



NATIONAL OPEN UNIVERSITY OF NIGERIA
Plot 91 Cadastral Zone Nnamdi Azikiwe Express Way, Jabi, Abuja
FACULTY OF MANAGEMENT SCIENCES
DEPARTMENT OF FINANCIAL STUDIES
2022_1 EXAMINATION

COURSE CODE: BFN310 **CREDIT UNIT: 2**

COURSE TITLE: MICRO CREDIT POLICY AND INSTITUTION

TIME ALLOWED: 2 HOURS

INSTRUCTIONS:

- 1. Attempt question number one (1) and any other two (2).**
 - 2. Question number 1 is compulsory and carries 30 marks while the other 2 questions carry 20 marks each. Present all your points in coherent and orderly manner.**
-

1. (a) Micro credit or micro financing is the means of providing the economically active poor and low-income households with financial services such as credit or loan to help them engage in income generating activities. Nigeria as a rich oil producing nation, in your opinion, is there any need for micro credit or micro finance institutions? 20 marks

(b) Explain the characteristics of Traditional Micro Finance practices in Nigeria. 10 marks

2. (a) In an orderly manner, assess the functions of the following micro finance institutions:

i) National Directorate of Employment (NDE)

ii) Nigeria Opportunities Industrialist Centre (NOIC)

iii) The Nigeria Export-Import Bank (NEXIM)

iv) Standard organization of Nigeria (SON) 12 marks

(b) What are the advantages of the above institutions to small and medium scale enterprises?

8 Marks

3. Discuss the following terms:

(i) Quality of Work Life 8 marks

(ii) Total Quality Management 6 marks

(i) Hire purchase finance. 6 marks

4. (a) Discuss any 5 causes of failure of small-scale business. 10 marks

(b) Explain any 5 symptoms of business failure. 10 marks