

**National Institute of Open Schooling**  
**Secondary Course: Economics**  
**Lesson 7: Production**  
**Worksheet-7**

1. Human needs can be satisfied only when products and services are available. In order to produce the goods, it is necessary to make use of some technology. Can you name any two technologies of production? Which technology is better to use in India and why?
2. When you read the word 'Production' what comes to your mind? Can you define this term? Do you think that Production and Production function are same? If not, explain the reasons for your answer.

Given below is a table containing the information regarding Total Production, Average Production and Marginal Production. Study the table and answer the questions that follow: (Q. 3-6)

Units (Labour)	Total Production	Average Production	Marginal Production
1	5	5	
2	12		7
3	21		9
4	28	6	
5	30		2
6	30		
7	28	4	

3. Can you distinguish between Total Production, Average Production and Marginal Production?
4. Find the missing values of Average Production and Marginal Production and complete the above table.
5. Plot a graph for Total Production, Average Production and Marginal Production, do you observe any relationship between these three?
6. From the completed table and above graph observe the shape of Marginal Product and comment upon its behavior. Can you explain why Marginal Product of labor diminishes?

Are you aware of the fact that in an economy, there may be lakhs of production units which produce goods and services? These production units may not necessary be local. There are various cases where you will find global products and services being offered in India and the reasons may be varied. Sometimes they offer goods and services which are not locally produced or available and sometimes they offer different versions of the same goods and

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services which are offered by local producing units. This is all possible due to globalization. In the light of the given paragraph answer the following questions.

7. Can you explain the difference between indigenous production units and foreign production units?
8. Do you think one production unit is better than the other? If yes, which one and why? And if not, why?
9. If you have to buy a product which is offered by both indigenous and foreign production unit in India at almost the same price. Which production unit would you prefer to buy from and why keeping in mind that they both offer the same quality of goods?
10. Make a list of at least 10 goods and/or services offered by indigenous and foreign production units each in India and suggest if it is possible to replace the goods and/or services offered by foreign production units by indigenous production units.