	Utech
Name:	(4)
Roll No.:	To place (by Executing and Explant)
Invigilator's Signature :	

CS/HM/SEM-3/BHM-305/2010-11 2010-11

INVENTORY CONTROL & PURCHASE MANAGEMENT

Time Allotted: 3 Hours Full Marks: 70

The figures in the margin indicate full marks.

Candidates are required to give their answers in their own words as far as practicable.

GROUP – A (Multiple Choice Type Questions)

- 1. Choose the correct alternatives for the following : $10 \times 1 = 10$
 - i) The quantity of materials that is to be ordered to supplier is known as
 - a) EOQ

b) VED

c) SDE

- d) FSN.
- ii) Which of the following is a method of stores accounting?
 - a) EOQ

b) FIFO

c) ABC

d) Bin Card.

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- iii) Selection of suppliers is a function of
 - a) Purchasing department
 - b) Sales department
 - c) Production department
 - d) None of these.
- iv) What is contract?
 - a) An agreement
 - b) An agreement, enforceable by law
 - c) An agreement for selling of a product
 - d) Intention of a person to work for a mission.
- v) What will be the effect of profitability of an organisation if FIFO method stock valuation is employed in a situation of falling prices of inventory?
 - a) Higher profit
- b) Lower profit
- c) No effect profitability d) None of these.
- vi) EOQ stands for
 - a) Economic Order Quantity
 - b) Economic Order Quality
 - c) Economic Object Quality
 - d) None of these.



- vii) Inventory is stock for
 - a) production process
- maintenance process
- c) marketing process
- d) selling process.
- viii) For 'A' category of item 'safety stock' should be
 - a) high

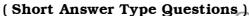
b) very high

b)

c) low

- d) medium.
- ix) VED analysis stands for
 - a) Value, Essential, Desirable
 - b) Very Essential Desirable
 - c) Vital, Essential, Desirable
 - d) None of these.
- x) Criteria for FSN analysis is
 - a) Critically of materials
 - b) cost of each materials
 - c) value of consumption of each materials
 - d) consumption pattern of item.

GROUP - B



Write short notes on any *three* of the following. $3 \times 5 =$

- 2. Purchasing principles.
- 3. Bin card
- 4. ABC analysis.
- 5. Function and importance of hospital stores.

GROUP - C

(Long Answer Type Questions)

Answer any *three* of the following.

 $3 \times 15 = 45$

- 6. "Profitability of a company depends upon effectiveness of its purchase function" Discuss.
- 7. Explain purchasing cycle with the help of diagram.
- 8. Define inventory. Explain the principles of inventory control with special reference to EOQ,, VED and lead time.
- 9. How are the different materials pressured and stored in a hospital store? Discuss.

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