

**IV B.Tech I Semester Regular Examinations, January – 2024****OPERATIONS MANAGEMENT****(Common to All Branches except ME)****Time: 3 hours****Max. Marks: 70**

*Answer any FIVE Questions*  
*ONE Question from Each unit*  
*All Questions Carry Equal Marks*

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**UNIT - I**

- 1 a) The below table shows the demand for a particular brand of razor in a shop for each of the last nine months.

Month	1	2	3	4	5	6	7	8	9
Demand	10	12	13	17	15	19	20	21	20

Calculate a three month moving average for months three to nine. What would be the demand forecast for 10<sup>th</sup> month? Also, apply the exponential smoothing with a smoothing constant of 0.3 to derive a forecast for the demand in 10<sup>th</sup> month. Which of the two forecasts for 10<sup>th</sup> month is preferable and why? [7]

- b) What is job shop type production system? List out its important characteristics. [7]  
 (OR)

- 2 a) Differentiate between Forecast and Prediction. [7]  
 b) Explain briefly the importance of Aggregate planning. [7]

**UNIT - II**

- 3 a) A project with the following data is to be implemented. Draw the network and find the critical path.

Activity	Predecessor	Duration (in days)
A	-	2
B	-	4
C	A	1
D	B	2
E	A,B	3
F	E	2

- b) What is ABC analysis? Explain the different policies governing ABC method of inventory management. [7]

(OR)

- 4 a) Write the differences between forward scheduling and reverse scheduling. [7]  
 b) Discuss the primary and secondary objectives of materials management? [7]

**UNIT - III**

- 5 a) The John Equipment Company estimates its carrying cost at 15% and its ordering cost at Rs.9 per order. The estimated annual requirement is 48,000 units at a price of Rs.4 per unit.  
 i) What is the most economical number of units to order?  
 ii) How many orders should be placed in a year?  
 iii) How often should an order be placed? [7]  
 b) What are the advantages and limitations of Material requirements planning system? [7]
- (OR)
- 6 a) Distinguish between Q and P inventory systems. [7]  
 b) Explain the role of ERP in supply chain management. [7]

**UNIT - IV**

- 7 a) What are the factors that affect the quality of any product or service? [7]  
 b) Explain briefly the organizational structure of a Six Sigma organization. [7]
- (OR)
- 8 a) Explain briefly the concept of Total Quality Management. [7]  
 b) The number of scratch marks on a particular piece of furniture is recorded. The data for 20 samples are given below:

Sample number	1	2	3	4	5	6	7	8	9	10
Scratch mark	6	3	14	7	2	5	12	4	7	3
Sample number	11	12	13	14	15	16	17	18	19	20
Scratch mark	2	7	6	8	4	10	5	4	13	9

Draw the appropriate control chart and write the comments about the state of the process when the management sets a goal of 5 scratch marks on an average per piece. [7]

**UNIT - V**

- 9 a) Write the steps involved in the North-West Corner Rule for finding an initial basic feasible solution to a transportation problem. [7]  
 b) Solve the following assignment problem using Hungarian method. Cell values represent cost of assigning job A, B, C and D to the machines I, II, III and IV.

		Machines			
		I	II	III	IV
A		10	12	19	11
B		5	10	7	8
C		12	14	13	11
D		8	15	11	9

[7]

(OR)

- 10 Solve the following linear program;  
 Maximize  $Z = x_1 + 3x_2$ , subjected to  $x_1 \leq 5$ ,  $x_1 + 2x_2 \leq 10$ ,  $x_2 \leq 4$ ;  $x_1, x_2 \geq 0$  [14]