

TILAK MAHARASHTRA VIDYAPEETH, PUNE
BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.)(071)
EXAMINATION: DECEMBER - 2025
SEMESTER - V
Sub.: Financial Services (BBA23-514-FM)

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)

- Financial services mainly deal with _____
 - Manufacturing of goods
 - Management of money and monetary resources
 - Agricultural production
 - Retail merchandising
- Which of the following is NOT a function of commercial banks?
 - Accepting deposits
 - Granting loans
 - Issuing shares directly to the public
 - Providing overdraft facilities
- Which of the following is considered a long-term investment instrument?
 - Treasury Bills
 - Commercial Paper
 - Debentures
 - Bank Overdraft
- The main purpose of insurance is to _____
 - Earn high profits
 - Provide risk protection
 - Increase taxation
 - Eliminate savings
- Which platform enables peer-to-peer lending?
 - Stock Exchange
 - Crowd funding Platform
 - Insurance Company
 - Central Bank

Q. 2. State True / False (05)

1. Debentures are a form of loan capital.
a) True
b) False
2. Insurance shifts risk from insurer to insured.
a) True
b) False
3. SIP allows investors to invest a fixed sum at regular intervals.
a) True
b) False
4. RBI controls the monetary policy of India.
a) True
b) False
5. Digital payments reduce dependency on cash.
a) True
b) False

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

1. Role of SEBI in investor protection
2. Types of insurance policies
3. Importance of savings in financial planning
4. Venture Capital Financing
5. Online Banking Services

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

1. Explain the structure and components of the Indian financial system.
2. Discuss the advantages and disadvantages of digital financial services.
3. Describe working capital management and its importance.
4. Evaluate the role of Mutual Funds in wealth creation

Q. 5. Anita, a 32-year-old home baker from Nasik, started her business by promoting her (15)

baked products through social media platforms. In the initial stage, she relied only on cash payments and maintained handwritten records of her daily transactions. This traditional method created several operational challenges. Errors in calculation, delayed payments from customers, and difficulty in tracking income and expenses made it hard for her to understand the true financial position of her business. Moreover, the lack of proper records affected her ability to plan for growth and manage cash flow efficiently.

To overcome these problems, Anita introduced digital financial tools such as UPI payment systems and accounting software. These technologies helped her automate transaction records and maintain accurate financial data. With real-time updates, she could easily monitor profit margins, track customer orders, analyze sales trends, and control unnecessary expenses. This not only enhanced efficiency but also improved customer satisfaction through faster and more reliable payment processing.

As demand for her products increased, especially during festive seasons, Anita needed additional funds to buy high-quality ingredients and modern baking equipment. Since she had no collateral, traditional bank loans were difficult to obtain. Therefore, she turned to digital lending platforms and short-term business loans that offered quick approval, minimal documentation, and flexible repayment options, which helped her expand operations without financial strain.

In addition to business expansion, Anita also focused on securing her financial future. She invested part of her earnings in mutual funds to generate long-term returns and build wealth sustainably. Understanding the risks associated with running a business, she purchased business insurance to protect herself from unexpected losses such as equipment damage, fire, or liability claims.

Overall, Anita's adoption of digital payments, financial tools, and smart investment strategies not only stabilized her business but also improved her profitability, efficiency, and long-term financial security, showcasing how modern financial solutions can empower small entrepreneurs.

Questions

1. How did digital payment systems improve Anita's business operations?
 2. What benefits did Anita gain from using digital lending platforms?
 3. Why is business insurance important for small entrepreneurs?
-