

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

Programme: PGDBFM

Examination: June 2015
Subject: Advance and Credits

Semester: IV

Course : New

Marks : 70

Date: 22.06.2015

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.

Q.1) Attempt any 2 out of 4

(Marks: 2X5=10)

- a) What are the functions of investment department of a bank?
- b) What are the factors to be taken care by a bank manager while granting advances against hypothecation of stocks?
- c) What is limit and what is drawing power with reference to a cash credit account?
- d) What is breakeven point and how it is calculated?

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

(Marks: 2X5=10)

- a) Write a short note on Kannan committee recommendations.
- b) Define gross working capital, net working capital, working capital gap, and MPBF.
- c) Write on turnover method for assessing working capital requirements?
- d) Write the procedure for loan syndication.
- e) Define guarantee? Explain performance guarantee and financial guarantee with examples.

Q.3) Attempt any 3 out of 5

(Marks: 3X10=30)

- a) Enumerate RBI guidelines for priority sector lending?
- b) Enumerate features of retail loan?
- c) Securities acceptable to banks either as primary or collateral must have certain basic characteristics. Enumerate with examples.
- d) What is a letter of credit? What are the different types of LCs?
- e) Write on execution of documents by various types of borrowers?

Q.4) Attempt both the questions

(Marks: 2X10=20)

- a) What is post shipment finance? What are the key methods of post shipment finance?
- b) Enumerate the six different types of charges banks create while giving loans, so that in case of need they can sell the securities and realize the dues?
