

**MMPC-014**

**Master of Business Administration (MBA)/ Master of Business Administration (Online) MBA(OL)/ Master of Business Administration (Banking and Finance) (MBF)/ Master of Business Administration (Financial Management) (MBAFM)/ Master of Business Administration (Human Resource Management) (MBAHM)/ Master of Business Administration (Marketing Management) (MBAMM) Master of Business Administration (Operations Management) (MBAOM)/ Post Graduate Diploma in Financial Management (PGDIFM)**

**ASSIGNMENT**

**For**

**January 2025 and July 2025 Sessions**

**MMPC-014: Financial Management**

**(Last date of submission for January 2025 session is 30<sup>th</sup> April, 2025 and for July 2025 sessions is 31<sup>st</sup> October, 2025)**



**School of Management Studies**

**INDIRA GANDHI NATIONAL OPEN UNIVERSITY**

**MAIDAN GARHI, NEW DELHI – 110 068**

## ASSIGNMENT

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<b>Course Code</b>	<b>:</b>	<b>MMPC-014</b>
<b>Course Title</b>	<b>:</b>	<b>Financial Management</b>
<b>Assignment Code</b>	<b>:</b>	<b>MMPC-014/TMA/JAN/2025</b>
<b>Coverage</b>	<b>:</b>	<b>All Blocks</b>

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**Note: Attempt all the questions and submit this assignment to the coordinator of your study centre. Last date of submission for January 2025 session is 30<sup>th</sup> April, 2025 and for July 2025 session is 31<sup>st</sup> October, 2025.**

1. What is Capital Market? How it is different from Money Market? Write a detailed note on participants in Capital Market.
2. What is dividend and why dividend decision is one of the important functions of a financial management? Discuss the factors that should be taken into consideration before finalizing a company's dividend policy.
3. Define the term capital structure. Make a comparative assessment of different types of securities from the point of view of capital structuring.
4. A firm is currently paying a dividend of INR 5/- per share whereas face value per share is INR 10/-. The rate of dividend is expected to grow at 6% per annum for next 4 years and at 8% per annum thereafter which will continue till infinity. Find the value of the share, if the required rate of return in the market is 14%.
5. How is Behavioral Finance different from Traditional Finance? Explain the various cognitive biases and give the reasons for the irrational behavior of investors.