



# Delhi Public School, Howrah

PERIODIC TEST I - (2024-2025)

Class-XI

Care must be taken not to write anything on the question paper. All the questions must be attempted in the correct sequence.

**SUBJECT: FINANCIAL MARKETS MANAGEMENT (CODE-805)**

**Time Allowed: - 3 Hours**

**Maximum Marks - 60**

## General Instructions:

1. Please read the instructions carefully.
2. This Question Paper consists of **24 questions** in two sections – Section A & Section B.
3. Section A has Objective type questions whereas Section B contains Subjective type questions.
4. **Out of the given (6 + 18 =) 24 questions, a candidate has to answer (6 + 11 =) 17 questions in the allotted (maximum) time of 3 hours.**
5. All questions of a particular section must be attempted in the correct order.
6. **SECTION A - OBJECTIVE TYPE QUESTIONS (30 MARKS):**
  - i. This section has 06 questions.
  - ii. There is no negative marking.
  - iii. Do as per the instructions given.
  - iv. Marks allotted are mentioned against each question/part.
7. **SECTION B – SUBJECTIVE TYPE QUESTIONS (30 MARKS):**
  - i. This section contains 18 questions.
  - ii. A candidate has to do 11 questions.
  - iii. Do as per the instructions given.
  - iv. Marks allotted are mentioned against each question/part.

## SECTION A: OBJECTIVE TYPE QUESTIONS

| Q.1  | Answer any 4 out of the given 6 questions on Employability skills (1 x 4 = 4 marks)   | MARKS |
|------|---|-------|
| I.   | Unclear assumptions in a communication process can lead to _____ and _____.<br>a) premature evaluation, poor listening<br>b) lack of planning, physical barriers<br>c) information overload, selective perception<br>d) confusion, misunderstanding | 1     |
| II.  | What makes you complete your work or studies without others cheering you?<br>a) Self-confidence<br>b) Communication<br>c) Self-motivation<br>d) Self-esteem   | 1     |
| III. | _____ is the habit or practice of keeping ourselves clean.<br>a) Personal hygiene<br>b) Team Work<br>c) Networking Skill<br>d) Self-motivation  | 1     |

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| IV. | Which of the following is not a stage of active listening?<br>a) Receiving<br>b) Understanding<br>c) Non-responding<br>d) Evaluating  | 1 |
| V.  | Sreya did a project very well. Now she is collecting feedback, insights into her work-specific proficiencies. This is called:<br>a) Self-Awareness<br>b) Responsibility<br>c) Time-Management<br>d) Adaptability                  | 1 |
| VI. | Which of these is not an appropriate non-verbal communication at work?<br>a) Putting arm around a coworker's shoulder<br>b) Shaking hands firmly<br>c) Looking at the speaker with a smile<br>d) Standing with an upright posture | 1 |

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| <b>Q.2 Answer any 5 out of the given 7 questions (1 x 5 = 5 marks)</b> |  |   |
| I.   | What is an Investor Protection Fund?   | 1 |
| II.  | Which one of the following is not correct?<br>a) Invest early<br>b) Invest regularly<br>c) Invest for long term and not short term<br>d) Invest for short term and not long term   | 1 |
| III.   | Mention one similarity between Bank and Depository.  | 1 |
| IV.  | Statement I: Demutualisation refers to the legal structure of an exchange whereby the ownership, the management and the trading rights at the exchange are segregated from one another.<br>Statement II: Demutualisation refers to the process by which a public share company converts into a mutual company.<br>Choose the correct option from the following.<br>a) Statement I is true and Statement II is false.<br>b) Statement II is true and Statement I is false.<br>c) Both Statement I and Statement II are true.<br>d) Both Statement I and Statement II are false. | 1 |
| V.   | It is a product whose value is derived from the value of one or more basic variables, called underlying asset.<br>a) ULIP<br>b) Bonds<br>c) Shares<br>d) Derivative  | 1 |
| VI.  | Which of the following is/are not short-term investments?<br>a) Money market fund<br>b) Saving account<br>c) Public Provident fund<br>d) Fixed deposits  | 1 |
| VII.   | Which of the following is not a Debt instrument?<br>a) Treasury Bills<br>b) Convertible Bonds<br>c) Right Shares<br>d) Zero Coupon Bond  | 1 |

