NU-FAST MICROECONOMICS [SPRING, 2024] HE- 3&4[5 Marks Weight 2.5]

CS 8-A & CS 8-B-[*LAST DATE OF SUBMISSION 8th, May, 2024]*

1. ***Do not share your HEs with the fellow students;(2) Be strict to the last date of submission; and (3) Only HAND WRITTEN exercises will be accepted.***
   [5Marks Weight 2.5]

HE-3:

Complete the Table given below:

output	TFC	TVC	TC	AFC	AVC	ATC	MC
1							
2							45
3							49
4			300				59
5							75
6							97
7							125
8							159
9							199
10				30			245
11							297
12							355
13							419
14							489
15							565

O= Output TFC=Fixed Cost TVC =Total Variable Cost TC= Total Cost

AFC = Average Fixed Cost ATC = Average Total Cost

AVC = Average Variable Cost MC = Marginal Cost

Note: (i) Round the figures for Averages

HE-4: [5 Marks .Weight 2.5]

Following is the Demand Function:

$$Qd = 200 - 5P$$

Qd = Quantity Demanded & P = Price per Unit

Estimate:

(i) **Total Revenue function; Average Revenue function; and Marginal Revenue Function.** ***[1.5 Marks]***

(ii) **Estimate the output and price at which the revenue will maximized.** ***[1.5 Marks]***

(iii) **Manually draw the graph showing with approximate scale the Total Revenue, Average Revenue and Marginal Revenue for the functions you estimated at (i)** ***.[2 Marks]***

Hint: start from estimating inverse demand function;