

MASTER OF HOSPITAL ADMINISTRATION  
THIRD SEMESTER  
MANAGERIAL ECONOMICS & OPERATION MANAGEMENT  
MHA – 306

**SET  
A**

[USE OMR FOR OBJECTIVE PART]

Duration: 3 hrs.

Full Marks: 70

( Objective )

Time: 20 min.

Marks: 20

Choose the correct answer from the following:

1×20=20

- In microeconomics, demand refers to:
  - The quantity of goods a consumer is willing to purchase
  - The supply of goods in the market
  - The total production by a firm
  - The government's tax revenue
- The demand curve typically slopes:
  - Upward
  - Downward
  - Horizontally
  - Vertically
- Which of the following best describes 'elasticity of demand'?
  - The change in quantity demanded in response to a price change
  - The quantity demanded remaining constant regardless of price
  - The difference between supply and demand
  - The ratio of revenue to cost
- The law of demand states that, other things being equal, an increase in price leads to:
  - An increase in demand
  - A decrease in demand
  - A decrease in quantity demanded
  - An increase in quantity demanded
- If a product's price elasticity of demand is greater than 1, the demand is considered
  - Inelastic
  - Perfectly elastic
  - Elastic
  - Unit elastic
- When the price of a complementary good decreases, the demand for the original good:
  - Increases
  - Decreases
  - Stays the same
  - Becomes zero

7. When marginal product is positive, total product is:
  - a. Falling
  - b. Constant
  - c. Rising
  - d. Negative
8. Average variable cost is calculated as:
  - a. Total variable cost divided by the quantity of output
  - b. Total cost divided by the quantity of output
  - c. Total fixed cost divided by the quantity of output
  - d. Marginal cost divided by total product
9. Production is the process of ----- by transforming inputs into outputs.
  - a. Allocating resources
  - b. Creation of Goods
  - c. Collecting funds
  - d. None of the above
10. ----- are sourced from suppliers by the manufacturer.
  - a. Finished Goods
  - b. Complete Goods
  - c. Raw Materials
  - d. Non of the above
11. The technique of managing stocks is also called as-----
  - a. Inventory Management
  - b. Cluster Management
  - c. Goods Management
  - d. None of the Above
12. ----- which involves determining the organization's production capacity and ensuring that it is aligned with demand.
  - a. System Planning
  - b. Network Planning
  - c. Delivery Planning
  - d. Capacity Planning
13. ----- involves determining the sequence of production activities and allocating resources.
  - a. Sequence Planning
  - b. Activities Planning
  - c. Process Planning
  - d. None of the Above
14. Which one is not the component of Production and Operations?
  - a. Inventory management
  - b. Factory Layout decision
  - c. Salary negotiation
  - d. None of the Above
15. Which one is not a raw material in cement production system?
  - a. Lime stone
  - b. Sand
  - c. Machinery
  - d. None of the Above



16. \_\_\_\_\_ is not concerned with developing specific course of action for production system.
- |                     |                      |
|---------------------|----------------------|
| a. Process Decision | b. Process Mapping   |
| c. Recruiting       | d. None of the above |
17. Kaizen philosophy propagates,
- |                           |                 |
|---------------------------|-----------------|
| a. Minimum wastage        | b. Cost Cutting |
| c. Continuous improvement | d. Forecasting  |
18. Production management refers to the application of Management principles to the----- in a factory.
- |                        |                          |
|------------------------|--------------------------|
| a. Production Function | b. Inventory Function    |
| c. Marketing Function  | d. Supply Chain Function |
19. \_\_\_\_\_ is one of the objective of Production Management
- |                              |                      |
|------------------------------|----------------------|
| a. Right Pricing             | b. Right Recruitment |
| c. Delivering Right Quantity | d. None of the above |
20. \_\_\_\_\_ is the process in which resources or inputs are converted into more useful products.
- |                                       |                         |
|---------------------------------------|-------------------------|
| a. Lean Management                    | b. Materials management |
| c. Production & operations Management | d. None of the above    |

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**( Descriptive )**

Time: 2 hr. 40 mins.

Marks: 50

[Answer question no.1 & any four (4) from the rest]

1. "A production manager is responsible for managing all round processes of a business, these functions are critical to the success of any business". Draw insights from the statement and enlist the varied functions of a production manager in any business. 10

2. a) A restaurant in Mumbai raises the price of its popular biryani from ₹ 250 to ₹ 300, resulting in a decrease in quantity demanded from 100 servings to 80 servings per week. Calculate the price elasticity of demand for this dish and interpret the result with its suitable diagram. 5+5=10
- b) A smart phone company notices that an increase in the price of its product from ₹ 30,000 to ₹ 35,000 results in an increase in supply from 1,000 to 1,200 units. Calculate the price elasticity of supply and analyze the company's production strategy based on this elasticity and also write suitable interpretation with diagram.
3. Explain the law of production and discuss its importance in business economics. Describe the difference between short-run and long-run production functions and their implications for production decisions. 5+5=10
4. Explain the law of demand. Describe the determinants that affect the law of demand. Identify exceptions and assumption to the law of demand. 2+4+4=10
5. What is production? State the different types of production process 4+6=10
6. How do we define a process? Highlight the importance of process planning. 5+5=10
7. Write Short Notes on: 2\*5=10
- a) Kaizen ,
  - b) Lean Management,
  - c) Inventory management,
  - d) Logistics,
  - e) Demand Forecasting
8. What are the major factors that are to be considered during a facility location decision? 10