

- Q.1 A. Describe the 5 important features of a lease transaction.
B. Discuss briefly any 3 different types of leases that are offered by NBFIs and Banks.
- Q.2 List any 5 objectives of a country's financial policy.
- Q.3 Financial liberalization is intended to reduce government and regulatory controls. Briefly discuss any 3 policy steps initiated in Pakistan to achieve this objective.
- Q.4 Sec. 13 of the Banking Companies Ordinance lays down directives of minimum capital requirement. Describe the significance of capital and the present level of capital requirement as per directives of State Bank of Pakistan.
- Q.5 During the last few years the State Bank of Pakistan's discount rate had been high and has been a matter of constant debate in business and trade circles. Discuss the impact of high interest rate on the financial system and economic growth.
- Q.6 A. Briefly define Pakistan Investment Bonds (PIBs).
B. State any 3 key features of PIBs.
- Q.7 A. What is credit rating and why it is significant for both lenders and borrowers?

B. Banks consider Credit Risk Rating as an important decision making tool. Please explain:
• The importance of Credit Risk Rating in lending decision?
• How Credit Risk Rating is managed in banks?

C. Highlight any 4 applications of Credit Risk Rating in various lending decisions taken by banks?

D.
- Q.8 Discuss the SECP guidelines for disclosure and investor protection.
- Q.9 The Foreign Exchange manual consists of instructions for foreign exchange operations in Pakistan. What are the rules of surrender of foreign exchange as per the manual?