

TILAK MAHARASHTRA VIDYAPEETH, PUNE
BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.)(071)
EXAMINATION: MAY - 2026
SEMESTER - V
Sub.: Financial Services (BBA23-514-FM)

Date : 26/05/2026**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 a primary market instrument?
 - a) Equity shares issued in IPO
 - b) Shares traded on stock exchange
 - c) Government bonds already issued
 - d) Mutual fund units traded in market
2. Which institution regulates insurance companies in India?
 - a) RBI
 - b) SEBI
 - c) IRDAI
 - d) NABARD
3. Which financial service helps in managing risk?
 - a) Leasing
 - b) Insurance
 - c) Factoring
 - d) Merchant banking
4. Which of the following is an example of a FinTech service?
 - a) Manual bookkeeping
 - b) Digital lending platforms
 - c) Physical share certificates
 - d) Cash payments
5. Which of the following is NOT a function of a stock exchange?
 - a) Providing liquidity
 - b) Price discovery
 - c) Issuing currency
 - d) Facilitating trading

Q. 2. State True / False (05)

1. Mutual funds are managed by professional fund managers.
 - a) True
 - b) False
2. Digital payments reduce transaction time and cost.
 - a) True
 - b) False
3. Insurance eliminates all types of risk completely.
 - a) True
 - b) False
4. Financial services include both banking and non-banking activities.
 - a) True
 - b) False
5. SIP allows lump-sum investment only.
 - a) True
 - b) False

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

1. Financial Services – Meaning & Importance
2. Types of Insurance
3. Mutual Fund
4. Digital Payment Systems
5. Role of SEBI

Q. 4. Answer in detail (Any Two)

(20)

1. Analyze the impact of financial services on industrial development and employment generation.
2. Discuss the importance of insurance in financial planning.
3. Differentiate between primary and secondary markets with respect to their functions and significance. Money Market (short-term funds).
4. Elaborate the advantages and challenges of FinTech in modern financial systems.

- Q. 5.** Nishigandha, an entrepreneur from Mumbai, manages a small online boutique catering to customers across different cities. In the initial stages, she depended heavily on cash transactions and conventional banking methods. This approach created several challenges, including difficulty in tracking daily sales and expenses, frequent delays in receiving customer payments, and inefficiencies in maintaining financial records manually. As her business expanded, these issues began affecting her cash flow and overall financial control. **(15)**

To streamline her operations, Nishigandha adopted digital payment solutions such as UPI and mobile wallets. She also implemented accounting software to systematically record and monitor her income and expenditures. These technological upgrades enabled her to maintain accurate financial records, reduce errors, and significantly improve the speed of transactions. As a result, her cash flow became more stable and transparent.

Understanding the importance of financial security and future planning, Nishigandha began investing regularly in mutual funds through Systematic Investment Plans (SIPs). Additionally, she purchased health insurance to safeguard herself against unexpected medical expenses. These proactive financial decisions not only reduced her risk exposure but also helped her build long-term wealth, ensuring greater financial stability and business sustainability.

Questions :

1. How did digital payment systems improve Nishigandha's business?
 2. What are the benefits of investing through SIPs?
 3. Why is insurance important for entrepreneurs?
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