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14 (COM-4) 4066

2022

COMMERCE

Paper : COM-4066

(Microfinance)

Full Marks : 80

Time : Three hours

The figures in the margin indicate full marks for the questions.

1. Select the most appropriate answers from the choices given against each : $1 \times 5 = 5$
 - (i) In which country the Grameen Bank Model of microfinance concept has its origin ?
 - (A) India
 - (B) Sri Lanka
 - (C) Bangladesh
 - (D) Brazil
 - (ii) The ideal number of members in the Grameen JLG model is :
 - (A) 5-7
 - (B) 10-15

Contd.

- (C) 20-25
 - (D) None of these
- (iii) Microfinance institution means —
- (A) a society registered under the Societies Registration Act, 1860
 - (B) a company registered under section 3 of the Companies Act, 1956
 - (C) a trust established under any law for the time being in force
 - (D) All of the above are correct
- (iv) Which of the following is not a feature of microfinance client ?
- (A) Low income
 - (B) Capable of physical collateral
 - (C) Employment in informal sector
 - (D) Engagement in household/ business activities
- (v) Which of the following is not an external risk for Microfinance Institutions (MFI) ?
- (A) Natural calamities
 - (B) Theft

- (C) Dishonesty of MFI staff
- (D) Unfavourable Government Policy

2. Answer the following within **30-50** words each : 2×5=10

- (a) Define microfinance.
- (b) What is meant by financial inclusion ?
- (c) What do you mean by an apex institution in microfinance ?
- (d) Mention *any three* principles of microfinance.
- (e) What are the different sources of fund for Microfinance Institutions ?

3. Answer **any five** of the following in about **150-200** words each : 5×5=25

- (a) Write a short note on the basic characteristics of microfinance.
- (b) What are the various laws governing microfinance activities ?
- (c) Write a note on the social assessment of microfinance institutions.
- (d) State the weaknesses of the Self Help Group approach.
- (e) Discuss the significance of micro-insurance in a country like India.

(f) Why is it important to regulate the microfinance institutions ?

(g) Discuss the features of the Grameen Bank Model of microfinance.

4. Answer **any four** of the following in about **600** words each : 10×4=40

(a) "Financial services should be available to the low income group to reduce the disparity in economic growth." Examine the statement in the context of microfinance.

(b) Discuss the different types of functional risks faced by MFIs. Also suggest means to manage these risks. 5+5=10

(c) Describe the outreach of various governmental initiatives in promoting microfinance in India.

(d) Discuss the reasons behind the success of Self Help Group Bank Linkage Programme in India.

(e) Discuss the role of NABARD in promotion of microfinance activities.

(f) Discuss the various provisions of the Microfinance Institutions (Development and Regulation) Bill, 2012.