

Name: _____ Date: _____

The Story of Village Palampur

Q1. What can be done so that more non-farm production activities can be started in villages?

Ans. _____

Q2. What are the main factors responsible for production?

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Q1. What can be done so that more non-farm production activities can be started in villages?

Ans. To promote more non-farm production activities in villages the following steps can be taken:

- i. The government should start up such a scheme under which landless labourers and small farmers are able to get cheap loans to start up the non-farm production activities.
- ii. Government should provide training to the villagers in different small crafts.
- iii. The concerned authority should also work towards improving the infrastructure of village.
- iv. Small industries can be set up in rural areas.

Q2. What are the main factors responsible for production?

Ans. Following are the factors responsible for production:

- (i) Land : It is a free gift of nature and it is neither created nor destroyed.
- (ii) Labour : It is a factor which helps in production. There are three types of labour—skilled, semiskilled and unskilled.
- (iii) Capital : It is a part which is invested. There are two types of capital namely physical and working capital.
- (iv) Entrepreneurs : The person who is taking risk is known as entrepreneur. Without entrepreneur land, labour capitals are useless.