

SVKM's NMIMS
NMIMS – GLOBAL ACCESS SCHOOL FOR CONTINUING EDUCATION

Programme: PGDBFM

Examination: December 2014
Subject: Advance and Credits

Date: 03.01.2015

Semester: IV
Course : New
Marks : 70
Time: 3.00 p.m. to 6.00 p.m.

Instructions:

1. Answer to each new question to be started on a fresh page.
 2. Figures in bracket indicate full marks.
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Q.1) Attempt any 2 out of 4

(Marks: 2X5=10)

- a) What is cash credit?
- b) What is working capital?
- c) What is primary security?
- d) What is a term loan?

Q.2) Write short notes on (2 out of 5)

(Marks: 2X5=10)

- a) Principles of good lending
- b) Project Finance
- c) Lien
- d) Credit risk management
- e) Consortium Lending

Q.3) Attempt any 3 out of 5

(Marks: 3X10=30)

- a) What are the key recommendations of Narasimham Committee?
- b) What are the different methods of providing overdraft and advances?
- c) What are the characteristics and features of retail loans?
- d) What are the different methods of lending recommended by the Fandon Committee?
- e) Explain the procedure of loan syndication in banks.

Q.4) Attempt both the questions

(Marks: 2X10=20)

- a) Explain the process of issuance of Letter of Credit. What are the precautions banks should consider while issuing the letter of credit.
- b) What are the important steps involved in pricing bank products? Explain using an example.