

**BACHELORS IN HOTEL MANAGEMENT
(BIHM)**

Term-End Examination

June, 2013

BHY-054 : HOTEL ECONOMICS

Time : 3 hours

Maximum Marks : 100

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

1. What is law of demand ? Give its assumptions and merits. 20
2. What is elasticity of demand ? Explain its types. 20
3. What is the law of supply ? Give its uses and determinants. 20
4. What is revenue ? Give its types in detail. 20
5. What is pricing policy ? What factors should be kept in mind while preparing it ? 20
6. Write notes on : 10x2=20
 - (a) Going rate policy
 - (b) Full cost pricing

7. What is Marginal cost ? How is it measured ? 20
Give its importance.
8. Write notes on : 10x2=20
(a) TFC
(b) Opportunity cost .
9. What is production function ? How is it 20
important for management ?
10. Explain the law of variable proportions. 20
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