Human Capital Formation in India

Standard difficulty · 20 questions · 40 marks · Time: 37 minutes

Name: _____ Date: _____ Score: ____ / 40

Write full answers in Sections B and C. Answers are on the last page — try every question first!

Section A — Choose the correct answer — 8 × 1 = 8 marks

1. The stock of skill and expertise of a nation at a point of time is its:

(a) natural capital **(b)** working capital
(c) physical capital **(d)** human capital

2. "Providing clean drinking water and sanitation" is a source of human capital through:

(a) information **(b)** migration
(c) health **(d)** on-the-job training

3. What is meant by "physical capital"?

(a) education and health treated as ends in themselves
(b) adding to people's skills and knowledge
(c) machines, buildings and tools used in production
(d) the stock of skill and expertise of a nation

4. AICTE works in the field of:

(a) technical education **(b)** medical research
(c) higher education in universities **(d)** medical education and practice

5. In the book's table, India's literacy rate was 16.67% in 1951 and 52.21% in 1991. By how much did it change?

(a) 36.04 percentage points **(b)** 68.88 percentage points
(c) 36.54 percentage points **(d)** 35.54 percentage points

6. A training course costs ₹176,000 and raises a worker's pay by ₹8,000 a month. In how many months does the extra pay cover the cost?

(a) 22 months **(b)** 34 months **(c)** 11 months **(d)** 24 months

7. Suppose a country's GDP is ₹130 lakh crore. How much more would it spend on education at the desired 6% of GDP than at 4%?

(a) ₹2.6 lakh crore **(b)** ₹260 lakh crore
(c) ₹7.8 lakh crore **(d)** ₹5.2 lakh crore

8. India's infant mortality rate was 146 per 1,000 live births in 1951 and 63 in 2001. Out of 59,000 births, how many fewer infant deaths would the later rate mean?

(a) 3,717 deaths **(b)** 8,614 deaths **(c)** 4,897 deaths **(d)** 83 deaths

Section B — Short answer — 8 × 2 = 16 marks

9. What is human capital formation?

10. Explain each term: (a) adult literacy rate (b) social medicine

11. Is each true of physical or of human capital? (a) it comes from education, health and training (b) it is tangible, like machines and buildings

12. Through which source of human capital does each work? (a) a nurse moving to a city hospital for higher pay (b) parents paying a child's school fees

13. Using the book's table, how did India's literacy rate change from 1981 (43.57%) to 2018–22 (78%)? Give the change and say whether it is an improvement.

14. India's literacy rate in 2018–22 was 78% in the book's table. In a district of 428,000 people of that age with the same rate, how many could read and write, and how many could not?

15. A firm trains 8 workers at ₹38,000 each. Each trained worker then adds ₹1,200 of output a month. What is the total training cost, and how many months until the extra output covers it?

16. Suppose GDP is ₹230 lakh crore and education spending is 4.6% of GDP. How much is spent, and how much more is needed to reach 6%?

Section C — Longer answers — 4 × 4 = 16 marks

17. Explain the five sources of human capital.

18. Match each with its field: (a) the National Medical Commission (b) ICMR (c) UGC. Choose from: medical research; higher education in universities; medical education and practice.

19. A student spends ₹230,000 a year on a 4-year course. With it, the student expects to earn ₹18,000 more each month for 32 years. (a) What does the course cost in all? (b) What is the total extra earning? (c) Is the investment worth it in money terms? (d) Name one benefit that money does not measure.

20. From the book's table: (a) by how much did the infant mortality rate fall from 1991 (80 per 1,000 live births) to 2018–22 (28 per 1,000 live births)? (b) by how much did the literacy rate rise between the same years (52.21% to 78%)? (c) How do better health and education help economic growth?

Want another sheet on this chapter? In the Ambiful Worksheets app every sheet is new, with its answer key, and your child never gets the same question twice.
Scan the code to get the free app, or open **worksheets.ambiful.com/get**

Answer key

Human Capital Formation in India · AW-11SS-EHC-2026-V1 · For parents — fold back or tear off before handing the sheet to your child.

Q	Answer	Working
1	**(d) human capital**	—
2	**(c) health**	—
3	**(c) machines, buildings and tools used in production**	—
4	**(a) technical education**	—
5	**(d) 35.54 percentage points**	52.21 − 16.67
6	**(a) 22 months**	176,000 ÷ 8,000
7	**(a) ₹2.6 lakh crore**	(6% − 4%) of 130
8	**(c) 4,897 deaths**	59,000 ÷ 1,000 × (146 − 63)
9	**Adding to the skills and knowledge of people through education, health, training, migration and information.**	—
10	**(a) the share of people aged 15 and above who can read and write (b) spreading health awareness**	—
11	**(a) human (b) physical**	—
12	**(a) migration (b) education**	—
13	**rose by 34.43 percentage points; an improvement**	78 − 43.57
14	**333,840 could; 94,160 could not**	78% and 22% of 428,000
15	**₹304,000; 31.67 months**	8 × 38,000; 38,000 ÷ 1,200
16	**₹10.58 lakh crore; ₹3.22 lakh crore more**	4.6% and (6 − 4.6)% of 230
17	**Education raises skills; health raises the capacity to work; on-the-job training improves efficiency; migration moves skills to better-paid places; information helps people choose jobs and courses.**	—
18	**(a) medical education and practice (b) medical research (c) higher education in universities**	—
19	**(a) ₹920,000 (b) ₹6,912,000 (c) yes (d) e.g. better health, confidence and a fuller life (also benefits to society)**	230,000 × 4; 18,000 × 12 × 32
20	**(a) 52 per 1,000 live births (b) 25.79 percentage points (c) healthy,**	80 − 28; 78 − 52.21

Q	Answer	Working
	educated workers produce more and adopt new technology	