19.09.25

Delhi Public School, Howrah

PERIODIC TEST II - (2025-2026)

Class-XII

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)**

I. In the RESPECT acronym of active listening, **'C'** stands for ____________. 1

A. concentration
B. clarify doubts
C. communication
D. control emotions

II. Neha had a tough interview and was rejected for her dream job. She decided to practise more and apply again with confidence. This situation reflects ____________. 1

A. lack of motivation
B. stress mismanagement
C. optimism and persistence
D. negative thinking

III. Once a shape is inserted in a slide, which tab allows you to change its colour, size, position, and direction? 1

A. Layout Tab
B. Properties Tab
C. Design Tab
D. Slide Show Tab

IV. Self-doubt in entrepreneurship is caused due to ____________. 1

A. lack of financial resources only
B. confidence in one's abilities
C. feeling discouraged when something goes wrong
D. availability of skilled labour

V. A young entrepreneur uses her past experience of organizing local events to start an event management company. This illustrates ____________. 1

A. Using personal experiences to identify opportunities
B. Avoiding risks
C. Waiting for market trends only
D. Working as a wage-employed person

VI. Why is goal setting important for an entrepreneur? 1

A. It helps avoid hard work.
B. It gives direction, motivation, and a target to achieve.
C. It allows one to procrastinate.
D. It reduces responsibility.

Q.2 **Answer any 5 out of the given 7 questions (1 x 5 = 5 marks)**

I. How many securities can a user set up in the Market Watch, and how many can be viewed on a single page? 1

II. Which entity provides settlement accounts and real-time gross settlement (RTGS) facilities to clearing members? 1

A. Depositories
B. Clearing Banks
C. Brokers
D. Custodians

III. Settlement is deemed complete when ____________. 1

A. NSCCL determines members' obligations
B. Custodian confirms trade settlement
C. Pay-out of funds and securities is released to members
D. Broker matches buy and sell orders

IV. Given below are two statements, one labelled as Statement I and the other labelled as Statement II. 1
Statement I: When an order enters the trading system and does not find a match, it becomes a passive order and is stored in the order book.
Statement II: Price/time priority means that orders with the best price get higher priority, and if prices are the same, the order entered last gets higher priority.
Choose the correct option from the following.

A. Statement I is true and Statement II is false.
B. Statement II is true and Statement I is false.
C. Both Statement I and Statement II are true.
D. Both Statement I and Statement II are false.

V. In the Limited Physical Market, a short delivery of more than 500 shares is ___________. 1

A. Settled in the next cycle
B. Sent back to the seller
C. Compulsorily closed-out
D. Converted into demat form

VI. Which of the following trades are cleared only in demat mode in NSE? 1

A. Limited Physical Market trades
B. Inter-Institutional Deals
C. Trade-for-trade basis transactions
D. Auction trades

VII. Who can request trade cancellation from the Previous Trades screen? 1

Q.3 **Answer any 6 out of the given 7 questions (1 x 6 = 6 marks)**

I. The Client Allocation Details (CADT) report contains: 1

A. Delivery and receipt centre details
B. Client-wise direct credit of securities into beneficiary accounts
C. Securities withheld for members
D. Trades executed by custodians

II. Which report is downloaded at the end of the auction trading day and shows when auctioned deliveries' valuation price exceeds the traded price? 1

A. Auction Square Up Debit Statement
B. Auction Square Up Credit Statement
C. Auction Difference Statement
D. Settlement Calendar

III. How are buy and sell orders displayed in the MBP screen? 1

IV. The Corporate Action Report downloaded from NSCCL provides ____________. 1

A. Details of all security trades
B. Information on dividends, AGM, book closure, record dates
C. Client allocation of securities pay-out
D. Settlement bank transactions

V. The Member Wise STT file (MWST) contains: 1

A. Client-wise delivery instructions
B. Securities Transaction Tax details
C. Auction settlement details
D. Corporate action adjustments

VI. Can the Outstanding Orders screen be dynamically updated? Justify in brief. 1

VII. How can a user view the status of a specific order if they do not know the order number? Elucidate in brief. 1

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

I. How is the security status indicated in the Market Inquiry screen? 1

II. The Member Wise STT file (MWST) contains: 1

A. Client-wise delivery instructions
B. Securities Transaction Tax details
C. Auction settlement details
D. Corporate action adjustments

III. Can the Basket Trading facility be used for newly listed securities? 1

IV. Who among the following is a clearing member but not a trading member? 1

A. Investor
B. Depository
C. Broker
D. Custodian

V. In the settlement process, "pay-in of securities" means: 1

A. Depository credits securities to investors directly
B. NSCCL instructs banks to debit securities accounts
C. NSCCL distributes securities to buyers
D. Depository debits CMs'/custodians' pool accounts and credits NSCCL

