

CLASS XI (ECONOMICS)

ASSIGNMENT I

CHAPTER: PRODUCTION FUNCTION

Q1. Distinguish between the variable and fixed factors.

Q2. Explain the law of variable proportions. Show using the diagram.

Q3. Explain the reasons for:

(i) Increasing returns to factor

(ii) Diminishing returns to factor

Q4. Explain the law of diminishing returns.

Q5. Which phase is known Phase of Operation? Why do the firms operate in this stage?

Q6. Explain the relationship between MP and TP.

Q7. Find out the missing values in the given table:

Variable Factor	0	1	2	3	4	5
TP			10		24	
AP				6		5
MP		4				

Q8. From the following table, find out the phase during which there are increasing returns to a factor. Give reasons for your answer.

Units of Variable Factor	1	2	3	4	5
Average Product	10	12	14	14.5	14

Q9. What is production function? Explain the types of production function.

Q10. Let the production function of a firm be $Q = 2L^2K^2$. Find out the maximum output that the firm can produce with 5 units of L and 2 units of K. What is the maximum possible output that the firm can produce with 0 unit of L and 10 units of K?