



1ST SEM. 2016/2017

**UNIVERSITY OF SWAZILAND
FINAL EXAMINATION PAPER**

PROGRAMME: **B.Sc. in Agricultural Economics and
Agribusiness Management 2**

COURSE CODE: **AEM 205**

TITLE OF PAPER: **MICROFINANCE**

TIME ALLOWED: **TWO (2) HOURS**

INSTRUCTION: 1. ANSWER ALL FOUR QUESTIONS

2. EACH QUESTION CARRIES 25 MARKS

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BY THE CHIEF INVIGILATOR

Question 1

- A. Discuss the role of microfinance in agricultural development and economic growth. [10marks]
- B. Explain the factors that constrain the supply and demand of financial services in rural and agricultural markets. [15marks]

[25marks]**Question 2**

- A. If the microfinance sector is designed to serve the poor, needy societies, why is it important that government intervene through subsidies? [10marks]
- B. Loan analysis is key assessment of a loan application. It involves 5 Cs, discuss these Cs as used in microfinance. [15marks]

[25marks]**Question 3**

- A. Discuss the four financial services rendered by microfinance in enabling the poor societies. [15marks]
- B. Distinguish between the Grameen model, self Help groups and Rural Development Programs. [10marks]

[25 marks]**Question 4**

- A. Discuss the need for savings and money transfer as an instrument for financial services rendered to the poor. [10marks]
- B. Discuss the following aspect of microfinance assessment. [5marks each]
- Outreach
 - Portfolio management
 - Staff quality

[25marks]