

Download Modern Theory Of Cost

MODERN THEORY OF COSTS. The average fixed cost: The fixed costs include the costs for: a) The salaries and other expenses of administrative staff; b) The wear and tear of machinery (standard depreciation allowances); c) The expenses for maintenance of buildings; d) The expenses for the maintenance of land on which the plant is installed and operates. The modern theory of costs differs from the traditional theory of costs with regard to the shapes of the cost curves. In the traditional theory, the cost curves are U-shaped. But in the modern theory which is based on empirical evidences, the short-run SAVC curve and the SMC curve coincide with each other and are a horizontal straight line over a wide range of output. The modern theory of costs differs from the traditional theory of costs with regard to the shapes of the cost curves. In the traditional theory, the cost curves are U-shaped. But in the modern theory which is based on empirical evidences, the short-run SAVC curve and the SMC curve coincide with each other and are a horizontal straight line over a wide range of output. The Traditional Theory of Costs (With Diagram) Traditional theory distinguishes between the short run and the long run. The short run is the period during which some factors) is fixed; usually capital equipment and entrepreneurship are considered as fixed in the short run. The long run is the period over which all factors become variable., Modern Theory Of Cost.

Other Files :

[Modern Theory Of Cost](#), [Modern Theory Of Cost Ppt](#), [Modern Theory Of Cost Pdf](#), [Modern Theory Of Cost In Long Run](#), [Modern Theory Of Cost In Short Run](#), [Modern Theory Of Cost Slideshare](#), [Modern Theory Of Cost In Economics](#), [Modern Theory Of Cost With Diagram](#), [Modern Theory Of Cost In Hindi](#), [Modern Theory Of Cost In Economics Pdf](#),