

ISQ Examination - Winter- 2012
Agricultural Finance - Stage- III

- Q. In order to develop the agricultural produce marketing and enhance storage capacity SBP has decided to float a scheme for “Financing Facility for storage of Agricultural Produce (FFSAP)” to encourage private sector to establish silos, warehouses and cold storages.
- a. What is the scope of FFSAP Scheme?
 - b. For what purpose will the finance facility may be utilized?
- Q. Highlight THREE main issues faced by the agriculture industry in Pakistan what solutions would you propose?
- Q. Sheeda cultivates cotton and wheat on FIVE acres and wants to take a loan from a bank. In this context which five ratios would you look at before loan is processed? Explain how these ratios are calculated.
- Q. Explain the functioning of a multiple transaction checking account. Can this be used as a loan account?
- Q. While sanctioning the loan to a farmer many legal documents may be required. Describe any TWO documents that are most critical? State the reason for their importance.
- Q. Poultry is an important sub-sector of agriculture and has contributed enormously to food production by playing a vital role in the domestic economy. The State Bank of Pakistan has also issued guidelines which are aimed at facilitating banks to enhance the flow of credit to the poultry sector. Discuss the salient features of SBP’s guidelines for poultry financing.
- Q. Boota from Tobba Tek Singh has applied for a loan of 4.5 Million to set up a tunnel farming project for fresh vegetables? How will you help him justify the loan amount? Prepare a business plan to be submitted to the bank. Assume details.

Q. Rs. 10 million is to be sanctioned to Bhatti, a farmer of livestock. As relationship officer you are required to prepare his credit proposal (CP).

- a. What are the main components of a CP?
- b. What information will you require to write-up a CP for the loan amount requested?
