

(5)

MCB

Marks

KL's production during the quarter included component R. The following information is available :

	Component R
Component Consignments received	45
Production runs	16
Quality Inspections	10
Orders (goods) despatched	22
Quantity produced	560

Calculate the unit manufacturing overhead cost of component R using ABC system.

- (b) State any three differences between PERT and CPM. 3
- (c) What are the disadvantages of Cost Plus Pricing ? 5
3. (a) A manager was asked to assign tasks to operators (one task per operator only) so as to minimize the time taken. He was given the matrix showing the hours taken by the operators for the tasks. 10
- First, he performed the row minimum operation. Secondly, he did the column minimum operation. Then, he realized that there were 4 tasks and 5 operators. At the third step he introduced the dummy row and continued with his fourth step of drawing lines to cover zeros. He drew 2 vertical lines (under operator III and operator IV) and two horizontal lines (aside task T_4 and dummy task T_5). At step 5, he performed the necessary operation with the uncovered element, since the number of lines was less than the order of the matrix. After this, his matrix appeared as follows :

	Operators				
Tasks	I	II	III	IV	V
T_1	4	2	5	0	0
T_2	6	3	3	0	3
T_3	4	0	0	0	1
T_4	0	0	5	3	0
T_5 (dummy)	0	0	3	3	0

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P.T.O.