

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 2026 and July 2026 Sessions

(Last date of submission for January 2026 session is 30th April, 2026 and for July 2026 sessions is 31st October, 2026)

MMPC-014: Financial Management



School of Management Studies

INDIRA GANDHI NATIONAL OPEN UNIVERSITY

MAIDAN GARHI, NEW DELHI – 110 068

ASSIGNMENT

Course Code	:	MMPC-014
Course Title	:	Financial Management
Assignment Code	:	MMPC-014/TMA/JAN/2026
Coverage	:	All Blocks

Note: Attempt all the questions and submit this assignment to the Coordinator of your study centre. Last date of submission for January 2026 session is 30th April, 2026 and for July 2026 session is 31st October, 2026.

1. "Operating leverage is double edged weapon." Do you agree with this statement? Justify.
2. Why is cost of capital important for a firm? Discuss, with examples, different methods of computing Cost of Equity capital.
3. What is capital budgeting? Why it is needed? Discuss any two methods of capital budgeting.
4. In case of a normal Firm where, $r=k$, which type of Dividend Policy the firm should follow? Identify the above dividend policy model and explain the model in detail.
5. What do you mean by 'Corporate Restructuring'? Why do firms go for it? Discuss the different modes of Corporate Restructuring.