

**SREENIVASA INSTITUTE OF TECHNOLOGY AND MANAGEMENT STUDIES
(Autonomous)**

MASTER OF BUSINESS ADMINISTRATION

II MBA –I Sem

REGULATION R22



**FINANCIAL
INSTITUTIONS
AND
SERVICES**



**Faculty in Charge : Mrs.T.Yamini
Designation : Assistant Professor
Department : MBA**

**SREENIVASA INSTITUTE OF TECHNOLOGY AND MANAGEMENT STUDIES
(Autonomous)**

MASTER OF BUSINESS ADMINISTRATION

QUESTION BANK

II MBA –I Semester

**L T P C
4 0 0 4**

22MBA234C

FINANCIAL INSTITUTIONS AND SERVICES

Course Educational Objectives (CEO):

CEO 1: : To provide knowledge on banking financial institutions

CEO 2: To know about non-banking financial institutions (mutual funds and insurance companies)

CEO 3: To understand asset/fund based financial services

CEO 4: To provide necessary knowledge about Fee-based/advisory services.

CEO5: To give a broad view about infrastructure financing.

UNIT – I: Banking Financial Institutions: Public and Private Sectors- Structure, Banking Innovations, Commercial and Co-operative Banks.

UNIT – II: Non-banking Financial Institutions: Mutual Funds - Growth of Indian Mutual Funds and its Regulations - Role of AMFI - Insurance Companies - Role of IRDA.

UNIT – III: Asset/Fund based Financial Services: Lease Finance, Consumer Credit and Hire Purchase Finance. Factoring - Definition, Functions, Advantages - Venture Capital Financing.

UNIT – IV: Fee-Based/Advisory Services: Stock Broking, Credit Rating, Investment Banking - Introduction, Functions and Activities, Underwriting.

UNIT – V: Infrastructure Financing: Credit Syndication - House finance – Insurance Services - Mortgage Guarantee Service, Micro finance

Course Outcomes:		POs related to COs
On Successful completion of the course the student will be able to		
CO1	Demonstrate the Knowledge of banking and financial institutions and banking innovations.	PO1, PSO1
CO2	Outline the non-banking financial institutions and role of AMFI & IRDA	PO1, PSO1
CO3	Demonstrate knowledge on asset/fund based financial services	PO1, PO2, PO5, PO8, PSO1, PSO2
CO4	Gain Knowledge about Fee-based/advisory services.	PO1, PO2, PO8, PSO1
CO5	Understand the infrastructure financing (House finance, Insurance Services and Micro finance)	PO1, PO2, PO8, PSO1

TEXT BOOKS:

1. Financial Institutions and Markets: Structure, Growth & Innovation, 6/e, L M Bhole, Jithendra Mahakud, McGraw Hill, 2017.
2. The Indian Financial System and Development, Revised Edition, Vasant Desai, Himalaya Publishing House Pvt. Ltd., India, 2011.
3. Financial Markets and Services, Revised Edition, Gordon & Natarajan, Himalaya Publishing House Pvt. Ltd., India, 2011.

REFERENCE BOOKS:

1. Financial Markets and Institutions, 6/e, Mishkin, Pearson Education, New Delhi, 2008
2. Financial Institutions and Markets, 4/e, L.M. Bhole, Tata McGraw-Hill, New Delhi, 2007.
3. Investments Institutions and Markets, 1/e, Jeff Madura, Cengage Learning, New Delhi, 2009.
4. Financial Services, Thirpathi, PHI Learning Private Limited, New Delhi, 2009.
5. Financial Institutions and Markets, Meir Kohn, Oxford University Pres, 2009.

