

Comparing Investment Opportunities

Assignment 4

Total Marks: 30

Q.1. Short Questions (20)

- I. Define capital budgeting.
- II. What is a payback period?
- III. What is a breakeven point ? and how does it help in evaluating an investment opportunity?
- IV. What is cost benefit analysis ? and how it is performed?

Q.2. Explain the steps involved in the decision making process. (10)