

# Unit 12 - Week 11

## Course outline

How does an NPTEL online course work?

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Week 11

Materials Management

Inventory Control

Economic Order Quantity (EOQ) Models

Economic Order Quantity (EOQ): Problems

Production Quantity Model

Quiz : Assignment 11

Solution For Assignment 11

Week 12

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## Assignment 11

The due date for submitting this assignment has passed.  
As per our records you have not submitted this assignment.

**Due on 2020-04-15, 23:59 IST.**

1) Production Quantity Model is an inventory system in which an order is received gradually, as inventory is simultaneously being depleted. **1 point**

- True  
 False

No, the answer is incorrect.  
Score: 0

Accepted Answers:  
True

2) The scope of materials management is (are); **1 point**

- Transportation  
 Procurement  
 Inventory control  
 All of these

No, the answer is incorrect.  
Score: 0

Accepted Answers:  
All of these

3) Assumptions of basic EOQ model are; **1 point**

- 1 Lead time for the receipt of orders is constant  
2 Order quantity is received all at once  
3 Demand is known with certainty and is constant over time

- 1 and 2  
 2 and 3  
 1, 2 and 3  
 1 and 3

No, the answer is incorrect.  
Score: 0

Accepted Answers:  
1, 2 and 3

4) Match the following; **1 point**

- A Vital                      1 Items are those items, whose stock out costs are very high.  
B Essential                2 Items are those items, whose unavailability will stop the production.  
C Desirable                3 Items will not cause any immediate production stoppages and their stock out costs are nominal.

- A-2, B-3, C-1  
 A-1, B-2, C-3  
 A-3, B-2, C-1  
 A-2, B-1, C-3

No, the answer is incorrect.  
Score: 0

Accepted Answers:  
A-2, B-1, C-3

5) Inventory is a stock of items kept to meet future demand. **1 point**

- True  
 False

No, the answer is incorrect.  
Score: 0

Accepted Answers:  
True

6) Inventory control is a planned approach of determining\_\_\_\_\_. **1 point**

- How much to order  
 When to order  
 How much to stock  
 All of these

No, the answer is incorrect.  
Score: 0

Accepted Answers:  
All of these

7) Choose the ODD one out of the following; **1 point**

- A.B.C. Analysis  
 M.N.P. Analysis  
 V.E.D. Analysis  
 H.M.L. Analysis

No, the answer is incorrect.  
Score: 0

Accepted Answers:  
M.N.P. Analysis

8) The ordering cost per order of an inventory is Rs. 300 with an annual carrying cost of Rs. 10 per unit. The Economic Order Quantity (EOQ) for an annual demand of 2000 units is; **1 point**

- 400  
 346  
 423  
 325

No, the answer is incorrect.  
Score: 0

Accepted Answers:  
346

9) Match the following; **1 point**

- A Carrying cost            1 Cost of replenishing inventory  
B Ordering cost            2 Cost of holding an item in inventory  
C Shortage cost            3 Temporary or permanent loss of sales when demand cannot be met

- A-2, B-1, C-3  
 A-1, B-2, C-3  
 A-3, B-2, C-1  
 A-2, B-3, C-1

No, the answer is incorrect.  
Score: 0

Accepted Answers:  
A-2, B-1, C-3

10) An electrical appliance showroom sells 2,500 ceiling fans in one year (52 weeks). The holding cost is 10 % of the cost of the ceiling fan. The cost of one ceiling fan is Rs. 600. The cost incurred for placing an order is Rs. 201. There is a lead time of 5 weeks. The economic order quantity (EOQ) and the reorder level, respectively (rounded to the next higher integer) are; **1 point**

- 241, 130  
 38, 241  
 130, 13  
 130, 241

No, the answer is incorrect.  
Score: 0

Accepted Answers:  
130, 241