**SREENIVASA INSTITUTE OF TECHNOLOGY AND MANAGEMENT STUDIES
(Autonomous)**

MASTER OF BUSINESS ADMINISTRATION

FINANCIAL INSTITUTIONS AND SERVICES

QUESTION BANK

QUESTION NUMBER	QUESTIONS	PO ATTAINMENT
UNIT – I		
PART – A TWO MARKS QUESTIONS		
1	Define finance	PO1, PSO1
2	Explain the meaning of financial institution	PO1, PSO1
3	Why financial institution is important	PO1, PSO1
4	Explain the scope of financial institution and service	PO1, PSO1
5	Write about the significance of financial institution and service	PO1, PSO1
6	What do you meant by Banking financial institutions	PO1, PSO1
7	Define commercial banks	PO1, PSO1
8	What is meant by Thrift institutions	PO1, PSO1
9	Explain the functions of financial institutions and services	PO1, PSO1
10	What do you mean by regulations	PO1, PSO1
11	Define investment entities	PO1, PSO1
12	Explain various financial institutions	PO1, PSO1
13	How financial institutions helps individuals in society	PO1, PSO1
14	Write about the uses of financial institutions	PO1, PSO1
15	Explain the necessity financial services	PO1, PSO1
16	Define scheduled banks	PO1, PSO1
17	What do you meant insurance companies	PO1, PSO1
18	How financial institution creates value to an individual	PO1, PSO1
19	Why banking financial institutions are important	PO1, PSO1
20	How financial institutions help in individual per capita income	PO1, PSO1
PART – B TEN MARKS QUESTIONS		
1	Define financial institution. Explain how to understand various aspects of financial instituions	PO1, PSO1
2	Explain the scope of financialinstituions and services	PO1, PSO1
3	Briefly write about the significance of public and private sector banks	PO1, PSO1
4	Explain the functions performed by financial instituions and services	PO1, PSO1
5	Elucidate innovations in banking sector	PO1, PSO1

6	State the importance of Banking financial institutions	PO1, PSO1
7	Illustrate the differences b/w public sector and private sector banks	PO1, PSO1
8	Write about the basic functions of mobile banking and Internet Banking	PO1, PSO1
9	Write a short note on Banking Innovations	PO1, PSO1
10	Write a brief notes on structure of Banking system	PO1, PSO1
UNIT – II		
PART – A TWO MARKS QUESTIONS		
1	Define Bank	PO1, PSO1
2	What do you mean by non-Banking financial institutions	PO1, PSO1
3	Differentiate bank and Mutual fund	PO1, PSO1
4	Explain about Bank with examples	PO1, PSO1
5	Explain Mutual fund with examples	PO1, PSO1
6	Define Equity funds	PO1, PSO1
7	What are the types Mutual funds	PO1, PSO1
8	Define Hybrid funds	PO1, PSO1
9	Define Money Market funds	PO1, PSO1
10	What do you mean Diworsification and Dilution	PO1, PSO1
11	Explain about Liquid funds	PO1, PSO1
12	What are the types of funds based on investment goals	PO1, PSO1
13	Define sponsor in mutual fund	PO1, PSO1
14	What do you mean AMC	PO1, PSO1
15	Explain AMFI	PO1, PSO1
16	What do you mean IRDAI	PO1, PSO1
17	Explain about AMFI Registration	PO1, PSO1
18	Define the process investing mutual fund online.	PO1, PSO1
19	What are the objectives of AMFI	PO1, PSO1
20	Define Insurance companies	PO1, PSO1
PART – B TEN MARKS QUESTIONS		
1	Write about importance of non-banking financial institutions	PO1, PSO1
2	Explain about Mutual fund with proper examples	PO1, PSO1
3	Elucidate different types of Mutual funds	PO1, PSO1
4	Write about AMFI and IRDAI	PO1, PSO1
5	Briefly write about AMFI Registration and Allotment of ARN	PO1, PSO1
6	Write a short notes on Structure of Mutual Fund	PO1, PSO1
7	Write about Growth of mutual fund in India	PO1, PSO1
8	Explain Rules and Duties of IRDAI	PO1, PSO1
9	Write a short notes on Role of IRDAI in Insurance sector and Insurance Ombudsman	PO1, PSO1
UNIT – III		

