

# CBSE Class 12 2026 Financial Market Management Question Paper

Time Allowed :3 Hours

Maximum Marks :60

Total questions :38

## General Instructions

**Read the following instructions very carefully and strictly follow them:**

1. The paper is divided into Section A and Section B.
2. Section A includes objective-type questions.
3. All questions in Section A are compulsory.
4. Section B includes short answer, and long answer type questions.
5. Answers must be written legibly within the word limit.
6. Use of unfair means or electronic devices is prohibited.
7. Follow the correct format and instructions for each section.

## Section - A

### 1. Barriers to Becoming an Entrepreneur

- (A) Unsupportive business environment
- (B) Lack of Entrepreneurial Capacity
- (C) Fear of Failure
- (D) All of the above

---

### 2. Minimizing waste and pollution problem has come a long way and the probable solution to this has been provided in 4Rs of sustainable development –

- (A) Refuse, Reduce,
- (B) Reuse Recycle.
- (C) Refresh Regenerate

(D) Both a and b

---

**3. Self-motivation is important because**

- (A) It increases individual's energy and activity.
  - (B) It directs an individual towards specific goals.
  - (C) It results in initiation and persistence of specific activities.
  - (D) All of the Above
- 

**4. \_\_\_\_\_ affects all aspects of an individual's performance, even how he/she reacts to situations in life.**

- (A) Personality
  - (B) Disputes
  - (C) Confusion
  - (D) None of the above
- 

**5. Which of the following is not a stage of active listening?**

- (A) Receiving
  - (B) Understanding
  - (C) Non-responding
  - (D) Evaluating
- 

**6. It arises because of incentives or external rewards.**

- (A) Intrinsic motivation
  - (B) Extrinsic motivation
  - (C) Realistic Motivation
  - (D) Unrealistic Motivation
-

**7. What is incorrect in SMART Goal?**

- (A) Specific
  - (B) Measurable
  - (C) Action-oriented
  - (D) Readable Time
- 

**8. In the spreadsheet, you can see a worksheet with cells placed in \_\_\_\_ but not \_\_\_\_.**

- (A) Row, column
  - (B) Column, Row
  - (C) Row Horizontal, column vertical
  - (D) Row, column horizontal
- 

**9. Which of the following is not a characteristic of entrepreneurship?**

- (A) It is an economic activity done to create, develop and maintain a profit-oriented organisation.
  - (B) It begins with identifying an opportunity as a potential to sell and make profit in the market.
  - (C) It deals with optimization in utilization of resources.
  - (D) It is the inability of an enterprise and an entrepreneur to take risks.
- 

**10. \_\_\_\_\_ is defined as one that helps bring about and maintain transition to environmentally sustainable forms of production and consumption.**

- (A) White collar job
  - (B) Green Job
  - (C) Black Card Job
  - (D) Un-Employability
-

**11. This category of membership entitles a member to clear and settle trades of such members of the Exchange who choose to clear and settle their trades through this member.**

- (A) Trading Member
  - (B) Trading cum self-clearing member
  - (C) Trading cum clearing member
  - (D) Professional Clearing member
- 

**12. Members should have a prudent system of risk management to protect themselves from client default. \_\_\_\_\_ is an important element of such a system.**

- (A) NSCCL
  - (B) Margin
  - (C) Capital
  - (D) Unique Client Code
- 

**13. \_\_\_\_\_ note is a confirmation of trade(s) done on a particular day for and on behalf of a client.**

- (A) Primary Market Note
  - (B) Secondary Market Note
  - (C) Contract Note
  - (D) Trading Member Note
- 

**14. Failure to submit audited accounts by a trading member in which type of conduct?**

- (A) Misconduct
  - (B) Un-businesslike conduct
  - (C) Unprofessional conduct
  - (D) Unknown conduct
-

**15. The securities market has essentially three categories of participants (i) the investors, (ii) the issuers and .....**

- (A) Foreigners
  - (B) the Intermediaries
  - (C) Government
  - (D) Regulators
- 

**Section - B**

**16. When a family or an individual runs a business successfully and passes it on to the next generation, then such an entrepreneur is, generally, termed as family business entrepreneur. Elaborate it.**

---

**17. A startup is a company that is in the first stage of its operations. How do you describe it?**

---

**18. There are five parameters that describe an individual's personality. These five dimensions are also called the 'Big Five Factors' and the model is referred to as the 'Five Factor Model', Name them and define any one.**

---

**19. Write the procedure of Inserting clipart and images in presentation.**

---

**20. Write the working process of Internet Broking.**

---

**21. What is operational and legal Risk?**

---

**22. What are the rights enjoyed by Preference shareholders?**

---

**23. Explain the conditions under which the relevant authority may require a trading member to suspend its business in part or in whole?**

---

**24. Write in brief about Regular Lot Matching.**

---

**25. The trading members are required to provide liquid assets which adequately cover various margins & minimum capital requirements under capital adequacy requirement. Describe its liquid asset requirement.**

---

**26. Explain Impact Cost?**

---

**27. Explain the various categories of membership with NSE and NSCCL.**

---

**28. VaR is a single number, which encapsulates whole information about the risk in a portfolio. It measures potential loss from an unlikely adverse event in a normal market environment. Computation of the VaR margin requires four definitions. Explain them.**

---

**29. Describe the various advantages of the Screen-Based Trading System (SBTS)?**

---

**30. Besides serving as a barometer of the economy/market, the index also has other applications in finance. Various products have been designed based on the indices such as the index derivatives, index funds, and the exchange traded funds. We here restrict our discussion to only index derivatives. How does an index derivative earn popularity?**

---

**31. There are times when you think the market is going to rise over the next two months; however in the event that the market does not rise, you would like to limit your downside. One way you could do this is by entering into a spread. A spread trading strategy involves taking a position in two or more options of the same type, that is, two or more calls or two or more puts. A spread that is designed to profit if the price goes up is called a bull spread. Discuss the case with an example.**

---

**32. Give Detail of VaR Margin?**

---

**33. What is the Application of index? Describe index Derivatives.**

---

**34. Define 'Absolute Phrase'?**

---

**35. Define the word 'Motivation'?**

---

**36. What is the role of Green Job in Limiting Greenhouse Gas Emission?**

---

**37. What is sorting of data in spreadsheet?**

---

**38. What do you know about Lack of Entrepreneurial Capacity?**

---