

CBSE CLASS X

Introduction to Financial Markets (405)

QUESTION PAPER

From previous CBSE Board Exam questions

Code: AFTOUK

Questions: 37

Maximum Marks: 53

Generated: 2026-06-15 13:05

SELECTIONS USED

Source	Previous-year board
Subject	Financial Market Management
Lessons	Miscellaneous
Year	2023-2026
Questions selected	37

Composition — Types: 19 Short · 15 MCQ · 3 Very short · 1 Assertion–reason · 1 Long

Q1. § INVESTMENT BASICS § When to start Investing? § What care should one take while investing?

[2]

Discuss role of entrepreneur in the society.

Previously asked in: 2023 92 Q9

◆ Investment Basics Role of Entrepreneur in Society

Q2. § When to start Investing? § What care should one take while investing?

[1]

What is the primary function of an entrepreneur in society ?

- (A) Avoid taking risks
- (B) Discouraging others from starting business
- (C) Creating myths about business
- (D) Fostering innovation and economic growth

Previously asked in: 2026 92 Q1 (v)

◆ Investment Basics Functions of an Entrepreneur Role of Entrepreneur in Society

Q3. § 8.1 Corporate Actions

[1]

Amit holds 400 shares of X Ltd. Company decides to implement a stock split of 4 for 1. How many shares Mr. Amit will hold how many shares after this corporate action?

- (a) 400
- (b) 1600
- (c) 100
- (d) 800

Previously asked in: 2023 92 Q4 (v)

◆ Miscellaneous 8.1 Corporate Actions

Q4. § 8.1 Corporate Actions

[1]

Mention two examples of 'Corporate Actions'.

Previously asked in: 2023 92 Q5 (v)

◆ Miscellaneous 8.1 Corporate Actions

Q5. § 8.1 Corporate Actions**[2]**

"A business plan serves as a guide to determine the business objectives and the course of action. It helps to detail the "what, when, how and who" of doing every specific tasks." Describe this managerial function of entrepreneurs.

Previously asked in: 2023 92 Q10

♦ **Miscellaneous**

Managerial Functions of Entrepreneurs - Planning

Q6. § 8.1 Corporate Actions**[1]**

By what name the corporate action which splits the existing shares of a particular face value into smaller denominations is called ?

Previously asked in: 2023 92 Q9

♦ **Miscellaneous**

8.1 Corporate Actions

Q7.**[2]**

What actions can be performed on your computer screen by using a mouse ?

Previously asked in: 2026 92 Q8

♦ **Miscellaneous**

Mouse Operations / Computer Basics

Q8.**[1]**

The following are navigation keys except :

- (A) Home
- (B) END
- (C) ENTER
- (D) PAGE UP

Previously asked in: 2025 92 Q1 (iv)

♦ **Miscellaneous**

Keyboard Shortcut Keys (e.g., Copy – Ctrl+C)

Q9.**[1]**

Which of following is not a sustainable development goal according to United Nations ?

- (A) Clean Water and Sanitation
- (B) Gender Equality
- (C) Population
- (D) Reduced Inequalities

Previously asked in: 2025 92 Q1 (vi)

♦ **Miscellaneous**

8.1 Corporate Actions

Q10.**[2]**

List the four types of barriers of communication.

Previously asked in: 2025 92 Q6

♦ **Miscellaneous**

Barriers of Communication

Q11.**[1]**

Which one of the following short-cut keys is used to copy?

- (a) Ctrl + C
- (b) Ctrl + P
- (c) Ctrl + V
- (d) Ctrl + X

Previously asked in: 2023 92 Q1 (iv)

♦ Miscellaneous

Keyboard Shortcut Keys (e.g., Copy – Ctrl+C)

Q12.

§ 8.2 Index

Index Fund

Previously asked in: 2023 92 Q19 (b)

♦ Miscellaneous

8.2 Index

Q13.

§ 8.2 Index

[2]

"Nifty is barometer of the Indian markets." In the light of this statement define 'Nifty'.

Previously asked in: 2025 92 Q14

♦ Miscellaneous

8.2 Index

Q14.**[1]**

Which of the following is a part of yearly maintenance schedule for the computer ?

- (A) Clean your monitor.
- (B) Clean up your e-mail box.
- (C) Cleanup download folder.
- (D) Check for expiry of antivirus software and renew.

Previously asked in: 2026 92 Q1 (iv)

♦ Miscellaneous

Computer Maintenance Schedule

Q15.

Record Date

Previously asked in: 2023 92 Q15 (a)

♦ Miscellaneous

Record Date

Q16.**[1]**

Assertion (A) : SEBI has prescribed a set of rules and regulations for each entity.

Reason (R) : The entity should operate within the legal framework as prescribed by SEBI.

- (A) Both (A) and (R) are true and (R) is the correct explanation of (A).
- (B) Both (A) and (R) are true, but (R) is not the correct explanation of (A).
- (C) (A) is true, but (R) is false.
- (D) (A) is false, but (R) is true.

Previously asked in: 2026 92 Q3 (ii)

♦ Miscellaneous

8.3 Clearing & Settlement and Redressal

Q17. § 8.3 Clearing & Settlement and Redressal**[4]**

"National Clearing Limited (NCL), a 100% subsidiary of NSE, performs the role of a clearing corporation for transactions executed on the NSE." In this context define the clearing corporation and explain the role of clearing corporation.

Previously asked in: 2023 92 Q20

♦ **Miscellaneous**

8.3 Clearing & Settlement and Redressal

Q18. § 8.2 Index**[1]**

To verify the registration status of a broker or sub-broker, it is recommended to check their registration number or relevant details on the official website of the Securities and Exchange Board of India (SEBI). Brokers usually have registration number that start with "_____".

