

SVKM's NMIMS
School of Distance Learning

Programme: PGDBFM

Academic year: 2012 – 2013

Subject: Advances and Credits

Semester: IV

Course New

Marks 70

Date: 14.07.2012

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

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

- NOTE:
- (1) Total No. of questions FOUR
 - (2) Working will form part of answer
 - (3) Pencil not to be used
 - (4) Answer to new question to start on fresh page

Q. 1 Attempt any 2 (TWO) out of 4 (Discuss) Marks – 10

- a. NPA and Bad Debt provisions
- b. Overdraft and Cash Credit
- c. Assignment and Lien
- d. Basel Committee norms

Q.2 Write short notes on any 2 (Two) out of 5 Marks – 10

- a. Consortium Loan & Syndication
- b. Commercial Paper and Certificate of Deposit
- c. Credit Derivatives
- d. Supplier's Credit
- e. DSCR

Q.3 Attempt any 3 (THREE) out of 5 Marks – 30

- a. Explain the pricing of commercial loans and consumers products.
- b. What all the ways a Hypothecation is granted against Stocks, Vehicles and other collaterals.
- c. Explain how a Banker's Right of Lien is known as Implied Pledge and How it differs from Right of Set Off with example.
- d. What are the different steps of pricing deposit products and note on the pricing below and above PLR.
- e. Discuss the concept of corporate rating and setting of interest rates.

Q.4 Marks - 20

- a. What do you understand by operating cycle? Explain the term working capital and what you understand by gross working capital and net working capital.
- b. What are the key provisions of Companies Act, 1956 for registration of charges/securities? What the characteristic of charges and types of charges in banks?

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