

## DETAILED EXPLANATIONS

1. (d)

2. (a)

Responsiveness indicates that the forecast have fluctuating or swinging pattern. It is preferred for new product and for that number of period is kept small. Stability means that the forecast pattern is flat, smooth and has less fluctuation. It is preferred for old existing product and for that number of period is kept large.
$\therefore \quad F_{t}=F_{t-1}+\alpha\left(D_{t-1}-F_{t-1}\right)$
If $\alpha=0, n \rightarrow \infty$ (limit of stability)
$\left[\because \alpha=\frac{2}{n+1}\right.$, if $\alpha$ is not given $]$

$$
F_{t}=F_{t-1}
$$

If $\alpha=1, n=1$ (Limit of responsiveness)

$$
\begin{aligned}
& F_{t}=D_{t-1} \\
& 0 \rightleftarrows \underset{\text { Stable }}{\rightleftarrows} \propto \underset{\text { Responsive }}{ } 1
\end{aligned}
$$

3. (c)

4. (b)

If all the values in the replacement ratio column are either negative or infinite then the solution terminates and it indicates that the simplex problem have unbounded solution.
5. (d)

Total float (TF) denotes the amount of time by which an activity can be deleyed without delaying the project completion day.

$$
T F=L F T_{j}-E S T_{i}-t_{i j}
$$

6. (b)

$$
\begin{aligned}
\text { Break-even point units } & =\frac{100000}{10-8}=50000 \\
\text { Capacity } & =80000 \\
\text { Margin of safety } & =80000-50000=30000
\end{aligned}
$$

7. (a)

$$
\text { Expected demand }=60 \times 0.17+65 \times 0.12+70 \times 0.25+80 \times 0.26+90 \times 0.2=74.3
$$

8. (b)

$$
\begin{aligned}
E O Q & =\sqrt{\frac{2 D C_{0}}{C_{h}}} \\
(E O Q)_{A} & =\sqrt{\frac{2 \times 200 \times 100}{8}} \\
(E O Q)_{B} & =\sqrt{\frac{2 \times 800 \times 100}{2}}=4 \times(E O Q)_{A} \\
\Rightarrow \quad(E O Q)_{A} & :(E O Q)_{B}:: 1: 4
\end{aligned}
$$

9. (c)

| Job | Machine A | Machine B |
| :---: | :---: | :---: |
| $\mathbf{P}$ | 5 | 2 |
| $\mathbf{Q}$ | 1 | 6 |
| $\mathbf{R}$ | 9 | 7 |
| $\mathbf{S}$ | 3 | 8 |
| $\mathbf{T}$ | 10 | 4 |

Sequence Q-S - R-T-P
11. (b)

Given:

$$
D_{1}=180 \text { unit, } F_{1}=200 \text { units }
$$

We know that, $F_{2}=F_{1}+\alpha\left(D_{1}-F_{1}\right)$

$$
\begin{aligned}
& =200+0.4(180-200)=192 \text { units } \\
F_{3} & =F_{2}+\alpha\left(D_{2}-F_{2}\right) \\
& =192+0.4(210-192)=199.2 \text { unis } \\
F_{4} & =F_{3}+\alpha\left(D_{3}-F_{3}\right) \\
& =199.2+0.4(250-199.2) \\
F_{4} & =219.52 \text { units }
\end{aligned}
$$

12. (c)

As per SPT rule:

| Jobs | Processing time | Due date | Job flow time |
| :---: | :---: | :---: | :---: |
| $A$ | 5 | 11 | 5 |
| $C$ | 9 | 13 | 14 |
| $E$ | 11 | 26 | 25 |
| $B$ | 13 | 19 | 38 |
| $D$ | 16 | 31 | 54 |

Average job flow time using SPT rule $=\frac{5+14+25+38+54}{5}=27.2$
As per EDD rule:

| Jobs | Processing time | Due date | Job flow time |
| :---: | :---: | :---: | :---: |
| $A$ | 5 | 11 | 5 |
| $C$ | 9 | 13 | 14 |
| $B$ | 13 | 19 | 27 |
| $E$ | 11 | 26 | 38 |
| $D$ | 16 | 31 | 54 |

Average job flow time using EDD rule $=\frac{5+14+27+38+54}{5}=27.6$

$$
\text { Now, } \frac{\text { Avg. job flow time using SPT }}{\text { Avg. job flow time using EDD }}=\frac{27.2}{27.6} \simeq 0.98
$$

13. (b)