PART – A TWO MARKS QUESTIONS		
1	Define Fund based Financial Services	PO1, PO2, PO5, PO8, PSO1, PSO2
2	Define fund	PO1, PO2, PO5, PO8, PSO1, PSO2
3	Explain about Lease Finance	PO1, PO2, PO5, PO8, PSO1, PSO2
4	What do you meant Lessor and Lessee	PO1, PO2, PO5, PO8, PSO1, PSO2
5	Explain about operating finance	PO1, PO2, PO5, PO8, PSO1, PSO2
6	Write about the need for Lease Finance	PO1, PO2, PO5, PO8, PSO1, PSO2
7	What do you meant by consumer credit	PO1, PO2, PO5, PO8, PSO1, PSO2
8	Explain classification of consumer credit	PO1, PO2, PO5, PO8, PSO1, PSO2
9	What do you meant by Hire purchase	PO1, PO2, PO5, PO8, PSO1, PSO2
10	Define Installment credit	PO1, PO2, PO5, PO8, PSO1, PSO2
11	Explain the advantages of Lease finance to Lessor	PO1, PO2, PO5, PO8, PSO1, PSO2
12	Explain about advantages of Lease Finance to Lessee	PO1, PO2, PO5, PO8, PSO1, PSO2
13	Explain the features of Hire purchase	PO1, PO2, PO5, PO8, PSO1, PSO2
14	Define the term Factoring	PO1, PO2, PO5, PO8, PSO1, PSO2
15	Explain about Recourse and Non Recourse Factoring	PO1, PO2, PO5, PO8, PSO1, PSO2
16	What do you meant by Export Factoring	PO1, PO2, PO5, PO8, PSO1, PSO2
17	Explain about Maturity Factoring	PO1, PO2, PO5, PO8, PSO1, PSO2
18	Explain the term Venture Capital	PO1, PO2, PO5, PO8, PSO1, PSO2
19	Explain the features of Venture Capital	PO1, PO2, PO5, PO8, PSO1, PSO2
20	Explain types of venture capital in short.	PO1, PO2, PO5, PO8, PSO1, PSO2
PART – B TEN MARKS QUESTIONS		
1	Elucidate the importance of Fund Based Financial Services	PO1, PO2, PO5, PO8, PSO1, PSO2
2	Write a short notes on different types of Lease Finance	PO1, PO2, PO5, PO8, PSO1, PSO2
3	Briefly write about the Features of Lease Finance	PO1, PO2, PO5, PO8, PSO1, PSO2
4	Explain the advantages and disadvantages to Lessor and	PO1, PO2, PO5, PO8,

	Lessee in Lease finance	PSO1, PSO2
5	Explain the term consumer credit and its classification	PO1, PO2, PO5, PO8, PSO1, PSO2
6	Briefly explain the process of Hire Purchasing	PO1, PO2, PO5, PO8, PSO1, PSO2
7	Explain the Features of Hire Purchase in Brief	PO1, PO2, PO5, PO8, PSO1, PSO2
8	Write a short notes on Factoring and its types.	PO1, PO2, PO5, PO8, PSO1, PSO2
9	Explain various types of venture capital	PO1, PO2, PO5, PO8, PSO1, PSO2
10	Explain the steps involved in venture capital for a company's development	PO1, PO2, PO5, PO8, PSO1, PSO2
UNIT – IV		
PART – A TWO MARKS QUESTIONS		
1	What do you mean by Fee based/Advisory Services	PO1, PO2, PO8, PSO1
2	Explain the term Stock Broking	PO1, PO2, PO8, PSO1
3	Define stock broker	PO1, PO2, PO8, PSO1
4	What do you mean Traditional stock broker	PO1, PO2, PO8, PSO1
5	Define online stock broker	PO1, PO2, PO8, PSO1
6	What do you mean by Arbitrageurs	PO1, PO2, PO8, PSO1
7	What do you mean by Jobbers	PO1, PO2, PO8, PSO1
8	Explain the Qualifications of a stock broker	PO1, PO2, PO8, PSO1
9	What are the Licensing requirements need by a stock broker in India	PO1, PO2, PO8, PSO1
10	What do you mean by credit rating	PO1, PO2, PO8, PSO1
11	Explain about credit Rating Agency	PO1, PO2, PO8, PSO1
12	What does credit rating convey	PO1, PO2, PO8, PSO1
13	How is credit rating Done	PO1, PO2, PO8, PSO1
14	What do you mean by credit score	PO1, PO2, PO8, PSO1
15	What do you mean by investment Grade and Speculative Grade	PO1, PO2, PO8, PSO1
16	Write about the Term Investment Banking	PO1, PO2, PO8, PSO1
17	Who are Investment Bankers	PO1, PO2, PO8, PSO1
18	List any two advantages of Investment Banking	PO1, PO2, PO8, PSO1
19	What do you mean by Initial public Offering(IPO)	PO1, PO2, PO8, PSO1
20	Write about the Regulation of Investment Banking	PO1, PO2, PO8, PSO1
PART – B TEN MARKS QUESTIONS		
1	Write a brief note on Different types of Stock Broker	PO1, PO2, PO8, PSO1
2	Briefly explain the Qualifications Required by a stock broker	PO1, PO2, PO8, PSO1
3	Differentiate b/w Traditional and Online Stock broker	PO1, PO2, PO8, PSO1
4	Explain about Different types of Brokerage Firms	PO1, PO2, PO8, PSO1