- (A) INS
- (B) INT
- (C) INB
- (D) IND

Previously asked in: 2026 92 Q3 (iv)

♦ **Miscellaneous**

8.2 SEBI – Regulatory Jurisdiction & Functions

Q19. § 8.3 Clearing & Settlement and Redressal**[1]**

What is Pay-in-Day ?

Previously asked in: 2026 92 Q5 (v)

♦ **Miscellaneous**

8.3 Clearing & Settlement and Redressal

Q20. § 8.3 Clearing & Settlement and Redressal**[2]**

Explain any two functions of clearing corporation.

Previously asked in: 2023 92 Q15

♦ **Miscellaneous**

8.3 Clearing & Settlement and Redressal

Q21.**[2]**

"Clear and concise communication is of immense importance in work and business environment". Explain the given statement.

Previously asked in: 2026 92 Q6

♦ **Miscellaneous**

Importance of Clear Communication in Business

Q22. § 8.3 Clearing & Settlement and Redressal**[2]**

"A clearing corporation plays a crucial role in managing risk in financial markets." What is the primary risk that clearing corporation mitigate, and how do they achieve this ?

Previously asked in: 2026 92 Q14

♦ **Miscellaneous**

8.3 Clearing & Settlement and Redressal

Q23.**[1]**

The means by which the information is sent :

- (A) Sender
- (B) Feedback
- (C) Message
- (D) Channel

Previously asked in: 2025 92 Q1 (i)

♦ **Miscellaneous**

Importance of Clear Communication in Business

Q24. § 8.1 Corporate Actions § 8.3 Clearing & Settlement and Redressal**[2]**

Explain the following : Role of Arbitration

Previously asked in: 2026 92 Q19 (b)

♦ Miscellaneous 8.3 Clearing & Settlement and Redressal

Q25.**[1]**

What is a record date ?

Previously asked in: 2025 92 Q4 (v)

♦ Miscellaneous 8.3 Clearing & Settlement and Redressal

Q26. § 8.3 Clearing & Settlement and Redressal**[2]**

Explain the following : The function of clearing corporation

Previously asked in: 2025 92 Q20 (a)

♦ Miscellaneous 8.3 Clearing & Settlement and Redressal

Q27.**[1]**

These files are created when you are running programs.

- (a) Virus
- (b) Backup files
- (c) System files
- (d) Temporary files

Previously asked in: 2023 92 Q1 (vi)

♦ Miscellaneous Temporary/Runtime Files created when running programs

Q28. § 8.1 Corporate Actions § 8.3 Clearing & Settlement and Redressal**[1]**

"Its regulatory jurisdiction covers corporates in the issuance of capital and transfer of securities, in addition to all intermediaries and persons associated with securities market."

- (a) IRDA
- (b) SEBI
- (c) RBI
- (d) PFRDA

Previously asked in: 2023 92 Q2 (ii)

♦ Miscellaneous 8.2 SEBI – Regulatory Jurisdiction & Functions

Q29.**[2]**

Explain the skill you must master to succeed in life. (Part of: Answer any 3 out of given 5 questions on Employability Skills. Answer each question in 20-30 words.)

Previously asked in: 2023 92 Q6

♦ Miscellaneous Skills required to succeed in life (Employability Skills)

Q30.**[2]**

"Being well versed with stress coping mechanisms helps people lead healthy and happier life." What are the benefits of Stress Management?

Previously asked in: 2023 92 Q7

♦ Miscellaneous Stress Management and Coping Mechanisms

Q31. § Unit Code: 9 — Concepts & Modes of Analysis**[1]**

Which type of feedback provides precise details about what has been done well or needs improvement ?

- (A) Specific feedback
- (B) Negative feedback
- (C) Timely feedback
- (D) General feedback

Previously asked in: 2026 92 Q1 (i)

♦ **Miscellaneous**

Types of Feedback (Specific Feedback)

Q32.**[1]**

Which of the following is NOT a Sustainable Developmental Goal targeted to be achieved by 2030 ?

- (A) Zero Hunger
- (B) Good Health and Well being
- (C) Gender Equality
- (D) Space Research

Previously asked in: 2026 92 Q1 (vi)

♦ **Miscellaneous**

Sustainable Development

Q33.**[1]**

Define Sustainable Development.

Previously asked in: 2023 92 Q4

♦ **Miscellaneous**

Sustainable Development

Q34.**[2]**

State any two problems related to sustainable development.

Previously asked in: 2023 92 Q6

♦ **Miscellaneous**

Problems of Sustainable Development

Q35.**[2]**

Name the four skills which must be master to succeed in life.

Previously asked in: 2026 92 Q7

♦ **Miscellaneous**

Four Skills for Success in Life

Q36.**[1]**

Stay updated with best practices and read up on new information always. Prepare yourself for new changes, so that you can transition seamlessly. Identify the skill.

- (A) Time Management
- (B) Adaptability
- (C) Self-Awareness
- (D) Responsibility

Previously asked in: 2025 92 Q1 (ii)

♦ **Miscellaneous**

Skills required to succeed in life (Employability Skills)

Q37.**[1]**

"Portfolio Management Services" could be offered only by intermediaries having specific approval of _____ for PMS.

- (A) SEBI
- (B) RBI
- (C) NSDL
- (D) NSE

Previously asked in: 2025 92 Q4 (iii)

◆ **Miscellaneous**

Portfolio Management Services (PMS) – SEBI Approval

Q38.**[2]**

One initiative was taken by Ministry of Railways in Varanasi and Rai Bareilly where they introduced clay pot 'Kulhads' to replace plastic and paper cup and to bring back taste of tradition. Mention two advantages of using 'Kulhads' by Railways.

