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**SCHOOL OF HUMAN & SOCIAL SCIENCES**

**DEPARTMENT OF DEVELOPMENT STUDIES**

**MCD-605: MICROFINANCE FOR COMMUNITY DEVELOPMENT**

**END OF JUNE 2018 SEMESTER EXAMINATION**

**Instructions:**

Questions ONE is **Compulsory**. Answer any other TWO questions from the choices provided.

Time: 2 hours

1. Policies and regulations have been cited as an important component in running micro-finance institutions the world over. As a student of Development Studies;
2. Analyze the relevance of four main policy areas in micro-finance institutions

(8 marks)

1. Microfinance is critical in community development programmes. Explain the significance of ethics and professionalism in microfinance operations

(6 marks)

1. As a student of development studies, justify the relevance of the alternative microfinance institutions in the community development agenda

(6 marks)

1. Micro-Finance has been identified as a key driver in Socio-Economic Development in the 21st century. In view of the above statement;
   1. Critically analyze any five principles of Micro-finance institutions

(10 marks)

* 1. Describe the significance of social capital in micro-finance institutions

(10 marks)

1. Micro-finance institutions are based on several models which have been tested over time.
2. Explain the relevance of any of these five models

(15 marks)

1. Describe any five main challenges in applying the above models

(5 marks)

1. Leadership and managerial competences are central in establishing sustainable micro-finance Institutions. Citing specific examples in Kenya;
2. Discuss the significance of the above statement in relation to community development

(10 marks)

1. Explain the main challenges a community developer is likely to encounter in early years of establishing a microfinance institution

(10 marks)

1. You have been hired by Kwekwe County Government Chief Officer in-charge of Social Services in the County. In you first meeting with the Governor, he requests you to present a paper on sustainable community development initiatives funded by micro-finance institutions.
   1. Describe six main components of your paper to the Governor

(12 marks)

* 1. Explain four main challenges faced by County Governments in collaborating with Microfinance Institutions in the community development agenda

(8 marks)