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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

- (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