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## 1 SOP Title

### Food Cost Control SOP – Budget & 2–3 Star Hotel Kitchen

## 2 Department

Kitchen / F&B / Stores / Accounts (Joint Responsibility)

## 3 Purpose

To control food cost percentage, reduce wastage, prevent pilferage, and improve profitability in a 2–3 star Indian hotel restaurant and banquet operation.

This SOP ensures:

- Controlled raw material usage
- Proper portion control
- Reduced leakage
- Accurate stock tracking
- Improved gross profit

Target Food Cost % (Typical 2–3 Star Hotel):

👉 **28%–38%** (Depending on concept)

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## 4 Scope

Applicable to:

- Restaurant (À la carte)
- Breakfast buffet
- Banquets
- Room service
- Raw material purchase
- Store issuing
- Wastage monitoring

Applies to:

- Head Chef

- F&B Manager
  - Storekeeper
  - Accounts
  - Hotel Owner / GM
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## 5 Responsibility

Position	Responsibility
Head Chef	Portion & production control
Storekeeper	Stock & issue control
F&B Manager	Monitoring daily food cost
Accounts	Monthly food cost report
Owner	Purchase approval

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## 6 Step-by-Step Procedure

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### A. Standard Recipe Control (Most Important)

1. Prepare standard recipe for top 30 selling dishes.
2. Mention:
  - Ingredient quantity
  - Yield
  - Portion size
  - Raw material cost
3. Calculate per plate cost.
4. Fix selling price minimum 65–70% margin.
5. Do not change portion without approval.

Without standard recipe → No cost control possible.

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## **B. Daily Raw Material Issue Control**

1. Kitchen must raise daily requisition.
2. Storekeeper issues as per requirement.
3. Record in Issue Register.
4. Do not issue excess stock.
5. End-of-day balance check.

No direct store access to kitchen without record.

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## **C. FIFO & Storage Control**

1. Follow FIFO strictly.
2. Label all items with date.
3. Separate veg & non-veg.
4. Store high-value items separately (paneer, chicken, dry fruits).
5. Lock store after issue.

Avoid stock expiry & pilferage.

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## **D. Portion Control**

1. Use weighing scale.
2. Use ladles with fixed size.
3. Standardize:
  - Rice quantity
  - Gravy quantity
  - Paneer/chicken portion
4. Train staff on visual portion control.

Over-serving = Silent profit loss.

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## **E. Wastage Monitoring**

1. Maintain Daily Wastage Log.

2. Record:
  - Spoilage
  - Burnt items
  - Overproduction
3. Review weekly.
4. Identify pattern (Breakfast overproduction common).

Breakfast wastage must not exceed 5–8%.

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#### **F. Purchase Control**

1. Take minimum 3 vendor quotes (for bulk items).
2. Compare rates monthly.
3. Avoid daily emergency purchase.
4. Check quality on delivery.
5. Reject poor quality immediately.

Never compromise quality for cheap price.

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#### **G. Daily Food Cost Tracking Formula**

Daily Food Cost % =  
(Food Consumption ÷ Food Sales) × 100

Food Consumption =  
Opening Stock + Purchase – Closing Stock

Review daily or weekly.

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#### **H. Banquet Cost Control**

1. Calculate exact pax.
2. Prepare 5–10% buffer only.
3. Avoid overproduction.
4. Monitor live counter usage.
5. Reuse permitted items safely (as per hygiene rule).

Banquets are profit drivers if controlled properly.

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## **I. High-Value Item Monitoring**

Monitor daily:

- Paneer
- Chicken
- Mutton
- Oil
- Butter
- Cheese
- Dry fruits

Sudden increase = leakage or wastage.

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## **Do's and Don'ts**

### **Do's**

- ✓ Maintain recipe book
- ✓ Conduct monthly stock audit
- ✓ Lock store properly
- ✓ Train staff on portion control
- ✓ Monitor daily sales vs consumption

### **Don'ts**

- ✗ Don't allow free staff meals uncontrolled
  - ✗ Don't overproduce buffet
  - ✗ Don't change vendor frequently without review
  - ✗ Don't ignore small wastage
  - ✗ Don't allow unrecorded issue
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## **Service & Cost Standards**

- Target Food Cost: 28–38%
- Buffet wastage: Below 8%

- Monthly physical stock audit mandatory
  - No negative stock in records
  - Daily issue register maintained
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### **9 Escalation Matrix**

<b>Situation</b>	<b>Escalate To</b>
High wastage	F&B Manager
Stock mismatch	Owner
Vendor quality issue	Purchase Head
Repeated overproduction	Head Chef
Theft suspicion	GM

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### **10 Documentation / Records Required**

- Standard Recipe Book
  - Daily Issue Register
  - Purchase Register
  - Wastage Log
  - Monthly Stock Audit Report
  - Daily Food Cost Sheet
  - Vendor Rate Comparison Sheet
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### **11 Common Mistakes to Avoid**

- No standard recipe
- No portion control
- Ignoring breakfast wastage
- Not locking store
- Not auditing stock monthly

- Over-purchasing perishables
- Not tracking oil usage

In 2–3 star Indian hotels, 3–5% uncontrolled food cost can wipe out monthly profit.

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## **📄 Training Notes**

How to Train Staff:

1. Teach cost awareness to chefs.
2. Show real food cost calculation.
3. Train on weighing ingredients.
4. Conduct monthly food cost meeting.
5. Review top 10 high-cost items weekly.
6. Reward kitchen team for cost saving.

Training Duration:

- 2 days cost control workshop
  - Monthly review training
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- ✓ SOP Ready for Printing
  - ✓ Designed for Budget & 2–3 Star Indian Hotels
  - ✓ Profit-Focused & Practical
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