INDIAN SCHOOL AL WADI AL KABIR

Class: VIII	Department: SOCIAL SCIENCE	Subject: Economics
Chapter: 7 Worksheet No:6	Topic: FACTORS OF PRODUCTION	Year :2026-27

A) Answer the following Questions: -

Q 1	**Define the term 'human capital'.** i) Human capital refers to the knowledge, skills, abilities, experience and expertise possessed by people. ii) It improves the quality and efficiency of labour. iii) Education, training, healthcare and technology help in developing human capital.
Q 2	**Explain how education and healthcare contribute to the development of human capital.** i) Education provides people with knowledge and prepares them to solve real-world problems. ii) Training develops the specialised skills needed to perform particular jobs effectively. iii) Good healthcare keeps people physically and mentally fit, helping them learn and work more efficiently.
Q 3	**State a few responsibilities of business towards labour.** i) Businesses should provide fair compensation for the work done by employees. ii) Workers should be provided with a safe and healthy working environment. iii) Businesses should respect workers' rights and provide appropriate protections.
Q 4	**Define Corporate Social Responsibility (CSR).** i) Corporate Social Responsibility means the responsibility of businesses towards society and the environment. ii) It includes reducing pollution and protecting the well-being of local communities. iii) It also includes treating employees and customers with respect. iv) India was the first nation in the world to bring a Corporate Social Responsibility law in 2014 that mandated companies to spend 2 per cent of their average profits of the last three years on CSR activities.
Q 5	**What is entrepreneurship? Explain the role of an entrepreneur.** i) Entrepreneurship means starting and managing a business by organising resources to produce goods or services. ii) The role of an entrepreneur is to combine different factors of production and takes risks by investing time and money. iii) An entrepreneur makes important decisions and introduces innovative products or services that can create employment opportunities.
Q 6	**Discuss workplace rights and protections.** i) Workers should receive fair treatment and compensation. ii) Businesses should prevent discrimination at the workplace. iii) Employees should receive protections and benefits such as healthcare and paid leave, according to applicable laws and regulations.
Q 7	**How does technology improve the quality of production?** i) Technology helps businesses perform tasks more efficiently. ii) Advanced machines and techniques can improve the quality and quantity of output.

	iii) It can reduce the time and resources required for production.
Q 8	**In what ways can training benefit workers?** i) Training helps workers acquire the specific skills required for a job. ii) It improves their efficiency and productivity. iii) It prepares workers to perform their jobs better and adapt to changing requirements.
Q 9	**Describe how a supply chain works in a business.** i) A supply chain is a network involving people, organisations, resources, activities and technology. ii) It helps move inputs and products through different stages of production and sale. iii) Disruptions in the supply chain can interrupt or stop production.
Q 10	**How does human capital differ from physical capital?** i) Human capital refers to the knowledge, skills, experience and abilities of people that help them perform work and create economic value. ii) Physical capital refers to assets such as machines, tools, buildings and equipment used to produce goods and services. iii) Human capital is developed through education, training, health and experience, whereas physical capital is created or acquired for productive use.
Q 11	**Give four factors of production and explain how a balance between all four factors leads to efficient output?** i) The four main factors of production are land, labour, capital and entrepreneurship. ii) Land provides natural resources, while labour provides the physical and mental effort needed for production. iii) Capital provides money, machinery, tools, equipment and other human-made resources. iv) An entrepreneur brings the factors together, takes risks and makes important decisions. v) When these factors are properly combined and used efficiently, they complement one another and help produce goods and services effectively.
Q 12	**Explain the four major factors of production with suitable examples.** i) **Land:** The word 'land' in economics encompasses not only geographical land but also natural resources like soil, forests, water, air, sunlight, minerals, oil, and natural gas. ii) **Labour:** Labour is essential in production, involving physical and mental effort. Carpenters, farmers, construction workers, teachers, and doctors use varying levels of physical strength, knowledge, and skill. iii) **Capital:** Businesses also require capital that comprises monetary resources and durable assets like machinery, tools, equipment, vehicles, vending carts, computers, shops, factories, office buildings, etc., for their day-to-day operations. iv) **Entrepreneurship:** It means starting your own business or creating something new to solve a problem. An entrepreneur comes up with an idea, takes risks, gathers other factors of production, and works hard to make their startup idea successful.
Q 13	**What is the role of the stock market in helping large companies raise capital?** i) Large companies require substantial amounts of money when they want to expand their businesses. ii) The stock market is a special market where shares of companies are bought and sold. iii) Companies can raise financial capital by offering shares to the general public. iv) People who purchase shares may receive a share of the company's profits in the form of dividends. v) Thus, the stock market provides large businesses with an important source of financial capital.
Q 14	**What responsibilities do producers have towards sustainable use of resources?** i) Producers should use natural resources such as land, water and minerals responsibly. ii) They should reduce waste and take steps to prevent pollution. iii) Harmful industrial waste should be treated or recycled before being released into the environment. iv) Businesses should adopt sustainable practices to protect natural resources for future

