

SVKM's NMIMS
School of Distance Learning

Programme: PGDBFM

Academic Year: 2011-2012

Subject: Investment Decision In Banking

Date: 27.12.2011

Semester III

Course New

Marks: 70

Time: 3.00 p.m to 6.00 p.m

Instructions: Candidate should read carefully the instructions printed on the questions paper and on the cover of the answer book, which is provided for their use.

Q.1) Answer any two

Marks: 10

- a) Discuss equity shares (at par/ Premium).
- b) Discuss salient features of GDR.
- c) Discuss exchange rate risk.
- d) Discuss the concept of money market instruments.

Q.2) Answer any ~~two~~ three

Marks: 10

- a) Discuss the concept of interest rate swaps.
- b) Discuss the concept of securitization.
- c) Discuss Nayak Committee recommendation.
- d) Discuss preshipment finance.
- e) Discuss export on consignment basis.

Q.3) Discuss any three

Marks: 30

- a) Discuss the elements in a lease structure.
- b) Discuss the concept of Net Present value with illustrations.
- c) Discuss the concept of priority sector lending.
- d) Discuss the factors that affect lease quotes.
- e) Discuss the methods of assessment of finance to NBFCs.

Q.4) Answer all questions

Marks: 20

- a) Discuss current ratio, debt service coverage ratio, Profit after tax/sales, fixed assets coverage ratios.

b) Turnover of a SSI unit is Rs.15 cores. Estimate working capital requirement as per

Nayak Committee recommendations. Estimate the amount that can be provided by the bank.