16.09.25

Delhi Public School, Howrah

PERIODIC ASSESSMENT II - (2025-2026)

Class-X

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

SUBJECT: INTRODUCTION TO FINANCIAL MARKETS (CODE - 405)

Time Allowed: - 2 Hours **Maximum Marks - 50**

General Instructions:

1. Please read the instructions carefully.
2. This Question Paper consists of **21 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 (5 + 16 =) 21 questions, a candidate has to answer (5 + 10 =) 15 questions inthe allotted (maximum) time of 2 hours.**
5. All questions of a particular section must be attempted in the correct order.
6. **SECTION A - OBJECTIVE TYPE QUESTIONS (24 MARKS):**
   i. This section has 05 questions.
   ii. Marks allotted are mentioned against each question/part.
   iii. There is no negative marking.
   iv. Do as per the instructions given.
7. **SECTION B – SUBJECTIVE TYPE QUESTIONS (26 MARKS):**
   i. This section has 16 questions.
   ii. A candidate has to do 10 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)

i. Which of these is an example of positive feedback? 1

A) You keep forgetting to smile at the guests.
B) Great job! You finished the work perfectly.
C) You take too long to reply to emails.
D) No comment given.

ii. When superior–subordinate relationships restrict the free flow of communication in an organisation, it is a____________________ 1

A) Physical barrier
B) Interpersonal barrier
C) Organisational barrier
D) Cultural barrier

iii. Which of the following is the first step towards self-development? 1

A) Time management
B) Responsibility
C) Self-awareness
D) Adaptability

iv. Being flexible, staying updated with new practices and preparing for changes reflects__________. 1

A) Professionalism
B) Adaptability
C) Stress
D) Discipline

v. A virus that replicates itself and spreads to all files is called________________. 1

A) Trojan Horse
B) Worm
C) Malware
D) Online predator

vi. What happens if you leave a device plugged in even after it is charged 100%? 1

Q. 2 Answer any 5 out of the given 6 questions (1 x 5 = 5 marks)

i. One of the golden rules of investment is______________. 1

A) Invest irregularly
B) Invest only in the short term
C) Invest early and regularly for long term
D) Avoid compounding

ii. Interest charged for borrowing money is usually expressed as: 1

A) A percentage of the loan principal
B) A fixed monthly fee
C) A variable unrelated charge
D) A government subsidy

iii. Which of the following option is the correct example of Savings accounts, liquid funds, and bank fixed deposits? 1

A) Long-term investments
B) Physical assets
C) Short-term financial investment options
D) Equity instruments

iv. State any two reasons for investing. 1

v. Inflation primarily affects investments by: 1

A) Reducing the value of money over time
B) Increasing the real rate of return
C) Making fixed deposits more attractive
D) Eliminating the need to invest

vi. State any two precautions a person should take before investing. 1

Q. 3 Answer any 5 out of the given 6 questions (1 x 5 = 5 marks)

i. Securities Market provides a channel for: 1

A) Saving money in banks
B) Reallocation of savings to investments and entrepreneurship
C) Investing only in gold and real estate
D) Keeping idle cash at home

ii. SEBI was established under which Act? 1

iii. How would you define derivatives in simple terms? 1

iv. Which of the following is not included in the definition of Securities under SCRA, 1956? 1

A) Shares
B) Bonds
C) Real Estate Property
D) Government Securities

v. Which of the following is a customized contract and not traded on exchanges? 1

A) Futures
B) Options
C) Warrants
D) Forwards

vi. In options trading, the price paid by the buyer to acquire the right to buy or sell is called______________. 1

A) Strike price
B) Spot price
C) Option premium
D) Contract value

Q.4 Answer any 5 out of the given 6 questions (1 x 5 = 5 marks)

i. The minimum balance of securities required in a demat account is______________. 1

A) 10 shares
B) 100 shares
C) No minimum balance required
D) 50 shares

ii. What is a Custodian? 1

iii. Who appoints Depository Participants (DPs)? 1

iv. ISIN stands for________________. 1

A) International Securities Identification Number
B) Indian Securities Investment Number
C) International Stock Index Number
D) Investment Security Identification Number

v. The process of converting dematerialised securities back into physical form is called____________. 1

A) Dematerialisation
B) Rematerialisation
C) Consolidation
D) Transmission

vi. Which of the following is a benefit of investing in mutual funds? 1

A) Professional fund management
B) Guaranteed returns
C) Investment in only one stock
D) No risk

Q.5 Answer any 5 out of the given 6 questions (1 x 5 = 5 marks)

i. In mutual fund investment, the growth plan means: 1

A) Returns are reinvested and income distributions are minimal
B) Regular dividend is paid
C) Funds are invested only in government securities
D) Fund manager decides on passive investment

ii.	Which type of mutual fund invests mainly in money market instruments for short-term investments?	1
iii.	What is NAV in mutual funds?	1
iv.	Which type of mutual fund is listed on stock exchanges and can be redeemed only on a fixed date? A) Open-ended Funds B) Close-ended Funds C) Equity Funds D) Debt Funds	1
v.	An actively managed fund is one where __________________. A) Investments are based on index only B) Fund manager actively selects securities based on research C) Returns are guaranteed D) Investments are fixed in government bonds only	1
vi.	Which mutual fund invests mainly in government securities? A) Equity Funds B) Gilt Funds C) Liquid Funds D) Balanced Funds	1

SECTION B: SUBJECTIVE TYPE QUESTIONS

Answer any 3 out of the given 5 questions on Employability Skills. Answer each question in 20 – 30 words. (2 x 3 = 6 marks)

Q. 6	Give two examples of file extensions and their uses.	2
Q. 7	Suggest two measures to protect data on a computer.	2
Q. 8	Mention any two qualities of self-motivated people.	2
Q. 9	What is internal motivation?	2
Q. 10	What does maintaining eye contact during communication show?	2

Answer any 4 out of the given 6 questions in 20 – 30 words each (2 x 4 = 8 marks)

Q. 11	What is Dematerialization?	2
Q. 12	Write two differences between forwards and futures.	2
Q. 13	List any two benefits of participating in a depository.	2
Q. 14	Mention two types of risks associated with mutual fund investments.	2
Q. 15	Explain the difference between Growth Plan and Dividend Plan in mutual funds.	2
Q. 16	Give two characteristics of open-ended and close-ended mutual funds.	2

Answer any 3 out of the given 5 questions in 50– 80 words each (4 x 3 = 12 marks)

Q. 17	Explain the role of SEBI in regulating the Securities Market.	4
Q. 18	Explain the difference between Call and Put options with example.	4
Q. 19	List the rights of a mutual fund investor in India.	4
Q. 20	Classify mutual funds on the basis of objective and briefly explain any two types.	4
Q. 21	Why does the Securities Market need Regulators? Explain.	4