To minimize time first apply row transaction (Subtract minimum time of row by other) we get

|  | M | $M_{2}$ | $M_{3}$ | $M_{4}$ |
| :---: | :---: | :---: | :---: | :---: |
| $J_{1}$ | 2 | 0 | 1 | 4 |
| $\mathrm{J}_{2}$ | 0 | 1 | 4 | 2 |
| $J_{3}$ | 3 | 2 | 2 | 1 |
| $J_{4}$ | 1 | 3 | 0 | 2 |

Then apply column transaction (Subtract column minimum by others)

|  | $M_{1}$ | $M_{2}$ | $M_{3}$ | $M_{4}$ |
| :--- | :---: | :---: | :---: | :---: |
|  | 2 | 0 | 1 | 3 |
| $J_{1}$ | 2 |  |  |  |
| $J_{2}$ | 0 | 1 | 4 | 1 |
|  | $J_{3}$ | 3 | 2 | 0 |
|  |  | 0 |  |  |
|  | 1 | 3 | 0 | 1 |
|  |  |  |  |  |

So, $J_{1}=M_{2}, J_{2}=M_{1}, J_{3}=M_{4}, J_{4}=M_{3}$
14. (b)

$$
\begin{aligned}
\lambda & =6 / \text { hour } \\
\mu & =8 / \text { hour }] \\
\rho & =\frac{\lambda}{\mu}=\frac{6}{8}=0.75 \\
L_{q} & =\frac{\rho^{2}}{1-\rho}=\frac{0.75^{2}}{0.25}=2.25 \text { technicians } \\
W_{q} & =\frac{L_{q}}{\lambda}=\frac{\rho^{2}}{(1-\rho) \lambda}=\frac{0.75^{2}}{0.25 \times 6}=22.5 \text { minutes } \\
W_{s} & =\frac{L_{s}}{\lambda}=\frac{\rho}{(1-\rho) \lambda}=\frac{0.75}{0.25 \times 6}=30 \text { minutes }
\end{aligned}
$$

Alternate: As $W_{s}>W_{q}$ always, only option (b) follow it.
15. (c)

Estimated completion time, $T_{e}=3+8+6=17$
Standard deviation, $\sigma=\sqrt{\Sigma \sigma^{2}}=\sqrt{1^{2}+2^{2}+2^{2}}=3$

$$
\begin{aligned}
z & =\frac{T-T_{e}}{\sigma}=\frac{20-17}{3}=1 \\
\text { Probability } & =0.84
\end{aligned}
$$

16. (b)

$$
\begin{aligned}
& P=100, d=75, C_{s}=₹ 600, C_{h}=₹ 1 \\
& E E O Q=\sqrt{\frac{2 \times C_{s} \times d}{C_{h}}} \times \sqrt{\frac{P}{P-d}}=\sqrt{\frac{2 \times 600 \times 75}{1}} \sqrt{\frac{100}{25}}=600
\end{aligned}
$$

17. (d)

Objective function is parallel to one of the binding constraints.

18. (a)

$$
\begin{aligned}
\text { S.I. } & =\sqrt{\sum_{i=1}^{n}\left(\left(T_{s}\right)_{\max }-T_{s i}\right)^{2}} \\
\left(T_{s i}\right)_{\max } & =10 \min \\
\text { S.I. } & =\sqrt{(10-6)^{2}+(10-10)^{2}+(10-8)^{2}+(10-7)^{2}+(10-6)^{2}+(10-8)^{2}} \\
& =\sqrt{4^{2}+2^{2}+3^{2}+4^{2}+2^{2}} \\
& =\sqrt{16+4+9+16+4}=\sqrt{49}=7
\end{aligned}
$$

19. (a)


| Activity | $\boldsymbol{t}_{\boldsymbol{e}}$ |
| :---: | :---: |
| $1-2$ | 9 |
| $1-3$ | 7 |
| $1-4$ | 7 |
| $2-5$ | 10 |
| $3-5$ | 9 |
| $3-7$ | 10 |
| $4-6$ | 6 |
| $5-7$ | 8 |
| $6-7$ | 5 |

$$
t_{e}=\frac{t_{o}+4 t_{m}+t_{p}}{6}
$$

Paths
1-2-5-7 $\rightarrow 27$
1-3-5-7 $\rightarrow 24$
$1-3-7 \rightarrow 17$
1-4-6-7 $\rightarrow 18$
So, 27.
20. (a)

$$
\text { Variance } \sigma^{2}=\left(\frac{t_{p}-t_{0}}{6}\right)^{2}
$$

Variance for activity $A, \sigma_{A}{ }^{2}=\left(\frac{3-1}{6}\right)^{2}=0.11111$
Variance for activity $B, \sigma_{B}{ }^{2}=\left(\frac{5-2}{6}\right)^{2}=0.25$
Standard deviation for project $=\sqrt{\sigma_{A}^{2}+\sigma_{B}^{2}}=\sqrt{0.111+0.25}=0.6$
21. (c)
Given:

$$
\begin{aligned}
\text { O.T. } & =0.5 \mathrm{~min} \\
R & =110 \%=1.1
\end{aligned}
$$

