Reg.No. \_\_\_\_\_\_\_\_\_\_\_\_

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**End Semester Examination – Nov/Dec – 2018**

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| **Code :** | **17BB2017** | **Duration :** | **3hrs** |
| **Sub. Name :** | **PRODUCTION AND MATERIALS MANAGEMENT** | **Max. marks :** | **100** |

**ANSWER ALL QUESTIONS (5 x 20 = 100 Marks)**

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| **Q. No.** | **Sub Div.** | **Questions** | **Course**  **Outcome** | **Marks** |
| 1. | a. | Briefly explain system concept of OM. | CO1 | 5 |
| b. | What are the differences between Services and Goods? | CO1 | 5 |
| c. | Name one forecasting technique and explain. | CO1 | 5 |
| d. | What are the different types of production systems? | CO1 | 5 |
| (OR) | | | | |
| 2. | a. | What are the different types of Inventory control? | CO2 | 10 |
| b. | Explain EOQ. | CO4 | 10 |
|  |  |  |  |  |
| 3. | a. | Write about TQM. | CO4 | 10 |
| b. | Explain different types of layout strategies. | CO1 | 10 |
| (OR) | | | | |
| 4. | a. | What are the different factors which affect the location of a plant? | CO1 | 10 |
| b. | What is material handling explain in detail. | CO3 | 10 |
|  |  |  |  |  |
| 5. | a. | Explain JIT in detail. | CO4 | 10 |
| b. | How do you plan for an affective materials management information system? | CO3 | 10 |
| (OR) | | | | |
| 6. | a. | Explain Kanban. | CO5 | 10 |
| b. | Explain kaizan. | CO5 | 10 |
|  |  |  |  |  |
| 7. | a. | Explain six sigma concept. | CO4 | 10 |
| b. | Explain quality circles. | CO4 | 5 |
| c. | What is quality assurances? | CO4 | 5 |
| (OR) | | | | |
| 8. | a. | Explain spare parts management. | CO6 | 10 |
| b. | What is stores management explain? | CO6 | 10 |
|  | |  |  |  |
|  | | **Compulsory**: |  |  |
| 9. |  | In October 2015, the top management of Southern Recreational Vehicle Company of St. Louis, Missouri, announced its plans to relocate its manufacturing and assembly operations to a new plant in Ridgecrest, Mississippi. The firm, a major producer of pickup campers and camper trailers, had experienced 5 consecutive years of declining profits as a result of spiraling production costs. The costs of labor and raw materials had increased alarmingly,utility costs had gone up sharply, and taxes and transportation expenses had steadily climbed upward. Despite increased sales, the company suffered its first net loss since operations were begun in 1982. When management initially considered relocation, it closely scrutinized several geographic areas. Of primary importance to the relocation decision were the availability of adequate transportation facilities, state and municipal tax structures, an adequate labor supply, positive community attitudes, reasonable site costs, and financial inducements. Although several communities offered essentially the same incentives, the management of Southern Recreational Vehicle Company was favorably impressed by the efforts of the Mississippi Power and Light Company to attract “clean, labor-intensive” industry and the enthusiasm exhibited by state and local officials, who actively sought to bolster the state’s economy by enticing manufacturing firms to locate within its boundaries. Two weeks prior to the announcement, management of Southern Recreational Vehicle Company finalized its relocation plans. An existing building in Ridgecrest’s industrial park was selected (the physical facility had previously housed a mobile home manufacturer that had gone bankrupt due to inadequate financing and poor management); initial recruiting was begun through the state employment office; and efforts to lease or sell the St. Louis property were initiated. Among the inducements offered Southern Recreational Vehicle Company to locate in Ridgecrest were:  1. Exemption from county and municipal taxes for 5 years  2. Free water and sewage services  3. Construction of a second loading dock—free of cost—at the  industrial site  4. An agreement to issue $500,000 in industrial bonds for future  expansion  5. Public-financed training of workers in a local industrial trade  school  In addition to these inducements, other factors weighed heavily in the decision to locate in the small Mississippi town. Labor costs would be significantly less than those incurred in St. Louis; organized labor was not expected to be as powerful (Mississippi is a right-to-work state); and utility costs and taxes would be moderate. All in all, the management of Southern Recreational Vehicle Company felt that its decision was sound. On October 15, the following announcement was attached to each employee’s paycheck:  To: Employees of Southern Recreational Vehicle Company  From: Gerald O’Brian, President The Management of Southern Recreational Vehicle Company regretfully announces its plans to cease all manufacturing operations in St. Louis on December 31. Because of increased operating costs and the unreasonable demands forced upon the company by the union, it has become impossible to operate profitably. I sincerely appreciate the fine service that each of you has rendered to the company during the past years. If I can be of assistance in helping you find suitable employment with another firm, please let me know. Thank you again for your cooperation and past service.  **Discussion Questions**  1. Evaluate the inducements offered to Southern Recreational Vehicle  Company by community leaders in Ridgecrest, Mississippi.  2. What problems would a company experience in relocating its  executives from a heavily populated industrialized area to a small rural town?  3. Evaluate the reasons cited by O’Brian for relocation. Are they  justifiable?  4. What legal and ethical responsibilities does a firm have to its  employees when a decision to cease operations is made? | CO1 | 20 |