| <b>Q.3 Answer any 6 out of the given 7 questions (1 x 6 = 6 marks)</b> |   |   |
|--|---|---|
| I.   | Which of the following is a function of SEBI?<br>a) Prohibiting fraudulent and unfair trade practices.<br>b) Registering and regulating the working of stock brokers, sub-brokers etc.<br>c) Conducting inquiries and audits of the stock exchanges.<br>d) All of the above | 1 |
| II.  | The Draft Offer Document is available on the SEBI website for public comments for a period of _____ from the filing of the Draft Offer Document with SEBI.<br>a) 15 days<br>b) 21 days<br>c) 7 days<br>d) 30 days   | 1 |
| III.   | What is a Stock Split?  | 1 |
| IV.  | _____ is the process by which physical certificates of an investor are converted to an equivalent number of securities in electronic form.<br>a) Materialization<br>b) Rematerialization<br>c) Conversion<br>d) Dematerialization   | 1 |
| V.   | The price band in book building is decided by _____.<br>a) The market regulator<br>b) The Stock Exchange<br>c) The issuing company in consultancy with Merchant Bankers<br>d) Controller of Capital Issue   | 1 |
| VI.  | What is the minimum period of investment in Fixed Deposit?  | 1 |
| VII.   | _____ is basically a process used in IPOs for efficient price discovery.<br>a) Normal public issue<br>b) Book Building Process<br>c) Reverse Book Building<br>d) Buy Back   | 1 |

| <b>Q.4 Answer any 5 out of the given 6 questions (1 x 5 = 5 marks)</b> |  |   |
|--|--|---|
| I.   | What is an 'Abridged Prospectus'?  | 1 |
| II.  | IPO Stands for _____<br>a) Initial private offering<br>b) Initial Public offering<br>c) Initial post offering<br>d) Initial private offering   | 1 |
| III.   | What is cut-off price?   | 1 |
| IV.  | A is a professionally managed type of collective investment scheme that pool money from many investors and invests it in stocks, bonds, short-term money market instruments and other securities. Identify the instrument.<br>a) Debentures<br>b) Post office savings<br>c) Bank deposit<br>d) Mutual Fund | 1 |
| V.   | What are the factors that determine Interest Rate?<br>a) Demand for Money<br>b) Supply of Money<br>c) Deflation rate   | 1 |

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|  | d) Both a & b   |   |
| VI.  | What is an ISIN?  | 1 |
| <b>Q.5 Answer any 5 out of the given 6 questions (1 x 5 = 5 marks)</b> |   |   |
| I.   | Type of structured market through which funds flow with help of financial instruments such as bonds and stocks is classified as _____.<br>a) Financial markets<br>b) Non-financial markets<br>c) Funds market<br>d) Flow market                 | 1 |
| II.  | A company submits its prospectus to _____ for its approval.<br>a) RBI<br>b) SEBI<br>c) Merchant Banker<br>d) DCA  | 1 |
| III.   | Primary and secondary markets develop simultaneously because they<br>a) Complement each other.<br>b) Complement with each other<br>c) Control each other.<br>d) Function independently.   | 1 |
| IV.  | Markets in which transactions are done through computers and telephone without any specific location, are classified as _____.<br>a) past counter market<br>b) future counter market<br>c) over the counter market<br>d) capital counter market | 1 |
| V.   | SEBI was established in which year?<br>a) 1990<br>b) 1989<br>c) 1992<br>d) 1988   | 1 |
| VI.  | The type of market in which securities with less than one year maturity are traded, is classified as _____.<br>a) money market<br>b) capital market<br>c) transaction market<br>d) secondary market   | 1 |
| <b>Q.6 Answer any 5 out of the given 6 questions (1 x 5 = 5 marks)</b> |   |   |
| I.   | The primary market provides the channel for sale of new securities. They may issue the securities at premium mean _____.<br>a) Above the face value<br>b) Below the face value<br>c) At the face value<br>d) Without face value                 | 1 |
| II.  | Can electronic holdings be converted into Physical certificates?  | 1 |
| III.   | From the below-mentioned items which are financial assets?<br>a) Machines<br>b) Bonds<br>c) Stocks<br>d) Both b) and c)   | 1 |
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| IV. | When securities are allotted to institutional investors & some selected individuals is referred to as _____.<br>a) Initial public offer<br>b) Offer through prospectus<br>c) Private placement<br>d) Offer for sale | 1 |
| V.  | What is the maximum brokerage that a broker can charge?   | 1 |
| VI. | The settlement cycle in NSE is _____.<br>a) T + 2<br>b) T + 5<br>c) T + 3<br>d) T + 1   | 1 |

