

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

FTBSC-19

Micro Finance

May-2025

Time : 2-30 Hours]

[Max. Marks : 70

**Instructions:**

- Figures to the right indicate Full Marks.
- Do not write anything on the question paper.
- Simple calculator is allowed. Do not use a scientific calculator.

Q.1	A) Explain the SHG Formation Process in detail. OR B) What is SHG? Explain the Concept of SHG-Bank linkages Programme in detail with the respective examples.	15 15
Q.2	A) Explain the Pillars of the SHG-Bank Linkages Programme? OR B) Explain the Core Values of Micro Finance Institutions, elaborate in detail.	15 15
Q.3	A) What are the Services that can be provided by the Micro Finance institutions, write in detail. OR B) Explain the Characteristics of the Microfinance institutions, write in detail.	15 15
Q.4	A) Explain the Criteria for the selection of SHG-Bank Linkages Programmes? OR B) Explain the Role of Stakeholders in developing the Micro Finance institutions in detail.	15 15
Q.5	<b>Attempt All Multiple Choice Questions:</b>  1. What is the primary objective of microfinance? a) To provide large-scale loans to established businesses. b) To offer financial services to low-income individuals and those who lack access to traditional banking. c) To fund government infrastructure projects. d) To primarily offer investment advisory services.	10

2. Which of the following is considered a pioneer in the formalization of microfinance in India through the Self-Help Group (SHG)-Bank Linkage Programme?
  - a) Reserve Bank of India (RBI)
  - b) Small Industries Development Bank of India (SIDBI)
  - c) National Bank for Agriculture and Rural Development (NABARD)
  - d) Ministry of Finance
3. In the context of microfinance, what does 'SHG' stand for?
  - a) Small Holder Group
  - b) Self-Help Group
  - c) Social Harmony Group
  - d) Service Help Group
4. Which regulatory body is primarily responsible for overseeing Non-Banking Financial Company-Microfinance Institutions (NBFC-MFIs) in India?
  - a) Securities and Exchange Board of India (SEBI)
  - b) Insurance Regulatory and Development Authority of India (IRDAI)
  - c) Reserve Bank of India (RBI)
  - d) Pension Fund Regulatory and Development Authority (PFRDA)
5. The concept of microcredit was globally popularized by:
  - a) Mahatma Gandhi
  - b) Muhammad Yunus
  - c) Amartya Sen
  - d) C.K. Prahalad
6. Which of the following is a common model of microfinance delivery in India?
  - a) Universal Banking Model
  - b) Joint Liability Group (JLG) Model
  - c) Sole Proprietorship Model
  - d) Public-Private Partnership (PPP) in large infrastructure
7. What is the typical size of a loan provided under microfinance schemes?
  - a) Exceeding ₹5 lakhs
  - b) Between ₹1 lakh and ₹5 lakhs
  - c) Small amounts, typically less than ₹1 lakh
  - d) Only loans above ₹10 lakhs

	<p>8. Which of these is a key challenge faced by the microfinance sector in India?</p> <ul style="list-style-type: none"><li>a) Lack of demand for small loans.</li><li>b) Over-indebtedness of borrowers.</li><li>c) Excessive government funding leading to inefficiency.</li><li>d) Absence of technology adoption.</li></ul> <p>9. The term 'priority sector lending' in India often includes targets for banks to lend to which of the following, thereby supporting microfinance initiatives?</p> <ul style="list-style-type: none"><li>a) Large corporations</li><li>b) Foreign institutional investors</li><li>c) Weaker sections and agriculture</li><li>d) Stock market operations</li></ul> <p>10. What does MFIN stand for in the context of Indian microfinance?</p> <ul style="list-style-type: none"><li>a) Microfinance Investment Network</li><li>b) Microfinance Institutions Network</li><li>c) Micro-Financial Inclusion Network</li><li>d) Mutual Fund Investors Network</li></ul>	
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