

M.K.G CA EDUCATION

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TEST-1

QUESTION BOOKLET CODE: MKG

QUESTION PAPER BOOKLET NO. 1012023

ROLL NO.

CA FOUNDATION

(22-01-2023 3:00 P.M. TO 5:00 P.M.)

Business Economics and Business and Commercial Knowledge

Topics covered:

Demand, Market, Production and Cost

Time allowed: 2 hours

Maximum Marks: 100

Instructions:

1. Answer to be given in OMR sheet
2. Negative Marking Applies

-
1. Which of the following is considered production in Economics?
 - (a) Tilling of soil.
 - (b) Singing a song before friends.
 - (c) Preventing a child from falling into a manhole on the road.
 - (d) Painting a picture for pleasure.
 2. Which of the following is not a characteristic of land?
 - (a) Its supply for the economy is limited.
 - (b) It is immobile.
 - (c) Its usefulness depends on human efforts.

- (d) It is produced by our forefathers.
3. Which of the following statements is true?
- (a) Accumulation of capital depends solely on income of individuals.
 - (b) Savings can be influenced by government policies.
 - (c) External economies go with size and internal economies with location.
 - (d) The supply curve of labour is an upward sloping curve.
4. In the production of wheat, all of the following are variable factors that are used by the farmer except:
- (a) the seed and fertilizer used when the crop is planted.
 - (b) the field that has been cleared of trees and in which the crop is planted.
 - (c) the tractor used by the farmer in planting and cultivating not only wheat but also corn and barley.
 - (d) the number of hours that the farmer spends in cultivating the wheat fields.
5. Diminishing marginal returns implies:
- (a) decreasing average variable costs.
 - (b) decreasing marginal costs.
 - (c) increasing marginal costs.
 - (d) decreasing average fixed costs.
6. The short run, as economists use the phrase, is characterized by:
- (a) at least one fixed factor of production and firms neither leaving nor entering the industry.
 - (b) generally a period which is shorter than one year.
 - (c) all factors of production are fixed and no variable inputs.
 - (d) all inputs are variable and production is done in less than one year.
7. The marginal, average, and total product curves encountered by the firm producing in the short run exhibit all of the following relationships except:
- (a) when total product is rising, average and marginal product may be either rising or falling.
 - (b) when marginal product is negative, total product and average product are falling.
 - (c) when average product is at a maximum, marginal product equals average product, and total product is rising.
 - (d) when marginal product is at a maximum, average product equals marginal product, and total product is rising.
8. To economists, the main difference between the short run and the long run is that:
- (a) In the short run all inputs are fixed, while in the long run all inputs are variable.
 - (b) In the short run the firm varies all of its inputs to find the least-cost combination of inputs.
 - (c) In the short run, at least one of the firm's input levels is fixed.
 - (d) In the long run, the firm is making a constrained decision about how to use existing plant and equipment efficiently.

