

# Human Capital Formation Class 12

## MCQ – Multiple choice questions

Q1. \_\_\_\_\_ refers to the ability of human to contribute to the process of value-addition in the economy.

- a) Human capital
- b) Human Resource
- c) Human capital formation
- d) None of these

[Answer](#)

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Q2. Both human capital and \_\_\_\_\_ are related to each other.

- a) Human resource
- b) Human development
- c) Human being
- d) All of these

[Answer](#)

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Q3. \_\_\_\_\_ refers to the produced means of production.

- a) Human capital
- b) Human development
- c) Physical capital
- d) Both a and c

[Answer](#)

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Q4. Addition to the stock of capital can be done by

- a) Expenditure on Education
- b) Expenditure on Health
- c) Study Programme for adults
- d) All of these

[Answer](#)

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Q5. Which cost is involved in Migration?

- a) Transportation cost
- b) Higher Living cost in different place
- c) Both a and b
- d) None of these

[Answer](#)

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Q6. \_\_\_ is a much wider concept than literacy.

- a) Education
- b) Health
- c) Income
- d) None of these

[Answer](#)

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Q7. What is the desired level of public expenditure on education as per Education Commission?

- a) 7%
- b) 10%
- c) 6%
- d) 8%

[Answer](#)

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Q8. Problems in Human Capital Formation is

- a) Low academic standards
- b) Brain Drain

- c) Rising population
- d) All of these

[Answer](#)

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Q9. Which organization enforces the rules and regulations regarding technical education?

- a) NCERT
- b) AICTE
- c) ICMR
- d) UGC

[Answer](#)

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Q10. Education is important because

- a) Expands mental horizon
- b) Develops human personality
- c) Helps in economic development
- d) All of these

[Answer](#)

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Q11. Which five-year plan recognizes the importance of human capital?

- a) Second
- b) Fourth
- c) Seventh
- d) Eighth

[Answer](#)

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Q12. Which sector is the back bone of Indian economy?

- a) Primary
- b) Secondary

- c) Tertiary
- d) All of these

Answer

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Q13. Which institution is the primary funding authority for universities?

- a) NCERT
- b) AICTE
- c) ICMR
- d) UGC

Answer

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Q14. Expenditure on health can be done in the form of : –

- a) Preventive Medicine
- b) Curative Medicine
- c) Social Medicine
- d) All of these

Answer

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Q15. Which organization enforces the rules and regulations relating to education and research in health?

- a) NCERT
- b) AICTE
- c) ICMR
- d) UGC

Answer

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Q16. There is a growing trend towards \_\_\_\_\_ of education, which makes it expensive for poor people.

- a) Socialization
- b) Privatization

- c) Both a and b
- d) None of these

Answer

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Q17. The enrolment ratio of female students in schools is \_\_\_\_ and their drop-out ratio is \_\_\_\_

- a) High, Less
- b) Less, High
- c) Less, Less
- d) None of these

Answer

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Q18. \_\_\_\_ and \_\_\_\_ sector needs huge investment.

- a) Education
- b) Health
- c) Both a and b
- d) None of these

Answer

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Q19 \_\_\_\_ capital is tangible and can be sold in the market.

- a) Human
- b) Physical
- c) Service
- d) None of these

Answer

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Q20. \_\_\_\_ of human capital, refers to the ways of adding to the stock of capital.

- a) Sources
- b) Determinants of physical capital

- c) Both a and b
- d) None of these

Answer

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Q21. \_\_\_\_\_ on health makes human more efficient and productive.

- a) Expenditure
- b) Investment
- c) Both a and b
- d) None of these

Answer

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Q22. Institutions providing elementary education have increased \_\_\_\_\_ times.

- a) Three
- b) Two
- c) Four
- d) Five

Answer

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Q23. India harbors the \_\_\_\_\_ number of illiterates in the world.

- a) Largest
- b) Lowest
- c) Average
- d) None of these

Answer

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Q24. Human development is \_\_\_\_ of human welfare.

- a) A Parameter
- b) An Index
- c) An Attribute
- d) None of these

Answer

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Q25. Expenditure on health makes a person more efficient and productive.

