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

Term-End Examination

June, 2018

MHA-018 : MANAGERIAL ECONOMICS

Time : 3 hours

Maximum Marks : 100

Note : (i) Attempt any five questions.

(ii) All questions carry equal marks.

1. Define scarcity and opportunity cost. What role do these two concepts play in the making of management decisions ? 20

2. "Managerial Economics serves as a link between traditional economics and decision sciences for business decision-making". Elucidate. 20

3. Write short notes on : 2×10=20
 - (a) Decision Tree
 - (b) Regression Analysis

4. When can we say that a firm is (a) technically efficient (b) economically efficient ? Is it necessary that a technically efficient firm is also economically efficient ? Give suitable examples from hospitality industry. 20

5. Discuss different cost concepts that are frequently used in the managerial decision making process. What is the difference between economic costs and accounting costs ? 20
6. What are different types of statistical analysis used for estimation of a production function ? Also discuss limitations of different types of statistical analysis. 20
7. Analyse the factors that influence the pricing decisions of a firm. What are the barriers to entry of firms in the market ? Give suitable examples from hospitality industry. 20
8. Write short notes on : 2x10=20
(a) Dominant Price Leadership
(b) Barometric Price Leadership
9. Discuss the characteristics of Perfect competition and monopoly. Explain the pricing strategies of a monopoly firm. 20
10. What do you mean by price discrimination ? Discuss with examples first degree, second degree and third degree price discrimination. 20
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