



ST. LAWRENCE HIGH SCHOOL

A Jesuit Christian Minority Institution



Worksheet 19

Sub: Economics

Class: XII

Chapter 04: Theory of production

F.M.: 15

Topic: Economies and diseconomies of large scale production

Date: 12/06/2020

Multiple choice questions

1x15 = 15

1. In large scale production process, _____ division of labour can be introduced.
 - a. Greater,
 - b. Less,
 - c. Zero,
 - d. Equal.
2. There are _____ types of economies of scale in the large scale production process.
 - a. Five,
 - b. Three,
 - c. Two,
 - d. Four.
3. The unit cost of production becomes _____ in large scale production process.
 - a. Greater,
 - b. Lower,
 - c. Zero,
 - d. Negative.
4. The first type of economies of scale in large scale production process is _____.
 - a. International economies,
 - b. Domestic economies,
 - c. External economies,
 - d. Internal economies.
5. Second type of economies of scale in large scale production process is _____.
 - a. International economies,
 - b. Domestic economies,
 - c. External economies,
 - d. Internal economies.
6. By economies of scale we mean _____ of large scale production.
 - a. Advantages,
 - b. Disadvantages,
 - c. Uses,

- d. Non uses.
- 7. In the first stage of large scale production the firm enjoys _____ within the firm.
 - a. Fixed cost,
 - b. Cost reduction,
 - c. Variable cost,
 - d. Profit.
- 8. Internal and external economies arises from the stand point of a _____.
 - a. Industry,
 - b. Economy,
 - c. Firm,
 - d. Country.
- 9. If the firm enjoys some advantages within itself then it is known as _____.
 - a. International economies,
 - b. Domestic economies,
 - c. External economies,
 - d. Internal economies.
- 10. When the cost of production begins to increase in large scale production then it is known as _____.
 - a. Internal economies,
 - b. Diseconomies of scale,
 - c. External economies,
 - d. Economies of scale.
- 11. If the size of the production process becomes very large then _____ arises.
 - a. Profit reduction,
 - b. Cost reduction,
 - c. Managerial difficulties,
 - d. Output reduction.
- 12. For large scale production there is no direct _____ between workers and owners.
 - a. Profit,
 - b. Link,
 - c. Source,
 - d. None of the above
- 13. Large scale production is hampered due to the limitations imposed on the _____ of the market.
 - a. Size,
 - b. Quality,
 - c. Availability,
 - d. None of the above.
- 14. When large scale production takes place, the law of _____ return operates.
 - a. Increasing,

- b. Constant,
 - c. Diminishing,
 - d. All of above.
15. For large scale production it is difficult to get large amount of _____ through borrowing.
- a. Cost,
 - b. Revenue,
 - c. Profit,
 - d. Fund.

Debaleena Ganguly
12.06.2020