



ST. LAWRENCE HIGH SCHOOL



A Jesuit Christian minority Institution

Subject: Economics

Class- XI

Date:18/06/2020

Answer key of Worksheet-4

Chapter- Definition and subject matter of Economics

Topic- Analysis of Production Possibility Curve

1. Choose the correct alternative. 1x15=15
- a) What commodities should be produced and in what quantities ,that can be explained through i) demand supply curve **ii) production possibility curve** iii) isoquant iv) none of these
 - b) A point inside PPC implies the country **i) underutilizing its resources** ii) optimally utilizing its resources iii) over utilizing its resources iv) none of these
 - c) One of the assumptions in the analysis of PPF is i) more than two commodities are being produced ii) three commodities are being produced **iii) two commodities are being produced** iv) none of these
 - d) PPC shows **i) different combination of two commodities with full employment of labour** ii) different combination of good with different combination of resources iii) Different combination of two commodities with different combination of labour and capital iv)none of these
 - e) One of the assumptions of analysis of PPC is i) there should be change in the technology of the production process **ii) there is no change in the technology of the production process** iii) Two inputs are required to run production iv) none of these
 - f) Point lying on the PPC implies **i) full employment of resources** ii) under utilization of resources iii) over utilization of resources iv) none of these
 - g) If the point is on the PPC as well as on the X-axis , it implies i) full employment of resources only in production of Y commodity **ii) full employment of resources only in production of X commodity** iii) resources are being used in the production of both the commodities iv) none of these
 - h) If the point is on the PPC as well as on the Y-axis , it implies **i) full employment of resources only in production of Y commodity** ii) full employment of resources

- only in production of X commodity iii) resources are being used in the production of both the commodities iv) none of these
- i) PPF is downward sloping because ,given the amount of labour i) if production of one commodity increases ,production of the other also increases **ii) if production of one commodity increases ,production of the other decreases** iii) if production of one commodity increases ,quality of the other decreases iv) none of these
- j) If F is a point to the left of PPC , from F economy can move to any point on PPC where** i) production of both good decreases ii) production of one good increases and the same of the other decreases **iii) production of both the goods increases** iv) none of these
- k) Any point to the right of PPC is a **i) impossible production point** ii) possible production point iii) point where resources are under utilized iv) none of these
- l) If commodity Y is plotted along Y –axis and commodity X is plotted along X –axis ,then moving upward along PPC implies i) increase in production of both commodities ii) increase in production od X and decrease in Y **iii) increase in production od Y and decrease in X** iv) none of these
- m) If commodity Y is plotted along Y –axis and commodity X is plotted along X –axis ,then moving downward along PPC implies i) increase in production of both commodities **ii) increase in production od X and decrease in Y** iii) increase in production od Y and decrease in X iv) none of these
- n) Supply of labour was i) unlimited **ii) fixed** iii) sometimes limited iv) none of these
- o) The shape of PPC is i) a downward sloping straight line ii) Convex to the origin **iii) concave to the origin** iv) none of these

Aparajita Mondal