



**UNIVERSITY OF RUHUNA**  
**FACULTY OF MANAGEMENT AND FINANCE**

No. of Pages : 02  
No. of Questions: 06  
Total Marks : 70

54

**ENT 31213 – Microfinance**

Academic Year 2021/2022

BACHELOR OF BUSINESS ADMINISTRATION HONOURS DEGREE

Three Hours

3000 LEVEL FIRST SEMESTER END EXAMINATION – AUGUST/SEPTEMBER 2022

**Instructions**

- Answer five (05) questions only.

**Question 01**

- I. “Financial services play a vital role in the lives of people.”  
Explain why poor people need financial services and why they are excluded from financial services?  
(06 Marks)
- II. Discuss the importance of microfinance and the downsides of microfinance.  
(08 Marks)
- (Total 14 Marks)**

**Question 02**

- I. Briefly explain the minimalist & integrated approaches used in microfinancing.  
(06 Marks)
- II. “Delivering financial services is a challenge for the microfinance institutes.”  
Discuss the above statement.  
(08Marks)
- (Total 14 Marks)**

**Question 03**

- I. According to statistics derived from various studies, many microfinance programs are mainly focusing on women.  
Explain the reasons why the microfinance programs are specifically focus on women.  
(06 Marks)
- II. “Empowering is a multidimensional process.”  
Discuss how microfinance can be used as an instrument in empowering women.  
(08 Marks)
- (Total 14 Marks)**

**Question 04**

- I. Briefly describe the concepts of adverse selection and moral hazard in relation to microfinance.

(06 Marks)

- II. "Microfinance impact analysis is the process by which one determines the effects of microfinance as an intervention"

Discuss the economic, socio political and cultural impact of microfinance at enterprise, household, individual, and community level.

(08 Marks)

**(Total 14 Marks)**

**Question 05**

- I. Financial behaviour is also known as the management of a person's savings, expenditure, and budget.

Briefly explain the financial behaviour of individuals with low income.

(06 Marks)

- II. "Financial literacy and skills are important for women."

Discuss this statement.

(08 Marks)

**(Total 14 Marks)**

**Question 06**

Write short notes on the following.

- I. Group lending method
- II. Grameen bank model
- III. Micro-insurance
- IV. The triangle of microfinance

(3.5 Marks for each)

**(Total 14 Marks)**

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