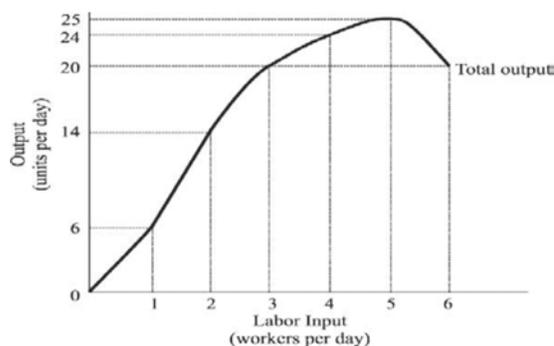
9. Which of the following is the best definition of “production function”?
- (a) The relationship between market price and quantity supplied.
 - (b) The relationship between the firm’s total revenue and the cost of production.
 - (c) The relationship between the quantities of inputs needed to produce a given level of output.
 - (d) The relationship between the quantity of inputs and the firm’s marginal cost of production.
10. Which cost increases continuously with the increase in production?
- (a) Average cost.
 - (b) Marginal cost.
 - (c) Fixed cost.
 - (d) Variable cost.
11. Which of the following cost curves is never ‘U’ shaped?
- (a) Average cost curve.
 - (b) Marginal cost curve.
 - (c) Average variable cost curve.
 - (d) Average fixed cost curve.
12. Total cost in the short run is classified into fixed costs and variable costs. Which one of the following is a variable cost?
- (a) Cost of raw materials.
 - (b) Cost of equipment.
 - (c) Interest payment on past borrowings.
 - (d) Payment of rent on building.
13. In the short run, when the output of a firm increases, its average fixed cost:
- (a) increases.
 - (b) decreases.
 - (c) remains constant.
 - (d) first declines and then rises.
14. Which one of the following is also known as planning curve?
- (a) Long run average cost curve.
 - (b) Short run average cost curve.
 - (c) Average variable cost curve.
 - (d) Average total cost curve.
15. If a firm moves from one point on a production isoquant to another, which of the following will not happen.
- (a) A change in the ratio in which the inputs are combined to produce output.
 - (b) A change in the ratio of marginal products of the inputs.
 - (c) A change in the marginal rate of technical substitution.

- (d) A change in the level of output.
16. With which of the following is the concept of marginal cost closely related?
- (a) Variable cost.
 - (b) Fixed cost.
 - (c) Opportunity cost.
 - (d) Economic cost.
17. Which of the following statements is correct?
- (a) When the average cost is rising, the marginal cost must also be rising.
 - (b) When the average cost is rising, the marginal cost must be falling.
 - (c) When the average cost is rising, the marginal cost is above the average cost.
 - (d) When the average cost is falling, the marginal cost must be rising.
18. Which of the following is an example of “explicit cost”?
- (a) The wages a proprietor could have made by working as an employee of a large firm.
 - (b) The income that could have been earned in alternative uses by the resources owned by the firm.
 - (c) The payment of wages by the firm.
 - (d) The normal profit earned by a firm.
19. Which of the following is an example of an “implicit cost”?
- (a) Interest that could have been earned on retained earnings used by the firm to finance expansion.
 - (b) The payment of rent by the firm for the building in which it is housed.
 - (c) The interest payment made by the firm for funds borrowed from a bank.
 - (d) The payment of wages by the firm.
20. Marginal cost is defined as:
- (a) the change in total cost due to a one unit change in output.
 - (b) total cost divided by output.
 - (c) the change in output due to a one unit change in an input.
 - (d) total product divided by the quantity of input.
21. Which of the following is true of the relationship between the marginal cost function and the average cost function?
- (a) If MC is greater than ATC, then ATC is falling.
 - (b) The ATC curve intersects the MC curve at minimum MC.
 - (c) The MC curve intersects the ATC curve at minimum ATC.
 - (d) If MC is less than ATC, then ATC is increasing.
22. Which of the following statements is true of the relationship among the average cost functions?
- (a) $ATC = AFC - AVC$.
 - (b) $AVC = AFC + ATC$.
 - (c) $AFC = ATC + AVC$.

- (d) $AFC = ATC - AVC$.
23. Which of the following is not a determinant of the firm's cost function?
- (a) The production function.
 - (b) The price of labour.
 - (c) Taxes.
 - (d) The price of the firm's output.
24. Which of the following statements is correct concerning the relationships among the firm's cost functions?
- (a) $TC = TFC - TVC$.
 - (b) $TVC = TFC - TC$.
 - (c) $TFC = TC - TVC$.
 - (d) $TC = TVC - TFC$.
25. Suppose output increases in the short run. Total cost will:
- (a) increase due to an increase in fixed costs only.
 - (b) increase due to an increase in variable costs only.
 - (c) increase due to an increase in both fixed and variable costs.
 - (d) decrease if the firm is in the region of diminishing returns.
26. Which of the following statements concerning the long-run average cost curve is false?
- (a) It represents the least-cost input combination for producing each level of output.
 - (b) It is derived from a series of short-run average cost curves.
 - (c) The short-run cost curve at the minimum point of the long-run average cost curve represents the least-cost plant size for all levels of output.
 - (d) As output increases, the amount of capital employed by the firm increases along the curve.
27. The negatively-sloped (i.e. falling) part of the long-run average total cost curve is due to which of the following?
- (a) Diseconomies of scale.
 - (b) Diminishing returns.
 - (c) The difficulties encountered in coordinating the many activities of a large firm.
 - (d) The increase in productivity that results from specialization.
28. Which of the following statements is true?
- (a) The services of a doctor are considered production.
 - (b) Man can create matter.
 - (c) The services of a housewife are considered production.
 - (d) When a man creates a table, he creates matter.

