

**STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI – 86**  
**(For Candidates admitted during the academic year 2015 – 2016)**

**SUBJECT CODE: 15EC/PE/EM34**

**M.A. DEGREE EXAMINATION NOVEMBER 2016**  
**BRANCH III – ECONOMICS**  
**THIRD SEMESTER**

**COURSE : ELECTIVE**  
**PAPER : ECONOMICS FOR MANAGERS**  
**TIME : 3 HOURS**

**MAX. MARKS: 100**

**SECTION – A**

**ANSWER ANY FIVE QUESTIONS (300 WORDS EACH):** **(5x8=40)**

1. Explain the concept of risk and uncertainty.
2. Point out the factors to determine the forecasting the demand.
3. Write the significance of the Law of Diminishing Returns.
4. Bring out the relationship between marginal cost and average cost.
5. Explain the cost oriented method of pricing.
6. Explain the methods for setting up of Advertisement Budget.
7. Write in detail the innovation theory of profit.

**SECTION – B**

**ANSWER ANY THREE QUESTIONS (1200 WORDS EACH):** **(3x20=60)**

8. Analyse briefly nature and scope of Managerial Economics.
9. State and explain the law of variable proportions.
10. Analyse the price leadership by a dominant firm.
11. Analyse the strengths and weaknesses of the percentage sales method.
12. Write in details the important methods of Profit Management.

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