

00540
M.Sc. IN HOSPITALITY ADMINISTRATION
Term-End Examination
November, 2013

MHA-018 (S) : MANAGERIAL ECONOMICS

Time : 3 hours

Maximum Marks : 100

Note : (i) Attempt *any five* questions in about **600** words.
(ii) *All* questions carry *equal* marks.

1. Discuss the nature and scope of Managerial Economics. 20
2. What do you understand by law of demand ? 20
What are the determinants of demand ?
3. Differentiate between the following : 5x4=20
 - (a) Direct and Indirect costs.
 - (b) Actual and Opportunity costs.
 - (c) Explicit and Implicit costs.
 - (d) Private and Social costs.
 - (e) Past and Future costs.
4. Explain with examples the pricing strategies to be followed in a market with Monopolistic Competition. 20

5. Classify market structures. Discuss the barriers to entry with suitable examples. **10+10=20**
6. Write short notes on **any two** : **10+10=20**
- (a) Price discrimination
 - (b) Production function
 - (c) Price elasticity
7. What are the approaches to demand measurement? What are the methods of demand forecasting? Explain. **10+10=20**
8. How many options would a luxury hotel in the heart of the city have for pricing decisions? Elaborate with suitable examples of a luxury hotel in a city of your choice. **20**
9. What are the central problems of economy? Which problem of an economy constitute the subject matter of micro economics? **10+10=20**
10. Write short notes on **any two** : **2x10=20**
- (a) Perfect competition
 - (b) Bundling
 - (c) Incremental concept