

18. The following table shows the total cost schedule of the firm. Calculate Total Fixed Cost, Total Variable Cost, Average Fixed Cost, Average Variable Cost, Average Total Cost and Marginal Cost.

Output	0	1	2	3	4	5
Total Cost	180	300	400	510	720	1000

19. The following table is the total cost schedule of a firm. Calculate its average fixed cost and marginal cost at each level of output.

Output (Units)	0	1	2	3
Total Cost	90	120	145	175

20. The total cost schedule of a firm is given below. Calculate its Total Fixed Cost, Total Variable Cost, Average variable Cost and Marginal Cost.

Output (units)	0	1	2	3	4
Total Cost	80	180	270	350	440

- When $MC > ATC$? What will happen to **ATC**.
- When $MC = ATC$? What happens to **ATC**.
- When $MC < ATC$? What happens to **ATC**.
- What is the relation between **MC** and **AC** ? When **AC** is rising. (NCERT)
- At what point does the **SMC** curve cut the **AVC** curve ? (NCERT)
- At what point does the **SMC** curve cut **SAC** curve ? (NCERT)
- Can there be some fixed cost in the long run ? If not why ? (NCERT)
- Why is short run **MC** curve U-shaped ? (NCERT)
- What does the **AFC** curve look like ? Why does it look so ? (NCERT)
- Can the average cost be less than the marginal cost when average cost is rising ?
- Can the average cost be more than the marginal cost, when the average cost is falling ?
- What is the difference between **TC** and **TVC** called ?

Lesson 7

NUMERICAL PROBLEMS

1. From the following data, calculate Total Revenue and Marginal Revenue.

Output (units)	1	2	3	4
	10	9	6	4

2. Complete the following table

Output (units)	Price (Rs.)	Total Revenue (Rs.)	Marginal Revenue (Rs.)
1	12	-	-
2	10	-	-
3	8	-	-
4	6	-	-

3. From the following data, calculate Total Revenue and Average Revenue.

Output (units)	1	2	3	4
Marginal Revenue	10	8	0	-2

4. From the data given below, calculate Total Revenue and Marginal Revenue.

Output (units)	1	2	3	4
Price (Rs)	7	6	4	2

5. From the following data, calculate Marginal Revenue and Price.

Output (units)	1	2	3	4	5
Total Revenue	7	14	21	28	35