

**Class: T Y BMS**

**Sem: VI**

**Subject: Financing Rural Development**

**Multiple Choice Questions**

1) Rural areas are large and isolated areas of an open country with ----- population density.

- a) Low
- b) High
- c) Zero
- d) Excessive

2) The majority of the case the complete rural family focuses on -----

- a) Industry
- b) Service sector
- c) Manufacturing
- d) Cultivation

3) Due to open up of economy the commercialization of agriculture is -----

- a) Not Possible
- b) Stopped
- c) Booming up
- d) Stagnant

4) In rural India, the national income and per capita income Is -----

- a) Very low
- b) Very High
  
- c) Cannot be determine

d) Unaccounted

5) Indian rural economy is suffering from its ----- of Human capital.

- a) superior quality
- b) Poor quality
- c) Insufficiency
- d) Both 'A' and 'C'

6) The rural financial services of banks and other financial institutions helps in ----- in the rural area.

- a) Marketing of agriculture product
- b) Mobilizing savings
- c) Monitoring agriculture activities
- d) Increase in production

7) More productivity will increase the ----- of the Country which helps a faster rate for economic activity.

- a) poverty
- b) literacy
- c) GDP
- d) Migration

8) In India the development of financial institutions is ----- in rural areas.

- a) Adequate
- b) Inadequate
- c) Appropriate
- d) Both 'A' and 'C'

9) Both banks and ----- offer microfinance in India.

- a) NBFC
- b) Pvt. Companies
- c) Chit Funds
- d) Public Companies

10) The core product of microfinance is -----

- a) micro insurance
- b) micro services
- c) micro credit
- d) macro credit

11) Maximum limit of loan under micro finance is -----

- a) 10 crore
- b) 20 crore
- c) 5 crore
- d) 25 lakhs

12) The integrated approach emphasizes the importance of providing not only ----- but a range of development oriented services to the poor in order to remove the root cause of poverty.

- a) Credit
- b) Insurance
- c) services
- d) Technology

13) The minimalist approach is based on the idea that there is only one single factor responsible for economic growth among the poor i.e. -----

- a) long term credit
- b) Short term credit
- c) Micro Insurance

d) Macro credit

14) National Rural Livelihood Mission(NRLM) was launched by Ministry of Rural Development, Government of India in -----

- a) June 2011
- b) June 2010
- c) June 2012
- d) June 2013

15) Securitisation is a process under which a lender bundles loans together and sell them to ----- freeing up capital.

- a) Individual person
- b) Financial Institutions
- c) Group of people
- d) Both 'A' and 'C'

16) Rotating savings and credit association (ROSCA) is a well-known ----- association widely used in many countries around the world with long histories.

- a) Macro Finance
- b) Micro Insurance
- c) Micro Credit
- d) Micro finance

17) ----- establishes institutions, generally semi-formal or formal through which microfinance is dispensed.

- a) Community Banking Model
- b) Co-operative Bank
- c) foreign Bank
- d) Both 'B' and 'C'

18) Since financial institutions are likely prone to unexpected and immediate payment demands ----- becomes more crucial for financial institutions.

- a) Liquidity
- b) Charity
- c) Credibility
- d) Accountability

19) ----- is an objective of liquidity management.

- a) Increase production
- b) Advertisement of product
- c) Maximization of cost
- d) Fulfil all cash outflow commitments

20) In -----, RBI permitted banks to appoint business facilitators and correspondents.

- a) 2009
- b) 2008
- c) 2006
- d) 2001

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