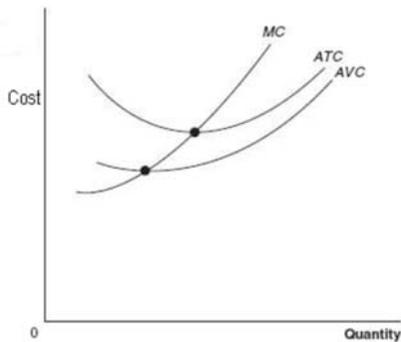
29. Which of the following is a function of an entrepreneur?
- (a) Initiating a business enterprise.
 - (b) Risk bearing.
 - (c) Innovating.
 - (d) All of the above.
30. If decreasing returns to scale are present, then if all inputs are increased by 10% then:
- (a) output will also decrease by 10%.
 - (b) output will increase by 10%.
 - (c) output will increase by less than 10%.
 - (d) output will increase by more than 10%.
31. The law of variable proportions is drawn under all of the assumptions mentioned below except the assumption that:
- (a) the technology is changing.
 - (b) there must be some inputs whose quantity is kept fixed.
 - (c) we consider only physical inputs and not economic profitability in monetary terms.
 - (d) the technology is given and stable.
32. An iso quant shows
- (a) All the alternative combinations of two inputs that can be produced by using a given set of output fully and in the best possible way.
 - (b) All the alternative combinations of two products among which a producer is indifferent because they yield the same profit.
 - (c) All the alternative combinations of two inputs that yield the same total product.
 - (d) Both (b) and (c).
33. Which of the following is a variable cost in the short run?
- (a) rent of the factory.
 - (b) wages paid to the factory labour.
 - (c) interest payments on borrowed financial capital.
 - (d) payment on the lease for factory equipment.
34. The efficient scale of production is the quantity of output that minimizes
- (a) average fixed cost.
 - (b) average total cost.
 - (c) average variable cost.
 - (d) marginal cost.
35. Average product is defined as
- (a) total product divided by the total cost.
 - (b) total product divided by marginal product.

- (c) total product divided by the number of units of variable input.
- (d) marginal product divided by the number of units of variable input.
36. Which of the following statements is true?
- (a) After the inflection point of the production function, a greater use of the variable input induces a reduction in the marginal product.
- (b) Before reaching the inevitable point of decreasing marginal returns, the quantity of output obtained can increase at an increasing rate.
- (c) The first stage corresponds to the range in which the AP is increasing as a result of utilizing increasing quantities of variable inputs.
- (d) All the above.
37. Marginal product, mathematically, is the slope of the
- (a) total product curve.
- (b) average product curve.
- (c) marginal product curve.
- (d) implicit product curve.
38. Diminishing marginal returns for the first four units of a variable input is exhibited by the total product sequence:
- (a) 50, 50, 50, 50
- (b) 50, 110, 180, 260
- (c) 50, 100, 150, 200
- (d) 50, 90, 120, 140
39. Use the following diagram to answer the question given below it



- The marginal physical product of the third unit of labour is _____, the MP of the _____ labour is Negative
- (a) Six; fourth
- (b) Six; third
- (c) Six ; fifth
- (d) Six; sixth

