

**STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 600 086**  
**(For candidates admitted from the academic year 2019– 2020 & thereafter)**

**M.A. DEGREE EXAMINATION – APRIL 2024**  
**BRANCH III - ECONOMICS**  
**FOURTH SEMESTER**

**COURSE : ELECTIVE**

**PAPER : ADVANCED MANAGERIAL ECONOMICS**

**SUBJECT CODE : 19EC/PE/AM15**

**TIME : 3 HOURS**

**MAX. MARKS: 100**

**SECTION – A**

**(5 x 8= 40)**

**ANSWER ANY FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 300 WORDS.**

1. Analyze the effectiveness of survey and opinion polling methods in demand forecasting.
2. What consideration would you take while forecasting demand for producers' goods? Explain.
3. Explain incremental cost pricing.
4. Discuss the Nash equilibrium. How is it different from dominant strategy equilibrium?
5. Bring out the internal and external sources of capital fund.
6. Write a note on capital rationing and profitability ratio.
7. Explain why a risk averter may prefer a low risk, high stakes gamble to a high risk.

**SECTION – B**

**(3 x 20 = 60)**

**ANSWER ANY THREE QUESTIONS. EACH ANSWER NOT TO EXCEED 1200 WORDS.**

8. Fit a linear regression line to the following data and estimate the demand at price = Rs.30.

Year	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Price (P)(Rs.)	15	15	12	26	18	12	8	38	26	19	29	22
Sales (S) ('000 units)	52	46	38	37	37	37	34	25	22	22	20	14

9. Critically analyse the various pricing methods.
10. Make clear the role of simultaneous and sequential move games with suitable examples.
11. Critically discuss the modern techniques of capital investment appraisal.
12. Using the concept of decision tree, analyze decision making under risk.

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