

IMSc IT (FIN) (NEP) Sem.-4 Examination

DSC-C-FIN-241T

Micro Finance

May-2025

Time : 2-00 Hours]

[Max. Marks : 50

Instructions:

- Figures to the right indicate Full Marks.
- Do not write anything on the question paper.

Q.1 A.	Discuss the role of the World Bank in the expansion of microfinance in India	(10)
	OR	
B.	How the World Bank shaped the microfinance landscape in India?	(10)
Q.2.A	Microfinance is more than just the provision of small loans.Explain with example	(10)
	OR	
B.	Microfinance serves a diverse range of low-income individuals who are typically excluded from traditional financial institutions. Explain.	(10)
Q.3.A	Explain the importance of Sustainability in Microfinance Operations in India.	(10)
	OR	
B.	Discuss the concept of gender-focused lending in microfinance	(10)
Q.4.A	Discuss the challenges integrated with implementing microfinance projects focused on climate resilience in India.	(10)
	OR	
B.	Discuss the opportunities associated with implementing microfinance projects focused on climate resilience in India.	(10)

(P.T.O)

Q.5	<p>Attempt All.</p> <ol style="list-style-type: none">1. What is the primary goal of microfinance in India?<ol style="list-style-type: none">(a) To provide large-scale industrial loans.(b) To offer financial services to low-income individuals and households.(c) To fund government infrastructure projects.(d) To promote international trade. 2. Which of the following is a common delivery model for microfinance in India?<ol style="list-style-type: none">(a) Direct lending to large corporations.(b) Through Self-Help Groups (SHGs).(c) Primarily via online digital platforms for all loan sizes.(d) Focusing exclusively on agricultural loans. 3. What is the apex regulatory body for microfinance institutions (MFIs) in India?<ol style="list-style-type: none">(a) Securities and Exchange Board of India (SEBI)(b) Reserve Bank of India (RBI)(c) National Bank for Agriculture and Rural Development (NABARD)(d) Ministry of Finance 4. The term "microcredit" specifically refers to:<ol style="list-style-type: none">(a) Large loans provided to small businesses.(b) Small loans provided to low-income individuals.(c) Loans with very high interest rates.(d) Government-subsidized loans for education. 5. Which of the following is a potential benefit of microfinance for women in India?<ol style="list-style-type: none">(a) Increased dependence on male family members.(b) Reduced access to financial resources.(c) Greater economic empowerment and decision-making power.(d) Increased vulnerability to debt traps. 6. What is the role of NABARD in the context of microfinance in India?<ol style="list-style-type: none">(a) Directly regulates all MFIs.(b) Primarily focuses on lending to large agricultural businesses.	(10)
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(c) Promotes and supports the SHG-Bank Linkage Programme.

(d) Manages the national stock exchange.

7. What is a potential challenge faced by the microfinance sector in India?

(a) Excessively low interest rates leading to non-profitability.

(b) High operational costs and the risk of over-indebtedness among borrowers.

(c) Lack of demand for financial services in rural areas.

(d) Over-regulation hindering growth and innovation.

8. The concept of "financial inclusion" is closely related to microfinance. What does financial inclusion aim to achieve?

(a) To ensure that only wealthy individuals have access to financial services.

(b) To exclude low-income groups from the formal financial system.

(c) To provide access to a wide range of financial services for all, especially the underserved.

(d) To promote only digital payment methods.

9. Which of the following is a characteristic feature of many microfinance loans in India?

(a) Requirement of substantial collateral.

(b) Focus on individual lending rather than group lending.

(c) Frequent repayment schedules (e.g., weekly or monthly).

(d) Very long loan tenures (e.g., 20-30 years).

10. What is the significance of the MUDRA Yojana in the Indian microfinance landscape?

(a) It primarily focuses on providing housing loans in urban areas.

(b) It aims to refinance micro and small enterprises through banks, NBFCs, and MFIs.

(c) It is a scheme for providing pensions to senior citizens.

(d) It regulates the interest rates charged by all financial institutions.

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