40. In figure below, possible reason why the average variable cost curve approaches the average total cost curve as output rises is:



- (a) Fixed costs are falling while total costs are rising at rising output.
 (b) Total costs are rising and average costs are also rising.
 (c) Marginal costs are above average variable costs as output rises.
 (d) Average fixed costs are falling as output rises.
41. Demand for a commodity refers to:
- (a) Desire backed by ability to pay for the commodity.
 (b) Need for commodity and willingness to pay for it
 (c) The quantity demanded of that commodity at a certain price
 (d) The quantity of the commodity demanded at a certain price during any particular period of time.
42. Contraction of demand is the result of :
- (a) Decrease in the number of consumers.
 (b) Increase in the price of the good concerned
 (c) Increase in the prices of other goods
 (d) Decrease in the income of purchasers.
43. All but one of the following are assumed to remain the same while drawing an individual's demand curve for commodity. Which one is it?
- (a) The preference of the individual
 (b) His monetary income.
 (c) Price of the commodity
 (d) Price of related goods
44. Which of the following pairs of goods is an example of substitutes?
- (a) Tea and sugar
 (b) Tea and coffee
 (c) Pen and ink
 (d) Shirt and trousers
45. In the case of a straight line demand curve meeting the two axes, the price-elasticity of demand at the mid-point of the line would be:
- (a) 0
 (b) 1
 (c) 1.5
 (d) 2
46. The law of demand, assuming other things to remain constant, establishes the relationship between:
- (a) Income of the consumer and the quantity of a good demanded by him.
 (b) Price of a good and the quantity demanded.
 (c) Price of good and the demand for its substitute.
 (d) Quantity demanded of a good and the relative prices of its complimentary goods.

47. Identify the factor which generally keeps price-elasticity of demand for good low:
- (a) Variety of uses for that good
 - (b) Very low price of a commodity
 - (c) Close substitutes for that good.
 - (d) High proportion of the consumer's income spent on it.
48. Identify the coefficient of price-elasticity of demand when the percentage increase in the quantity of a good demanded is smaller than the percentage fall in its price:
- (a) Equal to one
 - (b) Greater than one
 - (c) Smaller than one
 - (d) Zero
49. In the case of an inferior good, the income elasticity of demand is:
- (a) Positive
 - (b) Zero
 - (c) Negative
 - (d) Infinite
50. If the demand for a good is inelastic, and increase in its price will cause the total expenditure of the consumers of the good to:
- (a) Remain the same
 - (b) increase
 - (c) decrease
 - (d) any of these
51. If regardless of changes in its price, the quantity demanded of a good remains unchanged, then the demand curve for the good will be:
- (a) Horizontal
 - (b) Vertical
 - (c) Positively sloped
 - (d) Negatively sloped
52. Suppose the price of Pepsi increase, we will expect the demand curve of Coca Cola to:
- (a) Shift toward left these are substitutes.
 - (b) Shift towards right since these are substitutes.
 - (c) Remain at the same level.
 - (d) None of the above.
53. All the following are determinants of demand except:
- (a) Taste and preferences
 - (b) Quantity supplied
 - (c) Income of consumer
 - (d) Price of related goods
54. A movement along the demand curve for soft drinks is best described as:
- (a) An increase in demand
 - (b) A decrease in demand
 - (c) A change in quantity demanded
 - (d) A change in demand
55. If the price of Pepsi decrease relative to the price of Coke and 7-UP the demand for:
- (a) Coke will decrease
 - (b) 7-UP will decrease
 - (c) Coke and 7 UP will increase
 - (d) Coke and 7 UP will decrease

