

**BIRLA INSTITUTE OF TECHNOLOGY, MESRA, RANCHI
(MID SEMESTER EXAMINATION)**

**CLASS: BHMCT
BRANCH: HMCT**

**SEMESTER: VIII
SESSION: SP/2019**

SUBJECT: HM8041 F & B CONTROL

TIME: 1.5 HOURS

FULL MARKS: 25

INSTRUCTIONS:

1. The total marks of the questions are 25.
 2. Candidates may attempt for all 25 marks.
 3. Before attempting the question paper, be sure that you have got the correct question paper.
 4. The missing data, if any, may be assumed suitably.
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- Q1 (a) Differentiate between direct & indirect inventory. [2]
(b) List out four different types of inventory costs and explain all of them. [3]
- Q2 (a) What is Re Order Point (ROP)? How it is calculated? [2]
(b) What are assumptions of EOQ Model? [3]
- Q3 (a) What are the objectives of materials management? [2]
(b) What are the characteristics of A-item, B-item & C-item according to ABC classification approach? [3]
- Q4 (a) How materials are classified according to VED classification? Explain with examples. [2]
(b) Briefly explain dual card Kanban system with a diagram. [3]
- Q5 (a) Define budget & budgetary control. [2]
(b) Classify budget based on period and flexibility & explain all of them. [3]
- Q6 (a) Write down the importance of budgetary control. [2]
(b) The SG Sports Pvt. Ltd. purchases cricket bat at Rs.3200/- per piece. The lead time is 12 days. The working day of company is 350 days in a year. The SG Sports Pvt. Ltd. will sell 3,60,000 units of leather ball evenly throughout the year. The total cost to handle a purchase order is Rs.300/-. The insurance, property tax and rent for each leather ball in the average inventory is Rs.150/-. The company wants a 5% return on average inventory investment. Calculate Re-Order-Point and EOQ. [3]

::: 01/03/2019 :::::M