

**M. SC. (HOSPITALITY
ADMINISTRATION)**

(MHA)

Term-End Examination

December, 2025

MHA-18 : MANAGERIAL ECONOMICS

Time : 3 Hours

Maximum Marks : 100

Note : (i) Attempt any **five** questions.

(ii) All questions carry equal marks.

1. (a) Discuss the nature and scope of Managerial Economics. 10
- (b) What is the role of Managerial Economics in decision-making ? 10
2. Explain the law of variable proportion. How does a long-run production function differ from short-run production function ? Explain. 20

3. Write short notes on any *two* of the following :
 $2 \times 10 = 20$
- (a) Opportunity cost
 - (b) Economies of scale
 - (c) Price discrimination
4. (a) Explain why the average cost curve is U-shaped. 10
- (b) The long-run average cost curve is always an envelope of short-run average cost curves. Discuss with the help of a diagram. 10
5. Explain the different types of pricing strategies adopted in India. Give examples from hospitality and tourism industry. 20
6. Write short notes on the following : $2 \times 10 = 20$
- (a) Collusive Oligopoly and Cartel
 - (b) Monopoly and Monopolistic competition

7. (a) Discuss the different phases of business cycle. 10
- (b) Discuss the impact of recent pandemic (COVID-19) on travel and tourism industry. 10
8. How does tastes and preferences affect demand ? What is the role of advertising in influencing demand ? Give suitable examples. 20
9. What is 'Perfect Competition' ? Discuss its characteristics. Discuss the short-run and long-run conditions for equilibrium under perfect competition market structure. 20
10. Define elasticity of demand. Write the types of elasticity of demand. Discuss with suitable example from tourism and hospitality industry. 20

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