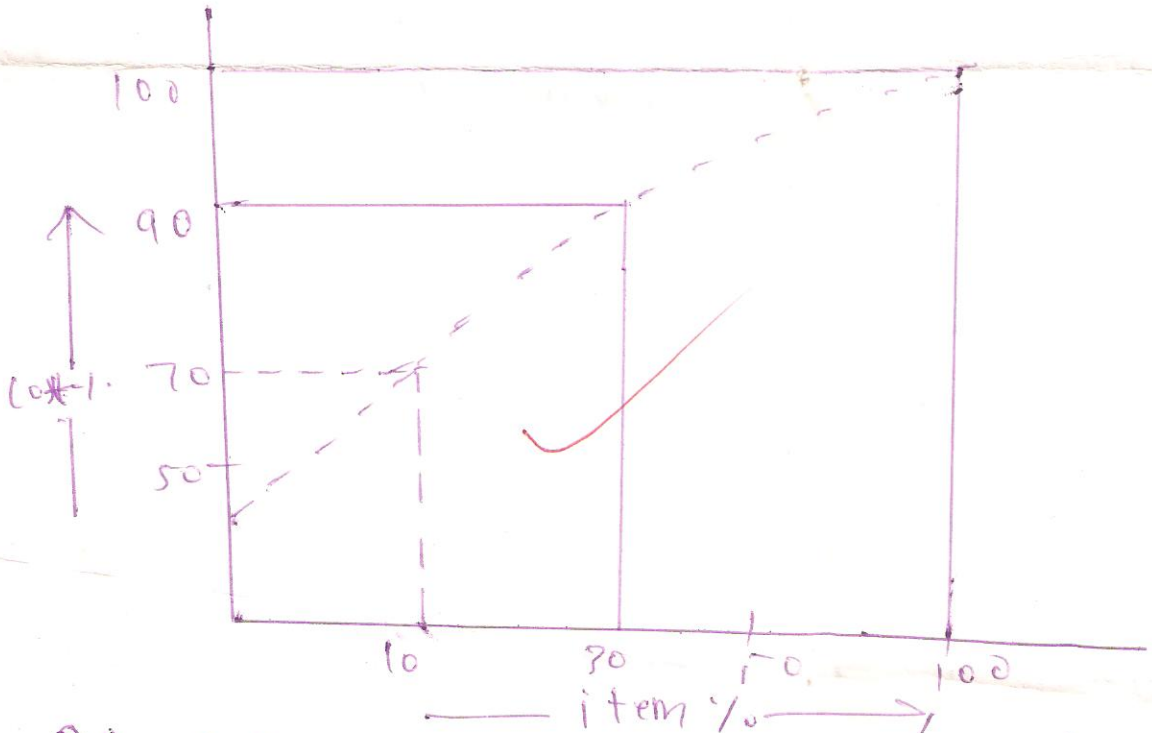


Q.7

ABC Analysis :- ABC Analysis helps segregating the items from one another & tells how much valued the item is and controlling it to what extent item is and controlling it to what extent is in the interest of organisation.



① A-items are high valued but few in No. they need carefully & close inventory control. Such items should be thought of in Advance and purchase well in time. Detailed records should be kept. Proper handling & storage facility.

A-items generally Account for 70-80% of Total Inventory cost & they constitute about 10% of Total items.

② B-items are medium valued & their no. lies in b/w A & C items. Such items need moderate control they are purchased on basis of part requirements - they generally Account for 15-20% of Total cost & about 15-20% of Total items.

③ C-items are low valued but max. Numbered items they don't need any control, rather controlling them is uneconomical they are clips, all pins, washers etc. they account for 5-10% Total cost & about 75% of Total items.

Q. 8
In

VED Analysis :- Spherically pertains to classification of main finance spare parts.

V - vital items, without which production would come to halt.

E - essential items without which performance of equipment will be affected.

D - Desirable items, Don't cause Any direct loss.

SDE Analysis :- Based on availability posin of each item.

S - scarce items, short in supply.

D - Difficult items, can't be produced easily.

E - Easily available items.

X FSM Analysis :- based on consumption rate.

F - Fast moving items

S - Slow " "

NI - Non " "

Q. 10 (u)

In RELEVANT COST :- the relevant cost for (how much) & (when) decision of normal inventory keeping are :-