

**M.Com. Part-I Examination, 2020 (DDE)**  
**Subject: Commerce**  
**Paper: 3**  
**(Managerial Economics)**

**Time: 2 Hours**

**Full Marks: 40**

*The figures in the margin indicate full marks.*  
*Candidates are required to give their answers in their own words*  
*as far as possible*

**Answer any four questions**

**10x4=40**

1. Show how managerial economics is related to accounting and operations research.
2. Show how a firm determines the best input combination to produce a given level of output.
3. Establish the relationship between
  - (i) AVC and AP
  - (ii) MC and MP
4. Graphically illustrate the state of equilibrium under price discrimination.
5. Describe two approaches for pricing of new products.
6. Derive the conditions of profit maximisation by a single product firm stating your assumptions. What are the limitations of the profit maximization hypothesis?

5+5

5+5

5+5