

Chapter - 14

Economic Activities Around Us

Q1. Facts that Matter

1. **What is an activity?** : All the actions that a person is involved in throughout the day is termed as activity. Activities can be categorised as economic and non-economic activities.
2. **Economic sectors** : The economic activities with similar characteristics can be grouped or classified into broader groups called economic sectors.
3. **Examples of Co-operatives in India** : There are many milk co-operatives brands like AMUL, apart from AMUL there are Nandini from Karnataka, Mother Dairy from Delhi-NCR, Aavin from Tamil Nadu, Sudha dairy from Bihar, etc. There is co-operative named SEWA that supports woman to become self-reliant.
4. **Concept of value addition** : Value addition is the extra value created over and above the original value of something like product services etc. By improving feature or adding extra benefit, we add value to the product.
5. **GDP** : Gross Domestic product (GDP) calculates the total monetary value of goods and services produced within its borders, serving and primary indicator of economic growth.
6. **AMUL** : (Anand Milk Union Limited), created in 1946 in Anand, Gujarat India's largest dairy co-operative founded by Tribhuvandas Kishibhai patel.

Q.2 Multiple Choice Questions

1. **Which type of economic activity involves the extraction of natural resources?**
c) Primary
2. **The sale of goods in small quantities for use by the end consumer rather than for resale is called_____.**
a) Retail
3. **Which activity would most likely be the part of the secondary sector?**
b) Textiles production
4. **Expand 'AMUL' .**
a) Anand Milk Union Limited
5. **What is the main characteristic feature of the secondary sector?**
c) Manufacturing and construction
6. **_____ is an example of value addition in the secondary sector.**
b) A baker making biscuit from flour

7. Which of the following is not a characteristic feature of economic activities?
c) They are always profitable
8. Hotel, restaurants, schools, hospitals, banks, airports, and shops are a part of _____.
b) Tertiary sector
9. Activities that create monetary value are called _____
c) Economic activities
10. Building or group of buildings where goods are manufactured, or various components are put together, to make a final product is a _____ .
d) Factory

Q.3 Study the picture, and answer the questions that follow.

1. Identify the group of professionals in the above picture. Which sector of economy do they fall in?
A group of lawyers, Tertiary sector
2. Can you explain one reason why people might go to Courts in India?
To get justice if any wrong is done to them eg. violation of fundamental rights (any other relevant point)
3. Give a few more examples of activities that fall under the same sector. How are they useful to us?
Doctors, pilots, teachers, engineer etc. Their services make our living easier.

Q.4 Write the correct statement for each incorrect statement given below.

1. A place where milk is collected and stored is called diary.
A place where milk is collected and stored is called Dairy.
2. Melting is a process by which milk is preserved through heating to a specific temperature to kill harmful bacteria.
Pasteurisation
3. People who buy goods in large quantities and sell them to shopkeepers (retailers) are called consumers.
Persons who buy goods in huge quantities and sell them to shopkeepers (retailers) are called wholesalers.
4. The Primary sector provides services.
Tertiary
5. AMUL sell its milk products within India.
AMUL sell its milk products to other countries as well.

Q.5 Match the items given in Column A with their correct pair in Column B.

Column A	Column B
1. Mother Dairy	C. Cooperative
2. Communication services	D. Tertiary Sector
3. Extraction of oil from groundnut	E. Secondary Sector
4. Forestry, Raising livestock	B. Primary Sector
5. Activities not aimed at earning money	A. Non-Economic Activity

Q.6 Assertion & Reason based Questions

- Both A and R are true, and R is the correct explanation of A.
- Both A and R are true, but R is not the correct explanation of A.
- A is true, but R is false.
- A is false, but R is true.

Choose the correct option

- Assertion (A)** : Tertiary sector activities are not important for the economy.
Reason (R) : They provide support to primary and secondary sector.
- Assertion (A)** : Today, people are involved in diverse economic activities like manufacturing computers, mobile phones, working in banks, schools etc.
Reason (R) : The number of economic activities have increased and become versatile over time as people earn for their livelihoods.

- (D) **A is false, but R is true**
- (A) **Both A and R are true and R is the correct explanation of A**

Q.7 Case Study Based Question

Read the paragraph given below and answer the following questions.

a. When and under whose leadership was AMUL formed?

Amul was set up in 1946 under the leadership of Tribhuvandas Patel and Dr. Varghese Kurien .

b. Under which sector do the activities carried out in Amul fall?

Secondary sector

c. How did the setting up of Amul help the farmers?

It allowed them to earn more by managing milk production and sell collectively.

Q.8 Answer the following questions.

1. What is cooperative?

Cooperative is a group of people who voluntarily come together to meet their economic and social needs in a formal way. They own the cooperative and decisions are taken by the members collectively.

2. Who was Dr. Varghese Kurien?

Dr. Varghese Kurien was an engineer who was working at a dairy factory in Mumbai. He helped set up AMUL and was a key figure in India's White Revolution.

3. What do you understand by primary sector?

Primary sector refers to the group of activities that involve extraction of raw materials directly from nature such as farming, fishing, forestry, etc.

4. Define export.

Goods and services that are produced in one country and sold to buyers or consumers in another country is called export.

5. What are Warehouses?

Warehouses are large buildings used for storing products before they are sold, used or rented out to shops.

6. Why does recycling paper matter?

These days used paper is recycled to make new paper. Recycling just one tonne of paper saves 17 trees as well as 2.5 cubic metres of landfill space, where waste is dumped. It also takes 70 per cent less energy and water to recycle paper than to make new paper from wood pulp.

7. How does the secondary sector depend on the tertiary sector? Illustrate with a few examples.

The secondary sector depends on the tertiary sector for various services that support its operations, such as transportation, banking, and marketing. For example, a car manufacturing company (secondary sector) relies on transportation services (tertiary sector) to deliver raw materials to its factories and distribute finished cars to dealerships. It also depends on banking services for financial transactions and loans.

8. What problems were faced by the farmers in Anand district of Gujarat?

In the early 1940s, farmers in Anand district either cycled or walked to nearby villages to sell the milk under scorching heat. As milk spoils or curdles very fast in hot weather, the farmers had to sell the milk quickly before it could spoil for a small amount of money. They depended on middlemen, who would buy the milk in bulk at meagre prices from the farmers and sell it in the market at higher prices. So, the farmers felt cheated and harassed by them.

9. Define economic sectors. Explain the three main types of economic sectors.

Some economic activities share similar characteristics and based on this, they can be grouped together are called economic sectors. The three main types of economic sectors are primary, secondary and tertiary sectors.

Primary sector : The group of activities that involve extraction of raw materials directly from nature such as farming, fishing, forestry, etc.

Secondary sector : The group of activities that involve processing of raw materials derived from primary sector into products for sale or consumption.

Tertiary Sector : The group of activities that involve the provision of services which complement both primary and secondary sectors, such as transportation,

banking, and management of business.

10. Explain the interdependence between primary, secondary and tertiary sectors using the example of AMUL.

The three types of economic activities or economic sectors play an important role in the process of conversion of natural raw materials into finished products for final consumption. Let us study about AMUL, where we will understand how the three sectors are interconnected and support each other.

Primary sector : Farmers milk cows.

Secondary sector : Milk is processed into butter, ghee, etc.

Tertiary sector : These products are transported and sold in markets.

Thus, each sector relies on the other to complete the economic cycle.

'I am Entrepreneur'

Children to innovate an idea to scale in the market.

Elevate yourself by introducing a unique product.