



# B.K. BIRLA CENTRE FOR EDUCATION

SARALA BIRLA GROUP OF SCHOOLS  
A CBSE DAY-CUM-BOYS' RESIDENTIAL SCHOOL

## PRE MID TERM EXAM, 2025-26 FINANCIAL MARKET MANAGEMENT 805

Class: XI  
Date: 4.08.25  
Admission no:

Time: 1hr  
Max Marks: 25  
Roll no:

### INSTRUCTION:

- I. Question paper comprises four Sections–A, B,C and D. There are 12 questions in the question paper.
- II. All questions are compulsory.
- III. Section A –Question 1 to 5 are MCQs of 1 mark each.
- IV. Section B–Question no.6 to 9 is Very Short Answer Type Questions, carrying 2marks each. Answer to each question should not exceed 20-40 words.
- V. Section C–Question no.10 and 11 are Short Answer Type Questions, carrying 3marks each. Answer to each question should not exceed 40-60 words.
- VI. Section D–Question no.12 is Long Type Question, carrying 5 mark. Answer to this question should not exceed 80-100 words.

### SECTION-A

1. Which of these is a long term investment? 1
  - a) Money Market Funds
  - b) Public Provident Funds
  - c) Both a & b
  - d) None of the above
2. Fixed Deposit with Bank is a \_\_\_\_\_? 1
  - a) Short term investment
  - b) Long term investment
  - c) Both a & b
  - d) None of the above
3. **Assertion (A):** Business environment includes both internal and external forces that influence business operations.  
**Reason (R):** Only external factors like political and legal changes are considered part of the business environment. 1
  - 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
4. **Assertion (A):** A positive business ambience promotes entrepreneurship and investment.  
**Reason (R):** Business ambience includes government policies, social attitudes, and economic conditions. 1
  - 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

5. **Assertion (A):** Equity shareholders are the real owners of a company. 1  
**Reason (R):** They receive fixed interest from the company.  
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

### **SECTION –B**

6. Write in brief about the process of investing. 2  
7. Explain the relation between equity and ownership. 2  
8. Explain the concept of dematerialized securities. 2  
9. What type of asset are the commodities considered? 2

### **SECTION C**

10. As an investor, how would you apply the golden rule to make smart financial decisions and minimize risks? 3  
11. Which factors determine the interest rate? 3

### **SECTION D**

12. How would you use different instruments to control markets and finance in order to maintain economic stability? Explain their roles with examples. 6

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