



# TECHNICAL UNIVERSITY OF MOMBASA

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SCHOOL:HUMANITIES AND SOCIAL SCIENCES

DEPARTMENT:SOCIAL SCIENCES

## UNIVERSITY EXAMINATION FOR:

BACHELOR OF SCIENCE AND DEVELOPMENT STUDIES

BAC4303: MICRO FINANCE MENEAGEMENT

END OF SEMESTER EXAMINATION

**SERIES:**MAY 2016

**TIME:**2 HOURS

**DATE:**MAY 2016

### Instructions to Candidates

You should have the following for this examination

-Answer Booklet, examination pass and student ID

This paper consists of FIVE questions. Attempt QUESTION ONE COMPULSORY AND ANY OTHER TWO.

**Do not write on the question paper.**

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### Question ONES

- Discuss the role of government in cooperative development ( 7 mks)
- Differentiate between extra ordinary meeting and special meeting (6 mks)
- What are the benefits of institutional savings to the households (6 mks)
- Describe reasons behind low savings in rural Kenya ( 5 mks)
- Discuss financial repression ( 6 mks)

### Question TWO

- Describe risks that are eminent with financial intermediation ( 11 mks)
- Discuss resources that are managed in cooperatives ( 9 mks)

### Question THREE

- Describe factors that influence access to funding to a company from a microfinance institution (10 mks)
- Why are commercial banks entering micro finance industry ( 10 mks)

### Question FOUR

Central bank utilizes both protective and preventive tool for effective regulation and supervision of commercial banks. Discuss (20 mks)

**Question FIVE**

- a) Describe principles that govern cooperative movements ( 10 mks)
- b) Describe challenges faced by NGO's involved in financial intermediation (10 mks)