

(6 pages)

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EEBE 42**

B. Com. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2025.

Fourth Semester

Banking and Finance/Banking and E-Commerce

Elective – RURAL BANKING

(For those who joined in July 2023 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. Financial inclusion means

- (a) Increasing tax base
- (b) Access to banking for all
- (c) Banking only for rich
- (d) Credit cards only

2. One key term in rural banking is

- (a) Inflation
- (b) Non – performing assets
- (c) Priority sector lending
- (d) Export subsidy

3. The maximum loan under Mudra Yojana is

- (a) 5 lakh (b) 7 lakh
- (c) 10 lakh (d) 12 lakh

4. Which of the following is not part of Start-up schemes?

- (a) PMEGP (b) Mudra
- (c) Stand-up India (d) GST

5. Moneylenders in rural areas are considered

- (a) Formal sources
- (b) Institutional lenders
- (c) Informal sources
- (d) Cooperative bodies

6. SHGs are associated with

- (a) Large corporates
- (b) Microfinance in rural areas
- (c) FDI
- (d) E-commerce

7. A credit plan is essential for
- Taxation policy
 - Industrial location
 - Balanced rural financing
 - RBI inspections
8. Service area approach was introduced to
- Create more branches
 - Avoid duplication and overlap in rural lending
 - Improve marketing
 - Promote tourism
9. Which of the following supports rural industries?
- | | |
|----------|----------|
| (a) RBI | (b) KVIC |
| (c) SEBI | (d) IRDA |
10. DIC is responsible for
- Tax refunds
 - Export promotion
 - Supporting local entrepreneurs
 - Policy research

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 250 words.

11. (a) How does financial inclusion promote rural banking?
- Or
- (b) Explain any five important terms used in rural banking.
12. (a) What are the objectives of the Mudra Yojana?
- Or
- (b) Specify how Digital India improve self-employment in rural India.
13. (a) What are the challenges faced by cooperative banks in rural financing?
- Or
- (b) Write a short note on microfinance.
14. (a) Mention the importance of area-based approach in rural credit delivery.
- Or
- (b) Explain the components of a credit plan for rural areas.

15. (a) How does KVIC help in employment generation in rural areas?

Or

- (b) Highlight the role of voluntary agencies and NGOs in supporting rural entrepreneurs.

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) What is rural credit? Explain its classification and importance in the Indian economy.

Or

- (b) Discuss the structure of rural banking institutions in India with suitable examples.

17. (a) Describe in detail Stand-up India and their features.

Or

- (b) Write the significance of government schemes in generating rural employment through entrepreneurship.

18. (a) Examine the functions, benefits, and limitations of Regional Rural Banks (RRBs).

Or

- (b) Explain the working of Self-Help Groups (SHGs) in rural credit delivery and their link with banks.

19. (a) Explain various levels and the role of banks in preparing credit plans.

Or

- (b) Evaluate Service Area Approach effectiveness in meeting rural credit needs.

20. (a) What is the significance of rural industrialization? Explain the support mechanisms available for rural entrepreneurs.

Or

- (b) Discuss the financial and non-financial assistance provided by KVIC to small rural industries.