(b) In the long run, some firms will exit the market if the price of the goods offered for sale is less than

(i) AFC

(ii) MC

(iii) AR

(iv) None of the above

(c) "In a perfectly competitive factor market VMP=MRP."

(i) True

(ii) False

(d) Which of the following is a condition for the maximization of profit of a firm?

(i) AC=AR

(ii) AC=MR

(iii) MR=AR

(iv) MC=MR

(e) When price elasticity of demand is greater than one, then MR is

(i) zero

(ii) negative

(iii) positive

(iv) one

(f) An economic profit can arise from

(i) uncertainty bearing

(ii) monopoly power

(iii) innovations or above average managerial efficiency

(iv) Any of the above

(g) Write an economic factor on which the supply of labour depends.

(h) Write the meaning of 'economic efficiency'.