

[11 OCT 2014]

EASTERN UNIVERSITY, SRI LANKA
FACULTY OF COMMERCE AND MANAGEMENT

THIRD YEAR SECOND SEMESTER EXAMINATION IN BBA, SPECIALIZATION IN
HRM, AND MKT. (2011/2012)
(AUGUST/SEPTEMBER/2014)
(PROPER/REPEAT)
MOC 3072 – MICRO FINANCE

Answer all Questions

Time: 02 Hours

Question No I

“Micro finance serves as an umbrella term that describes the provision of banking services by poverty – focused financial institutions to poor parts of the population that are not being served by mainstream financial service providers.”

01. What do you understand by the term “poverty- focused financial institutions”?
02. Define the term “absolute poverty”.
03. What is meant by international poverty line? How does it measure poverty?
04. State the main limitation of the international poverty line measurement.
05. Explain how the poverty gap approach eliminates the above limitation.
06. In what terms the Human Poverty Index measures the human poverty?
07. What do you understand by the term “mainstream financial service providers”? Give some examples?
08. Identify some difficulties faced by the poor people in getting financial services from the above mentioned financial service providers.
09. Name few institutions which provide micro finance services in your region.
10. Explain how the poverty problem could be solved through the micro finance.

(Total 10 x 4 = 40 Marks)

Question No 02

01. Classify the needs for funds in a poor family. (04 Marks)
02. Explain the ways through which the poor try to meet their needs. (08 Marks)
03. Identify the main reason for the incapability of the poor to raise the funds. (08 Marks)

(Total 20 Marks)

Question No 03

01. Some of the micro finance institutions are unable to penetrate into the poorest of the poor. List out the reasons. (08 Marks)
02. Micro credit should not be disbursed at below commercial rates of interests. Discuss. (08 Marks)
03. Why do you think a strong regulatory frame work is essential for micro finance institutions? (04 Marks)

(Total 20 Marks)

Question No 04

01. In developing countries women are more likely to be poor. What are the main reasons for this? (04 Marks)
02. Briefly explain the gender based obstacles in the micro finance and the micro enterprise. (08 Marks)
03. Indicate some strategies which could address the constraints faced by the women in micro finance? (08 Marks)

(Total 20 Marks)