

**MBA IN INTERNATIONAL HOSPITALITY
MANAGEMENT**

Term-End Examination

December, 2012

MHY-007 : MANAGERIAL ECONOMICS

Time : 3 hours

Maximum Marks : 100

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

1. What is demand elasticity ? Give relationship between price elasticity and marginal revenue. **20**
2. Write notes on (*any two*) **10x2=20**
 - (a) Alternative objectives of business firm
 - (b) Consumer surplus
 - (c) Laws of return
3. What are engineering cost curves ? How are they helpful for management ? **20**
4. What is optimal combination ? How can it be used for the effective functioning of a business organization ? **20**
5. What is product differentiation ? How is it important for a manufacturing firm ? **20**

6. Explain the price - output decisions under alternative market structures. 20
7. Write notes on : 10x2=20
(a) Dumping Analysis
(b) Transfer Pricing
8. Write notes on : 10x2=20
(a) income on substitution effect
(b) advertising and price - output decisions
9. What do you mean by inflation analysis ? How is it helpful to management ? 20
10. Define business cycles. Explain their various stages. Also explain their importance. 20
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