Previously asked in: 2025 92 Q10

◆ **Miscellaneous**

Socio-economic and environmental advantages of traditional/sustainable alternatives (Kulhads replacing plastic/paper cups)

Q39.**[1]**

"CRISIL is a credit rating agency in India". Which of the following is not a credit rating agency in India:

- (a) CARE
- (b) ICRA
- (c) FITCH
- (d) RBI

Previously asked in: 2023 92 Q2 (iv)

◆ **Miscellaneous**

Credit Rating Agencies in India

Available for free from:

<https://cbsegrade10studyguide.com>

<https://github.com/orgs/cbse-free-resources/repositories>

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CBSE CLASS X

Introduction to Financial Markets (405)

ANSWER KEY

From previous CBSE Board Exam questions

Code: AFTOUK Questions: 37 Maximum Marks: 53 Generated: 2026-06-15 13:05

Q1. § INVESTMENT BASICS § When to start Investing? § What care should one take while investing? [2]

Discuss role of entrepreneur in the society.

Previously asked in: 2023 92 Q9

♦ Investment Basics Role of Entrepreneur in Society

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Model Answer

An entrepreneur plays a vital role in society by:

1. **Creating employment** — generates job opportunities for others, reducing unemployment.
2. **Economic development** — contributes to national income and overall economic growth.
3. **Innovation** — introduces new products, services, and technologies that improve living standards.
4. **Resource utilisation** — makes productive use of available natural, human, and financial resources.

Explanation

The source passages provided are about investment basics and do not directly cover the role of entrepreneurs. This answer is based on standard CBSE Class 10 Business Studies/Entrepreneurship curriculum knowledge. Examiners expect 2–3 clear, distinct points. Avoid writing long descriptions for each point — one crisp line per role is sufficient for a 2-mark answer.

Q2. § When to start Investing? § What care should one take while investing? [1]

What is the primary function of an entrepreneur in society ?

- (A) Avoid taking risks
- (B) Discouraging others from starting business
- (C) Creating myths about business
- (D) Fostering innovation and economic growth

Previously asked in: 2026 92 Q1 (v)

♦ Investment Basics Functions of an Entrepreneur Role of Entrepreneur in Society

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Model Answer

(D) Fostering innovation and economic growth

Explanation

This is a straightforward MCQ. An entrepreneur drives economic progress by introducing new ideas, creating businesses, and generating employment — all of which foster innovation and economic growth. The other options describe negative or incorrect traits, not entrepreneurial functions.

Q3. § 8.1 Corporate Actions**[1]**

Amit holds 400 shares of X Ltd. Company decides to implement a stock split of 4 for 1. How many shares Mr. Amit will hold after this corporate action?

- (a) 400
- (b) 1600
- (c) 100
- (d) 800

Previously asked in: 2023 92 Q4 (v)

◆ Miscellaneous

8.1 Corporate Actions

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Model Answer**(b) 1600**

In a 4-for-1 stock split, each existing share becomes 4 shares. So, $400 \times 4 = 1600$ shares.

Explanation

The source passage directly uses this exact example: an investor holding 400 shares after a 4-for-1 split holds 1600 shares. Multiply existing shares by the split ratio (4). Total value remains unchanged as the share price simultaneously reduces to 1/4th.

Q4. § 8.1 Corporate Actions**[1]**

Mention two examples of 'Corporate Actions'.

Previously asked in: 2023 92 Q5 (v)

◆ Miscellaneous

8.1 Corporate Actions

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Model Answer

Two examples of Corporate Actions are: **Dividend** (distribution of part of a company's earnings to shareholders) and **Stock Split** (splitting existing shares into smaller denominations to increase the number of shares).

Explanation

The question asks for just two examples; a one-line answer naming and briefly identifying them is sufficient for 1 mark. The source lists dividends, stock splits, rights issues, and bonus issues — any two are acceptable. Avoid lengthy explanations.

Q5. § 8.1 Corporate Actions

[2]

"A business plan serves as a guide to determine the business objectives and the course of action. It helps to detail the "what, when, how and who" of doing every specific tasks." Describe this managerial function of entrepreneurs.

Previously asked in: 2023 92 Q10

♦ Miscellaneous

Managerial Functions of Entrepreneurs - Planning

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Model Answer

The managerial function described here is **Planning**.

Planning involves setting business objectives and deciding the course of action to achieve them. An entrepreneur uses a business plan to determine **what** tasks need to be done, **when** and **how** they will be executed, and **who** will be responsible for each task. It acts as a roadmap for the business.

Explanation

The question describes the classic definition of the **planning function** of management. Examiners expect you to:

1. Correctly name the function — **Planning**.
2. Briefly explain it using the keywords from the question itself: objectives, course of action, what/when/how/who.

Do not confuse this with organising (which deals with arranging resources). The business plan is the tool of planning. Stick to 2–3 sentences since it is a 2-mark question.

Q6. § 8.1 Corporate Actions

[1]

By what name the corporate action which splits the existing shares of a particular face value into smaller denominations is called ?

Previously asked in: 2023 92 Q9

♦ Miscellaneous

8.1 Corporate Actions

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Model Answer

The corporate action which splits the existing shares of a particular face value into smaller denominations is called a **Stock Split**.

Source: *What is a Stock Split?*, Chapter 8

Explanation

The examiner expects the exact term "Stock Split" as the answer. Remember the key feature: number of shares increases but market capitalisation remains unchanged. For a 1-mark question, just naming the term with minimal description is sufficient.

Q7.

[2]

What actions can be performed on your computer screen by using a mouse ?

Previously asked in: 2026 92 Q8

♦ Miscellaneous

Mouse Operations / Computer Basics

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The question asks about mouse actions on a computer screen, but the source passages provided are about financial topics (corporate actions, stock markets, clearing & settlement). These passages do not contain any information about mouse operations.

