

**MBA IN INTERNATIONAL HOSPITALITY
MANAGEMENT**

Term-End Examination

December, 2015

MHY-007 : MANAGERIAL ECONOMICS

Time : 3 hours

Maximum Marks : 100

Note : *Attempt any five questions. All questions carry equal marks.*

1. "Managerial Economics is a study of the behaviour of the firms in theory and practice". Discuss 20
2. Write notes on : 10x2
 - (a) Significance of cardinal utility theory ;
 - (b) Demand estimation and forecasting.
3. What is optimal input combination ? Give its importance for a business organisation. 20
4. What are engineering cost curves ? Give the instances where they are useful. 20
5. Derive average revenue and marginal revenue from total revenue with the help of a table. Explain the relationship between average revenue and marginal revenue. 20

6. Write notes on : 10x2
(a) Multi-plant and multi-product firms.
(b) Limit pricing and peak load pricing.
7. Explain the Baumol's sales maximization model 20
in detail.
8. What is meant by business cycles ? Explain 20
various phases of the same.
9. What are investment decisions ? How are they 20
important for a firm ?
10. Write notes on : 5x4
(a) Consumer surplus.
(b) Production decisions.
(c) Shut-down points.
(d) Tariff Analysis.
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