



# B.K. BIRLA CENTRE FOR EDUCATION

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

MID APRIL TEST, 2026-27

FMM 805

MARKING SCHEME

Class: XII

Date: 18.04.2026

Admission no:

Time: 1hr

Max Marks: 25

Roll no:

## General Instructions:

- I. Question paper comprises four Sections – A, B, C and D. There are 12 questions in the question paper. All questions are compulsory.
- II. Section A – Question 1 to 5 are MCQs of **1 mark** each.
- III. Section B – Question no. 6 to 8 are Very Short Answer Type Questions, carrying **2 marks** each. Answer to each question should not exceed 40-60 words.
- IV. Section C - Question no. 9 and 10 are Short Answer Type Questions, carrying **3 marks** each. Answer to each question should not exceed 80-100 words.
- V. Section D – Question no.11 and 12 are Long Type Question, carrying **4 marks**. Answer to this question should not exceed 120-150 words.
- VI. There is no overall choice in the question paper.

## SECTION-A

Q1. The corporate manager is a term assigned to a user placed at the

- a. Lowest level
- b. Highest level
- c. Middle level
- d. Junior level

Ans- b. Highest level

Q2. Investor protection fund was set up in-

- a. 1955
- b. 1950
- c. 2000
- d. 1960

Ans- d. 1960

Q3. Brokers usually identifies the document with respect to-

- a. Contract note
- b. UCC
- c. Client registration form
- d. None of the above

Ans- b. UCC

Q4. DPG stand for-

- a. Dominant promoters group
- b. Dominant permitted group
- c. Dominant promotion group
- d. None of the above

None of the above

Ans- a. Dominant promoters group

Q5. RBI permitted --- which means that investor holding ADR and GDR can cancel with the depository and sell the underlying assets

- a. Non-fungibility

- b. Two-way fungibility
  - c. Partial fungibility
  - d. Any
- Ans- b. Two-way fungibility

### **SECTION-B**

**Q6. Define UCC (Unique Client Code).**

Ans- Unique Client Code is a unique identification number assigned to every investor by the broker to ensure transparency and proper record of transactions.

**Q7. Differentiate between Primary and Secondary Market.**

Ans- The primary market deals with the issue of new securities by companies, while the secondary market deals with trading of already issued securities among investors through stock exchanges.

**Q8. Who can become a member of NSE?**

Ans- Individuals, companies, and financial institutions fulfilling eligibility criteria such as capital adequacy, infrastructure, and regulatory approval can become members of \*\*National Stock Exchange of India.

### **SECTION-C**

**Q9. What is the admission process of registration for membership?**

1. The applicant submits an application for trading membership to the stock exchange.
2. The applicant must fulfill eligibility conditions such as capital adequacy, infrastructure, and professional competence.
3. After verification and payment of fees, membership is granted by exchanges such as \*\*National Stock Exchange of India or \*\*Bombay Stock Exchange.

**Q10. What are the features of the code of advertisements?**

1. Advertisements issued by brokers must be truthful, clear, and not misleading.
2. They must not promise guaranteed returns or make exaggerated claims.
3. Advertisements must follow guidelines prescribed by \*\*Securities and Exchange Board of India.

### **SECTION-D**

**Q11. What are the different market segments?**

1. The securities market is divided mainly into the capital market and derivatives market.
2. The capital market includes equity and debt segments.
3. The derivatives market includes instruments like futures and options traded on stock exchanges.
4. Primary vs. Secondary Markets

**Q12. What are the characteristics of agreements between the sub-broker and client?**

1. The agreement must clearly mention brokerage charges and service conditions.
2. It should define rights, duties, and responsibilities of both parties.
3. The agreement must follow the standard format prescribed by \*\*Securities and Exchange Board of India.
4. The agreement includes provisions to protect the confidentiality of the client's data and trade transactions.

**ALL THE BEST**