

TILAK MAHARASHTRA VIDYAPEETH, PUNE
BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.)

EXAMINATION: MAY - 2025

SEMESTER - VI

Sub : Financial Services (BBA22-614FM)

Date :23/05/2025

Total Marks : 60

Time: 10.00 am To 12.30 pm

Instructions: 1) All questions are compulsory.
 2) Figures to the right indicate full marks.

Q. 1. Choose the most appropriate option. (05)

1. Which of the following is NOT a financial service?
 - a) Insurance
 - b) Textile Manufacturing
 - c) Banking
 - d) Mutual Funds
2. Which type of bank primarily serves rural areas and agriculture?
 - a) Commercial Banks
 - b) Cooperative Banks
 - d) Investment Banks
 - d) Foreign Banks
3. Which of the following is NOT a type of life insurance policy?
 - a) Term Insurance
 - b) Health Insurance
 - c) Whole Life Insurance
 - d) Endowment Plan
4. Which of the following is a type of investment that represents ownership in a company?
 - a) Bonds
 - b) Stocks
 - c) Real Estate
 - d) Fixed Deposits
5. What is a major challenge in regulating FinTech services?
 - a) Increasing innovation speed
 - b) Lack of public awareness
 - c) Cyber security and fraud risks
 - d) Decreasing financial transactions

Q. 2. State True / False (05)

1. RBI in India is responsible for regulating digital payments.
 - a) True
 - b) False
2. Professional fund management and diversification is a benefit of investing in mutual funds
 - a) True
 - b) False
3. Transferring financial risks from individuals/businesses to insurance companies is the main role of insurance in risk management.
 - a) True
 - b) False
4. Providing long-term credit to industrial sectors is a major role of NBFCs in financial markets.
 - a) True
 - b) False
5. SEBI is responsible for regulating the stock market in India
 - a) True
 - b) False

Q. 3. Write Short notes on (Any Three) (15)

1. Mutual funds
2. Importance of NBFCs in the financial system.
3. Investment services in financial markets
4. FinTech in the banking sector
5. Crowd Funding

Q. 4. Answer in detail (Any Two) (20)

1. Discuss the evolution of financial services in India and highlight key milestones in its development.
2. Explain the various services provided by banks and their importance in financial inclusion.
3. What is the role of insurance in risk management and how it benefits individuals and businesses.
4. Explain the role of Asset Management Companies (AMCs) in managing mutual funds. How do they benefit investors?

Q. 5. Ravi, a 35-year-old entrepreneur, runs a small e-commerce business in India. Over the past few years, he has noticed significant changes in the financial services sector, particularly in how businesses handle payments, investments, and financial risk management. Traditionally, he relied on bank loans and manual transactions, but with the emergence of FinTech, his approach to financial services has evolved. (15)

Initially, Ravi struggled to secure loans from traditional banks due to stringent eligibility criteria. However, he discovered peer-to-peer (P2P) lending and crowd funding platforms that allowed him to raise capital from individual investors.

His business faced delays in receiving payments from customers using cash-on-delivery. To address this, he integrated digital payment solutions like UPI, e-wallets, and payment gateways, resulting in faster transactions and improved cash flow.

With increasing revenue, Ravi wanted to invest wisely. Instead of traditional fixed deposits, he explored mutual funds managed by Asset Management Companies (AMCs). Additionally, he used insurance services to protect his business from financial risks.

Ravi was initially skeptical about crypto currency as an investment option due to regulatory uncertainties. However, he found block chain technology useful for securing financial transactions. As FinTech innovations continued to grow, he also had to ensure compliance with RBI and SEBI guidelines regarding digital transactions and investments. With these changes, Ravi's business grew exponentially. His experience highlights how FinTech, digital payments, investment services, and insurance play a crucial role in shaping modern financial services.

Questions :

1. How has FinTech transformed financial services for small businesses like Ravi's?
2. What are the advantages and risks associated with digital payments and peer-to-peer lending?
3. How do regulatory bodies like RBI and SEBI influence financial services in India?