Model Answer

Using a mouse, the following actions can be performed on a computer screen:

1. **Clicking** – Single click to select an item; double-click to open a file or application.
2. **Right-clicking** – Opens a context/shortcut menu with options.
3. **Dragging and Dropping** – Moving an item from one location to another.
4. **Scrolling** – Using the scroll wheel to move up or down a page.

Explanation

> **Note:** The source passages provided are about stock market topics and do not relate to this question. The answer above is based on standard CBSE Class 10 IT/Computer Science curriculum knowledge.

For the board exam, remember to name **at least 3–4 distinct mouse actions** with a brief one-line description of each. Examiners award marks for correctly naming the action *and* stating what it does. Avoid vague answers like "you can move things" — use proper terms: *click*, *double-click*, *right-click*, *drag and drop*, *scroll*.

Q8.

[1]

The following are navigation keys except :

- (A) Home
- (B) END
- (C) ENTER
- (D) PAGE UP

Previously asked in: 2025 92 Q1 (iv)

♦ Miscellaneous

Keyboard Shortcut Keys (e.g., Copy – Ctrl+C)

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Model Answer

(C) ENTER

ENTER is not a navigation key; it is used to execute commands or confirm input. Home, End, and Page Up are all navigation keys used to move the cursor within a document.

Explanation

Navigation keys are keys that move the cursor or scroll through a document — Home, End, Page Up, Page Down, arrow keys, etc. ENTER is an action/command key, not a navigation key. This is a straightforward computer fundamentals question; the source passages are unrelated, but the answer is based on standard IT literacy content in Class 10.

Q9.

[1]

Which of following is not a sustainable development goal according to United Nations ?

- (A) Clean Water and Sanitation
- (B) Gender Equality
- (C) Population
- (D) Reduced Inequalities

Previously asked in: 2025 92 Q1 (vi)

♦ Miscellaneous

8.1 Corporate Actions

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Model Answer

(C) Population

"Population" is **not** a Sustainable Development Goal (SDG) of the United Nations. The 17 SDGs include Clean Water and Sanitation (Goal 6), Gender Equality (Goal 5), and Reduced Inequalities (Goal 10), but Population is not among them.

Explanation

The UN adopted 17 SDGs in 2015 under the 2030 Agenda for Sustainable Development. Students must remember the actual 17 goals; "Population" is not one of them. The other three options are official SDGs. Note: The source passages provided do not cover this topic — this answer is based on standard CBSE/UN SDG knowledge required at Class 10 level.

Q10.

[2]

List the four types of barriers of communication.

Previously asked in: 2025 92 Q6

♦ Miscellaneous

Barriers of Communication

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Model Answer

The four types of barriers of communication are:

1. **Physical barriers** – distance, noise, faulty equipment
2. **Psychological barriers** – stress, emotions, lack of interest
3. **Language barriers** – different languages, complex vocabulary
4. **Cultural barriers** – differences in customs, values, and traditions

Explanation

The source passages provided do not cover barriers of communication — they relate to financial markets and corporate actions. However, this is a standard CBSE Class 10 topic (English/Employability Skills). Examiners expect you to name all four barriers clearly. For 2 marks, listing the four types (1/2 mark each) is sufficient; brief examples strengthen the answer but are not mandatory. Avoid writing lengthy explanations for each — just name and give a one-word example.

Q11.

[1]

Which one of the following short-cut keys is used to copy?

- (a) Ctrl + C
- (b) Ctrl + P
- (c) Ctrl + V
- (d) Ctrl + X

Previously asked in: 2023 92 Q1 (iv)

♦ Miscellaneous

Keyboard Shortcut Keys (e.g., Copy – Ctrl+C)

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Model Answer

(a) Ctrl + C is the shortcut key used to copy.

Explanation

This is a standard computer shortcut question. Ctrl+C = Copy, Ctrl+V = Paste, Ctrl+X = Cut, Ctrl+P = Print. These are universal keyboard shortcuts a student must memorise. Note: the source passages provided are unrelated to this question, but the answer is based on standard computer knowledge expected in the syllabus.

Q12.

§ 8.2 Index

Index Fund

Previously asked in: 2023 92 Q19 (b)

♦ Miscellaneous

8.2 Index

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Model Answer

An **Index Fund** is a type of mutual fund or investment fund designed to replicate the performance of a specific stock market index, such as the Nifty. Since the Nifty is a scientifically developed 50-stock index reflecting the market movement of Indian markets and is considered the barometer of Indian markets, an index fund simply buys the same stocks in the same proportion as the index. It is a passive investment strategy — the fund manager does not actively pick stocks but merely tracks the index. This results in lower management costs compared to actively managed funds.

Source: Chapter 8, Section 8.2 — Index

Explanation

- The question is a short-answer definition-type question (likely 2–3 marks).
- Examiners expect: (1) definition linking it to a market index, (2) mention of passive/replication strategy, (3) brief benefit (low cost). Reference to Nifty from the passage strengthens the answer.
- Avoid writing a long essay — 3–4 crisp sentences are sufficient.

Q13. § 8.2 Index

[2]

"Nifty is barometer of the Indian markets." In the light of this statement define 'Nifty'.

Previously asked in: 2025 92 Q14

♦ Miscellaneous 8.2 Index

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Model Answer

Nifty (CNX Nifty) is a scientifically developed **50-stock index** that reflects accurately the market movement of the Indian markets. It comprises some of the largest and most liquid stocks traded on the **NSE (National Stock Exchange)**. It is maintained by **India Index Services & Products Ltd. (IISL)**, a group company of NSE. Since it tracks overall market performance, it is called the *barometer of the Indian markets*.

Source: Chapter 8, Section 8.2 — Index

Explanation

- The examiner expects: definition + 50 stocks + NSE + IISL + why it is called a barometer.
- Directly link the quote in the question ("barometer") to the idea that Nifty *reflects* overall market movement — that connection earns full marks.
- Do **not** confuse Nifty (NSE) with Sensex (BSE); keep them separate.

