**L-1 the story of Village Palampur.**

Q.1 There is four requirements for production. Explain them?

Ans: -These are four requirements in production Land, Labour, Physical Capital, Human capital

1. Land: -Land is the main requirement for the production the establishment of the factory and industries is on land. While establishment should check the water resource in that land.
2. Labour: -Labour are the another main requirement in the industrial sectors and small business like in factories where less skilled workers needed and now days there are labour are comes from other country to find of work. Farm less people worked as labour in land lords fields. In, Industries skilled worker need but they come in Human capital.
3. Physical Capital: - All the commercial things come’s under the Physical capital as the maintenance of the machine and infrastructure and paying of the labour. There are two types of capital comes under physical capital Fixed capital and Working capital.
4. Fixed Capital: -This is just like one time investment. Now you did not have to buy another after few times just you have to pay for the maintenance and other issues. Some examples are Machinery and Vehicles and Tools in industries.
5. Working capital: This is just like continuous investment. Here you have to continuous pay for the charges. Some example are Paying wages for the Labour and Worker in the factory, buying raw material from traders, Factory and Industry other bills.