

CBSE | DEPARTMENT OF SKILL EDUCATION

FINANCIAL MARKETS MANAGEMENT (SUBJECT CODE: 805)

Blue-Print for Sample Question Paper for Class XI (Session 2022-2023)

Max. Time: 3 Hours

Max. Marks: 60

PART A - EMPLOYABILITY SKILLS (10 MARKS):

UNIT NO.	NAME OF THE UNIT	OBJECTIVE TYPE QUESTIONS	SHORT ANSWER TYPE QUESTIONS	TOTAL QUESTIONS
		1 MARK EACH	2 MARKS EACH	
1	Communication Skills- III	-	-	-
2	Self-Management Skills- III	2	2	4
3	Information and Communication Technology Skills- III	2	1	3
4	Entrepreneurial Skills- III	2	2	4
5	Green Skills- III	-	-	-
TOTAL QUESTIONS		6	5	11
NO. OF QUESTIONS TO BE ANSWERED		Any 4	Any 3	07
TOTAL MARKS		1 x 4 = 4	2 x 3 = 6	10 MARKS

PART B - SUBJECT SPECIFIC SKILLS (50 MARKS):

UNIT NO.	NAME OF THE UNIT	OBJECTIVE TYPE QUESTIONS	SHORT ANS. TYPE QUES.- I	SHORT ANS. TYPE QUES.- II	DESCRIPTIVE/ LONG ANS. TYPE QUESTIONS	TOTAL QUESTIONS
		1 MARK EACH	2 MARKS EACH	3 MARKS EACH	4 MARKS EACH	
1	Markets and Financial Instruments	4	1	-	-	5
2	Primary and Secondary Market	8	1	1	1	11
3	Mutual Funds Products and Features	5	1	1	1	8
4	ETFs, Debt and Liquid Funds	3	-	1	1	5
5	Taxation and Regulations	5	1	-	1	7
6	Quantitative Evaluation of Mutual Fund Schemes	7	1	-	1	9
TOTAL QUESTIONS		32	5	3	5	45
NO. OF QUESTIONS TO BE ANSWERED		26	Any 3	Any 2	Any 3	34
TOTAL MARKS		1 x 26 = 26	2 x 3 = 6	3 x 2 = 6	4 x 3 = 12	50 MARKS

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Max. Time: 3 Hours

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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.	Explain Grooming as self-management skill?	1
ii.	_____ is the habit or practice of keeping ourselves clean. a. Personal hygiene b. Team Work c. Networking Skill d. Self-motivation	1
iii.	The Status bar is at the _____ of the window. a. Top b. Bottom c. Mid d. Around the corner	1
iv.	Which short cut key do we use to make Text Bold?	1
v.	_____ is a person who tries to meet needs of a customer through new ideas or ways of doing business and makes profit in return. a. Employee b. Employer c. Principal d. An Entrepreneur	1
vi.	_____ business does not manufacture a good or product but only facilitates the act of bringing the finished goods from the manufacturing unit to the buyer. a. Services Business b. Manufacturing Business c. Trading Business d. Business Process Outsourcing	1
Q. 2	Answer any 5 out of the given 7 questions (1 x 5 = 5 marks)	
i.	The factors which govern interest rates are mostly economy related and are commonly referred to as macroeconomic factors excluding _____. a. Demand for money b. Level of investors borrowings c. Supply of money d. Inflation rate	1
ii.	_____ are a specialized form of mutual funds that invest in extremely short-term fixed income instruments and thereby provide easy liquidity. a. Equity Fund b. Index Fund c. Cap Fund d. Money Market or Liquid Funds	1
iii.	Which are the securities one can invest in?	1
iv.	Under which section the SEBI was established?	1
v.	The primary market provides the channel for sale of new securities. They may issue the securities at premium mean _____. a. Above the face value b. Below the face value c. At the face value d. Without face value	1

vi.	_____ is when an unlisted company makes either a fresh issue of securities or an offer for sale of its existing securities or both for the first time to the public. a. A Preferential issue b. A follow on public offering c. Rights Issue d. Initial Public Offering (IPO)	1
vii.	_____ is basically a process used in IPOs for efficient price discovery. a. Normal public issue b. Book Building c. Reverse Book Building d. Buy Back	

Q. 3	Answer any 6 out of the given 7 questions (1 x 6 = 6 marks)	
i.	What is the floor price in case of book building? a. Floor price is the minimum price at which bids can be made. b. Floor price is the maximum price at which bids can be made. c. Floor price is the price at which bids can be made. d. Floor price is above the cap price at which bids can be made.	1
ii.	_____ is a shorter version of the Prospectus and contains all the salient features of a Prospectus. It accompanies the application form of public issues. a. Red herring b. Abridged c. Normal Market Prospectus d. Draft	1
iii.	_____ is a physical certificate evidencing ownership of American Depositary Shares. a. ADR(American Depositary Receipt) b. GDR(Global Depositary Receipts) c. FCCB(foreign currency convertible bond) d. ECB(External commercial borrowing)	1
iv.	Which are the Depositories in India?	1
v.	What is NEAT?	1
vi.	A _____ is a professionally managed type of collective investment scheme that pools money from many investors and invests it in stocks, bonds, short-term money market instruments and other securities. a. Exchange b. Post office c. Bank d. Mutual Fund	1
vii.	Mutual Funds in India follow a 3-tier structure: a. Sponsor , Trust and AMC b. Sponsor , Exchange and AMC c. Stock , Trustee and AMC d. Securities, Bonds and Debentures	