Q14.

[1]

Which of the following is a part of yearly maintenance schedule for the computer ?

- (A) Clean your monitor.
- (B) Clean up your e-mail box.
- (C) Cleanup download folder.
- (D) Check for expiry of antivirus software and renew.

Previously asked in: 2026 92 Q1 (iv)

♦ Miscellaneous Computer Maintenance Schedule

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Model Answer

(D) Check for expiry of antivirus software and renew.

Explanation

Yearly maintenance tasks are done once a year. Checking and renewing antivirus software is an annual task. Options A, B, and C are daily/weekly/monthly tasks, not yearly. Note: The source passages provided are unrelated to this topic; this answer is based on standard IT/computer maintenance knowledge expected in the syllabus.

Q15.

Record Date

Previously asked in: 2023 92 Q15 (a)

◆ Miscellaneous

Record Date

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Model Answer

Record Date is a date declared in advance by a company to determine which shareholders are entitled to receive corporate benefits such as dividends, bonus issues, or rights issues. Only investors whose names appear in the company's records on the record date are eligible for these benefits. With depositories in place, physical registration of shares is not required, as investor holdings are maintained electronically.

Source: Chapter 8, Section 8.3 — Book-closure/Record date

Explanation

- The examiner expects you to define record date clearly and link it to corporate benefits (dividend, bonus, rights).
- Mention that it is **declared in advance** so buyers have time to register shares.
- The point about depositories maintaining records electronically is a value-added line that can fetch full marks.
- Do not confuse record date with book closure — book closure is the closing of the register; record date is the specific cut-off date within or related to that period.

Q16.

[1]

Assertion (A) : SEBI has prescribed a set of rules and regulations for each entity.

Reason (R) : The entity should operate within the legal framework as prescribed by SEBI.

- (A) Both (A) and (R) are true and (R) is the correct explanation of (A).
(B) Both (A) and (R) are true, but (R) is not the correct explanation of (A).
(C) (A) is true, but (R) is false.
(D) (A) is false, but (R) is true.

Previously asked in: 2026 92 Q3 (ii)

◆ Miscellaneous

8.3 Clearing & Settlement and Redressal

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Model Answer

(A) Both (A) and (R) are true and (R) is the correct explanation of (A).

SEBI prescribes rules and regulations for each entity *because* those entities must operate within SEBI's legal framework.

Explanation

The Reason directly explains *why* SEBI prescribes rules — to ensure all market entities function within a legal framework. Since both statements are true and R logically explains A, option (A) is correct.

Q17. § 8.3 Clearing & Settlement and Redressal**[4]**

"National Clearing Limited (NCL), a 100% subsidiary of NSE, performs the role of a clearing corporation for transactions executed on the NSE." In this context define the clearing corporation and explain the role of clearing corporation.

Previously asked in: 2023 92 Q20

♦ Miscellaneous

8.3 Clearing & Settlement and Redressal

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Model Answer**Definition of Clearing Corporation:**

A Clearing Corporation is a part of an exchange or a separate entity that clears and settles all transactions, i.e., completes the process of receiving and delivering shares/funds to buyers and sellers in the market.

Role of Clearing Corporation:

1. **Clears and Settles Transactions:** It completes the process of receiving and delivering shares/funds to the buyers and sellers in the market.
2. **Financial Guarantee:** It provides financial guarantee for all transactions executed on the exchange.
3. **Risk Management:** It provides risk management functions to ensure smooth functioning of the market.

(Example: NSCCL, a 100% subsidiary of NSE, performs the role of Clearing Corporation for transactions executed on NSE.)

Source: Chapter 8, Section 8.3 – Clearing & Settlement and Redressal

Explanation

- The question has **two parts** — definition (1 mark) and role (3 marks) — so allocate more lines to the three roles.
- The three roles are directly lifted from the source: clearing & settlement, financial guarantee, and risk management. Examiners expect all three.
- Mentioning NSCCL as an example adds context and shows understanding but is optional.
- Avoid writing lengthy paragraphs; crisp numbered points score better in board exams.

Q18. § 8.2 Index**[1]**

To verify the registration status of a broker or sub-broker, it is recommended to check their registration number or relevant details on the official website of the Securities and Exchange Board of India (SEBI). Brokers usually have registration number that start with "_____".

- (A) INS
- (B) INT
- (C) INB
- (D) IND

Previously asked in: 2026 92 Q3 (iv)

♦ **Miscellaneous**

8.2 SEBI – Regulatory Jurisdiction & Functions

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The correct answer is **(C) INB**.

A broker's registration number begins with the letters '**INB**', and that of a sub-broker begins with '**INS**'.

Source: Chapter 4, Section 4.1.2 (Stock Trading)

Explanation

The passage explicitly states: "A broker's registration number begins with the letters '**INB**' and that of a sub broker with the letters '**INS**'." Students often confuse INB (broker) with INS (sub-broker) — remember **B for Broker, S for Sub-broker**.

Q19. § 8.3 Clearing & Settlement and Redressal**[1]**

What is Pay-in-Day ?

Previously asked in: 2026 92 Q5 (v)

♦ **Miscellaneous**

8.3 Clearing & Settlement and Redressal

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Pay-in day is the day when the securities sold are delivered to the exchange by the sellers and funds for the securities purchased are made available to the exchange by the buyers.

Source: Chapter 8, Section 8.3 – Clearing & Settlement

Explanation

The examiner expects the exact definition from the textbook. Note the distinction: **Pay-in** = sellers deliver securities + buyers provide funds **to the exchange**. Don't confuse it with Pay-out day (when exchange delivers to buyers/sellers). For 1 mark, one clear sentence is sufficient.

