

**BACHELORS IN HOTEL MANAGEMENT
(BIHM)**

**Term-End Examination
December, 2013**

BHY-054 : HOTEL ECONOMICS

Time : 3 hours

Maximum Marks : 100

Note : Attempt any five questions.

All questions carry equal marks.

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1. What is demand ? Give its types. Also explain extension and contraction of demand. 20
 2. Write notes on : 10x2=20
 - (a) Survey of buyers intention.
 - (b) Price elasticity of demand.
 3. Define cost of production. Explain the factors affecting it. 20
 4. Write notes on : 20
 - (a) Law of supply.
 - (b) Marginal Revenue.
 5. What is Price Policy ? Give its objectives and significance. 20
 6. Write notes on : 10x2=20
 - (a) Going Rate Policy.
 - (b) Cost Plus Pricing.

7. What do you mean by TC and AC ? How do they affect an organisation ? 20
8. Write notes on : 10x2=20
(a) TFC
(b) Cost of production
9. Explain various uses of production function made by managers. 20
10. What is the law of variable proportions ? Give its assumptions and uses. 20
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