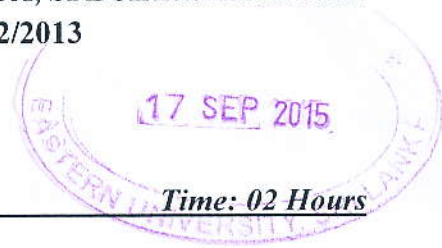


EASTERN UNIVERSITY, SRI LANKA
FACULTY OF COMMERCE AND MANAGEMENT
THIRD YEAR SECOND SEMESTER EXAMINATION IN BBA, SPECIALIZATION IN
HRM, SPECIALIZATION IN MKT- 2012/2013
(July/August 2015) (Repeat)

MOC 3072 – MICRO FINANCE

Answer all Questions



Question No 1

“Micro-Finance is believed to be a tool of development that can be used to get rid of poverty”.

Answer the following questions.

- a. What is meant by poverty?
- b. Differentiate international poverty line from poverty gap.
- c. What do you understand from rural poverty?
- d. What is Micro finance?
- e. Explain how the Human Poverty Index measures the poverty of the people.
- f. What are the main functions of a micro finance institution?
- g. Explain how micro finance can be used as a tool of development in a poor society.
- h. List out some predominant purposes for savings by the poor.
- i. Name some institutions which provide micro finance services in your area.
- j. Explain how a fisherman could be benefited by micro finance.

(Total 10 x 4 = 40 Marks)

Question No 02

- a. Give some examples for consumption and investment spending of a household.
(04 Marks)
- b. What are the ways through which the poor try to meet these spending?
(08 Marks)

- c. Why do the experts say that there is no difference between consumption and investment among the poor? (08 marks)

(Total 20 Marks)

Question No 03

- a. Differentiate formal sources from informal sources in micro finance (04 marks)
- b. "Micro finance increases the empowerment of women." Explain with examples. (08 Marks)
- c. Why do you think that the micro finance institutions should have a realistic interest rate? (08Marks)

(Total 20 Marks)

Question No 04

- a. What does the "Lorenz" curve show? (04Marks)
- b. Explain the need of good governance in a micro finance institution. (08 Marks)
- c. "Most Micro finance institutions require outside funding." Explain with reasons. (08 Marks)

(Total 20 Marks)