B. Tech Degree VII Semester Examination November 2010

CS/EB/EC/EE/EI/IT 701 INDUSTRIAL ORGANISATION AND MANAGEMENT
(2006 Scheme)

Time : 3 Hours   Maximum Marks : 100

PART - A
(Answer *ALL* questions)

(8 x 5 = 40)

I. (a) How are 'cooperatives' formed and run? Discuss their importance.
    (b) It is sometimes stated that the typical organization chart is undemocratic in that it emphasizes the superiority and inferiority of people and positions. Comment.
    (c) How do the required managerial skills differ in the organizational hierarchy?
    (d) 'Planning is looking ahead, and control is looking back". Comment.
    (e) Explain the utility of marketing information system and identify it's main components.
    (f) Distinguish between standard costing and marginal costing.
    (g) Identify the important records of stores. Explain *any two* of them.
    (h) What are the costs associated with inventory? Distinguish between deterministic and stochastic models in inventory theory.

PART - B

(4 x 15 = 60)

II. (a) "A private limited company combines the advantages of limited liability and the facilities of partnership organisation". Justify.   (5)
     (b) Managing by objectives may result in increased use of matrix organizational structures. Explain.   (5)
     (c) Why do most small companies use functionally organized departments?   (5)

OR

III. (a) What is a partnership deed and what are its contents?   (5)
     (b) Explain system approach applied to organization.   (5)
     (c) Explain in detail with examples (i) state ownership (ii) public corporation. (5)

IV. (a) Identify and explain the managerial functions with respect to management levels. (10)
     (b) Is management a science or an art? Could the same explanation apply to engineering or accounting? Explain.   (5)

OR

V.   (a) 'You cannot motivate managers. They are self propelled. You just get out of their way if you really want performance'. Comment.   (7)
     (b) Explain : (i) Neo classical theory (ii) Modern management theories.   (8)

VI. (a) What are the functions of sales management?   (5)
     (b) Write notes on consumer and industrial markets.   (5)
     (c) Explain valuation of stock and allocation of overheads.   (5)

OR

VII. (a) Explain in detail the various pricing methods.   (7)
     (b) Explain in detail the method of preparing a factory budget considering different elements of budget.   (8)

VIII.   Following information is given pertaining to a firm's performance for the last four periods. Compute the partial productivity and total productivity indexes for the company for each of the 4 periods. Present the results in a tabular form. (15)

Assume Period – 1 as a base year

	Particulars	Period 1	Period 2	Period 3	Period 4
A.	**OUTPUT**				
1.	Finished goods produced	2500	2200	2800	3200
2.	Work – in – progress	1200	1600	1000	4000
	% of completion	60	50	30	15
	Price per unit (Rs.)	1000	1200	1500	1700
3.	Dividend from securities	12000	15000	28000	29000
	Deflator for item (3)	1	1.11	1.12	1.5
B.	**INPUT**				
1.	Skilled labour (hrs)	10,000	12,000	12,000	10,000
	Average wage Rate	60	70	75	75
2.	Unskilled labour (hrs)	5000	8000	5000	3000
	Wage Rate (Rs.)	30	40	40	50
3.	Materials				
	Raw materials (tones)	20	18	23	25
	Price per tonne	1200	1600	2000	2000
4.	Total plant hrs worked	1800	2400	2500	2500
	Plant hour rate	650	650	1500	2400
5.	Energy				
	(i) Oil used (lts)	5000	3000	2000	1500
	Price/litre	4	6	8	12
	(ii) Coal (tonnes)	200	150	50	-
	Price/tonne	1200	1800	2800	-
	(iii) Electricity (KWH)	15000	18000	22000	30000
	Rate/KWH	2.5	3.2	4.2	6.7
6.	Other expenses				
	(i) Consulting fees	20000	-	40000	200000
	(ii) Information expenses	10000	15000	28000	50000
	Deflator for item (6)	1	1.2	1.3	1.3

OR

IX. (a) Explain MRP logic and what do you mean by time phasing. (5)

(b) A company currently replenishes its stock of a certain item by ordering enough supply to cover one month's demand. The annual demand of the item is 1500 units. It is estimated that it costs Rs. 800 every time an order is placed. The holding cost per unit inventory per month is Rs. 80 and no shortages allowed. (i) Determine the optimal order quantity and the time between orders (ii) Determine the difference in annual inventory costs between the current policy of ordering a month's requirement and the optimal policy. (10)

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