

JK LAKSHMIPAT UNIVERSITY, JAIPUR
INSTITUTE OF MANAGEMENT
End Term Examination, May 2025
B.B.A., Semester II, 2024-25

Roll No.....

FA1130: Introduction to Banking and Fintech

Time: 2 Hours

Max. Marks: 40

Instructions to students:

1. It is a closed-book and closed-notes exam.
2. Do not write anything other than your roll number on the question paper.
3. The question paper has **three sections, A, B, and C. Section A has five short-answer questions, Section B has six descriptive answer questions, and Section C has two questions based on a case.**

Section A

(Answer all questions in 50 words each. All questions carry equal marks)

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| Q. 1.1 What are the perils in insurance? | 1.0 Mark
(LO1, 3) |
| Q. 1.2 What is ULIP? | 1.0 Mark
(LO1, 4) |
| Q. 1.3 What is UPI123Pay? | 1.0 Mark
(LO5) |
| Q. 1.4 What are neobanks? Name any two neobanks currently offering services in India. | 1.0 Mark
(LO5) |
| Q. 1.5 What is BNPL? | 1.0 Mark
(LO5) |

Section B

(Answer any 5 questions in 250 words each. All questions carry equal marks)

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| Q. 2 What are the ethical implications of misapplying or misrepresenting fundamental insurance principles? Support your answer with examples. | 5.0 Marks
(LO1,3) |
| Q. 3 What is the significance of public insurance schemes in promoting inclusive growth and social welfare in India? | 5.0 Marks
(LO3) |
| Q. 4 Explain the structure, powers, and jurisdiction of SEBI under the SEBI Act, 1992. How has its authority evolved over time? | 5.0 Marks
(LO4) |
| Q. 5 How has digitalization and fintech innovation impacted the mutual fund distribution and investment landscape in India? | 5.0 Marks
(LO1,4) |
| Q. 6 Explain the various fintech innovations adopted by the banks. How have these innovations improved customer experience? | 5.0 Marks
(LO1,5) |
| Q. 7 How did the COVID-19 pandemic act as a catalyst for fintech integration in Indian banking? Discuss with reference to changing customer expectations and bank responses. | 5.0 Marks
(LO1,5) |

Section C

(Read the case and answer the questions asked in 150 words. All questions carry equal marks)

CRED, founded in 2018 by entrepreneur Kunal Shah, is a Bengaluru-based fintech startup that has carved out a unique space in India's digital finance landscape. Unlike many fintech platforms that focus on financial inclusion for the unbanked or underserved, CRED targets a premium segment: individuals with a high credit score (750+). Its core offering is simple yet innovative—it enables users to pay their credit card bills through the app and rewards them with “CRED coins.” These coins can be redeemed for curated offers, exclusive products, or experiences from partner brands. By gamifying bill payments and adding a layer of lifestyle-driven engagement, CRED has reimagined the credit card experience. The platform has since expanded its services to include CRED Cash (instant personal loans), CRED RentPay (rent payment via credit card), and CRED Mint (a peer-to-peer lending product). This diversification has helped it transition from a single-feature app to a broader financial ecosystem for India's top-tier credit users.

CRED has attracted major investments from global venture capital firms, quickly becoming one of India's fintech unicorns. However, its high customer acquisition costs and reliance on a reward-heavy model have raised questions about long-term profitability. Despite these concerns, CRED's brand positioning, sleek UX, and trust-driven community have made it a standout in India's fintech sector.

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| Q. 8 | Evaluate the effectiveness of CRED's reward-based customer engagement model. Is it sustainable in the long term? | 5.0 Marks
(LO1,5) |
| Q. 9 | Compare CRED's business model with other Indian fintech startups targeting the credit or payment space. What makes CRED unique or vulnerable? | 5.0 Marks
(LO1,5) |
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****End of Paper****