



The Institute of Bankers Pakistan

Time Allowed: 3 Hours

Maximum Marks:100

Date: March 14, 2023

**SME Banking
JAIBP (Specialization)**

Roll No:

Instructions:

- i. Attempt ALL questions;
- ii. Answers must be neat, relevant and brief;
- iii. In marking the answers, the examiner takes 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.** SME landscape is generally characterized by THREE broad industry groups. Briefly discuss. **(06 Marks)**
- Q2.**
- a. Enlist characteristics and competencies that SMEs have developed over time to compete successfully with large players. **(04 Marks)**
 - b. Briefly explain the SME Asaan Finance (SAAF) Scheme of SBP. What is the eligibility and maximum financing limit of this scheme? **(04 Marks)**
- Q3.**
- a. Briefly explain Write-offs in respect of Intensive Servicing and handling of Troubled Loans. **(05 Marks)**
 - b. List FIVE hindrances that are faced by SMEs in respect of Formal Financing. **(05 Marks)**
- Q4.** State any FIVE ways in which Banks/ DFIs are benefited from Credit Scoring. **(05 Marks)**
- Q5.** Discuss the importance of marketing for SMEs. **(10 Marks)**
- Q6.** Explain the challenges faced by SMEs in Pakistan under the following headings:
- a. High Cost of Marketing **(05 Marks)**
 - b. Lack of Proper Infrastructure **(05 Marks)**
- Q7.** Ahmed Foods is a rice exporter from Pakistan. Data presented below is extracted from its audited financials for FY 2021. **(06 Marks)**

<i>Description</i>	<i>Rupees in million</i>
Current Assets	100
Current Liabilities	60
Inventory	40
Gross Profit	25
Selling and General Expenses	10
Interest Expense	5
Taxes	5
Non-Current Assets	50
Current Portion of Long-Term Maturity	5
Sales	200



Calculate and interpret any THREE of the following ratios.

- a. Current Ratio
- b. Net Profit Margin
- c. Return on Assets
- d. Interest Coverage Ratio

X ——— END OF PAPER ——— X