

## CHAPTER-4 | Human Capital Formation in India

### QUIZ PART-04

1. Which major problem in human capital formation is caused by rapidly increasing population?

- A. Improvement in per-capita facilities
- B. Reduction in per-head availability of essential facilities
- C. Increase in academic standards
- D. Higher efficiency of labour (B)

**Explanation :** Rising population reduces per-head availability of housing, sanitation, education, and health, lowering human capital quality.

2. What term is used for the migration of skilled and educated Indians to developed countries?

- A. Deficient manpower planning
- B. Brain drain
- C. Rural migration
- D. Globalisation (B)

**Explanation :** Brain drain refers to migration of highly skilled Indians such as scientists, engineers, and doctors to developed nations.

3. What problem arises due to deficient manpower planning in India?

- A. Balanced demand and supply of labour
- B. Graduate unemployment
- C. Increased on-the-job training
- D. Higher productivity (B)

**Explanation :** Poor manpower planning leads to mismatch in demand and supply of labour, resulting in graduate unemployment and wastage of skills.

4. Why does insufficient on-the-job training in the primary sector hinder human capital formation?

- A. It increases mechanisation
- B. It leads to a surplus of skilled workers
- C. It creates unskilled labour and stagnation in growth
- D. It improves agricultural productivity (C)

**Explanation :** Lack of training in agriculture produces unskilled labour, reducing efficiency and keeping the sector stagnant.

5. What has been a consequence of spreading higher education without focusing on standards?

- A. Rise in innovative graduates
- B. Creation of half-baked graduates with deficient skills
- C. Increase in skilled manpower
- D. Enhanced productivity (B)

**Explanation :** Opening many universities without maintaining quality produced graduates with low efficiency, reducing productivity.

6. Which of the following is a direct effect of brain drain on India?

- A. Inflow of skilled labour
- B. Loss of high-calibre professionals
- C. Increase in domestic employment
- D. Rise in academic standards (B)

**Explanation :** Brain drain deprives India of scientists, engineers, doctors, and administrators who migrate abroad for better opportunities.

7. Which human capital problem reflects wastage of human power and skill?

- A. Deficient manpower planning
- B. Rising population
- C. Brain drain
- D. Low academic standards (A)

**Explanation :** Ineffective management of labour demand and supply due to poor manpower planning wastes human resources.

8. Why does rising population reduce the quality of human capital?

- A. Because it creates employment for all
- B. Because it lowers per-head access to housing, hospitals, and education
- C. Because it increases investment in health and education
- D. Because it generates more skilled manpower (B)

**Explanation :** Higher population strains resources like hospitals, schools, and sanitation, reducing per capita benefits and human capital quality.

9. Which sector particularly suffers from insufficient on-the-job training?

- A. Secondary sector
- B. Primary sector
- C. Tertiary sector
- D. Public sector (B)

**Explanation :** The primary sector, especially agriculture, lacks training, leaving workers unskilled and hindering capital formation.

10. What is the result of opening many universities without maintaining academic quality?

- A. Greater innovation
- B. Increase in half-baked graduates with low productivity
- C. Balanced supply of skilled workers
- D. Higher standards of education (B)

**Explanation :** Poor academic standards have created many graduates with inadequate skills, lowering efficiency and productivity.