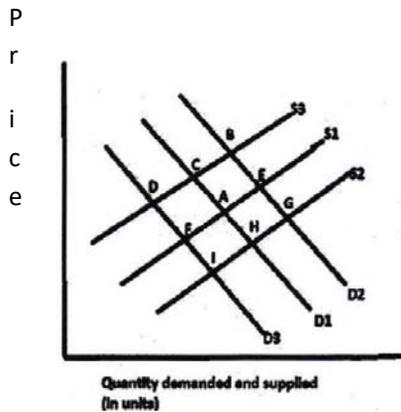
56. If a good is a luxury, its income elasticity of demand is:
- (a) Positive and less than 1
 - (b) Negative but greater than -1
 - (c) Positive and greater than 1.
 - (d) Zero
57. The price of hot dogs increase, by 22% and the quantity of hot dogs demanded falls by 25% this indicates that demand for hot dog is:
- (a) Elastic
 - (b) Inelastic
 - (c) Unitarily elastic
 - (d) Perfectly elastic
58. If the quantity demanded of mutton increase by 5% when the price of chicken increase by 20%, the cross price elasticity of demand between mutton and chicken is:
- (a) -0.25
 - (b) .0.25
 - (c) -4
 - (d) 4
59. Given the following possibilities, which one result in an increase in total consumer expenditure?
- (a) Demand is unitary and price falls.
 - (b) Demand is elastic and price rises.
 - (c) Demand is inelastic and price falls.
 - (d) Demand is inelastic and price rises.
60. What will happen in the rice market if buyers are expecting higher rice prices in the near future?
- (a) The demand for rice will increase
 - (b) The demand for rice will decrease
 - (c) The demand for rice will be unaffected
 - (d) None of the above
61. In the case of a giffen good, the demand curve will be:
- (a) Horizontal
 - (b) Down-sloping to the right
 - (c) Vertical
 - (d) Upward-sloping to the right
62. Conspicuous goods are also known as:
- (a) Prestige goods
 - (b) Snob goods
 - (c) Veblen goods
 - (d) All of the above
63. The quantity purchased remains constant irrespective of the change in income. This is known as.
- (a) Negative income elasticity of demand
 - (b) Income elasticity of demand less than one.
 - (c) Zero income elasticity of demand
 - (d) Income elasticity of demand is greater than one.
64. As income increases, the consumer will go in for superior goods and consequently the demand for inferior goods will fall. This means:
- (a) Income elasticity of demand less than one.
 - (b) Negative income elasticity of demand.
 - (c) Zero income elasticity of demand.
 - (d) Unitary income elasticity of demand.

65. When income increases the money spent on necessities of life may not increase in the same proportion, This means:
- (a) Income elasticity of demand is zero.
 - (b) Income elasticity of demand is one.
 - (c) Income elasticity of demand is greater than one
 - (d) Income elasticity of demand is less than one.
66. The luxury goods like jewellery and fancy articles will have
- (a) Low income elasticity of demand
 - (b) High income elasticity of demand
 - (c) Zero income elasticity of demand
 - (d) None of the above
67. A good which cannot be consumed more than once is known as
- (a) Durable good
 - (b) Non-durable good
 - (c) Producer good
 - (d) None of the above
68. A relative price is
- (a) Price expressed in terms of money.
 - (b) What you get paid for babysitting your cousin
 - (c) The ratio of one money price to another
 - (d) Equal to a money price
69. Demand is the
- (a) The desire for a commodity given its price and those of related commodities
 - (b) The entire relationship between the quantity demanded and the price of a good other things remaining the same.
 - (c) Willingness to pay for a good if income is larger enough
 - (d) Ability to pay for a good.
70. If, as people's income increases, the quantity demanded of a good decreases, the good is called
- (a) A substitute.
 - (b) A normal good
 - (c) An inferior good
 - (d) A complement
71. The price of tomatoes increases and people buy tomato puree. You infer that tomato puree and tomatoes are.
- (a) Normal goods
 - (b) Complements
 - (c) Substitutes
 - (d) Inferior goods
72. Chicken and fish are substitutes, if the price of chicken increases the demand for fish will.
- (a) Increase or decrease but the demand curve for chicken will not change
 - (b) Increase and the demand curve for fish will shift rightwards.
 - (c) Not change but there will be a movement along the demand curve for fish
 - (d) Decrease and the demand curve for fish will shift leftwards.
73. Potato chips and popcorn are substitutes. A rise in the price of potato chips will _____ the demand for popcorn and the quantity of popcorn will _____
- (a) Increase; increase
 - (b) Increase; decrease
 - (c) Decrease; decrease
 - (d) Decrease; increase

