2007 PUNJAB TECHNICAL UNIVERSITY M.B.A

MBA (SEMESTER - 3RD)

APPLIED OPERATION RESEARCH (MB - 301)

Time : 03 Hours Maximum Marks : 75

Instruction to Candidates:

Section - A is compulsory.
Attempt any Nine questions from Section - B.

Section - A Q1) (15 x 2 = 30)

a) Define operation research.

b) Can we solve a 3-dimensional problem with Graphical method?

c) Explain unrestricted variable.

d) What are redundant constraints?

e) Explain principle of dominance in Game Theory?

f) What is the importance of Mixed Strategy?

g) Write limitations of operation research.

h) What do you mean by Convex set?

i) What is non-degenerate basic feasible solution?

j) What is structure of LPP?

k) What is looping in transportation problem?

l) What is free float?

m) What are artificial variables?

n) What do you mean by objective function?

o) What is dynamic programming?

Section - B

(9 x 5 = 45)

Q2) Discuss the various models & methods used in operation research.

Q3) Write a note on any two of the following:

(a) Discuss the role of LPP as a decision making tool.

(b) Unbalanced transportation problem.

(c) Multiple optimal solution & infeasibility.

Q4) Maximize Z = 5x + 8y, Subject to 3x + 5y = 18

5x + 3y = 14

x,y are greater or equal to zero.

 $(0, \overline{0})$ Discuss briefly the Hungarian method for solving an assignment problem.

Q6) What is the difference b/w degeneracy in simplex & degeneracy in

transportation?

Q7) Explain Traveling Salesmen Problem with example.

Q8) Write five-difference b/w PERT/CPM.

Q9) Write a short note on Transshipment problem.

Q10) A company uses 3000 units of a product, its carrying cost is 30 % of average inventory. Ordering cost is Rs. 100 per order. Unit cost is Rs. 20. Calculate EOQ & total cost.

Q11) Explain the terms, set up cost, holding cost & shortage or penalty cost as applied to an inventory problem.

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Q12) A truck owner from his past experience estimates that the maintenance cost per year of a truck whose purchase price is Rs. 150000 & resale value of the truck will be given as in table.

Determine at which time it is profitable to replace the truck.

Year 1 2 3 4 5 6 7 8

Maintenance 10,000 50,000 20,000 25,000 30,000 40,000 45,000 50,000 Resale value 13,0000 12,0000 11,5000 10,500 90,000 75,000 60,000 50,000 Q13) What is replacement? Describe some important replacement situations & replacement policies.