

Seat No.: \_\_\_\_\_

Enrolment No. \_\_\_\_\_

## GUJARAT TECHNOLOGICAL UNIVERSITY

MBA - SEMESTER- IV EXAMINATION – WINTER 2020

Subject Code:4549271

Date:04/01/2021

Subject Name:Specialization-POM\_Materials Management (MM)

Time:02:00 PM TO 04.00 PM

Total Marks: 47

Instructions:

1. Attempt any THREE questions from Q1 to Q6.
2. Q7 is compulsory.
3. Make suitable assumptions wherever necessary.
4. Figures to the right indicate full marks.

Q. No.		Marks
Q.1	Definitions:	06
	(a) (a) Master Production Schedule (b) MRP (c) RFID	
	(b) (a) Drum-Buffer-Rope (b) Purchasing Cycle (c) Price Determination	06
Q.2	(a) What do you understand by materials management? Discuss various aspects of material management.	06
	(b) How are stores a central location around which all the activities of a firm revolve?	06
Q.3	(a) What are the Five R's of Purchasing? Explain in detail	06
	(b) What is the approach followed by firms in the purchase of storage equipment?	06
Q.4	(a) Define Materials Management. State cost reduction significance of materials of materials management.	06
	(b) If you are appointed as purchase manager in a medium size industrial firm, how will you proceed to design purchase department? Discuss	06
Q.5	(a) What is Master Production Schedule? How is a master schedule different from the master production schedule?	06
	(b) What is available to promise inventory? How does it help the sales personnel?	06
Q.6	(a) What is meant by codification? What are the merits of codification?	06

- (b) A manager has to decide about the number of machine to be purchased. He has three options i.e., purchasing one, or two or three machines. The data are given below.

Number of machines	Annual fixed cost	Corresponding range of output
One	Rs. 12000	0 to 300
Two	Rs. 15000	301 to 600
Three	Rs. 20000	601 to 900

Variable cost is Rs. 20 per unit and revenue is Rs. 50 per unit.

- (a) Determine the break-even point for each range  
 (b) If projected demand is between 600 and 650 units how many machines should the manager purchase?

**Q.7**

**CASE STUDY:**

A small pen manufacturing company employs 50 employees and operates in Surat. It is handles by Sharma family and working very well in Gujarat market. Top management recently hired an MBA candidate for better management of the firm. Due to this, some old employees at middle level are unhappy. Top management always found difference of opinion regarding the management decisions. But within six months' time period, the revenue showed an increasing trend and the firm want to purchase some place in Saurashtra are for expansion purpose. Also, firm is facing problem in getting the same opinion from all the management level employees. The Sharma family decided for the expansion and they are ready to handle the increased business. If they start operations at new place it is also a question of human resource management and raw material management. The firm wants management consultation for such issues. Based on this situation, summarize the case and answer the following questions assuming yourself as management consultant:

- (a) How the firm will deal with disputes among the employees after hiring new employee? Give some real-life solutions. **5.5**
- (b) If the firms expand its operation, what are the issues faced? What are the ways by which the firm deals with the expansion process? **5.5**
- Q.7** (a) Help the firm in location selection in Saurashtra region. Discuss various criteria in selection process. **5.5**
- (b) According to you the firm should go in saurashtra region or it has to expand in the same region at Surat? Support your answer with valid reasons. **5.5**

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