	generations. v) They should balance economic activities with the protection of the environment, local communities and biodiversity.
Q 15	Define the following terms: i) **Business:** A firm, a shop, a factory, etc., which produces or sells goods or provides a service. ii) **Adult literacy rate**: Percentage of people aged 15 and above who can read and write with understanding a short, simple statement about their everyday life. iii) **Startup:** A startup is an entrepreneurial venture with limited resources that aims at rapid growth and expansion while leveraging technology. iv) **Interest:** The amount of money paid by the borrower of a loan to the lender for using their money for a specific time. v) **Dividend:** An amount of money paid regularly by a company to its shareholders out of its profits. vi) **Capital:** In economics, any asset, whether physical or financial, used to produce goods and services.
Q 16	**What problems could businesses face when they do not find workers with the required skills?** When businesses do not find workers with the required skills, they face the following problems: i) Productivity may decrease because tasks take longer or are not done efficiently. ii) The quality of goods or services may also suffer, leading to customer dissatisfaction. iii) Businesses may have to spend more time and money on training, which increases costs. iv) It can delay production, reduce competitiveness, and affect profits. v) In some cases, companies may struggle to grow or adopt new technologies because workers lack the skills to use them. Thus, a shortage of skilled workers can harm the success and sustainability of any business.
Q 17	**A farmer starts using a tractor, irrigation system and improved seeds on his farm. Explain how these changes can increase production?** i) A tractor reduces the time and human effort required for ploughing and other farm activities. ii) Irrigation provides water to crops when rainfall is insufficient. iii) Improved seeds can help farmers obtain better yields under suitable conditions. iv) Modern tools and methods allow the farmer to cultivate a larger area in less time. v) Thus, the effective use of capital, technology, labour and natural resources can increase agricultural production.
Q18	**Explain the role of J. R. D. Tata as an entrepreneur in the development of Indian industry.** i) **Jehangir Ratanji Dadabhoy Tata** was an important Indian industrialist and entrepreneur who played a major role in developing the Tata Group. ii) He encouraged the growth of new industries and businesses in India. iii) He supported innovation, technology and scientific research to improve industrial development. iv) He showed important qualities of an entrepreneur such as vision, leadership, decision-making and willingness to take risks. v) His contribution demonstrates how entrepreneurship combines resources such as land, labour, capital and technology to create goods, services and employment.

B) Read the extract and answer the questions that follow:

Q.19	Technology has become an important enabler of production. Farmers can receive advance weather information, GPS can help identify efficient routes for transporting goods, and online platforms can provide people with opportunities to develop skills and find jobs. Technology can therefore make production and access to knowledge more efficient while reducing geographical barriers. **a) What does technology mean in the context of production?** Technology means the application of scientific knowledge to make the production process

	efficient. **b) Name the online government platform mentioned in the chapter that provides courses for students.** SWAYAM(Study Webs of Active-Learning for Young Aspiring Minds) **c) Explain two ways in which technology helps people develop skills and find employment opportunities.** i) Online platforms such as SWAYAM provide access to courses and opportunities to develop new skills. ii)The National Career Service helps people find employment opportunities in different sectors, reducing geographical barriers.
Q.20	Indians used a unique stitching technique dating back over 2000 years to make ships and boats, which they used to conduct maritime trade and cultural exchanges across the Indian Ocean. The technique involved stitching wooden planks together using cords instead of nails, which made them flexible and helped the ships navigate the Indian Ocean with ease. Many of the traditional techniques of production have either disappeared or are on a decline. For example, the stitching of ships saw a severe decline after the arrival of Europeans in the Indian Ocean in the 16th century. This technique is now used for small fishing boats. **a) What was the technique involved in stitching wooden planks?** The technique involved stitching wooden planks together using cords instead of nails, which made them flexible. **b) Why do you think the use of indigenous techniques has declined?** Indigenous techniques have declined because new technologies that replaced older, traditional methods. Also, lack of support for local craftsmen and changing customer needs made it hard for traditional skills to survive **c) Explain some techniques and products from your region that showcase human effort and skill.** In my region, Madhubani paintings and Chikankari embroidery show great human skills. These products are often made by using traditional techniques and tools passed down through generations.
Q.21	India is a major mobile phone manufacturer. A mobile phone manufacturing company requires several inputs to produce its phones. It needs land and factory space, machinery and financial resources, skilled workers, raw materials, entrepreneurship and technology. All these inputs work together to produce and distribute the final product. Questions: **a) How does human capital play a role in mobile phone production?** • In mobile phone manufacturing, human capital plays a definitive role through teams of software, electrical, and mechanical engineers, alongside project managers. • Instead of basic manual labor, these individuals use their specialized training and expertise to design, supervise, and continuously improve the complex technology and production processes. **b) Why is the supply chain important in such manufacturing?** • Mobile phone manufacturing relies on complex inputs sourced from various places. • If there is a disruption in the supply chain (such as during the COVID-19 pandemic when relying on distant rather than local inputs), the absence of even a single component or material will cause the entire production process to halt completely. No factor can work in isolation. **c) How can sustainability be maintained in large scale production?** • Responsible Natural Resource Management: Carefully utilizing "Land" factors (like minerals and metals used in phones) without completely exhausting them. • Pollution and Waste Reduction: Minimizing the environmental damage caused by heavy manufacturing plants. • Recycling: Implementing production practices that allow materials to be recycled rather than discarded, preventing environmental degradation.