**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:**

1. **Total Revenue function; Average Revenue function; and Marginal Revenue Function. *[1.5 Marks]***
2. **Estimate the output and price at which the revenue will maximized. *[1.5 Marks]***
3. **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;***