MBHC-1.2

Sl.No. : **Total No. of Pages : 2**

First Semester M.B.A. Degree Examination, June - 2025
(SLM Scheme) (CBCS)
MANAGEMENT
Managerial Economics

Time : 3 Hours **Max. Marks : 80**

SECTION - A

Answer any five questions. Each question carries five marks. [5 × 5 = 25]

Q1) What are the objectives of Managerial Economics?

Q2) Briefly Explain any three factors determining the elasticity of Demand.

Q3) What is Economics of scale?

Q4) Mention any two forms of market structure. Explain any one.

Q5) What is CVP analysis? Explain

Q6) State the uses and application of breakeven analysis.

Q7) Highlight the importance of national income.

SECTION - B

Answer any four questions. Each question carries ten marks. [4 × 10 = 40]

Q8) Explain the nature and scope of managerial economics.

Q9) Critically examine the various factors affecting price.

Q10) Mention the various phases of Business cycle.

Q11) Explain the equilibrium of firm and industry output decision under perfect competition.

Q12) Elaborate the important assumptions of production function.

Q13) Discuss the various causes of inflation.

SECTION - C

Q14) **Case (Compulsory) :** **[1 × 15 = 15]**

The Ministry of Tourism, Government of India classifies the hotels into 7 categories: five star deluxe, five star, four star, three star, two star, one star and heritage hotels. These apart there are hotels in the unorganized sectors that have a significant presence across the country and cater primarily to economy tourists. Encouraged by the boom in tourism and increased spending on leisure, there has been an influx of globally renowned groups by way of joint ventures. The premium and luxury segment mainly cater to the business and up market foreign leisure travelers and offer a high quality and wide range of services. These constitute about 30% of the hospitality industry in India. The mid market segment that is 3 and 4 star hotels offers most of the essential services of luxury hotels without the high costs, since the tax component of this segment are lower compared to the premium segment. The budget segment comprise of 1 and 2 star hotels, which provides inexpensive accommodation for highly price conscious segment of travelers. Heritage hotels are architecturally distinctive properties such as palaces, forts built prior to 1950s, the have been converted to hotels.

In the face of stiff competitions, hotels in India have come up with ingenous ways to attract customers. These hotels distinguish themselves with beds, bathrooms, amenities and complimentary breakfasts. Other facility may include innovations in food and beverages product, spa and fitness centre of other lifestyle facilities. The ongoing revolution on the cuisine has been accompanied by innovations such as free standing and rich resturants.

Questions :

a) What kind of competition is existing in the present case and explain the features of such competitive structure.

b) Explain how prices and output decisions are made in such competitions.

c) Which pricing approaches are appropriate for this industry?

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