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BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.) (071)
EXAMINATION: DECEMBER - 2025
SEMESTER - VI
Sub : Financial Services (BBA22-614FM)

Date : 30/12/2025**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 best defines financial services?
 - a) Selling of physical goods
 - b) Management of money and financial transactions
 - c) Production of consumer goods
 - d) None of the above
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 type of insurance covers losses due to theft, fire, or natural disasters?
 - a) Life Insurance
 - b) Marine Insurance
 - c) General Insurance
 - d) Health Insurance
4. Which of the following is a benefit of investing in mutual funds?
 - a) High risk with no diversification
 - b) Professional fund management and diversification
 - c) Guaranteed returns without any risk
 - d) No liquidity options available
5. What is the primary advantage of crowd funding?
 - a) Raising funds from a large group of people
 - b) Borrowing money only from banks
 - c) Reducing financial transparency
 - d) Restricting investments to high-net-worth individuals

Q. 2. State True / False (05)

1. General insurance protects against risks such as theft, fire, and natural disasters.
 - a) True
 - b) False
2. Crowd funding restricts investment opportunities only to high-net-worth individuals.
 - a) True
 - b) False
3. Financial services involve selling physical consumer goods directly to customers.
 - a) True
 - b) False
4. Commercial banks are the only source of funds in crowd funding models.
 - a) True
 - b) False
5. Cooperative Banks primarily serve rural areas and support agriculture-related financial needs.
 - a) True
 - b) False

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

1. Scope of Financial Services
2. NBFCs in the Financial System
3. Regulatory Framework of Insurance Services in India
4. Asset Management Companies
5. Advantages of blockchain in financial services

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. Compare banks and NBFCs in terms of their structure, functions, and regulatory framework.
3. Describe how insurance helps in reducing financial uncertainty.
4. Judge the effectiveness of SEBI guidelines in safeguarding investor interests.

Q. 5. (15)

Neha, a 29-year-old entrepreneur from Mumbai, runs a growing fashion retail business that includes a physical boutique in a popular shopping district and an online store catering to customers across India. When she began her business, Neha relied heavily on cash payments and manual billing systems. This resulted in frequent errors, slow transaction processing, and difficulty in tracking daily sales and inventory. Reconciliation between cash and bank deposits was time-consuming and often inaccurate.

With the rapid growth of digital financial services and increased consumer preference for cashless transactions, Neha decided to modernize her payment systems. She introduced QR-code-based payments, POS machines, and integrated digital accounting software that automatically synced with her bank account. This move significantly reduced transaction time, improved operational efficiency, and provided real-time sales data, enabling her to make quicker business decisions.

However, during festive seasons and new collection launches, Neha faced difficulties in managing working capital. Her application for a traditional bank loan was rejected due to insufficient credit history and lack of collateral. Determined to continue expanding, she turned to Buy Now Pay Later (BNPL) platforms and digital micro-loan services offered by FinTech companies. These tools allowed her to purchase inventory in advance and repay in flexible installments.

As her business became more profitable, Neha began exploring investment options. Instead of relying solely on savings accounts, she started investing in Systematic Investment Plans (SIPs) and Exchange-Traded Funds (ETFs) through mobile investment apps. Recognizing the risks of online fraud and data breaches, she also secured cyber insurance to protect customer data and financial records.

Questions

1. How did digital financial tools improve Neha's operational efficiency and sales performance?
 2. What are the benefits and challenges of using BNPL and digital micro-loans for business growth?
 3. Why is cyber insurance becoming essential for online retail businesses?
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