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SECTION-2

1:- CAPITAL STRUCTURE :-

The capital structure is the particular combination of debt and equity used by a company to finance its overall operations and growth. Debt comes in the form of common stock, preferred stock or retained earnings. It allows a firm to understand what kind of funding the company uses to finance its overall activities & growth. It shows the proportions of Senior debt Subordinated debt and equity in the funding, as per the aspects. Thus, capital structure refers to a company's outstanding debts & equity as a whole

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- EOQ (Economic order quantity)

$$EOQ = \sqrt{\frac{2 \times D \times S}{H}}$$

Here,

- D = Annual demand = 500 Units.
- S = cost per order = 125 Rs.
- C = cost per unit = -
- I = Holding cost = -
- H = Holding cost ∴ I×C = 110 Per unit

$$EOQ = \sqrt{\frac{2 \times D \times S}{H}}$$

$$EOQ = \sqrt{\frac{2 \times 500 \times 125}{110}}$$

$$EOQ = \sqrt{\frac{125000}{110}}$$

$$EOQ = \sqrt{1136.3}$$

$$EOQ = 33.70$$

i.e.

$$\boxed{EOQ = 33.70}$$