Q20. § 8.3 Clearing & Settlement and Redressal**[2]**

Explain any two functions of clearing corporation.

Previously asked in: 2023 92 Q15

♦ Miscellaneous

8.3 Clearing & Settlement and Redressal

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Model Answer

Two functions of a Clearing Corporation are:

1. **Clearing and Settlement:** It clears and settles all transactions by completing the process of receiving and delivering shares/funds to the buyers and sellers in the market.
1. **Financial Guarantee:** It provides financial guarantee for all transactions executed on the exchange, ensuring safety and reliability of trades.

Source: Chapter 8, Section 8.3 – Clearing & Settlement

Explanation

The passage lists exactly three functions of a Clearing Corporation. Pick any two for a 2-mark question. Each function = 1 mark. State the function name and briefly explain it — one line each is sufficient. Do not write about NSCCL unless specifically asked.

Q21.**[2]**

"Clear and concise communication is of immense importance in work and business environment". Explain the given statement.

Previously asked in: 2026 92 Q6

♦ Miscellaneous

Importance of Clear Communication in Business

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Model Answer

Clear and concise communication ensures that messages are understood quickly and accurately, reducing the chances of misunderstanding. In a work and business environment, it saves time, improves efficiency, builds professional relationships, and helps in making quick decisions, ultimately leading to better productivity and smoother operations.

Explanation

This question is from the communication/soft skills component of the CBSE Class 10 curriculum. The examiner expects students to explain **why** clarity and conciseness matter specifically in a **work/business context** — mentioning practical benefits like time-saving, efficiency, avoiding misunderstandings, and productivity. Avoid generic statements; link the explanation directly to the workplace setting. Two distinct points earn full marks.

Q22. § 8.3 Clearing & Settlement and Redressal**[2]**

"A clearing corporation plays a crucial role in managing risk in financial markets." What is the primary risk that clearing corporation mitigate, and how do they achieve this ?

Previously asked in: 2026 92 Q14

♦ **Miscellaneous**

8.3 Clearing & Settlement and Redressal

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The primary risk that a Clearing Corporation mitigates is **counterparty/default risk** — the risk that a buyer or seller may fail to fulfil their obligation.

They achieve this by:

1. **Providing financial guarantee** for all transactions executed on the exchange.
2. **Performing risk management functions** to ensure smooth clearing and settlement of shares and funds between buyers and sellers.

Source: Chapter 8, Section 8.3 – Clearing & Settlement

Explanation

- The examiner expects students to name the risk (counterparty/default risk) and link it to the two key mechanisms: financial guarantee and risk management.
- NSCCL (NSE's clearing corporation) is a good example to mention if space allows.
- Avoid vague answers like "it reduces all risks" — be specific to what the passage states.

Q23.**[1]**

The means by which the information is sent :

- (A) Sender
- (B) Feedback
- (C) Message
- (D) Channel

Previously asked in: 2025 92 Q1 (i)

♦ **Miscellaneous**

Importance of Clear Communication in Business

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The channel is the means by which the information/message is sent from the sender to the receiver.

Explanation

The examiner expects the student to identify the correct term from the communication process. "Channel" refers to the medium or pathway used to transmit the message (e.g., phone, internet, face-to-face). Do not confuse it with "Message" (the content itself) or "Sender" (the person who sends it).

Q24. § 8.1 Corporate Actions § 8.3 Clearing & Settlement and Redressal**[2]**

Explain the following : Role of Arbitration

Previously asked in: 2026 92 Q19 (b)

♦ **Miscellaneous** 8.3 Clearing & Settlement and Redressal

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Model Answer

Arbitration is an alternative dispute resolution mechanism provided by a stock exchange for resolving disputes between trading members and their clients regarding trades done on the exchange. If no amicable settlement is reached through the normal grievance redressal mechanism, the investor can apply for Arbitration under the Bye-Laws of the concerned stock exchange.

Source: Chapter 8, Section 8.3 – Clearing & Settlement and Redressal

Explanation

- The examiner expects two key points: (1) what arbitration is — an alternative dispute resolution mechanism, and (2) when it is used — when normal grievance redressal fails.
- Use the exact phrase "alternative dispute resolution mechanism" as it appears in the textbook.
- Do not confuse Arbitration with the Investor Grievances Cell (IGC) — IGC handles complaints first; Arbitration is the next step.

Q25.**[1]**

What is a record date ?

Previously asked in: 2025 92 Q4 (v)

♦ **Miscellaneous** 8.3 Clearing & Settlement and Redressal

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Model Answer

Record date is a date declared in advance by a company on which an investor's name must appear in the company's records to be entitled to benefits like dividend, bonus, or rights issue.

Source: Chapter 8, Section 8.3 – Clearing & Settlement and Redressal

Explanation

The examiner expects a one-line definition mentioning: (1) it is declared in advance, (2) the investor's name must be on company records on that date, and (3) it determines eligibility for corporate benefits (dividend/bonus/rights). Avoid confusing it with "book closure," which refers to closing the register itself.

Q26. § 8.3 Clearing & Settlement and Redressal**[2]**

Explain the following : The function of clearing corporation

Previously asked in: 2025 92 Q20 (a)

♦ **Miscellaneous** 8.3 Clearing & Settlement and Redressal

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Model Answer

A Clearing Corporation performs three main functions:

1. It **clears and settles** all transactions — completing the process of receiving and delivering shares/funds to buyers and sellers.
2. It provides a **financial guarantee** for all transactions executed on the exchange.
3. It provides **risk management** functions.

Example: NSCCL is the Clearing Corporation for NSE.

Source: Chapter 8, Section 8.3 – Clearing & Settlement

Explanation

- This is a direct 2-mark definition question. Examiners expect all **three functions** to be listed clearly — missing even one may cost half a mark.
- Mentioning NSCCL as an example adds value but is not compulsory.
- Keep it concise; no need to elaborate on each function.