- a) True
- b) False

[Answer](#)

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### **Human Capital Formation Class 12 MCQ with Answers**

26. \_\_\_\_\_ refers to man made means of production which are required for further production. ( Fill in the blank with correct option)

- a) Human Capital
- b) Physical capital
- c) Financial capital
- d) None of the above

[Answer](#)

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27. \_\_\_\_\_ creates public and private benefits. ( Fill in the blank with correct alternative)

- a) Human Capital
- b) Physical capital
- c) Both (a) and (b)
- d) None of the above

[Answer](#)

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28. \_\_\_\_\_ is a regulating authority of the education sector in India. ( Fill in the blank with correct alternative)

- a) ICMR
- b) Sarva Siksha abhiyan

- c)Kendra Vidhalaya
- d)University grants commission

[Answer](#)

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29. Human capital considers \_\_\_\_\_ as means to increase labour productivity. ( Fill in the blank with correct alternative)

- a) Education
- b) Health
- c) Migration
- d) Both (a) and (b)

[Answer](#)

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30. Human capital treats human being as \_\_\_\_\_(Fill in the blank with correct alternative)

- a) Separable elements
- b) Intangible elements
- c) Means to end
- d) As ends

[Answer](#)

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31. \_\_\_\_\_ is based on the idea that education and health are integral to human beings. ( Fill in the blank with correct option)

- a) Human capital
- b) Human development
- c) Human capital formation
- d) None of the above

[Answer](#)

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32. Read the following statement given below and choose the correct alternative



Statement 1- Causality between human capital and economic growth flows in either direction.

Statement 2- Only employed people have the right to get education and lead a healthy life

- a) Both are correct
- b) Both are incorrect
- c) Statement 1 is correct and statement 2 is incorrect
- d) Statement 1 is incorrect and statement 2 is correct

[Answer](#)

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### **Human Capital Formation Class 12 MCQ with Answers**

33. Read the following statement given below and choose the correct alternative

Statement 1- Education and health causes private benefits.

Statement 2- AICTE is the regulatory body for medical studies .

- a) Both are correct
- b) Both are incorrect
- c) Statement 1 is correct and statement 2 is incorrect
- d) Statement 1 is incorrect and statement 2 is correct

[Answer](#)

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34. Read the following statement given below and choose the correct alternative

Statement 1- Percentage of education expenditure of total government expenditure indicates how much of people's income is committed to education in a country

Statement 2- Percentage of educational expenditure of GDP shows the importance of education in the government's scheme.

- a) Both are correct
- b) Both are incorrect
- c) Statement 1 is correct and statement 2 is incorrect
- d) Statement 1 is incorrect and statement 2 is correct

[Answer](#)

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35. Read the following statement given below and choose the correct alternative

Statement 1- Migration involves cost of transportation and high cost of living

Statement 2- Education is the process of teaching, training and learning to improve knowledge

- a) Both are correct
- b) Both are incorrect
- c) Statement 1 is correct and statement 2 is incorrect
- d) Statement 1 is incorrect and statement 2 is correct

[Answer](#)

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36. Read the following statement given below and choose the correct alternative

Statement 1- On the job training helps workers to acquire new specialized skills

Statement 2- On the job training takes place in the firm itself

- a) Both are correct
- b) Both are incorrect
- c) Statement 1 is correct and statement 2 is incorrect
- d) Statement 1 is incorrect and statement 2 is correct

[Answer](#)

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37. Read the following statement given below and choose the correct alternative

Statement 1- The expenditure on education and health make short term impact

Statement 2- The expenditure on education and health can be reversed

- a) Both are correct
- b) Both are incorrect
- c) Statement 1 is correct and statement 2 is incorrect
- d) Statement 1 is incorrect and statement 2 is correct

[Answer](#)

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38. Read the following statement given below and choose the correct alternative

Statement 1- In India , there is gender biases in offering education to all

Statement 2- After 1991 reforms, there has been growing tendency towards privatisation of education

- a) Both are correct
- b) Both are incorrect
- c) Statement 1 is correct and statement 2 is incorrect
- d) Statement 1 is incorrect and statement 2 is correct

[Answer](#)

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### Human Capital Formation Class 12 MCQ with Answers

39. Choose the correctly matched pair from the following

Column A	Column B
A. Sarva sikhana abhiyan	1. Tool for building knowledge based society
B. Mid day meal program	2. 2001
C. NCERT	3. Program to achieve universalisation of primary education
D. Higher education	4. Apex organization to provide academic and financial support

- a) A-2
- b) B-4
- c) C-1
- d) D-3

[Answer](#)

