

**M.Sc. IN HOSPITALITY ADMINISTRATION
(MHA)**

**00481 Term-End Examination
December, 2014**

MHA-18 : MANAGERIAL ECONOMICS

Time : 3 hours

Maximum Marks : 100

*Note : Answer any **five** questions in about 600 words. All questions carry equal marks.*

1. Discuss the techniques of demand forecasting. 20
2. Discuss the managerial uses of production function. 20
3. Differentiate between the following : 5×4=20
 - (a) Relevant and Irrelevant Costs
 - (b) Accounting and Economic Costs
 - (c) Fixed and Variable Costs
 - (d) Total and Marginal Costs
 - (e) Direct and Indirect Costs
4. What are the characteristics used for classifying market structures ? What factors determine the nature of competition ? 20
5. What do you understand by cost function ? What are the methods of cost estimation? 20

6. Write short notes on any **two** of the following: $2 \times 10 = 20$
- (a) Price Elasticity
 - (b) Competition in Telecommunication services
 - (c) Law of Demand
7. What do you understand by pricing strategy ? Explain with example the role of Price discrimination as a pricing strategy. 20
8. Explain with examples the pricing strategies to be followed in a market with oligopolistic competition. 20
9. Discuss the effect of pricing on demand. Substantiate your answer with suitable examples. 20
10. Write short notes on any **two** of the following: $2 \times 10 = 20$
- (a) Perfect Competition
 - (b) Economic Efficiency
 - (c) Value Maximisation
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