

Ans= 8

## Plant location

Plant location refers to the choice of region and the selection of a particular site for setting up a business or factory. But the choice is made only after considering cost and benefits of different alternative sites. It is a strategic decision that can not be changed once taken. If at all changed only at considerable loss, the location should be selected as per its own requirements and circumstances. Each individual plant is a case in itself. Business man should try to make an attempt for optimum or ideal location.

## Plant Layout

Plant layout is the optimum arrangement of different facilities including man, machines, equipment and material etc. showing the space allocated for material movement, storage and all supporting activities from the receipt of raw material supporting activities

raw material to the shipping of the finished goods for an overall economy of production.

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The layout of plant will allow an uninterrupted flow of work. The economies of plant layout demand that machine and workers would always be gain fully occupied and they ~~sets~~ would be arranged as to take up the least amount of space consistent with time and efficient operation.

The factors affecting Plant layout are as follows :-

- (a) Organisation of Departments
- (b) location of production department in building.
- (c) Position of Service departments.
- (d) Premises.
- (e) Size and local condition of site.
- (f) Storage Space requirements.
- (g) Service facilities
- (h) Employer facilities.
- (i) Good appearance
- (j) Strong, durable, economical and safe construction.

(k) Security measures.

(l) Noise control.

Factors which influence the plant location are of following type :-

A. General location factors.

B. Specific locational factors for service organisation.

A. General location factors :-

1. Controllable factors

- (i) Proximity to markets
- (ii) Supply of raw materials
- (iii) Transformation facilities
- (iv) Infrastructure Availability
- (v) Labour and Wages.
- (vi) Capital

2. Uncontrollable factors

- (i) Government policy.
- (ii) climatic condition
- (iii) Supporting Industries and Services
- (iv) Community and labour attitudes.

## B. Specific Locational factors :-

1. Specific locational factors for manufacturing organisation

- (i) Favourable labour climate
- (ii) Proximity to markets
- (iii) Proximity to suppliers and Resources
- (iv) Utilities, Taxes and Real estate costs :

2. Specific locational factors for Service Organisation.

- (i) Proximity to customers.
- (ii) Transportation costs and proximity to markets
- (iii) Location of competitors

## Factors Affecting Plant Layout

- (i) Nature of the product
- (ii) Volume of production
- (iii) Basic Managerial policies and decisions:
- (iv) Nature of Plant location
- (v) Type of industry process
- (vi) Types of methods of production
- (vii) Nature of machines
- (viii) Climate
- (ix) Nature of Materials
- (x) Type of Machine and equipment
- (xi) Human factor and working conditions
- (xii) Characteristics of the building.