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40. Choose the correctly matched pair from the following

Column A	Column B
A. Completely mobile capital	1. Human capital
B. Intangible capital	2. Physical capital
C. Consider education as mean to increase productivity	3. Human development
D. Education and health are integral to human being	4. Human capital

- a) A-4
- b) B-2
- c) C-1
- d) D-3

[Answer](#)

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41. Read the following statement given below and choose the correct alternative

Assertion (A)- Education for all is still a distant dream in India

Reason (R) - Government withdraws its resources from the education sector whenever it wants

- a) Both assertion and reason are true. Reason is the correct explanation of assertion
- b) Both assertion and reason are true. Reason is not the correct explanation of assertion
- c) Assertion is true but reason is not
- d) Reason is true but assertion is not

[Answer](#)

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42. Read the following statement given below and choose the correct alternative

Assertion (A)- The differences in literacy rate of males and females is narrowing.

Reason (R )- Education for women needs to be promoted further more.

- a) Both assertion and reason are true. Reason is the correct explanation of assertion
- b) Both assertion and reason are true. Reason is not the correct explanation of assertion
- c) Assertion is true but reason is not
- d) Reason is true but assertion is not

[Answer](#)

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43. Read the following statement given below and choose the correct alternative

Assertion (A)- The Indian education pyramid is steep

Reason (R )- Lesser number of people reach the higher education level

- a) Both assertion and reason are true. Reason is the correct explanation of assertion
- b) Both assertion and reason are true. Reason is not the correct explanation of assertion
- c) Assertion is true but reason is not
- d) Reason is true but assertion is not.

[Answer](#)

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44. Read the following statement given below and choose the correct alternative

Assertion (A)- Physical capital is tangible and can easily be sold in the market.

Reason (R )- Human capital is intangible

- a) Both assertion and reason are true. Reason is the correct explanation of assertion
- b) Both assertion and reason are true. Reason is not the correct explanation of assertion
- c) Assertion is true but reason is not
- d) Reason is true but assertion is not

[Answer](#)

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## Human Capital Formation Class 12 MCQ

# Read the text given below and answer the questions that follow.

India perceived the significance of human capital in economic growth quite a while in the past. The Seventh Five Year Plan says, 'HR improvement has essentially to be relegated to a critical job in any advancement procedure, especially in a country with an enormous populace'.

The accompanying focuses show unmistakably the reliance among the two

Higher Productivity of Physical Capital and Human capital builds efficiency of actual capital as specific and gifted specialists can deal with machines or procedures better than the incompetent works. This expanded usefulness and subsequent creation prompts economic growth.

Imaginative Skills : Human capital works with advancement of new strategies for creation and this increments the pace of financial development as expansion in GDP.

Higher Rate of Participation and Equality: Human capital arrangement prompts a higher work rate. With expansion in work, the usefulness rises. Likewise, expansion in work openings additionally expands the degree of pay and this aids in lessening disparities of abundance.

Both, expansion in work rate and lessening in pay imbalances are pointers of economic development

Brings Positive Outlook: The course of human resources arrangement acquire an inspirational perspective to the general public which is not the same as universal and customary perspectives, and consequently builds the pace of support in the labor force causes expansion in degree of creation

45. Read the following statement given below and choose the correct alternative

Statement 1- Human capital formation brings positive outlook

Statement 2- Human capital formation ensures higher rate of participation and equality

a) Both are correct

- b) Both are incorrect
- c) Statement 1 is correct and statement 2 is incorrect
- d) Statement 1 is incorrect and statement 2 is correct

[Answer](#)

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46. \_\_\_\_\_ builds efficiency of actual capital ( Fill in the blank with correct alternative)

- a) Human capital
- b) Physical capital
- c) Both (a) and (b)
- d) None of the above

[Answer](#)

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47. Which of the following are pointers of economic development

- a) Expansion in work rate
- b) Decrease in pay imbalances
- c) Human capital formation
- d) Both (a) and (b)

[Answer](#)

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48. \_\_\_\_\_ incurs imaginative skills in a person.( Fill in the blank with correct option)

- a) Economic growth
- b) Human capital
- c) Physical capital
- d) Human capital formation

[Answer](#)

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49. Under which five year plan , importance was given to human capital formation (choose the correct alternative)

- a) Seventh
- b) Sixth
- c) Fifth
- d) Fourth

Answer

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