# TERM -1 EXAMINATION, 2026-27
# INTRODUCTION TO FINANCIAL MARKETS (405)

**Class: IX** | **Time: 3hrs**
**Date: 11/09/2026** | **Max Marks: 50**
**Admission no:** | **Roll no:**

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## SECTION-A ANSWER THE FOLLOWING QUESTIONS (24 X 1 = 24)

**Q1.** The process of exchanging information, ideas or feelings between two or more people is called:
(a) Communication (b) Negotiation
(c) Motivation (d) Delegation

**Q2.** Which of the following is an example of non-verbal communication?
(a) Writing an email (b) Speaking on the phone
(c) Body language/gestures (d) Reading a book

**Q3.** Which of the following is a common barrier to effective communication?
(a) Clear language (b) Noise/distraction
(c) Active listening (d) Proper feedback

**Q4.** The ability to understand one's own strengths, weaknesses, emotions and values is known as
(a) Self-awareness (b) Time management
(c) Team work (d) Networking

**Q5.** Planning and organising how much time to spend on specific activities is called:
(a) Self-esteem (b) Time management
(c) Stress management (d) Communication

**Q6.** Which of the following is a healthy way to manage stress?
(a) Skipping meals regularly (b) Regular exercise and adequate sleep
(c) Avoiding all responsibilities (d) Ignoring problems forever

**Q7.** The system of exchanging goods and services directly for other goods and services, without the use of money, is called:
(a) Barter system (b) Banking system
(c) Credit system (d) Stock exchange

**Q8.** A major problem of the barter system was the:
(a) Lack of double coincidence of wants (b) Excess supply of money
(c) High bank interest rates (d) None of these

**Q9.** In simple terms, money can be defined as anything that is generally accepted as a medium of:
(a) Production (b) Exchange
(c) Consumption only (d) Storage of grains only
**Ans. (b) Exchange**

**Q10.** Coins made of metals such as gold, silver and copper are known as:
(a) Paper money (b) Metallic money
(c) Plastic money (d) Digital money

**Q11.** Credit cards and debit cards are examples of:
(a) Commodity money (b) Metallic money
(c) Plastic money (d) Barter money

**Q12.** Money transferred electronically through mobile banking or UPI apps, without any physical exchange of cash, is known as:
(a) Commodity money (b) Digital money
(c) Metallic money (d) None of these

**Q13.** The characteristic of money that allows it to be easily carried from one place to another is:

(a) Durability (b) Portability
(c) Divisibility (d) Scarcity

**Q14.** Money should be capable of being divided into smaller units without losing its value; this characteristic is called:
(a) Uniformity (b) Portability
(c) Divisibility (d) Acceptability

**Q15.** Every unit of money of a given denomination should look and be valued exactly the same as every other unit; this characteristic is called:
(a) Durability (b) Uniformity
(c) Scarcity (d) Divisibility

**CASE STUDY :** Read the following situation and answer Question No. 16:
Ramesh prefers to save his money as currency notes rather than as perishable goods, because notes do not spoil or wear out quickly, and can be safely stored for a long time.

**Q16.** Which characteristic of money is being highlighted in this situation?
(a) Portability (b) Durability
(c) Divisibility (d) Acceptability

**Q17.** The process of setting goals, assessing resources and creating a plan to achieve one's financial goals is called:
(a) Financial planning (b) Bartering
(c) Advertising (d) Production

**Q18.** Which of the following is generally the first step in the financial planning process?
(a) Reviewing the plan (b) Setting financial goals
(c) Investing surplus funds (d) Preparing a final report only

**Q19.** A statement showing the estimated income and expenditure of a person/family over a period of time is called a:
(a) Balance sheet (b) Budget
(c) Prospectus (d) Invoice

**Q20. Assertion** (A): Financial planning helps individuals achieve their short-term and long-term financial goals.
**Reason** (R): It involves assessing one's income and expenses, and creating a plan for saving and investing accordingly.
(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

**Q21.** The money or value received by an individual or business in exchange for labour, services, or investment is called:
(a) Income (b) Expenditure
(c) Liability (d) Loss

**Q22.** Salary or wages received in exchange for work performed is an example of:
(a) Passive income (b) Earned income
(c) Portfolio income (d) None of these

**Q23.** Income earned from investments, such as dividends or interest, without active day-to-day involvement, is called:
(a) Earned income (b) Passive/Portfolio income
(c) Wages (d) Barter income

Read the following situation and answer Question No. 24: Anjali works as a school teacher and earns a fixed monthly salary. She also owns shares in a company, from which she receives dividends every year.

**Q24.** Which type of income does Anjali earn from her teaching job?

(a) Passive income (b) Earned income
(c) Portfolio income (d) None of these

## SECTION B (7 X 2 = 14 Marks)

**Q25.** What is communication? State any one type of verbal communication.
**Q26.** State the meaning of self-management skills. Mention any one example of such a skill.
**Q27.** What is meant by the 'barter system'? State one limitation of it.
**Q28.** Differentiate between metallic money and paper money.
**Q29.** State any two characteristics of good money
**Q30.** What is meant by a 'budget'? Why is it useful in financial planning?
**Q31.** State the meaning of 'income'. Give one example of earned income.

## SECTION C – (3 X 4 = 12 Marks)

**Q32.** Explain any four characteristics of good money, with a brief explanation of each.
**Q33.** Explain the meaning and importance of financial planning. State the steps involved in the financial planning process
**Q34.** Explain the meaning of income and discuss any three sources/types of income, with examples.

**ALL THE BEST**