Seat No.:		.: Enrolment No	
	Subject Time: Instruct	GUJARAT TECHNOLOGICAL UNIVERSITY  MBA (PM) – SEMESTER – 10 - EXAMINATION – SUMMER - 2017  et Code: 4310201 Date: 09/05/2017  et Name: Material Management  10.30 am to 01.30 pm Total Marks: 70  ions:  1. Attempt all questions.  2. Make suitable assumptions wherever necessary.  3. Figures to the right indicate full marks.	
Q.1	(a) (b)	Define material Management. Explain the advantages in integrated material management concept.  For organizations undertaking turn – key projects certain special aspects need to be considered. Explain the important aspect which must be considered.	
Q.2	(a) (b)	Explain the followings  1. SWOT analysis  2. ABC analysis Explain the followings  1. KODAK system  2. BRISCH system	07
		OR	
	<b>(b)</b>	Explain the stages in source selection.	07
Q.3	(a) (b)	Explain the post purchase system with the examples.  Organizations have multiples goals. Needless to add, these must be measurable, result oriented, specific, realistic and attainable in a time. With respect to this explain the various others goals.	07 07

OR

Explain the factors that are to be carefully analyzed in arriving at make or buy decision.

OR

Explain the guideline which can be used for effective and reliable material planning.

Explain the material planning process with diagram.

What is material budget? Explain the process of material budget.

Q.3

**Q.4** 

(a)

**(b)** 

(a)

**(b)** 

**07** 

**07** 

**07** 

**07** 

Q.4 (a) Luminous lamps have three factories - F1, F2, and F3 with production capacity 30, 50, and 20 units per week respectively. These units are to be shipped to four warehouses W1, W2, W3, and W4 with requirement of 20, 40, 30, and 10 units per week respectively. The transportation costs (in Rs.) per unit between factories and warehouses are given below.

Factory		Supply			
	W1	W2	W3	W4	
F1	1	2	1	4	30
F2	3	3	2	1	50
F3	4	2	5	9	20
Demand	20	40	30	10	

Find the initial solution by

- 1. North west corner method
- 2. Least cost Method
- Q.5 (a) Nilesh Wable was in-change of buying capital equipment in Bharat Heavy Machinery Ltd, manufacturers of construction and mining equipment. Part of Nilesh Wable's duty was the rental of shop equipment as well as the purchase of new machinery. He was surprised to receive a requisition from assembly shop foreman, for a Rs 90,000 steam generator.

Nilesh wable knew that steam generator was only required for an occasional cleaning job. In the past it had been a practice to rent one from a local firm. When Nilesh wable asked the foreman why it was necessary to buy the generator, he answered, 'that is none of your business. The works manager has approved the requisition.' When Nilesh Wable asked the works manager for explanation, he replied, 'I do not care whether the equipment is bought or rented so long as my foreman is happy with the arrangement.'

On checking the record, Nilesh Wable found out that over past 4 years the local firm (R.R. Equipments) had always supply goods quality generator on time, whenever requested. Current rental charges for the equipment were Rs 750 per day or Rs 3000 per week. Delivered and picked up by the firm. Annual use during the last 4 years had been as follows:

No. of item rented	No. of days used	Total rental charges
4 years ago: 5	19	Rs 9750
3 years ago: 3	11	Rs 6500
2 years ago: 4	13	Rs 8250
1 year ago : 4	17	Rs 10000

The purchase requisition asked for immediate delivery since a cleaning job was scheduled for the following week.

## Question

1. Analyse the case and give your comments.

OR

ABB ltd three factories - F1, F2, and F3 with production capacity 90 50, and 60 units 14 **Q.5** (a) per week respectively. These units are to be shipped to four warehouses W1, W2, W3, and W4 with requirement of 50, 40, 60, and 50 units per week respectively. The transportation costs (in Rs.) per unit between factories and warehouses are given below.

Factory	S	Supply			
	W1	W2	W3	W4	
F1	1	2	1	4	90
F2	3	3	2	1	50
F3	4	2	5	9	60
Demand	50	40	60	50	

Find the initial solution by MODI method.

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