

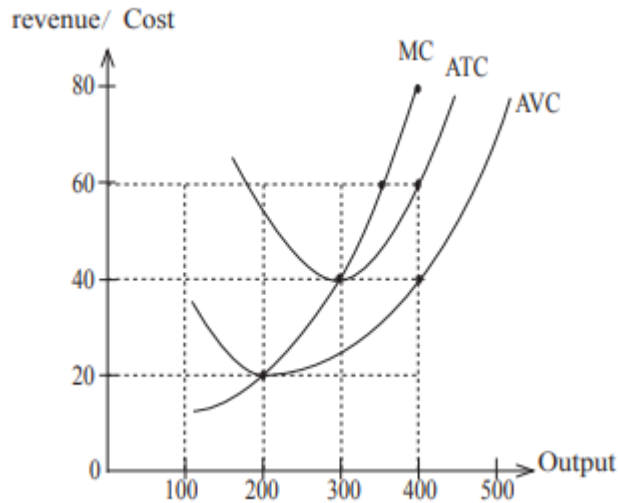


Subject-Economics

Grade-12

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1. The following are short run cost and revenue curves faced by a perfectly competitive firm.



- (a) What should be the average revenue per unit for the firm to make super normal profit?
- (b) What is the total fixed cost of the firm?
- (c) In a situation where the market price tends to decrease, at which level of price, the business firm must decide to shut down its operations?