



UNIVERSITY OF RUHUNA

FACULTY OF MANAGEMENT AND FINANCE

Bachelor of Business Administration Degree Programme 3000 Level Semester I

End Examination (November/December 2021)

Academic Year 2020/2021

ENT 31213 – Microfinance

Duration: Three hours

The Question Paper contains Six (06) questions.

Answer only Five (05) questions.

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**Question 01**

- I. “A number of distinguishable methods of delivering microfinance has emerged in developing countries and in some developed countries.”

Briefly explain three (3) types of microfinance delivery methods.

(06 Marks)

- II. “Microfinance Institutes (MFIs) are playing an important role in transforming any society into a sustainably developed one by alleviating poverty and that is the ultimate mission of Microfinance Institutes (MFIs).”

Discuss the role of MFIs in the sustainable development of Sri Lanka.

(08 Marks)

**(Total 14 Marks)**

### **Question 02**

- I. Briefly explain the critical factors in achieving financial inclusion.  
(06 Marks)
- II. Discuss the importance of repayment loan mechanism for the sustainability of microcredit program.  
(08 Marks)
- (Total 14 Marks)**

### **Question 03**

- I. Briefly explain three (3) key principles of microfinance.  
(06 Marks)
- II. Discuss the role of stakeholders in strategic decision-making of microfinance institutions.  
(08 Marks)
- (Total 14 Marks)**

### **Question 04**

- I. Briefly explain three (3) strategies for market growth in microcredit / microfinance market in Sri Lanka.  
(06 Marks)
- II. "Microfinance impact is about understanding how financial services affects the lives of poor people."  
Discuss the impact of microfinance on enterprise, household, individual and community level.  
(08 Marks)
- (Total 14 Marks)**

**Question 05**

- I. Briefly explain adverse selection and moral hazard in relation to microfinance.  
(06 Marks)
- II. Covid 19 pandemic has worsened the economic condition of certain individuals in the society.  
Explain how they could make use of benefits of microfinance to overcome their critical economic conditions.

(08 Marks)

**(Total 14 Marks)**

**Question 06**

- I. Briefly explain the minimalist & integrated approaches used in microfinancing.  
(06 Marks)
- II. "Empowering is a diverse process." Discuss how microfinance can be used as an instrument in empowering women.

(08 Marks)

**(Total 14 Marks)**

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