT ANSWERS (Answer any Five)

05 X 02 = 10 Marks

10. What is zero based budget?
11. What is bond?
12. What is financial leverage?
13. What is preference share?
14. What is time valve of money?
15. What you understand by bills receivable?

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