

ASSIGNMENT

1. What is risk? Explain types of risks associated with the project in detail.
2. Define risk adjusted discount rate method. Explain pros and cons of the method
3. What do you understand with certainty equivalent method? Does it affect in real decision making to management. Critically explain it.
4. Hypothetically develop chart of sensitivity analysis which affects the financial company with the different factors.
5. As a financial manager, while you compare two projects give justification reason to a team member with practical calculation of NPV and explain their need of NPV in selection of project.