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63/1 (SEM-6) DSE3/COMHE6316

2024

COMMERCE

Paper : COMHE6316

(Group-C)

(Microfinance)

Full Marks : 80

Pass Marks : 32

Time : Three hours

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

1. Choose the correct answer from the following :
(any six) 1×6=6

(a) Which of the following best describes the primary goal of microfinance ?

(i) Maximizing profits for shareholders

(ii) Providing small loans and financial services to low-income individuals

Contd.

- (iii) Funding large-scale infrastructure projects
 - (iv) Offering high-interest loans to wealthy individuals
- (b) Which of the following is a characteristic of microfinance institutions (MFIs) ?
- (i) They primarily target high-income individuals
 - (ii) They offer large-scale loans for industrial projects
 - (iii) They provide financial services to low-income individuals
 - (iv) They focus solely on profit maximization
- (c) What characterizes rural industries ?
- (i) They are primarily located in urban areas
 - (ii) They rely on advanced technology and automation
 - (iii) They are often based on agriculture, forestry, and handicrafts
 - (iv) They cater exclusively to high-income consumers

- (d) What role do rural industries play in sustainable development ?
- (i) They contribute to environmental degradation
 - (ii) They consume vast amounts of natural resources
 - (iii) They promote local employment and reduce migration to cities
 - (iv) They primarily focus on maximizing short-term profits
- (e) Which of the following is traditional source of rural finance ?
- (i) Venture capitalist
 - (ii) Microfinance institution
 - (iii) Informal moneylender
 - (iv) Stock market
- (f) Which institution typically provides formal credit to rural areas ?
- (i) Urban cooperative banks
 - (ii) Commercial banks
 - (iii) Investment banks
 - (iv) Hedge funds

- (g) What is one of the primary causes of rural indebtedness ?
- (i) Lack of access to financial institutions
 - (ii) Excessive government subsidies
 - (iii) High agricultural productivity
 - (iv) Abundance of natural resources
- (h) The primary goal of the cooperative movement is
- (i) maximizing profits for shareholders
 - (ii) empowering individuals and communities through collective ownership and decision making
 - (iii) exploiting labour for corporate gain
 - (iv) concentrating wealth in the hands of a few individuals
- (i) Which of the following is a key principle of cooperative organizations ?
- (i) Competition with other cooperatives
 - (ii) Voluntary and open membership
 - (iii) Hierarchical decision-making
 - (iv) Profit-sharing with external investors

- (j) How does NABARD support agricultural and rural development ?
- (i) By focusing solely on urban areas
 - (ii) Providing subsidies to large corporations
 - (iii) By offering financial assistance and technical expertise
 - (iv) By promoting urbanization and industrialization

2. Answer the following questions (**any five**) :
2×5=10

- (a) What is the primary goal of microfinance ?
- (b) State *one* benefit of SHGs for women's empowerment.
- (c) What are rural industries ?
- (d) What are some challenges faced by rural industries ?
- (e) What role do indigenous bankers play in rural economies ?
- (f) Who are private money lenders ?
- (g) What is the primary role of NABARD ?

3. Answer the following questions : **(any six)**

5×6=30

- (a) How does microfinance help rural areas grow, especially in making poor people better off and giving women more power ?
- (b) Discuss the characteristics of Non-Governmental Organizations (NGOs).
- (c) Discuss the benefits of SHG-bank linkage programs in rural areas ?
- (d) How do rural industries contribute to the economic development of a country ?
- (e) Describe the prospect of agro-processing industries in Assam.
- (f) Discuss the nature of rural indebtedness.
- (g) Elucidate how the Reserve Bank of India (RBI) supports farmers and small businesses in obtaining loans in India's villages and small towns.
- (h) Identify common challenges and weaknesses faced by cooperative movements, particularly in rural contexts.

(i) Analyze the significance of agricultural finance in promoting rural development and poverty alleviation.

(j) Describe the objectives of the land development bank.

4. Answer the following questions : **(any two)**

10×2=20

(a) Explain the Grameen Bank model and its impact on rural communities.

5+5=10

(b) Discuss the main problems that cottage and village industries in India face? How do these problems stop them from growing and surviving?

5+5=10

(c) Identify the challenges encountered by the government during rural credit surveys.

(d) What are the main sources of agricultural finance available to farmers, and how do they contribute to the development of the agricultural sector?

5+5=10

5. Answer the following questions (**any one**) :

14×1=14

(a) Explain the fundamental characteristics of Non-Governmental Organizations (NGOs), and what are their advantages and disadvantages in tackling social and developmental challenges ?

4+5+5=14

(b) Explore how moneylenders participate in offering credit to rural and micro-enterprises, and assess the consequences of their involvement in the financial sector.

7+7=14

(c) Explore the different types of cooperative movements and how they help communities grow economically and socially.

7+7=14

