

Marking Scheme
Strictly Confidential
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Senior Secondary School Examination, 2026 (XIIth)
SUBJECT NAME : Financial Market Management (Q.P. CODE 805/329)

General Instructions: -

1	You are aware that evaluation is the most important process in the actual and correct assessment of the candidates. A small mistake in evaluation may lead to serious problems which may affect the future of the candidates, education system and teaching profession. To avoid mistakes, it is requested that before starting evaluation, you must read and understand the spot evaluation guidelines carefully.
2	“Evaluation policy is a confidential policy as it is related to the confidentiality of the examinations conducted, evaluation done and several other aspects. Its leakage to public in any manner could lead to derailment of the examination system and affect the life and future of millions of candidates. Sharing this policy/document to anyone, publishing in any magazine and printing in Newspaper/Website, etc. may invite action under various rules of the Board and IPC.”
3	Evaluation is to be done as per instructions provided in the Marking Scheme. It should not be done according to one’s own interpretation or any other consideration. Marking Scheme should be strictly adhered to and religiously followed. However, while evaluating, answers which are based on latest information or knowledge and/or are innovative, they may be assessed for their correctness otherwise and due marks be awarded to them. In Class-XII, while evaluating two competency-based questions, please try to understand given answer and even if reply is not from marking scheme but correct competency is enumerated by the candidate, due marks should be awarded.
4	The Marking scheme carries only suggested value points for the answers. These are in the nature of Guidelines only and do not constitute the complete answer. The students can have their own expression and if the expression is correct, the due marks should be awarded accordingly.
5	The Head-Examiner must go through the first five answer books evaluated by each evaluator on the first day, to ensure that evaluation has been carried out as per the instructions given in the Marking Scheme. If there is any variation, the same should be zero after deliberation and discussion. The remaining answer books meant for evaluation shall be given only after ensuring that there is no significant variation in the marking of individual evaluators.
6	Evaluators will mark (√) wherever answer is correct. For wrong answer CROSS ‘X’ be marked. Evaluators will not put right (√) while evaluating which gives an impression that answer is correct and no marks are awarded. This is most common mistake which evaluators are committing.
7	If a question has parts, please award marks on the right-hand side for each part. Marks awarded for different parts of the question should then be totalled up and written in the left hand margin and encircled. This may be followed strictly.
8	If a question does not have any parts, marks must be awarded in the left-hand margin and encircled. This may also be followed strictly.

9	If a student has attempted an extra question, answer of the question deserving more marks should be retained and the other answer scored out with a note " Extra Question "
10	No marks to be deducted for the cumulative effect of an error. It should be penalized only once.
11	A full scale of marks _____ (example 0 to 80/70/60/50/40/30 marks as given in Question Paper) has to be used. Please do not hesitate to award full marks if the answer deserves it.
12	Every examiner has to necessarily do evaluation work for full working hours i.e., 8 hours every day and evaluate 20 answer books per day in main subjects and 25 answer books per day in other subjects (Details are given in Spot Guidelines). This is in view of the reduced syllabus and number of questions in question paper.
13	Ensure that you do not make the following common types of errors committed by the Examiner in the past :- • Leaving answer or part thereof unassessed in an answer book. • Giving more marks for an answer than assigned to it. • Wrong totalling or marks awarded on an answer. • Wrong transfer of marks from the inside pages of the answer book to the title page. • Wrong question wise totalling on the title page. • Wrong totalling of marks of the two columns on the title page. • Wrong grand total. • Marks in words and figures not tallying/not same. • Wrong transfer of marks from the answer book to online award list. • Answers marked as correct, but marks not awarded. (Ensure that the right tick mark is correctly and clearly indicated. It should merely be a line. Same is with the X for incorrect answer.) • Half or a part of answer marked correct and the rest as wrong, but no marks awarded.
14	While evaluating the answer books if the answer is found to be totally incorrect, it should be marked as cross (X) and awarded zero (0) Marks.
15	Any unassessed portion, non-carrying over of marks to the title page, or totalling error detected by the candidate shall damage the prestige of all the personnel engaged in the evaluation work as also as the Board. Hence, in order to upload the prestige of all concerned, it is again reiterated that the instructions be followed meticulously and judiciously.
16	The Examiners should acquaint themselves with the guidelines given in the " Guidelines for Spot Evaluation " before starting the actual evaluation.
17	Every examiner shall also ensure that all the answers are evaluated, marks carried over to the title page, correctly totalled and written in figures and words.
18	The candidates are entitled to obtain photocopy of the Answer Book on request on payment of the prescribed processing fee. All Examiners/Additional Head Examiners/Head Examiners are once again reminded that they must ensure that evaluation is carried out strictly as per value points for each answer as given in the Marking Scheme.

