



PRESIDENCY COLLEGE  
(Autonomous)



*Reaccredited by  
NAAC with A+*

# Microeconomics

## Expansion path

Presidency  
Group

OVER  
**40**  
YEARS  
OF ACADEMIC  
WISDOM



# PRESIDENCY COLLEGE

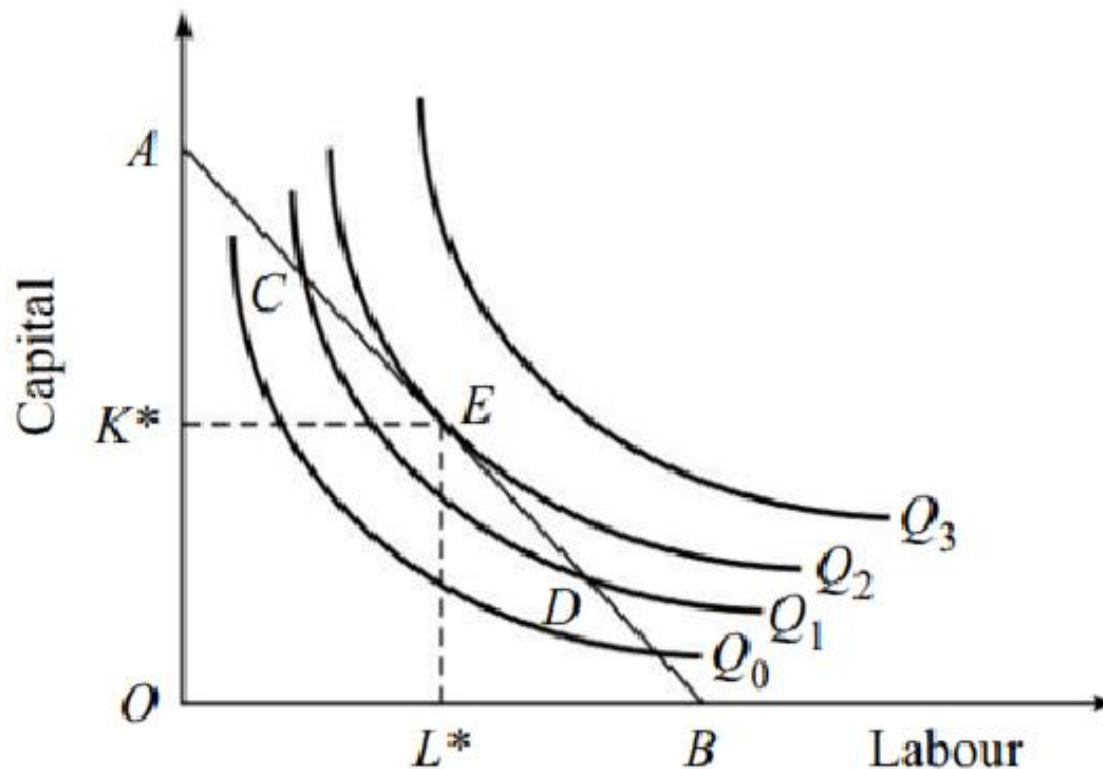
(AUTONOMOUS)