74. If the price of Orange juice increases, the demand for Apple juice will _____.
- (a) Increase
 - (b) Decrease
 - (c) Remain the same
 - (d) Become negative
75. An increase in the demand for computers, other things remaining same, will:
- (a) Increase the number of computers bought
 - (b) Decrease the price but increase the number of computers bought.
 - (c) Increase the price of computers.
 - (d) Increase the price and number of computers bought.
76. When total demand for a commodity whose price has fallen increases, it is due to:
- (a) Income effect
 - (b) Substitution effect
 - (c) Complementary effect
 - (d) Price effect
77. With a fall in the price of a commodity:
- (a) Consumer's real income increases.
 - (b) Consumer's real income decreases.
 - (c) There is no change in the real income of the consumer.
 - (d) None of the above.
78. With an increase in the price of diamond, the quantity demanded also increases, this because it is a:
- (a) Substitute good
 - (b) Complementary good
 - (c) Conspicuous good
 - (d) None of the above
79. An example of a good that exhibit direct price demand relationship is.
- (a) Giffen goods
 - (b) Complementary goods
 - (c) Substitute goods
 - (d) None of the above
80. In Economics, when demand for a commodity increases with a fall in its price it is known as:
- (a) Contraction of demand
 - (b) Expansion of demand
 - (c) No change in demand
 - (d) None of the above
81. The Marginal Product of variable input is best described as –
- (a) Total product divided by the number of units of variable input
 - (b) The additional output resulting from a one unit increase in the variable
 - (c) The additional output resulting from a one unit increase in the both the variable and fixed input.
 - (d) The ratio of the amount of the variable input that is being used to the amount of the fixed input that is being used
82. In agriculture, the land area is taken as constant, while number of workers can be increased. If we apply the law of Variable Proportions in this situation, it means that the Variable Factor of Production is –
- (a) Number of workers
 - (b) Land
 - (c) Both (a) and (b)
 - (d) Neither (a) nor (b)

83. Generally perishable goods like butter, eggs, milk and vegetables etc., will have
- Regional market
 - Local market
 - National market
 - None of the above
84. Under monopoly price discrimination depends upon:
- Elasticity of demand for commodity
 - Elasticity of supply for commodity
 - Size of market
 - All of above
85. Marginal revenue can be defined as the change in total revenue resulting from the:
- Purchase of an additional unit of a commodity
 - Sales of an additional unit of a commodity
 - Sale of subsequent units of a product
 - None of the above
86. Total Revenue=
- Money which a Firm realizes by selling certain units of a commodity
 - Revenue earned per unit of output
 - Change in Total Revenue (TR) resulting from the sale of an additional unit of the commodity
 - None of the above
87. If Total Revenue= Rs.2,00,000 when 40,000 units are sold, then Average Revenue=
- Rs. 1,00,000
 - Rs. 20,000
 - Rs. 5
 - Rs. 1,20,000
88. Based on nature of transactions, a market may be classified into:
- Spot market and future market
 - Regulated market and unregulated market
 - Wholesale market and retail market
 - Local market and national market
89. If Marginal Revenue = MR, Average Revenue = AR, and Price Elasticity of Demand= 'e' which of the following is correct?
- $MR=AR \times \frac{e-1}{e}$
 - $AR=MR \times \frac{e-1}{e}$
 - $MR = AR \times \frac{e}{e-1}$
 - $AR=MR \times \frac{e}{e-1}$
90. Suppose consumer taste shifts in favour of mangoes. As a result, equilibrium quantity will _____ and equilibrium price will _____
- Increase, decrease
 - Decrease, increase
 - Increase, increase
 - Decrease, decrease

