



The Institute of  
Bankers Pakistan

**Time Allowed: 3 Hours**

**Maximum Marks:100**

**Date: November 22, 2022**

**Microfinance  
JAIBP (Specialization)**

**Roll No:**

Instructions:

- i. Attempt ALL questions;
- ii. Answers must be neat, relevant and brief;
- iii. In marking the answer sheet, the examiners take into account clarity of exposition, logic of arguments, presentation and language;
- iv. Read the instructions printed inside the top cover of answer script CAREFULLY before attempting the paper;
- v. DO NOT write your Name, Access No. or Roll. No. etc. anywhere inside the answer script(s);
- vi. Candidates are advised not to mark any of the objective answer on the question paper, otherwise their paper will be cancelled;
- vii. Question Paper must be returned to invigilator before leaving the examination hall.

**SECTION B: SUBJECTIVE**

**Attempt ALL Questions**

**(55 Marks)**

**Q1.**

- A. Briefly explain nature and characteristics of Microfinance Loan. **(8 marks)**
- B. Enlist any **FOUR** basic microfinance services that are being offered under mobile banking. **(2 marks)**

**Q2.** You are relationship manager in Comfort Microfinance Bank. You visit in sub-urban area for promoting micro insurance product of your bank. Differentiate between Micro Insurance and Conventional Insurance in front of your target audience for recognition of your product as a useful tool for an effective risk mitigation for low-income people during hard times? **(5 Marks)**

**Q3.** Consider the following table:

Particulars	Amount (Rs)
Profit Before Interest Rate and Taxes	150,000
Total Sales Revenue	100,000
Net Profit	40,000
Gross Margin	90,000
Financial Expenses	10,000
Sales Revenue	100,000
Total Assets	200,000
Equity	150,000
Long Term Loans	50,000



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Calculate the following ratios:

(6 Marks)

1. Return on Assets
2. Return on Capital Employed
3. Interest Coverage Ratio
4. Gross Profit Margin
5. Net Profit Margin
6. Asset Turnover Ratio

**Q4.**

- A.** In light of Microfinance, what are the forms of Microfinance Institutional transformation that could occur in an economy. (5 Marks)
- B.** In microfinance, outreach generally means the number of clients served. In this regard, briefly define the following aspects of measuring outreach: (6 Marks)
1. Depth
  2. Worth of Users
  3. Cost to Borrower
  4. Breadth
  5. Length
  6. Scope

**Q5.**

- A.** Discuss the concept of Minimum Capital Requirement in the regulatory framework for microfinance bank. (5 Marks)
- B.** Explain the following according to the revised Prudential Regulations for Microfinance Banks: (6 Marks)
1. Income eligibility assessment for general and house loans
  2. Consumption financing against the security of gold
  3. Asset liability Mismatches

**Q6.** Briefly explain any **FOUR** major operational risks that are faced by Microfinance Institutions.

(12 Marks)

**X ——— END OF PAPER ——— X**