



St. Lawrence High School

A Jesuit Christian Minority Institution



Worksheet 21

Sub: Economics

Class: XII

Chapter 04: Theory of production

F.M.: 15

**Topic: External Economies of
large scale production**

Date: 15/06/2020

Multiple choice questions

1x15 = 15

1. The second type of economies of scale in large scale production process is _____.
 - a. International economies,
 - b. Domestic economies,
 - c. External economies,
 - d. Internal economies.
2. Internal and external economies arises from the stand point of a _____.
 - a. Industry,
 - b. Economy,
 - c. Firm,
 - d. Country.
3. External economies of scale are those economies which are enjoyed by a firm as a result of the growth of the _____.
 - a. Industry,
 - b. Economy,
 - c. Locality,
 - d. None of the above.
4. In the second stage of large scale production the firm enjoys economies of _____.
 - a. Innovation,
 - b. Information,
 - c. Cost reduction,
 - d. Profit maximisation.
5. The economies of scale associated with the location are known as _____.
 - a. Internal economies,
 - b. Economies of localisation,
 - c. External economies,
 - d. Political economies.
6. Economies of information are associated with _____ of information among themselves..
 - a. Purchase and sale,

- b. Innovation,
 - c. Advertisement and sale,
 - d. Exchange.
7. There are _____ types of economies of scale in the large scale production process.
- a. Five,
 - b. Three,
 - c. Two,
 - d. Four.
8. By economies of scale we mean _____ of large scale production.
- a. Advantages,
 - b. Disadvantages,
 - c. Uses,
 - d. Non uses.
9. If the size of the production process becomes very large then _____ arises.
- a. Profit reduction,
 - b. Cost reduction,
 - c. Managerial economies,
 - d. Output reduction.
10. For large scale production the firm can earn higher _____.
- a. Profit,
 - b. Link,
 - c. Reputation,
 - d. None of the above.
11. When large scale production takes place, _____ can be take place.
- a. Specialisation,
 - b. Market,
 - c. Risk,
 - d. All of above.
12. For large scale production it is easy to get large amount of _____ .
- a. Cost,
 - b. Information,
 - c. Profit,
 - d. Fund.
13. In external economies it is possible to get _____ advantages when an industry develops in a particular region.
- a. Internal,
 - b. Special,
 - c. External,
 - d. None of the above.

14. In external economies it is possible to divide the process of production into several _____.
- a. Parts,
 - b. Groups,
 - c. Divisions,
 - d. Process.
15. Economies of _____ is one of the feature of external economies.
- a. Production,
 - b. Cost,
 - c. Profit,
 - d. Specialisation.

Debaleena Ganguly
15.06.2020