MARKING SCHEME
Financial Market Management (Subject Code- 805)
(PAPER CODE: 329) (P3290805)

Q.No.	EXPECTED OUTCOMES/VALUE POINTS	Marks	Source/study content	Unit/chapter
	SECTION – A			
1.	Answer any 4 out of the given 6 questions on Employability Skills. (1 x 4 = 4 marks)			
	(i) (B) A group of words that communicates a complete thought or meaning.	1		
	(ii) Stress is a state of feeling upset, annoyed and hopeless.	1		
	(iii) (A) Suspicious	1		
	(iv) (B) Information and Communication Technology.	1		
	(v) (D) Work area	1		
	(vi) 'Start-up India'	1		
2.	Answer any 5 out of the given 7 questions (1x5 = 5 marks)			
	(i) (C) It is calculated using the closing share price	1		
	(ii) (C) IPOs, FPOs, and rights issues	1		
	(iii) (C) Charging fees directly from the clients	1		
	(iv) (C) 2000	1		
	(v) (C) Convicted of fraud or debarred by SEBI	1		
	(vi) (C) Before placing any order on behalf of the client	1		
	(vii) (C) Client's Social Security Number	1		
3.	Answer any 6 out of the given 7 questions (6x1 = 6 marks)			
	(i) (B) The best priced order	1		
	(ii) (D) Indian Rupees	1		
	(iii) (C) Branch Manager	1		
	(iv) (B) Inquiry Window	1		
	(v) (B) Corporate action indicator	1		
	(vi) (C) It is cancelled by the system	1		
	(vii) (C) NSE-IT	1		
4.	Answer any 5 out of the given 6 questions (5x1 = 5 marks)			
	(i) (C) Members and custodians	1		

	(ii) (C) Replacement cost risk and principal risk	1		
	(iii) (B) Clearing corporation and depositories	1		
	(iv) (B) Only in physical settlement	1		
	(v) (C) Initial margin	1		
	(vi) (D) Tax consultant	1		
5.	Answer any 5 out of the given 6 questions (5x1 = 5 marks)			
	(i) (B) Yes, if intent or deceptive action is proven	1		
	(ii) (C) The original principal	1		
	(iii) (C) Shareholders	1		
	(iv) (C) Fixed rate dividends	1		
	(v) (C) Shareholders' Fund and Loan Fund	1		
	(vi) (C) Raw materials	1		
6.	Answer any 5 out of the given 6 questions (5x1 = 5 marks)			
	(i) (C) Chicago Board Options Exchange (CBOE)	1		
	(ii) (C) Over-The-Counter (OTC) market	1		
	(iii) (C) Daily	1		
	(iv) (B) Cash settlement without stock delivery	1		
	(v) (C) Spot price > Strike price	1		
	(vi) (B) Unlimited profit, limited loss	1		
	SECTION - B Subjective Type Questions			
	Answer any 3 questions out of given 5 questions on Employability Skills in 20 - 30 words each. (2 x 3 = 6 marks).			
7.	Communication is a two-way process through which information or message is exchanged between individuals using language, symbols, signs or behaviour. Speaking, listening, reading and writing are the parts of communication.	2		
8.	(1) Openness - Individuals are creative, curious, active, flexible and adventurous. (2) Consciousness - self-disciplined, work on time, take care of others. (3) Extraversion - love to interact with people. (4) Agreeableness - kind, sympathetic, cooperative, considerate and warm. (5) Neuroticism - tendency towards anxiety, self doubt, depression, shyness.	(0.5x4) Any four		

