

College Name: \_\_\_\_\_

Student Name: \_\_\_\_\_ Seat No: \_\_\_\_\_

Copy No: \_\_\_\_\_

**KARACHI UNIVERSITY BUSINESS SCHOOL  
UNIVERSITY OF KARACHI  
FINAL EXAMINATION JUNE 2017; AFFILIATED COLLEGES  
MICRO ECONOMICS; BA (H)–311  
BBA – I**

**Date: June 11, 2017**

**Max Time: 1.5 Hrs**

**Max Marks: 30**

**INSTRUCTIONS:**

- 1. Attempt any 3 questions. Do not write anything on the question paper, EXCEPT Initials mentioned above.**
- 2. Mobile phones or any other communicating device will not be allowed in the examination room. Students will have to remove the batteries of these devices before entering the examination hall.**

Q2: Distinguish between inferior and Giffen goods on the basis of income and substitution effects using appropriate diagram.

Q3: Explain how short-run supply curve of a firm and industry derived assuming perfect competition.

Q4: Explain using suitable graphs how the relationship between the shape of indifference curve and MRS develop.

Q5: Why do monopolies arise? Give few examples of underlying structures that can generate a monopoly in a market.

Q6: Do consumers or producers always pay the increase in sales tax rate? What are the factor upon which the distribution of tax burden depends between consumers and producers? Discuss with the help of diagrams.

**END OF SUBJECTIVE PAPER**