AFFILIATED TO BENGALURU CITY UNIVERSITY, APPROVED BY AICTE, DELHI & RECOGNISED BY THE GOVT. OF KARNATAKA

RE-ACCREDITED BY NAAC WITH 'A+' GRADE

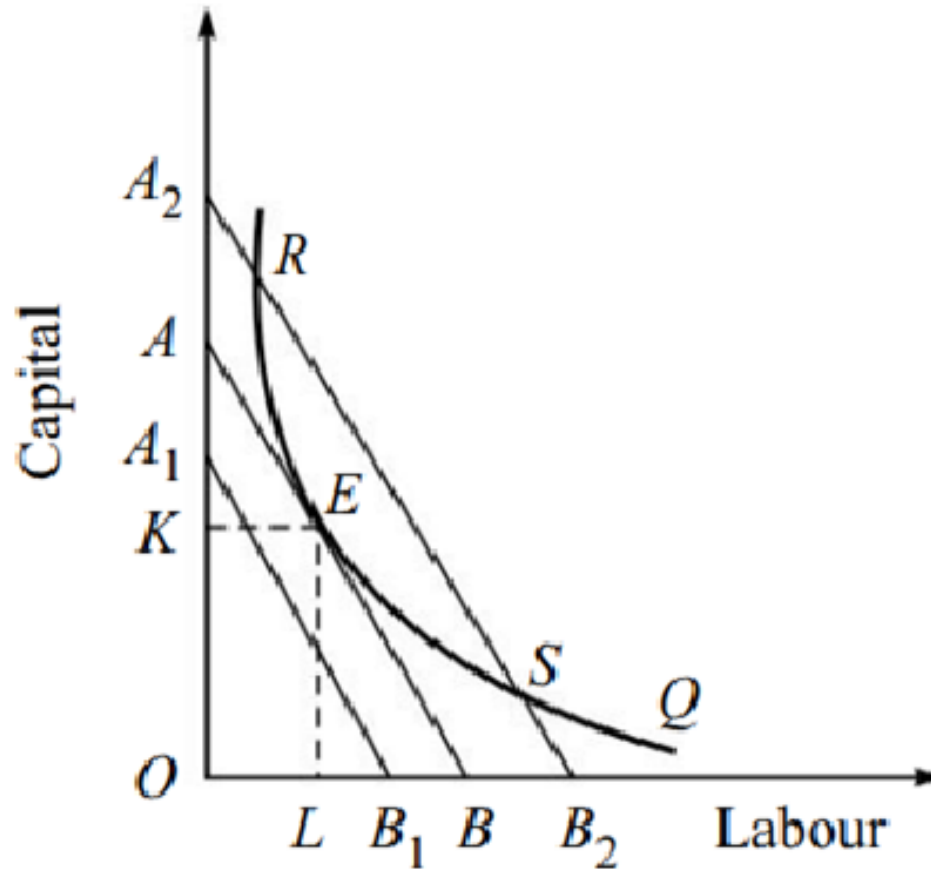


# Producers equilibrium



Identify the graphs (Clue:  $L^*$  &  $K^*$ )

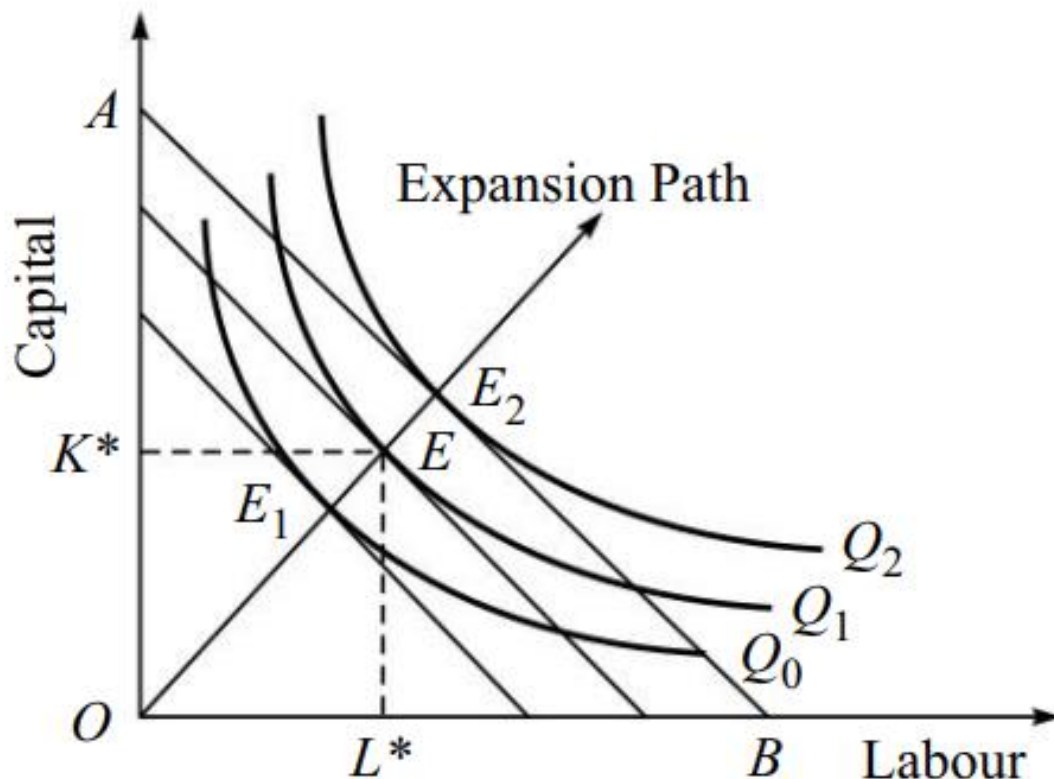




1. Optimum Level of L & K.
2. Difference between the two graphs ?
3. Necessary condition for Producer's Equilibrium.



# Expansion Path



Expansion path is the line formed by joining the tangency points between various iso-cost lines and the corresponding highest attainable iso-quant.



# Quiz

Units of Labour	Total Product
1	20
2	50
3	90
4	120
5	135
6	144
7	147
8	148
9	148
10	145

Use Graph sheets to Plot the Total Product, Average Product and Marginal Product



# Quiz:

Total Quantity	TC
0	100
1	125
2	140
3	150
4	160
5	180
6	210
7	250
8	400
9	600
10	1000

For the given data,

Calculate  
TFC, TVC,  
AC, MC,  
AFC, AVC

Plot the Graph.

