



TECHNICAL UNIVERSITY OF MOMBASA

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.

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)