



St. Lawrence High School
A Jesuit Christian Minority Institution



Answer Key 14
Class: XII

Sub: Economics

Chapter 04: Theory of production

F.M: 15

Topic: Concept of total product, average product

And marginal product

Date: 18.05.2020

Multiple choice questions:

1x15=15

1. When total amount of output produced by employing all the inputs then it is known as _____.
- Marginal product,
 - Average product,
 - Total product,
 - Production.

Ans: c. Total product.

2. Per unit of an input is known as _____.
- Total product,
 - Average product,
 - Marginal product,
 - All of above.

Ans: b. Average product.

3. Marginal means _____.
- Zero unit,
 - One unit,
 - Two units,
 - One extra unit.

Ans: d. One extra unit.

4. Change in total product due to change in one extra unit of labour employment is known as _____.
- Change in production,
 - Change in labour,
 - Marginal product,
 - Average product.

Ans: c. Marginal product.

5. The ratio of total product to the total input employed is known as _____.
- Average product,

- b. Total product,
- c. Marginal product,
- d. Production function.

Ans: a. Average product.

6. For the first unit of labour employment, total product, average product and marginal product are _____.
- a. Zero,
 - b. Same,
 - c. One,
 - d. Fraction.

Ans: b. Same.

7. As the number of labour employment increases _____ reaches to its maximum very quickly.
- a. Total product,
 - b. Average product,
 - c. Marginal product,
 - d. None of these.

Ans: c. Marginal product.

8. Marginal product of labour comes by change in one unit of _____ employment.
- a. Land,
 - b. Labour,
 - c. Capital,
 - d. Organization.

Ans: b. Labour.

9. By employing all inputs in production process we get _____.
- a. Total product.
 - b. Total output,
 - c. Both of a) and b)
 - d. Average product.

Ans: c. Both of a) and b).

10. If we divide total product by labour employment then we get _____.
- a. Total output,
 - b. Marginal product,
 - c. Total production,
 - d. Average product.

Ans: d. Average product.

11. We get marginal product of an unit by _____ the total product of the previous unit from the total product of a present unit.

- a. Adding,
- b. Multiplying,
- c. Subtracting,
- d. dividing.

Ans: c. Subtracting.

12. When total product increases, average product _____ at first.

- a. Zero
- b. Remains same,
- c. Decreases,
- d. Increases.

Ans: d. Increases.

13. When total product decreases, marginal product goes to _____ .

- a. Positive,
- b. Negative,
- c. One,
- d. zero.

Ans: b. Negative.

14. When total product is maximum, marginal product is _____ .

- a. Zero,
- b. Four,
- c. Two,
- d. Three.

Ans: a. Zero.

15. As input employment increases, at first total product increases at an _____ rate.

- a. Increasing,
- b. Continuous,
- c. Same,
- d. Decreasing.

Ans: a. Increasing.

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