### SECTION B: SUBJECTIVE TYPE QUESTIONS

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| <b>Answer any 3 out of the given 5 questions on Employability Skills. Answer each question in 20-30 words (2 x 3 = 6 marks)</b> |   |   |
| Q.7   | Briefly explain four steps for effective Time Management.   | 2 |
| Q.8   | State any two features of Passive-Aggressive Communication Style.                                 | 2 |
| Q.9   | Distinguish between interests and abilities.  | 2 |
| Q.10  | How does non-verbal communication make our message stronger?                                      | 2 |
| Q.11  | "Self-Motivation is significant in building one's personality". Comment by giving any two points. | 2 |

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| <b>Answer any 3 out of the given 5 questions in 20-30 words (2 x 3 = 6 marks)</b> |   |   |
| Q.12  | Explain Global Depository Receipts(GDR).                          | 2 |
| Q.13  | What is Contract Note?  | 2 |
| Q.14  | Mention any two functions of Securities Market.                   | 2 |
| Q.15  | Why does securities market need regulators?                       | 2 |
| Q.16  | What is Screen Based Trading system? Explain one of its benefits. | 2 |

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| <b>Answer any 2 out of the given 3 questions in 30– 50 words each (2 x 3 = 6 marks)</b> |   |   |
| Q.17  | Briefly analyse the important steps which are usually undertaken by an investor.          | 3 |
| Q.18  | What is SEBI SCORES? Mention it's feature.  | 3 |
| Q.19  | State and explain various types of Short-Term financial options available for investment. | 3 |

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| <b>Answer any 3 out of the given 5 questions in 50-80 words each (4 x 3 = 12 marks)</b> |  |     |
| Q.20  | What is the main difference between offer of shares through Book Building and offer of shares through normal public issue?   | 4   |
| Q.21  | Differentiate between Primary market and Secondary market.   | 4   |
| Q.22  | What is the difference between Equity shareholders and Preference shareholders?  | 4   |
| Q.23  | Rajni Auto manufacturers have decided to give a special privilege to the existing shareholders to subscribe to the new issue of shares where they will be given shares according to the proportion of shares held by them. The company always gives special treatment to loyal stakeholders. Last year the | 1+3 |

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|             | <p>company was dealing through the capital market where both the buying and selling of securities were taking place. The owner of the company is a man of ethical business. He recently wrote an article about the watchdog of stock market. The article gained a lot of popularity and now is part of the curriculum of MBA students.</p> <p>Which watchdog of the capital market has been referred in the above case? Briefly describe its functions.</p>   |   |
| <b>Q.24</b> | <p>The securities market essentially has three categories of participants, namely, the issuers of securities, investors in securities and the intermediaries, such as merchant bankers, brokers etc. It is advisable to conduct transactions through an intermediary. If a person needs to transact through a trading member of a stock exchange, then he/she intends to buy or sell any security on stock exchanges.</p> <ol style="list-style-type: none"> <li>1. Elucidate the term “intermediary”.</li> <li>2. In which act is it advisable to conduct transactions through an intermediary on stock exchanges?</li> <li>3. How does an investor find out the list of registered intermediaries?</li> <li>4. Which are the securities one can invest in?</li> </ol> | 4 |