

**SVKM's NMIMS**  
**School of Distance Learning**

Programme: PGDBFM

Academic Year: 2010-2011

Subject: Advances and Credits

Semester IV

Course New

Marks: 70

Date: 2.7.2011

Time:

3.00 pm to 6.00 pm

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

- a. Hypothecation & Pledge ✓
- b. Overdraft and Cash Credit ✓
- c. Role of ALM
- d. CAMELS

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

- a. Factoring & Forfeiting
- b. Pre-Post shipment finance at LIBOR related rates ✓
- c. Six C's approach for financing any business
- d. Buyer's Credit
- e. DSCR

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

- a) Discuss the procedure for 'Reverse Mortgage'
- 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.

Q.4 Attempt 2 (TWO)

Marks - 20

- a) What are the ratios and procedure a Bank would consider while giving a Working Capital Demand Loan (WC DL) to a customer.
- b) Role of Credit Rating agencies and RBI's regulations for Banks to consider a Project Loan of Rs. 100 Crores for setting up a Garment Industry in any part of country in India.