

7. Which of the following statements about retail marketing is true?

- (i) sells products to other businesses
- (ii) sells products to a company that resells them
- (iii) sells products to final consumers
- (iv) sells products for one's own use

INVENTORY MANAGEMENT

(Question No. 8 - 15)

8. One of the important basic objectives of Inventory management is _____

- (i) to calculate EOQ for all materials in the organisation.
- (ii) to go in person to the market and purchase the materials
- (iii) to employ the available capital efficiently to yield maximum results
- (iv) once materials are issued to the departments, personally check how they are used

9. The term Maximum level represents -

- (i) The maximum stock level indicates the maximum quantity of an item of material which can be held in stock at any time.
- (ii) The maximum stock level indicates the maximum quantity of an item of material which cannot be held in stock at any time.
- (iii) The average stock level indicates the maximum quantity of an item of material which can be held in stock at any time.
- (iv) The available stock level indicates the maximum quantity of an item of material which can be held in stock at any time.

10. Which of the following is not an inventory?

- (i) Consumable tools
- (ii) Machines
- (iii) Raw material
- (iv) Finished products

11. Insurance charges of materials cost fall under -

- (i) Ordering cost
- (ii) Inventory carrying cost
- (iii) Stockout cost
- (iv) Procurement cost

12. As the order quantity increases, which cost will be reduced?

- (i) Ordering cost
- (ii) Insurance cost
- (iii) Inventory carrying cost
- (iv) Stock out cost

13. At EOQ -

- (i) Annual purchase cost = Annual ordering cost
- (ii) Annual ordering cost = Annual carrying cost
- (iii) Annual carrying cost = annual shortage cost
- (iv) Annual shortage cost = Annual purchase cost

14. Which of the following increases with the quantity ordered per order?

- (i) Carrying cost
- (ii) Ordering cost
- (iii) Purchase cost
- (iv) Demand

15. Inventory should be valued at -

- (i) Historical Cost
- (ii) At Market Price
- (iii) At Net Realisable value
- (iv) At Historical Cost or Net Realisable value, whichever is lower

INTRODUCTION TO E-COMMERCE

(Question No. 16 - 20)

16. Under what method payment is made at the time of physical delivery of goods?

- (i) Cash on Delivery
- (ii) Debit Card Payment
- (iii) Credit Card Payment
- (iv) Prepaid Amount

17. E-commerce has _____ scope than E-Business or Digital Business.

- (i) Higher
- (ii) Narrower
- (iii) Wider
- (iv) More

18. Which e-commerce model involves the sale of goods or services from businesses to the general public?

- (i) Business-to-Business (B2B)
- (ii) Business-to-Government (B2G)
- (iii) Consumer-to-Business (C2B)
- (iv) Business-to-Consumer (B2C)

19. e-commerce does not include -

- (i) A business's interactions with its customers.
- (ii) Interactions among the various departments within the business.
- (iii) A business's interactions with its suppliers.
- (iv) Interactions among the geographically dispersed units of the business.

20. Both buyers and sellers are customers under _____ type of e-business transaction.

- (i) C2C Commerce
- (ii) B2C Commerce
- (iii) C2B Commerce
- (iv) B2B Commerce

ANSWER KEYS

Question No.	Answer Key
1	(i) Departmental Store
2	(iii) Large
3	(ii) a, c and d only
4	(i) Unorganized Retailing
5	(iii) Retailier
6	(ii) Maximum Retail Price
7	(iii) Sells products to final consumers
8	(iii) to employ the available capital efficiently to yield maximum results
9	(ii) The maximum stock level indicates the maximum quantity of an item of material which cannot be held in stock at any time.
10	(ii) Machines
11	(ii) Inventory Carrying Cost
12	(i) Ordering Cost
13	(ii) Annual Ordering Cost = Annual Carrying Cost
14	(i) Carrying Cost
15	(iv) At Historical Cost or Net Realisable Value, whichever is lower
16	(i) Cash on Delivery
17	(ii) Narrower
18	(iv) Business-to-Consumer (B2C)
19	(ii) Interactions among the various departments within the business
20	(i) C2C Commerce