

**CANDIDATE DETAILS**

Access Number	Roll Number	For Official Use Only	Serial Number
Subject <b>S &amp; ME BANKING</b>			
Candidate's Name			
Father's Name			
CNIC Number			
Cell Number		E-mail	
I verify that my particulars given above are correct and I declare that I have read the INSTRUCTIONS printed in the examination booklet, and/or given in the ISQ Examination Guidelines, violation of which would mean cancellation of my paper and debarment from appearing in future examinations.			
Candidate's Signature		Invigilator's Signature	



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# The Institute of Bankers Pakistan

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## ISQ Examination Winter - 2017 Stage - III S & ME Banking

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SEAL  
BOOK  
HERE

Section 2  
Constructed and Extended  
Response Questions

Number of Questions: 6  
Marks: 55

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Allotted time : 120 minutes

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## INSTRUCTIONS FOR THE CANDIDATES

1. The candidate must abide by the ISQ Examination Guidelines sent along with the admit card.
2. The candidate must sign the booklet after verifying the particulars and should **NOT** write his/her name or roll number on any other page of the examination booklet.
3. The candidate is advised **NOT** to approach the invigilators for seeking any explanation related to the questions in the examination paper.
4. Laptops, mobile phones or any other gadgets are **NOT** permitted in the examination hall. **ONLY** simple calculators are allowed except where indicated in the ISQ Examination Guidelines. If any candidate is found in possession of any restricted gadgets or items, his/her examination paper will be cancelled immediately.
5. The candidate must ensure that the examination booklet has all the pages duly numbered. If any page is missing, damaged or not numbered, then return the booklet to the superintendent / invigilator and obtain another booklet.
6. Write your answer **ONLY** in the given space for each question. Anything written outside the given space will not be considered for marking.
7. **ONLY** blue or black ball points are to be used.
8. The candidate must attempt **ALL** questions in the paper.

### For Official Use Only

Marks Obtained	Q.1	Q.2	Q.3	Q.4	Q.5	Q.6	Total Marks	Total in words
Marker - I								
Q.C								
Scrutiny								
Re-Scrutiny								
Marker- II								

Signatures:

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1. Marker - I

\_\_\_\_\_  
2. QC

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3. Scrutinizer

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4. Re-Scrutinizer

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5. Marker - II









**Q3.** According to SMEDA, S & MEs constitute nearly 90% of all the enterprises in Pakistan, employ 80% of the non-agricultural labor force, and their share in the annual GDP is 40% approximately. Suggest innovative strategies that could increase awareness about S & ME financing. (10 Marks)

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**Q4.**

A. Explain the following:

i. Contingent Liability

(2 Marks)

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ii. Forced Sale Value

(2 Marks)

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iii. Readily Realizable Assets

(2 Marks)

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B. Explain what each of the following ratio represents:

(4 marks)

- i. Debt-Equity Ratio
- ii. Inventory Turnover
- iii. Receivables Turnover
- iv. Operating Profit Margin

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**Q5.** Suggest possible opportunities for banks financing S & MEs in the backdrop of China Pakistan Economic Corridor (CPEC) and One Belt One Road (OBOR). (10 Marks)

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**Q6.** For a commercial bank, which one is more advantageous Corporate Financing or S & ME financing? Elaborate in detail covering at least operational and administrative challenges, recovery and repayments, profitability and business prospects. (10 Marks)

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