Allowances $=10 \%$ of standard time
Normal time, N.T. $=$ O.T. $\times R=0.5 \times 1.1$
$=0.55 \mathrm{~min}$
Standard time, S.T. = N.T. + Allowance

$$
\begin{aligned}
\text { S.T. } & =0.55+(0.1 \times \text { S.T. }) \\
0.9 \text { S.T. } & =0.55 \\
\text { S.T. } & =0.611 \mathbf{~ m i n}
\end{aligned}
$$

22. (b)

$$
C_{0}=60 \text { per order }
$$

For order size greater than 100

$$
E O Q=\sqrt{\frac{2 D C_{0}}{C_{h}}}=\sqrt{\frac{2 \times 1000 \times 60}{100 \times 0.1}}=109.54
$$

as $E O Q$ is falling under assumed range i.e. greater than 100 , it will be optimum size.
23. (a)

|  |  |  | tribution | centres |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | 1 | 2 | 3 | 4 |  |
|  | 1 | 2 <br> (6) | 3 | 11 | 7 | 6/0 |
| Plants | 2 | 1 <br> (1) | 0 <br> (0) | 6 | 1 | 1/0 |
|  | 3 | 5 | 8 <br> (5) | $15$ <br> (3) | (2) | 10/5/2/0 |
| Requirem |  | 7/1/0 | 5/0 | 3/0 | 2/0 |  |

Minimum cost $=[2 \times 6+1 \times 1+8 \times 5+15 \times 3+9 \times 2] \times 100=$ Rs. 11600
24. (a)


Critical path is 1-2-5-6-7
Project duration, $\quad t_{E}=3+2+3+5=13$
Free float $(4-6)=8-4-2=2$
25. (d)

$$
\text { Given: } \begin{aligned}
\text { LT } & =3 \text { months } \\
d & =15 \text { units } \\
\sigma & =3 \text { units } \\
z & =0.97 \\
\text { Safety stock }(\mathrm{ss}) & =z \cdot \sigma=0.97 \times 3=2.91 \\
\text { ROL } & =L T \times d+s s=3 \times 15+2.91=47.91 \text { units }
\end{aligned}
$$

26. (b)

$$
\begin{aligned}
\text { Arrival rate }(\lambda) & =5 / \text { hour } \\
\text { Service rate }(\mu) & =6 / \text { hour } \\
\rho & =\frac{\lambda}{\mu}=\frac{5}{6}=0.833 \\
P(\text { no queue }) & =P(0 \text { person in system })+P(1 \text { person in system })=P_{0}+P_{1} \\
& =P_{0}+\rho P_{0}=P_{0}(1+\rho)=1-\rho^{2}=0.305
\end{aligned}
$$

27. (b)

$$
\begin{aligned}
& \mathrm{TF}=\mathrm{LFT}-\mathrm{EFT}=58-40=18 \\
& \mathrm{FF}=\{\mathrm{EFT}-\mathrm{EST}\}-t_{i j}=40-21-19=0 \\
& \mathrm{IF}=\left\{E_{j}-L_{i}\right\}-t_{i j}=\{40-39\}-19=-18
\end{aligned}
$$

Now

$$
\mathrm{FF}-\frac{\mathrm{IF}}{\mathrm{TF}}=0-\left\{-\frac{18}{18}\right\}=1
$$

28. (d)

We know that,

$$
\begin{aligned}
\left(\frac{P}{V}\right)_{\text {ratio }} & =\frac{(S-V)}{S} \times 100 \%=\frac{(1000000-650000)}{1000000} \times 100 \% \\
& =35 \% \\
\mathrm{BEP} & =\frac{\text { Fixed cost }}{\left(\frac{P}{V}\right)_{\text {ratio }}}=\frac{90000}{0.35}=₹ 257142.86 \\
(\mathrm{BEP})_{\text {sales }} & \approx ₹ 257143
\end{aligned}
$$

29. (a)

$$
\begin{aligned}
\text { Total time } & =15+10+12+13+15+9=74 \\
\text { Cycle time } & =15 \\
\text { Line efficiency } & =\frac{\text { Total time }}{\text { Cycle time } \times \text { No. of work station }}=\frac{74}{15 \times 6} \simeq 82 \%
\end{aligned}
$$

30. (c)

For 200 units of $A$.
Units of $P=2 \times 200=400$ units
Net requirement of $P=400-20=380$ units for 1 units of $P$, units of $S$ required $=4$

Net requirement of $S=4 \times 380-10=1520-10=1510$ units

