Delhi Public School, Howrah

PERIODIC ASSESSMENT III - (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:

(i) Please read the instructions carefully.

(ii) This Question Paper consists of **21 questions** in two sections- Section A & Section B.

(iii) Section A has objective-type questions, whereas Section B contains subjective-type questions.

(iv) **Out of the given (5 + 16 =) 21 questions, a candidate has to answer (5 + 10 =) 15 questions in the allotted (maximum) time of 2 hours.**

(v) All questions of a particular section must be attempted in the correct order.

(vi) **Section - A – Objective Type Questions (24 Marks):**

- This section has 05 questions.
- There is no negative marking.
- Do as per the instructions given.
- Marks allotted are mentioned against each question/part.

(vii) **Section – B - Subjective Type Questions (26 Marks):**

- This section contains 16 questions.
- A candidate has to do 10 questions.
- Do as per the instructions given.
- 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 the following BEST represents the combination of skills required for successful entrepreneurship?

A. Confidence, rigidity, poor communication
B. Creativity, leadership, problem-solving
C. Laziness, overconfidence, ignorance
D. Fear of failure, confusion, procrastination

(ii) Raj is working on a long Word document and wants to move to the next page without pressing Enter multiple times. Which shortcut should he use?

A. Ctrl + Enter
B. Shift + Enter
C. Alt + Enter
D. Ctrl + Shift + Enter

(iii) Which of the following BEST describes "personal branding" for a student or professional?

A. Posting selfies on social media
B. Presenting unique skills, behaviour and values that make you stand out
C. Dressing in expensive clothes
D. Maintaining a long contact list

(iv) Which example correctly represents ethical behaviour at the workplace?

A. Installing cracked software to save money
B. Sharing confidential files with friends
C. Acknowledging others' work and giving due credit
D. Using office computer for personal gaming

(v) A student creates a weekly study timetable but fails to follow it due to a lack of discipline. What key component of time management is missing?

A. Prioritisation
B. Goal setting
C. Self-motivation
D. Breaks and relaxation

(vi) Entrepreneurs identify gaps in the market and create products to fill them. This ability is known as_____

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

(i) Which of the following is a long-term investment option?

A. Liquid funds
B. Savings bank account
C. Public Provident Fund
D. 30-day bank deposit

(ii) The value of a derivative is derived from an _____.

(iii) Study of how a sector behaves, including policies and demand, is called_____.

(iv) Which of the following is NOT a part of Annual Report?

A. Director's Report
B. Auditors' Report
C. Profit & Loss Statement
D. GST Return Statement

(v) Which of the following is a profitability ratio?

A. Current Ratio
B. Acid-Test Ratio
C. Debt-Asset Ratio
D. Net Profit Ratio

(vi) Current ratio is computed as_____

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

(i) Debt/Income Funds are best suited for_____.

A. High-risk investors
B. Medium to long-term risk-averse investors
C. Short-term traders
D. Only retired persons

(ii) Which mutual fund document provides complete details to investors?

(iii) Which of the following is NOT a function of a depository?

A. Safe-keeping of securities
B. Transfer of securities
C. Handling physical certificates
D. Facilitating ownership change of securities

(iv) Do dematerialised shares have distinctive numbers?

(v) Growth investment style focuses on_____

A. Undervalued companies
B. Above-average earnings growth potential
C. High dividend companies
D. Only government securities

(vi) Which organisation approves Depository Participants (DPs)?

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

(i) ISIN stands for_____.

A. International Securities Identification Number
B. Indian Stock Identification Number
C. Institutional Securities Identity Number
D. Inter-State Investment Number

(ii) Which derivative contract gives the buyer a right but not an obligation?

(iii) A forward contract is different from a futures contract because_____

A. Forwards are traded on exchanges
B. Futures are customised between two parties
C. Forwards are customised and traded OTC
D. Futures have no standardisation

(iv) A commodity exchange is an organised marketplace for trading _____ futures.

(v) The term 'debenture' in Indian securities markets is used for debt instruments issued by_____.

A. Central Government
B. Public Sector Units
C. Private Corporate Sector
D. Municipalities

(vi) Which type of shares receive dividend at a fixed rate before equity shareholders?

A. Equity Shares
B. Preference Shares
C. Bonus Shares
D. Rights Shares

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

(i) XYZ Ltd. announced a rights issue in the ratio of 2:3 at ₹125 per share. The company also issued bonus shares last year. Investors are also monitoring the bid and ask price movement of the company's shares. If an investor holds 300 shares, how many shares can he buy in this rights issue?

A. 150
B. 200
C. 250
D. 450

(ii) Given below are two statements, one labelled as Assertion (A) and the other labelled as Reason (R).
Assertion (A): Growth stocks usually pay high and regular dividends.
Reason (R): Growth companies reinvest profits for expansion rather than distributing dividends.

A. Both A and R are correct, and R is the correct explanation of A.
B. Both A and R are correct, but R is not the correct explanation of A.
C. A is correct but R is incorrect.
D. A is incorrect but R is correct.

(iii) When unpaid dividends get accumulated on preference shares, they are known as _____ preference shares.

(iv) NSE's trading system, known as _____, uses satellite communication technology.

(v) Market Capitalisation is calculated by multiplying current market price with number of _____ in issue.

(vi) The issue price discovered in the Book Building process is called the _____ price.

SECTION B: SUBJECTIVE TYPE QUESTIONS

Answer any 3 out of the given 5 questions on Employability Skills. Answer each question in 20 – 30 words. (2x3=6)

Q.6 Why is self-management important for students?

Q.7 What is a file extension? Give one example.

Q.8 Distinguish between wired and wireless internet connections.

Q.9 What is the role of entrepreneurship in generating employment?

Q.10 What are green jobs?

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

Q.11 What care should one take while investing?

Q.12 What does the Debt-Equity Ratio measure?

Q.13 Give any two functions of a Custodian.

Q.14 Differentiate between Call and Put options.

Q.15 Explain how the secondary market facilitates price discovery.

Q.16 How does a Contract Note protect investors?

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

Q.17 "Before buying a share, an investor must conduct Industry, Corporate and Financial Analysis." Justify with examples.

Q.18 Discuss the Leverage/Capital Structure Ratios and their importance.

Q.19 What are the benefits of investing in Mutual Funds?

Q.20 Explain the different investment plans offered by Mutual Funds.

Q.21 Write any four differences between a Balance Sheet and a Profit & Loss Account.