Multiple Choice Questions

1. Finance raised to operate a business is called-------
   a) Labour
   b) Enterprise
   c) Land
   d) Capital

2. The most abundant factor of production is:
   a) Labour
   b) Land
   c) Machinery
   d) All of the above

3. Multiple cropping refers to:
   a) Cultivation of wheat and rice
   b) Cultivation of two crops in alternate rows
   c) Cultivating more than one crop on the same field each year.
   d) Cultivating crops and rearing animals on the same farm.

4. Working capital stands for:
   a) Tools, Machines and buildings
   b) Raw materials and money in hand
   c) Total share capital
   d) Fixed deposits in financial institutions

5. Which of the following is not an effect of the modern farming?
   a) Soil degradation
   b) Deforestation
   c) Decrease in groundwater
   d) Water pollution

6. ‘Operation Flood’ is related to:
   a) Control flood
   b) Produce fish
   c) Milk production
   d) Grain production

7. ------ capital is used once in production whereas----- capital can used for long time.
   a) Raw material, machine
   b) Variable, Fixed
   c) Fixed, working
   d) Land, labour

8. Iron ore, forest, water etc. are the example of which factors of production?
   a) Labour
   b) Land
   c) Capital
   d) Natural resource

9. Match the following with A and B and choose the correct option given below
<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
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</thead>
<tbody>
<tr>
<td>1. Production</td>
<td>a. Organise production</td>
</tr>
<tr>
<td>2. Land</td>
<td>b. Abundant factor of production</td>
</tr>
<tr>
<td>3. Labour</td>
<td>c. Input into output</td>
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<tr>
<td>4. Entrepreneur</td>
<td>d. Primary factor of production</td>
</tr>
</tbody>
</table>

10. Which of the following statements about factors of production is false?
   a) The term factor of production is another term for resources
   b) The factor of production termed labour means human resources
   c) The factor of production land means a natural resource
   d) The factor of production termed capital means the money which the owner of firm needs in order to set their firms up.

**VERY SHORT QUESTIONS**

11. What is the main reason behind growing three different crops in a year in Palampur? (1)

12. What are the main factors of production? (1)

13. What do you understand by the Green Revolution? (1)

14. What is multiple farming? (1)

15. State any 3 infrastructure facilities available in the village Palampur necessary for economic development. (1)

**SHORT QUESTIONS**

16. What problems do farm labourers face in terms of unemployment? Explain any 3 problems. (3)

17. Distinguish between Traditional farming and modern farming. (3)

18. What is the difference between Land and Labour. (3)

**LONG QUESTIONS**

19. State any five reasons to show that Palampur is a developed village. (5)

20. Describe the modern methods of farming used by the farmers of Palampur village. (5)

21. State the importance of growing more than one crop on a piece of land. (5)
22. What are the merits and demerits of Green Revolution? (5)