5	Elucidate the importance of Stock brokerage	PO1, PO2, PO8, PSO1
6	Write a brief note on History of Stock brokerage	PO1, PO2, PO8, PSO1
7	Write about importance of Credit rating.	PO1, PO2, PO8, PSO1
8	Write about the types of credit rating and it's users in detail	PO1, PO2, PO8, PSO1
9	Explain the Job roles in an investment Banking in detail	PO1, PO2, PO8, PSO1
10	Explain the process of how investment banks make money in detail	PO1, PO2, PO8, PSO1
UNIT – V		
PART – A TWO MARKS QUESTIONS		
1	Define Infrastructure Financing	PO1, PO2, PO8, PSO1
2	Explain private finance and public Finance	PO1, PO2, PO8, PSO1
3	Explain the need for Infrastructure Finance	PO1, PO2, PO8, PSO1
4	What is meant by Take-Out Financing	PO1, PO2, PO8, PSO1
5	Explain about Fiscal Burden	PO1, PO2, PO8, PSO1
6	List any three benefits of Infrastructure Financing	PO1, PO2, PO8, PSO1
7	Explain about Internal sources of Infrastructure Financing	PO1, PO2, PO8, PSO1
8	Write Short notes on Investment Bonds	PO1, PO2, PO8, PSO1
9	Define the Term Credit Syndication	PO1, PO2, PO8, PSO1
10	What is credit syndication in Indian Financial System	PO1, PO2, PO8, PSO1
11	Explain Loan Syndication	PO1, PO2, PO8, PSO1
12	Explain about In-house Finance	PO1, PO2, PO8, PSO1
13	Explain about Insurance Service	PO1, PO2, PO8, PSO1
14	Define mortgage Guranteed Service	PO1, PO2, PO8, PSO1
15.	Define Micro Finance	PO1, PO2, PO8, PSO1
PART – B TEN MARKS QUESTIONS		
1	Write about the Concept of Infrastructure financing	PO1, PO2, PO8, PSO1
2	Explain about Public finance and private finance in detail.	PO1, PO2, PO8, PSO1
3	Elucidate Credit Syndication in Detail	PO1, PO2, PO8, PSO1
4	Write about credit syndication and its process	PO1, PO2, PO8, PSO1
5	Explain about participants in a syndicated loan	PO1, PO2, PO8, PSO1
6	Write about In-House finance in Detail	PO1, PO2, PO8, PSO1
7	Define In-house finance and Explain the advantages and disadvantages of In-house finance	PO1, PO2, PO8, PSO1
8	Write about Types of Insurance available in India	PO1, PO2, PO8, PSO1
9	Write a brief note on Mortgage Guranteed service	PO1, PO2, PO8, PSO1
10	Explain the concept of Micro finance in detail..	PO1, PO2, PO8, PSO1