9.	(1) Sorting Data in IT refers to the process of arranging data elements in a specific order such as ascending or descending based on pre-defined criterion. (2) It helps in data organization, making it easier to search, analyze and process information efficiently.	(1x2)		
10.	Environmental barriers: (any 2) (1) Lack of adequate resources or raw material (2) Non-availability of skilled labour (3) Lack of requisite machinery and infrastructure (4) Unavailability of monetary resources on time	2		
11.	According to UNEP - United Nations Environment Program, green jobs or green collar jobs are works in agricultural, administrative, research and development, manufacturing and service activities that contribute substantially to preserving or restoring environment quality.	2		
	Answer any 3 questions out of given 5 questions in 20 - 30 words each (2 x 3 = 6 marks).			
12.	Temporary Sign Off allows the system to remain active and continue receiving market updates while restricting user actions, thus preventing unauthorised access during short absences.	2		
13.	In the case of a bad delivery, NSCCL imposes a valuation debit on the responsible clearing member, similar to short deliveries.	2		
14.	(1) Reserves and surplus are retained profits that the company saves after distributing dividends. (2) They are used for future funding needs and belong to shareholders.	1+1=2		
15.	By taking offsetting long and short positions across different markets or contracts, arbitrageurs lock in price differentials, generating guaranteed, riskless profit.	2		
16.	A key advantage is the asymmetric risk-reward profile-limited loss (premium paid) with unlimited profit potential if the market moves favourably.	2		
	Answer any 2 questions out of given 3 questions in 30 - 50 words each (3x2 = 6 marks).			
17.	Brokerage is calculated as a percentage of the total trade value. For example, if 10,000 shares are sold at ` 50 each, and brokerage is 2.5%, then brokerage = 2.5% ×	1+2=3		

	` 5,00,000 = ` 12,500.			
18.	Orders are matched in the following order : 1. Eligible limit orders with other limit orders 2. Remaining limit orders with market orders 3. Market orders with other market orders	1+1+1=3		
19.	• Information likely to affect the price of securities if made public • Examples : financial results, mergers, acquisitions, new product launches, major contracts. • Information must be unpublished and material to investors' decisions.	1+1+1=3		
	Answer any 3 questions out of given 5 questions in 50-80 words each. (4 x 3 = 12 marks).			
20.	(Any four) The following are strictly prohibited in NSE member advertisements : • False, misleading, or exaggerated claims about products or services. • Assured returns, unwarranted slogans, or claims exploiting investor inexperience. • Discrediting competitors, making unfair comparisons, or using superlative terms without independent verification. • Any recommendations like BTST or ATST strategies. • Engaging in contests, leagues, or schemes involving gifts or rewards. • Issuing ads during suspension or if facing regulatory action. • Lack of data backing for graphs/charts/statistics or research based claims.	4 Each (1 mark)		
21.	• The Post-Close Market runs from 3:40 PM to 4:00 PM and allows only market price orders for securities that were actively traded in the normal market. No special or stop loss orders are allowed. Trades during this phase are treated as part of the normal market. • After this, the SURCON (Surveillance and Control) phase begins, during which users can only view data. Once this ends, the system processes the day's data and prepares for the next session.	2+2=4		

22.	- To address problems like bad deliveries, delays, theft, and forgery in the paper-based securities system. - To manage the increasing volume and complexity of transactions. - To enable a faster and safer settlement process. - To bring Indian markets in line with global practices of scripless trading.	$1+1+1+1=4$		
23.	An options contract gives the buyer the right, but not the obligation, to buy or sell an asset at a fixed price before or on a specific date. A call option allows the buyer to purchase the asset, while a put option allows the buyer to sell it. Options are widely used for hedging and speculation. Unlike futures, only the buyer pays a premium, and losses are limited to that premium.	4		
24.	Cost of Carry : Measures total costs to hold an asset, including storage costs and financing interest minus income earned on the asset. Maintenance Margin : The minimum margin balance required; if breached, a margin call is issued requiring topping up to initial margin before trading resumes.	$2+2=4$		