

**MBA IN INTERNATIONAL HOSPITALITY
MANAGEMENT****Term-End Examination****December, 2011****MHY-007 : MANAGERIAL ECONOMICS***Time : 3 hours**Maximum Marks : 100*

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

1. Explain price, income, and substitution effects. 20
Prove that price effect is the combination of income and substitution effect.
2. Write notes on : 10x2=20
 - (a) Consumer's equilibrium.
 - (b) Indifference map.
3. What is elasticity of demand ? Explain the 20
relationship, between price elasticity and marginal revenue.
4. Write notes on : (*any two*) 10x2=20
 - (a) Laws of return
 - (b) Optimum input combination
 - (c) Technological change and production decisions.

5. What are engineering cost curves ? How do they help a manager in taking decisions ? **20**
6. Explain : **10x2=20**
- (a) Game theory
 - (b) Duopoly analysis.
7. Give a detailed note on 'special pricing, techniques'. **20**
8. Write notes on : **10x2=20**
- (a) Product differentiation
 - (b) General pricing, strategies of a firm
9. Explain various phases of business cycle in an economy. Also explain the Monetary theory of business cycle. **20**
10. Write notes on (*any two*) : **10x2=20**
- (a) Macroeconomic policies
 - (b) Measurement of national income.
 - (c) Business cycles
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