

SVKM's NMIMS
NMIMS Global Access – School for Continuing Education

Programme: PGDBFM

June 2013 Examination
Subject: Advances and Credits

Semester: IV
Course: New
Marks : 70

Date: 22.06.2013

Time: 3.00 p.m. to 6.00 p.m.

Instructions: Candidates should read carefully the instructions printed on the question paper and on cover of the Answer Book, which is provided for their use.

NB:

1. Attempt all questions
2. Marks are indicated to the right of the question
3. Answers to each question to be started on a new page

Q.1. Attempt any two

(Marks: 2 X5 = 10)

- a) Discuss in brief how a Letter of Credit works and what precautions have to be taken •
- b) Are Unsecured advances good for banks explain with examples •
- c) Explain what is the Fair Practice Code in Banking •
- d) Explain the difference between bill discounting and factoring •

Q.2. Write short notes on any two

(Marks: 2 X5 = 10)

- a) Debt Service Coverage Ratio
- b) Basel Norms and impact on Indian Banks
- c) Different types of Securities
- d) Narsimhan Committee Report
- e) Priority Sector Lending

Q.3. Attempt any three

(Marks: 3 X10 = 30)

- a) Discuss the Pricing of various bank products (Liability & Assets both)
- b) Explain different methods of working capital assessment by banks •
- c) Briefly discuss execution and registration of documents in banking •
- d) Discuss the Corporate rating and how is it relevant in product pricing •
- e) What are the guidelines relating to conduct of Bank guarantee business •

Q.4.

(Marks: 20)

Discuss in detail the key considerations in granting loans and advances. Briefly describe the general safeguards suggested by RBI in this regard and also the main features of key RBI directives.