

SCHOOL OF MANAGEMENT STUDIES

Assignment 1		
MBA – CC	Sem-II	OPERATIONS MANAGEMENT

Note: Attempt both questions. Each is of 5 marks

1. A large bakery buys flour in 25-kg bags. The bakery uses an average of 4860 bags a year. Preparing an order and receiving a shipment of flour involves a cost of Rs. 10 per order. Annual carrying costs are Rs. 75 per bag.  
(a) Determine the economic order quantity and total cost of ordering and carrying flour.  
(b) What is the average number of bags on hand?
2. Explain briefly how a higher carrying cost and decrease in setup time can result in decrease in inventory.

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Assignment 2		
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Note: Attempt both questions. Each is of 5 marks

1. Explain different types of layout. Illustrate with examples the most appropriate type of layout for a service and for a manufacturing organization.
2. For the given data set calculate two series of forecasts by using alpha as 0.10 and 0.40 and also identify the accuracy of forecast in both cases.

Period (t)	1	2	3	4	5	6	7	8	9	10	11
Demand	42	40	43	40	41	39	46	44	45	38	40

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Assignment 3		
MBA – CC	Sem-II	OPERATIONS MANAGEMENT

Note: Attempt both questions. Each is of 5 marks

1. An acceptance sampling scheme consists of taking a sample of 20 and accepting the batch if no non-conforming items are found. If 2 or more defective items are found batch is rejected. If 1 defective item is found another sample of 20 is taken and batch is accepted if total of 2 or fewer defective items are found. Find the probability of accepting a batch containing 4% defective items.
2. How are manufacturing and non-manufacturing location decisions similar? Different? Illustrate by giving examples.