Total number of printed pages–4

14 (COM–4) 4066

2024

COMMERCE

Paper : COM–4066

(Microfinance)

Full Marks : 80

Time : Three hours

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

1. Choose the correct option from the following : $1 \times 5 = 5$

   (i) What is the primary goal of Microfinance ?

   (a) Profit Maximization

   (b) Poverty Alleviation

   (c) Market Expansion

   (d) Financial Inclusion

(ii) Which model of Microfinance involves lending to groups of individuals who are jointly responsible for repayment ?

(a) Individual lending

(b) Group lending

(c) Collateralized lending

(d) Peer-to-peer lending

(iii) What is the main purpose of weekly meeting in Self Help Group ?

(a) To distribute profits

(b) To socialize

(c) To collect savings

(d) To review progress and discuss issues

(iv) What does it mean for a Microfinance Institution to be financially sustainable ?

(a) It has earned a large enough grant to operate without interest and fees from loans

(b) Its revenue from interest and fees exceeds its operating costs

(c) Donors have guaranteed the funds which will be available

(d) It has earned the funds through commercialization (*v*) A micro enterprise is

(*a*) A small family-run business

(*b*) Has relatively easy access to capital to finance investments

(*c*) A car rental company offering small-size vehicles

(*d*) A small business with at least 3 employees

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

(*a*) Discuss *two* benefits of Microfinance.

(*b*) Define Microfinance Institutions.

(*c*) Write briefly about Financial Inclusion.

(*d*) Mention *two* Microfinance activities in India.

(*e*) What are Non-financial services provided by Microfinance Institution ?

3. Answer ***any five*** of the following : 5×5=25

(*a*) Discuss *any five* features of Microfinance.

(*b*) Differentiate between Microfinance and Microcredit.

(*c*) Write a note on Credit Delivery Mechanism of Microfinance.

(*d*) Briefly discuss the role of Microfinance in poverty alleviation.

(e) State the benefits of Self Help Group in India.

(f) What are the various laws governing Microfinance activities in India ?

(g) Write a short note on measurement of operational efficiency and productivity of Microfinance.

4. Answer ***any four*** of the following : 10×4=40

(a) Elucidate the various models of Microfinance Institutions which are suitable in Indian context.

(b) What is the historical evolution of NABARD ? How has its role evolved over time in promoting rural development, agricultural finance and sustainable rural livelihood in India ?

(c) Discuss elaborately the demand for and supply of Microfinance services in India.

(d) Explain various types of risk faced by Microfinance Institutions. Suggest measures for managing those risks.

(e) Justify the need for the regulation for Microfinance and Microfinance Institutions in India.

(f) State the salient features of the Microfinance Institution Bill, 2012.