Q. 4	Answer any 5 out of the given 6 questions (1 x 5 = 5 marks)	
i.	Trustees appoint _____, to manage investor's money. a. Mutual Fund b. Asset Management Company (AMC) c. Sponsor d. Issuers	1

ii.	_____invest in stocks comprising indices, such as the Nifty 50, which is a broad based index comprising 50 stocks. a. Index Funds b. Large cap fund c. Mid cap fund d. Small Cap fund	1
iii.	Define Arbitrage Funds?	1
iv.	An index ETF is one where the underlying is an _____ a. Stocks b. Portfolio c. Index d. Sectors	1
v.	Who can issue sovereign gold bonds?	1
vi.	_____are funds which invest money in debt instruments such as short and long term bonds, government securities, corporate paper, commercial paper, call money etc. a. Debt funds b. Equity Fund c. Real Estate Fund d. Currency based Fund	1

Q. 5	Answer any 5 out of the given 6 questions (1 x 5 = 5 marks)	
i.	What is FMP?	1
ii.	_____is a procedure by which the investor can get benefit from the fact that inflation has eroded his returns. a. Indexation b. Index c. Sectorial d. Inflation	1
iii.	AMFI (Association of Mutual Funds in India) is the _____industry in India which was incorporated in the year 1995. a. industry association for the RBI b. industry association for the SEBI c. industry association for the mutual fund d. industry association for the Fund Manager	1
iv.	What do you mean by SWP?	1
v.	The investors who are looking for capital appreciation will invest through. a. Growth Plan b. Dividend Payout Plan c. Dividend Reinvestment Plan d. Systematic Transfer Plan (STP)	1
vi.	Calculating returns with irregular dividend payment dates becomes easier using the _____function in Spreadsheet. a. XIRR b. CIRR c. DIRR d. CAGR	1

Q. 6	Answer any 5 out of the given 6 questions (1 x 5 = 5 marks)	
i.	_____ Measures the extent to which the scheme returns deviate from its own past standards. a. Beta b. Theta c. Standard deviation d. XIRR	1
ii.	Non-systematic risk is unique to a _____. a. Market b. Company c. Country d. Index	1
iii.	While maturity influences the price risk in a debt security, a more scientific approach would be to consider its _____. a. Theta b. Standard deviation c. XIRR d. modified duration	1
iv.	For which all mutual fund schemes do we use Sharpe Ratio?	1
v.	_____ is a measure of the fund manager's performance. a. Treynor Ratio b. Sortino Ratio c. Sharpe Ratio d. Jensen's Alpha	1
vi.	Between two fund managers of competing diversified equity schemes, the one with higher alpha is considered to have delivered _____. a. Better risk adjusted returns. b. Poor risk adjusted returns. c. No risk adjusted returns. d. Highest risk adjusted returns.	1

SECTION B: SUBJECTIVE TYPE QUESTIONS

Answer any 3 out of the given 5 questions on Employability Skills (2 x 3 = 6 marks)

Answer each question in 20 – 30 words.

Q. 7	All the family members come together for a function, divide work amongst them and work in small groups to make sure that the function is a success. How will do you define Team Work?	2
Q. 8	Networking is getting to know people, staying in touch with them over time and using their knowledge or skill in a way that it helps both parties. Networking skills involve two very important skills. Name them.	2
Q. 9	Write the features of any two. • Header • Footer • Page number	2
Q. 10	Perseverance means not to give up and keep going even when a difficult situation comes up. Running an enterprise or a business involves many failures. How does Perseverance helpful for the entrepreneur?	2
Q. 11	Entrepreneurs solve many different types of problems in their day-to-day operations. Suggest how do they overcome such problem?	2

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

Q. 12	What are various options available for investment?	2
Q. 13	How do you get confirmation of trades done on a particular day on behalf of the client by a trading member?	2
Q. 14	The difference between the returns generated by the benchmark index and the Index Fund is known as tracking error. Write down its characteristics. (Any two)	2
Q. 15	What are the capital gain taxation on Equity mutual fund?	2
Q. 16	Standard deviation measures the extent to which the scheme returns deviate from its own past standards. How is it calculated and what does it indicate?	2

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

Q. 17	Debt instruments are defined with their unique features. Specify each feature.	3
Q. 18	Mutual funds primarily deal in investor's money. Therefore a clear structure is laid out to ensure proper governance. Mutual Funds in India follow a 3-tier structure. Describe each tier.	3
Q. 19	Describe the term Portfolio Deposit, Allocated Account and Cash Component.	3

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

Q. 20	What precautions must one take before investing in the stock markets?	4
Q. 21	How do you describe Equity Oriented Funds risk pyramid?	4
Q. 22	Traditionally, Indians are known to be big buyers of Gold; an age old tradition. Gold as an asset class is considered to be safe This is because gold prices are difficult to be manipulated and therefore enjoy better pricing transparency. Gold ETFs (G-ETFs) are a special type of ETF which invests in Gold and Gold related securities. This product gives the investor an option to diversify his investments into a different asset class, other than equity and debt. How will you describe Gold ETF?	4
Q. 23	Investors often get confused between the above mentioned (Dividend Payout, Dividend Reinvestment and Growth Options) three options which he has to choose while investing in mutual fund's units. These options have to be selected by the investor at the time of purchasing the units and many a times investors feel that the dividend reinvestment option is better than growth as they get more number of units. How will you analyze and suggest the best option?	4
Q. 24	There are four parameters to take a combined view of the Risk and Return for better investment decisions. Give brief of each with suitable statement.	4