Schedule 12.3. Showing total variable cost

Output (in units)	*Total Variable Cost (TVC) (in Rs.)*
0	0
1	20
2	30
3	40
4	60
5	90

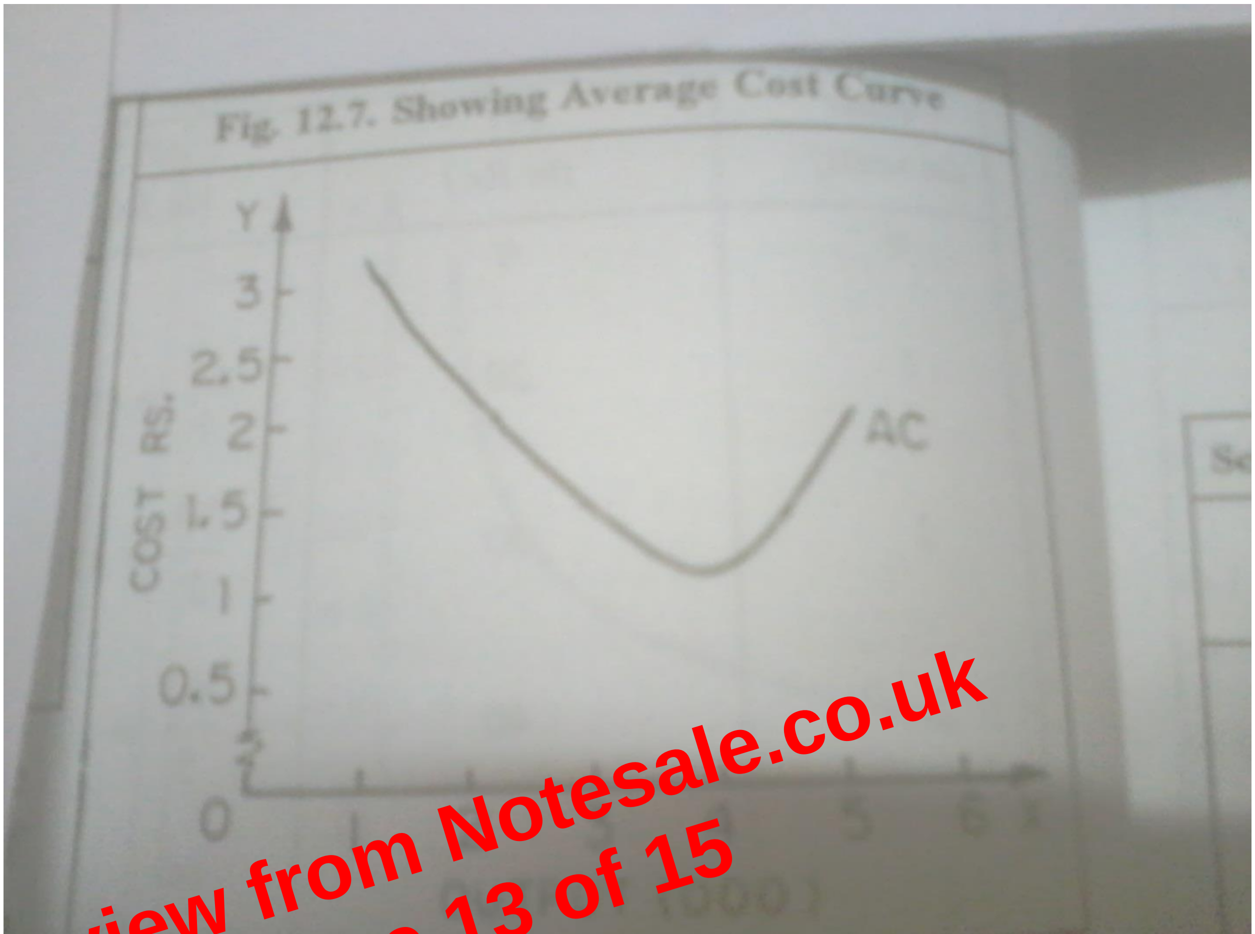

Fig. 12.7. Showing Average Cost Curve

7. **Marginal cost-** is addition to total cost by addition to output produced. It increases with increase in output produced and decrease with output decrease. In the below chart marginal cost for 3 unit is 8, 27-19. For 4 unit of output marginal cost is 7, 34-27.