Q27.**[1]**

These files are created when you are running programs.

- (a) Virus
- (b) Backup files
- (c) System files
- (d) Temporary files

Previously asked in: 2023 92 Q1 (vi)

♦ **Miscellaneous** Temporary/Runtime Files created when running programs

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Model Answer**(d) Temporary files**

Temporary files are created automatically when programs are running and are usually deleted after the program closes.

Explanation

Note: The source passages provided are about financial markets and do not contain information about this computer science question. The answer **(d) Temporary files** is based on standard Class 10 IT/Computer Science knowledge — temporary files are auto-generated during program execution to store data temporarily and are not permanent system or backup files.

Q28. § 8.1 Corporate Actions § 8.3 Clearing & Settlement and Redressal**[1]**

"Its regulatory jurisdiction covers corporates in the issuance of capital and transfer of securities, in addition to all intermediaries and persons associated with securities market."

- (a) IRDA
- (b) SEBI
- (c) RBI
- (d) PFRDA

Previously asked in: 2023 92 Q2 (ii)

♦ **Miscellaneous** 8.2 SEBI – Regulatory Jurisdiction & Functions

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Model Answer**(b) SEBI**

SEBI (Securities and Exchange Board of India) regulates corporates in issuance of capital, transfer of securities, and all intermediaries associated with the securities market.

Explanation

The statement describes SEBI's regulatory jurisdiction. IRDA regulates insurance, RBI regulates banking/monetary policy, and PFRDA regulates pension funds. SEBI is the correct answer as it is the statutory regulator for the securities market in India.

Q29.**[2]**

Explain the skill you must master to succeed in life. (Part of: Answer any 3 out of given 5 questions on Employability Skills. Answer each question in 20-30 words.)

Previously asked in: 2023 92 Q6

♦ **Miscellaneous** Skills required to succeed in life (Employability Skills)

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Model Answer

To succeed in life, one must master **self-management skills**. This includes managing time effectively, staying organised, setting goals, adapting to change, and maintaining a positive attitude — all of which are essential for personal and professional growth.

Explanation

- The question is from the **Employability Skills** unit, which covers self-management as a core life skill.
- Examiners expect you to **name the skill clearly** (self-management) and give **2–3 supporting points** (time management, goal-setting, adaptability).
- Since it is a 2-mark question with a 20–30 word limit instruction, keep it concise — one clear definition/name + brief elaboration.
- Note: The source passages provided are from a Finance/Stock Market chapter and do not cover Employability Skills directly. This answer is based on the standard CBSE Class 10 Employability Skills curriculum content on self-management.

Q30.

[2]

"Being well versed with stress coping mechanisms helps people lead healthy and happier life." What are the benefits of Stress Management?

Previously asked in: 2023 92 Q7

◆ Miscellaneous

Stress Management and Coping Mechanisms

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Model Answer

Benefits of Stress Management:

1. **Improved physical health** — Reduces risk of stress-related illnesses like hypertension, heart disease, and headaches.
2. **Better mental well-being** — Helps maintain emotional balance, reduces anxiety and depression, leading to a happier life.
3. **Enhanced productivity** — A stress-free mind focuses better, improving performance at work or school.
4. **Better relationships** — Calm and composed individuals communicate effectively, maintaining healthier personal and social relationships.

Explanation

The source passages provided are unrelated to stress management (they cover stock markets). This question likely comes from a **Health & Physical Education** or **Life Skills** chapter. The answer above is based on standard CBSE Class 10 knowledge of stress management benefits. In the exam, 2 marks = 2 well-stated points with brief elaboration. Avoid listing without explanation — write each point as a complete thought.

Q31. § Unit Code: 9 — Concepts & Modes of Analysis

[1]

Which type of feedback provides precise details about what has been done well or needs improvement ?

- (A) Specific feedback
- (B) Negative feedback
- (C) Timely feedback
- (D) General feedback

Previously asked in: 2026 92 Q1 (i)

◆ Miscellaneous

Types of Feedback (Specific Feedback)

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Model Answer

(A) Specific feedback

Specific feedback provides precise details about what has been done well or needs improvement.

Explanation

This is a straightforward definition-based MCQ. "Specific" feedback, by definition, is detailed and pinpointed — it tells exactly what is correct or incorrect. General feedback is vague; timely feedback relates to when it is given; negative feedback only highlights faults. Examiners expect direct option selection with a brief justification.

Q32.**[1]**

Which of the following is NOT a Sustainable Developmental Goal targeted to be achieved by 2030 ?

- (A) Zero Hunger
- (B) Good Health and Well being
- (C) Gender Equality
- (D) Space Research

Previously asked in: 2026 92 Q1 (vi)

◆ Miscellaneous

Sustainable Development

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Model Answer

(D) Space Research is NOT a Sustainable Development Goal. The 17 SDGs targeted for 2030 include Zero Hunger, Good Health and Well-being, and Gender Equality, but not Space Research.

Explanation

The 17 UN Sustainable Development Goals (SDGs) to be achieved by 2030 cover areas like poverty, hunger, health, education, gender equality, clean energy, etc. Space Research is not among them. Options A, B, and C are all actual SDGs (Goal 2, Goal 3, and Goal 5 respectively). Note: This question tests general awareness; the source passages provided are unrelated to SDGs, but the answer is based on standard CBSE curriculum knowledge.

Q33.**[1]**

Define Sustainable Development.

Previously asked in: 2023 92 Q4

◆ Miscellaneous

Sustainable Development

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Model Answer

Sustainable development is development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs.

Explanation

This is the standard Brundtland Commission definition expected in CBSE exams. The key phrases examiners look for are **"present needs"** and **"future generations."** Note: The source passages provided are unrelated to this topic; this definition is from the CBSE Class 10 Economics textbook (Chapter: Development).

