



ANNAMALAI UNIVERSITY
DIRECTORATE OF DISTANCE EDUCATION

M.B.A. FINANCIAL MANAGEMENT

SECOND YEAR

Academic Year 2020 - 2021

ASSIGNMENT TOPICS

This booklet contains assignment topics. Students are asked to write the assignments for **SIX** papers as per instructions, those who have opted project and Viva-Voce.

Students are asked to write the assignments for the **EIGHT** Papers as per instruction those who have opted **Two Theory** Papers (2.7.1 & 2.7.2) as specialisation.

Last date for submission : **01-03-2021**

Last date for submission: with late fee **₹300/-** : **16-03-2021**

NOTE:

1. Assignments sent after **16-03-2021** will not be evaluated.
2. Assignments should be in the own hand writing of the student concerned and not type-written or printed or photocopied.
3. Assignments should be written on A4 paper on one side only.
4. All assignments (with Enrolment number marked on the Top right hand corner on all pages) should be put in an envelope with superscription "**MBA Assignments**" and sent to **The Director, Directorate of Distance Education, Annamalai University, Annamalainagar – 608 002** by **Registered post**.
5. No notice will be taken on assignments which are not properly filled in with *Enrolment Number* and the *Title* of the papers.
6. Students should send full set of assignments for all papers. Partial assignments will not be considered.

ASSIGNMENT INSTRUCTIONS

Write assignments on any **TWO** questions in each paper out of the **FOUR**. For each questions the answer should not exceed 15–pages. Each assignment carries 25 marks (2 questions). You are expected to write **two questions for every subject**.

DR. A. RAJASEKARAN
DIRECTOR

2.1 MANAGEMENT OF FINANCIAL SERVICES

1. Why companies go for leasing rather than purchasing agreement? What steps are involved in a lease agreement?
 2. Analyze the trends in mutual funds and how the fresh fund capitals are mobilized during past five years.
 3. In the recent past many investors lost money on stocks and mutual funds because of an economic downturn caused by global banking and financial crises. At the same time many experts argued that this was a “Real Investment Opportunity” because of the depressed price for many stocks and mutual funds. Do you think today is a good time to begin an investment program? Justify your answer.
 4. If an entrepreneur approaches you for an advice regarding financing of a project wherein he intends to expand his existing project. What resources you should suggest him to raise his funds?
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2.2 INTERNATIONAL FINANCE

1. Define the balance of payments. The balance of payments records all types of international transactions. What are the three main types of international transaction in balance of payment accounts?
 2. “Multilateral setting process is good to read in print, but when it comes to implementation, there are bottlenecks.” What does this statement imply? Discuss in detail.
 3. India’s Tariff and quota system is restricting international trade especially for Agri Business. – Do you agree with this statement? If Yes / No – substantiate your answer with suitable example.
 4. Critically evaluate the success of STC of India in achieving the objectives for which it was established.
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2.3 DERIVATIVES MANAGEMENT

1. How the valuation of Interest Rate SWAP, Currency SWAP and FRN are made? Explain them.
2. What is a lower bound price of a 4 month call option on a non dividend paying stock when the stock price is 28 \$, strike price is 25\$ and risk free interest rate is 8% per annum.
3. Examine the risks in financial derivatives and suggest measures to minimise them.
4. Write a note on role of clearing house with special emphasis upon ‘delivery mechanism’ in futures market

2.4 RISK MANAGEMENT AND INSURANCE

1. You are the newly appointed Risk Manager within an organisation and have noted that there is no written risk management philosophy or statement in place. Advise to the Board regarding the advantages of adopting a risk document, describing the elements that should be referenced within it.
 2. Discuss the loss control measures are to be taken by any manufacturing company of your choice.
 3. 'Insurance is a risk management technique of the corporate sector'– Analyse the statement.
 4. Critically examine the role of government in regulation of insurance business in India
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2.5 INVESTMENT, SECURITY AND PORTFOLIO MANAGEMENT

1. How do operators on a stock exchange affect the economic life of a nation? Is it necessary to control the stock exchange in the present situation? Give your views.
 2. "Companies with high credit risk are the ones that cannot access fixed rate market directly. They are the companies that are most likely to be paying fixed and receiving floating in an interest rate swap". Do you think it increases or decreases the risk of a financial institutions swap portfolio? Assume that companies are most likely to default when interest rates are high.
 3. "A fundamental analysis estimate of intrinsic value is different from the present value of all income". Is this statement true, false or uncertain? Justify your views with appropriate examples.
 4. A stock split should have no effect on value but it does seem to affect a firm stock price. How would you reconcile this contradiction? Substantiate with suitable examples.
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2.6 STRATEGIC MANAGEMENT

1. What are the six sigma strategies? Is this strategies has suitable to all the organization? If yes explain briefly if no justify your answer.
2. A leading steel company approaches you for strategies formulation and implementation in the changing environment. Suggest them a combination of strategies for productivity improvement (Make necessary assumptions).
3. Consider the shampoo market in India. Prepare a table showing the differences between the strategies adopted by top 5 brands. Explain each point.
4. Differentiate between competitive advantage of a country and a corporate. Discuss how this can help a firm to win over competition and grab more market share.

2.7.1 E-COMMERCE

1. What type of electronic payment systems are required in E-Commerce? Why are there different types of payment systems? Explain the necessary characteristics of each type of payment system and give an example of each where it is used.
 2. Describe the current e-commerce scenario in India and explain the future prospect of e-commerce
 3. Take an example of any two e-commerce companies in India providing high end e-commerce solutions and describe how they established customer confidence, trust and ensured privacy and security of the e-commerce transactions.
 4. What is meant by Home entertainment? How it is related to E-Commerce and explains the size of the Home Entertainment Market?
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2.7.2 BUSINESS RESEARCH METHODS

1. Why do business organizations need research? A company, faced with the problem of increasing rate of work force turnover, wants you to conduct a research on this problem. Prepare a blueprint on the research process, you will follow.
2. "Research is much concerned with proper fact finding, analysis and evaluation". Do you agree with this statement? Give reasons in support of your answer.
3. "Whenever possible, it is advisable to use instruments that have already been developed and repeatedly used in published studies, rather than develop our own instruments for our studies" - Do you agree? Discuss the reasons for your answer
4. "Every data collection method has its own built-in biases. Therefore, resorting to multi-methods of data collection is only going to compound the biases", How would you critique this statement?