VI. Describe the purpose of the Basket Trading feature in the NEAT system. 1

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

I. State the formula to calculate the Future Value (FV) of a single sum. 1

II. Membership segments available for persons or institutions in NSE include all except: 1

A. Capital Market (CM)
B. Futures & Options (F&O)
C. Cryptocurrency Segment
D. Wholesale Debt Market (WDM)

III. Interest Free Security Deposit (IFSD) has to be in ____________. 1

A. Cash only
B. Demat securities only
C. Fixed deposits only
D. Cash or non-cash form

IV. Which of the following requires prior approval from NSE? 1

A. Inter-se transfer of shareholding among dominant promoters
B. Changes in public shareholding of listed companies
C. Admission of new trading member
D. Both B and C

V. The net worth of a trading member is calculated as__________. 1

A. Capital + free reserves – non-allowable assets
B. Total assets – total liabilities
C. Paid-up capital + collateral deposits
D. Liquid assets – bad debts

VI. How does the system allocate the amount entered by the user among the securities in a portfolio? 1

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

I. Which of the following can be viewed in the Previous Trades window? 1

A. Trades executed by other dealers in all branches
B. All trades under a specific dealer and client (Corporate Manager)
C. Trades from another trading member
D. Only trades cancelled

II. An investor has multiple accounts with different trading members. One of the trading members notices that the investor has defaulted with another broker. Can the TM accept new orders from this investor? 1

III. How are buyback orders identified in MBP? 1

A. By bold text
B. By an asterisk (*)
C. By a different colour
D. By a dash (-)

IV. Which feature is not available in the Outstanding Orders screen? 1

A. View order status
B. Modify orders
C. Cancel orders
D. Dynamically update orders

V. Which of the following refers to analysing how the industry as a whole is performing, including government policies and demand prospects? 1

A. Financial Analysis
B. Corporate Analysis
C. Industry Analysis
D. Shareholder Analysis

VI. Earnings Per Share (EPS), Price-to-Earnings (P/E) ratio, and equity size are used mainly in__________. 1

A. Corporate Analysis
B. Financial Analysis
C. Industry Analysis
D. Government Policy Review

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.7 A student avoids participating in class discussions because she fears being embarrassed or criticised. Identify the personality disorder and suggest a way to manage it. 2

Q.8 Which default file format does LibreOffice Impress use to save a spreadsheet? Name another format in which it can be saved. 2

Q.9 List any three ways by which aspiring entrepreneurs can identify business opportunities. 2

Q.10 How can interpersonal skills help an entrepreneur in business? 2

Q.11 Elucidate any four qualities that motivate an entrepreneur. 2

Answer any 3 out of the given 5 questions in 20-30 words (2 x 3 = 6 marks)

Q.12 What are initial disclosures required under Insider Trading Regulations? 2

Q.13 Define market capitalization and explain how it is calculated. 2

Q.14 How are equity shares treated as liquid assets for risk management purposes? 2

Q.15 How does the Market Watch screen indicate a change in price or quantity? 2

Q.16 2

Outstanding Expenses	Rs. 25,000
Prepaid Expenses	Rs. 3,50,000
Trade Payables	Rs. 14,00,000
Inventory	Rs. 11,00,000
Trade Receivables	Rs. 10,00,000
Cash in hand	Rs. 15,00,000

You are required to calculate *Quick Ratio*.

Answer any 2 out of the given 3 questions in 30– 50 words each (2 x 3 = 6 marks)

Q.17 Discuss the objectives and key provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015. 3

Q.18 A sub-broker introduces a client to a stock broker. After a trade, the client complains about a delayed contract note. Who is responsible for issuing the contract note, and what is the role of the sub-broker? 3

Q.19 A branch manager wants to monitor and restrict a dealer's trading activity. Which features of the NEAT system enable a branch manager to monitor and control the trading activities of dealers under their branch? 3

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

Q.20 Discuss how SEBI protects investors from market manipulation with reference to the 2003 Regulations. 4

Q.21 Discuss the role of different agencies in the Clearing and Settlement Process of NSE. 4

Q.22 An investor places multiple orders during the pre-open session for stock ABC. Some orders are limit orders while others are market orders. Explain how the NEAT system processes these orders to determine the opening price. What happens to orders that remain unexecuted during the pre-open session? Give suitable example. 4

Q.23 Describe the key market segments and products traded on the NSE. 4

Q.24 4

Outstanding Expenses	Rs. 50,000
Prepaid Expenses	Rs. 3,00,000
Trade Payables	Rs. 18,00,000
Inventory	Rs. 12,00,000
Trade Receivables	Rs. 11,00,000
Cash in hand	Rs. 17,00,000
Revenue from operations	Rs. 24,00,000
Gross Profit Ratio	12%

You are required to calculate the following. (Any two)

i) *Current Ratio*
ii) *Inventory Turnover Ratio*
iii) *Cost of Revenue from Operation.*