Assignment-5

The due date for submitting this assignment has passed. Due on 2019-09-04, 23:59 IST. As per our records you have not submitted this assignment.

1) EOQ is a company’s ________ order quantity that minimizes its total inventory costs.
   - minimum
   - maximum
   - optimal
   - any of the above

No, the answer is incorrect.
Score: 0
Accepted Answers: optimal

2) The assumption(s) in the determination of EOQ include(s):
   - annual total demand for consumption can be estimated with reasonable accuracy
   - the demand is nearly uniformly spread throughout the year
   - all goods ordered and received and taken to stock at one time
   - all of the above

No, the answer is incorrect.
Score: 0
Accepted Answers: all of the above

3) Of the two costs associated with EOQ Model, the ordering cost is ________ and the holding cost is ________
2) Different Modes of Bank Finance

- fixed / variable
- variable / fixed
- variable / variable
- fixed / fixed

No, the answer is incorrect.
Score: 0
Accepted Answers: fixed / variable

4) Safety stock is needed in an enterprise because of uncertainty in demand or in delivery of goods which give rise to several costs which are grouped as:

- carrying costs
- stock-out costs
- holding costs
- set-up costs

No, the answer is incorrect.
Score: 0
Accepted Answers: stock-out costs

5) Which of the followings may be an inventory management technique?

- EOQ
- ABC
- Just-in-time
- All of the above

No, the answer is incorrect.
Score: 0
Accepted Answers: All of the above

6) Focus inventory strategy is:

- make to stock
- assemble to order
- engineer to order
- all of the above

No, the answer is incorrect.
Score: 0
Accepted Answers: all of the above

7) In case of working capital restrictions imposed by the bank:

- The ordering cost may go up and carrying cost may go down
- The ordering cost may go down and carrying cost may go up
- The ordering cost may go up and carrying cost may remain unchanged
- The ordering cost may go up and carrying cost also go up

No, the answer is incorrect.
Score: 0
Accepted Answers: The ordering cost may go up and carrying cost may go down
8) ‘Net working capital is that part of working capital which is financed from long term sources of funds’  
- True  
- False  
- Can’t say  
- May be

No, the answer is incorrect.  
Score: 0  
Accepted Answers:  
True

9) What is/are the relevant modes of getting the bank finance by the firms?  
- Cash-credit limits  
- Working capital loan  
- Discounting of credit sales bills  
- All of the above

No, the answer is incorrect.  
Score: 0  
Accepted Answers:  
All of the above

10) Sundry creditors appear in the balance sheet:  
- When firms buy raw material and other inputs on credit  
- When firms sell raw material and other inputs on credit  
- When firms borrow from banks to fulfil working capital financing needs  
- When firms buy inventory through cheque

No, the answer is incorrect.  
Score: 0  
Accepted Answers:  
When firms buy raw material and other inputs on credit

11) Which system of inventory accounting increases the firm’s value by minimizing the present value of tax payments?  
- FIFO  
- LIFO  
- Average cost method  
- Adjusted selling price method

No, the answer is incorrect.  
Score: 0  
Accepted Answers:  
LIFO

12) Which of the followings may be the prerequisite(s) of an effective inventory strategy?  
- Integrated Approach  
- Integration of Inventory Functions to Corp. Strategy of Firm  
- Achievement of Ultimate Goal of Sustainable Competitive Advantage  
- All of the above

No, the answer is incorrect.  
Score: 0  
Accepted Answers:  
All of the above
Accepted Answers: 
All of the above