D1 and S1 are the original demand and supply curves. D2, D3, S2 and S3 are possible new demand and supply curves. Starting from initial equilibrium point (A), what point on the graph is most likely to result from each change given in following questions



91. Assume Z is a normal good. Holding everything else constant, assume that income rises and the price of a factor of production also increases. What point in the figure above is most likely to be the new equilibrium price and quantity?
- The new demand and supply of Z will meet at a point C
 - The new demand and supply of Z will meet at a point B
 - The new demand and supply of Z will meet at a point I
 - The new demand and supply of Z will meet at a point D
92. Assume We are analysing the market for good X. The price of a complement good, good Y, declines. At the same time, there is technological advancement in the production of good X. What point the figure above is most likely to be the new equilibrium price and quantity?
- The new demand and supply of X will meet at a point A
 - The new demand and supply of X will meet at a point F
 - The new demand and supply of X will meet at a point G
 - The new demand and supply of X will meet at a point H
93. Heavy rains in West Bengal during cyclone. Amphan caused havoc with the rice crop. What point in the figure above is most likely to be the new equilibrium price and quantity.
- Supply of rice falls; demand for rice falls; new equilibrium point will be D
 - Supply of rice falls; no change in demand; new equilibrium point will be C
 - Supply of rice increases; demand for rice falls; new equilibrium point will be H
 - Supply of rice falls; demand for rice increases; new equilibrium point will be B
94. Assume that consumers expect the prices of electrical appliances to significantly increase next year. What point in the figure above is most likely to be the new equilibrium price and quantity?
- Demand shifts to right; supply remains constant; new equilibrium point will be E
 - Demand shifts to left; supply remains constant; new equilibrium point will be C
 - Demand shifts to left; supply shifts to right; new equilibrium point will be I
 - Demand shifts to right; supply shifts to right; new equilibrium point will be G

**Suppose the demand and supply curves of commodity X are given as below:
Answer the following questions using the given information. $Q_d = 1000 - P$**

$$Q_s = 700 + 2P$$

95. What is the equilibrium price and quantity?
- Equilibrium Price = Rs. 50 and Equilibrium Quantity = 500 units
 - Equilibrium Price = Rs.100 and Equilibrium Quantity = 900 units
 - Equilibrium Price = Rs.150 and Equilibrium Quantity = 600 units
 - Equilibrium Price = Rs.200 and Equilibrium Quantity = 800 units
96. What will be the new equilibrium price and equilibrium quantity, if the new supply curve is given as:
 $Q_s = 400 + 2P$?
- Equilibrium Price = Rs. 250 and Equilibrium Quantity = 900 units
 - Equilibrium Price = Rs. 100 and Equilibrium Quantity = 600 units
 - Equilibrium Price = Rs. 200 and Equilibrium Quantity = 800 units
 - Equilibrium Price = Rs. 350 and Equilibrium Quantity = 700 units
97. In the context of Oligopoly, the kinked demand hypothesis is designed to explain:
- Price and output determination
 - Price rigidity
 - Price leadership
 - Collusion among rivals
98. If oligopolist engage in collusion and successfully form a cartel, the market outcome is:
- The same as if it were served by a monopoly
 - The same as if it were served by a monopolistic firm
 - The same as if it were served by a perfectly competitive firm
 - Efficient because cooperation improves efficiency
99. Price discrimination is profitable only when:
- Different markets are kept separate
 - Distance between the consumer and the market is more
 - Elasticity of demand in different markets is different
 - The consumers are segregated on the basis of their purpose of use of the commodity.
100. When _____ there will be allocative efficiency meaning thereby that the cost of the last unit is exactly equal to the price consumers are willing to pay for it and so that the right goods are being sold to the right people at the right price.
- $MC = MR$
 - $MC = AC$
 - $MC = AR$
 - $AR = MR$

SPACE FOR ROUGH WORK