Q34.

[2]

State any two problems related to sustainable development.

Previously asked in: 2023 92 Q6

♦ Miscellaneous

Problems of Sustainable Development

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The source passages provided are about financial markets, stock exchanges, and corporate actions — they contain **no information about sustainable development**. I cannot fabricate an answer from unrelated passages.

Model Answer

Two problems related to sustainable development are:

1. **Over-exploitation of natural resources** — Rapid industrialisation and population growth lead to excessive use of resources like forests, water, and minerals, depleting them faster than they can be replenished.
1. **Environmental pollution** — Industrial and agricultural activities release harmful wastes into air, water, and soil, damaging ecosystems and threatening the health of future generations.

Explanation

- This answer is based on standard CBSE Class 10 Economics (Chapter: Development, *Understanding Economic Development*).
- Examiners expect two **distinct, clearly stated** problems with brief justification — one line each is sufficient for 1 mark per point.
- Avoid vague answers like "it is difficult." Name the specific problem and briefly explain *why* it is a challenge to sustainable development.
- Key terms to use: **natural resource depletion, environmental degradation, intergenerational equity, pollution.**

Q35.

[2]

Name the four skills which must be master to succeed in life.

Previously asked in: 2026 92 Q7

♦ Miscellaneous

Four Skills for Success in Life

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The source passages provided are about financial markets, stock exchanges, corporate actions, and related concepts. They contain **no information about "four skills which must be mastered to succeed in life."**

Model Answer

The question cannot be answered from the source passages provided. The passages deal with financial market concepts (Time Value of Money, Stock Splits, Clearing & Settlement, etc.) and do not mention any four skills required to succeed in life.

Explanation

- Always check that your question matches the chapter/passage given. This question appears to belong to a different chapter or textbook (possibly a Life Skills or Employability Skills unit), not the Financial Markets chapter (Unit 9 / Chapter 8) provided here.
- If the correct passage is available, look for terms like "communication," "critical thinking," "problem-solving," or "teamwork" — common answers in Employability Skills chapters.
- Do not attempt to guess or fabricate an answer in a board exam if the source material does not support it.

Q36.

[1]

Stay updated with best practices and read up on new information always. Prepare yourself for new changes, so that you can transition seamlessly. Identify the skill.

- (A) Time Management
- (B) Adaptability
- (C) Self-Awareness
- (D) Responsibility

Previously asked in: 2025 92 Q1 (ii)

♦ Miscellaneous

Skills required to succeed in life (Employability Skills)

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Model Answer

(B) Adaptability

Staying updated with new information, preparing for changes, and transitioning seamlessly describes the skill of **Adaptability**.

Explanation

Adaptability means the ability to adjust to new conditions, changes, and information. The key clues in the question — "read up on new information," "prepare for new changes," and "transition seamlessly" — all point to Adaptability, not time management or self-awareness.

Q37.

[1]

"Portfolio Management Services" could be offered only by intermediaries having specific approval of _____ for PMS.

- (A) SEBI
- (B) RBI
- (C) NSDL
- (D) NSE

Previously asked in: 2025 92 Q4 (iii)

♦ Miscellaneous

Portfolio Management Services (PMS) – SEBI Approval

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Model Answer

(A) SEBI

Portfolio Management Services (PMS) could be offered only by intermediaries having specific approval of **SEBI** for PMS.

Explanation

SEBI (Securities and Exchange Board of India) is the apex regulatory body for the securities market in India. It grants specific approval to intermediaries for offering Portfolio Management Services. This is a standard regulatory fact tested in finance/capital markets MCQs. The source passages focus on market mechanics, but SEBI's role as the approving authority for PMS is a well-established SEBI regulation fact — none of the other options (RBI, NSDL, NSE) have authority to approve PMS.

Q38.

[2]

One initiative was taken by Ministry of Railways in Varanasi and Rai Bareilly where they introduced clay pot 'Kulhads' to replace plastic and paper cup and to bring back taste of tradition. Mention two advantages of using 'Kulhads' by Railways.

Previously asked in: 2025 92 Q10

♦ Miscellaneous

Socio-economic and environmental advantages of traditional/sustainable alternatives (Kulhads replacing plastic/paper cups)

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Model Answer

Two advantages of using Kulhads by Railways:

1. **Eco-friendly:** Kulhads are made of clay and are biodegradable, so they do not pollute the environment unlike plastic or paper cups.
2. **Revival of tradition:** They help bring back the taste of tradition and support local potters (kumbhars), promoting indigenous craftsmanship.

Explanation

The source passages provided are unrelated to this question (they cover stock markets). Answer is based on general CBSE Social Science/Economics knowledge about sustainable practices and use of Kulhads. Examiners expect two distinct, clearly stated points. Common valid points include: biodegradable/eco-friendly nature, support to local artisans, cultural revival, healthier/natural material, and no chemical leaching. Write one clear point per advantage.

Q39.**[1]**

"CRISIL is a credit rating agency in India". Which of the following is not a credit rating agency in India:

- (a) CARE
- (b) ICRA
- (c) FITCH
- (d) RBI

Previously asked in: 2023 92 Q2 (iv)

♦ **Miscellaneous**

Credit Rating Agencies in India

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Model Answer

(d) RBI

RBI (Reserve Bank of India) is the central bank and a market regulator, not a credit rating agency. CARE, ICRA, and FITCH are all credit rating agencies operating in India.

Explanation

- CRISIL, CARE, ICRA, and FITCH are all credit rating agencies in India.
- RBI is the central bank/regulator of India's monetary system and securities market — it does **not** rate credit.
- In MCQs like this, eliminate options you recognise as credit rating agencies; what remains is the answer.

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