

Seat No. : _____

LF-132

April-2014

F.Y. M.B.A. (KS) (Integrated)

Business Management-2

Time : 3 Hours]

[Max. Marks : 100

1. (A) Explain in detail the contribution of Fayol in the field of Administrative management. **10**
- (B) Explain the importance of Quantitative approach in studying Management. Give relevant examples for the same. **10**
2. Answer any **two** from the following : **20**
 - (A) Differentiate between Production and Production System. What are the main objectives of Production System ? Also list the main types of production systems along with their examples.
 - (B) Which type of layout helps to bring efficiency in production ? Discuss this layout in detail with examples. Also show it may bring advantages and limitations for the business unit.
 - (C) As an entrepreneur, you want to set up a new factory in Ahmedabad. Which site will you select for the same ? Which factors do you think affects your decision for site selection ?
3. (A) External environment produces both challenges and opportunities for business firms. Explain this with the relevance of PEST analysis in business environment. **10**
- (B) Who are the important stakeholders for an Educational institution offering a professional degree like an MBA ? **10**
4. (A) What is Managerial control ? Explain all the essentials of Effective Control System with relevant examples. **10**

(B) Answer the following questions based on the information given :

10

- (1) Draw the network diagram.
- (2) Find out the Expected time period for activities.
- (3) Find out critical path for the activities.

ACTIVITY	IMMEDIATE PRECEDENT ACTIVITY	OPTIMISTIC TIME	MOST LIKELY TIME	PESSIMISTIC TIME
A	–	2	5	8
B	–	4	19	28
C	A	5	11	17
D	A	3	9	27
E	C	3	6	15
F	B	2	5	14
G	D, F	3	6	15
H	E, G	1	4	7
I	H	2	5	14
J	I	6	12	30

5. (A) What is Purchasing ? Explain importance of purchasing in detail with relevant examples. 10

OR

Explain policies of purchasing in detail with relevant examples.

- (B) Define the terms 'inventory' and 'inventory management'. Explain importance of inventory management. 5

- (C) A factory uses annually 48000 units of a raw material which costs ₹ 2.50 per unit. Placing each order costs ₹ 50 and carrying cost is 6% p.a. on average inventory. 5

- (1) Find out EOQ.
- (2) Find out total inventory cost.
- (3) If factory works for 320 days a year find out minimum time period for reordering.