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| **UT/FMMAK/1223/A 6-NOV-2023** | | | | | |
| **Unit Test (2023-24 )**  **Answer key** | | | | | |
| **Subject: FMM**  **Grade: 12** | | Max. Marks: 50Time:2 hrs 30 min | | | |
| **Name:** | | | **Section:** | **Roll No:** | |
|  | d. clearing regulator | | | |  |
|  | d. Replacement cost margin | | | | 1 |
|  | Buy value-Sell Value | | | | 1 |
|  | d. isa director | | | | 1 |
|  | a. Effective rate of return. | | | | 1 |
|  | c. Financial Analysis | | | | 1 |
|  | c.Unsystematic Risk | | | | 1 |
|  | b. Pay out day | | | | 1 |
|  | (c) Opening a trading account and Demat account, Placing an order, Execution of order, Settlement of order | | | | 1 |
|  | c)Sigma | | | | 1 |
|  | 0.07% per day + Rs. 5,000 per instance from 2nd to 5th instance. | | | | 1 |
|  | SEBI | | | | 1 |
|  | **b.** T+2 | | | |  |
|  | The closing price on the day previous to the day of valuation. | | | | 1 |
|  | Total value of acquiring of all fixed assets . | | | | 1 |
|  | 365/ DTR (or) Av drs/ AV daily cr sales | | | | 1 |
|  | a. Liquidity | | | | 1 |
|  | c. Leverage/Capital Structure | | | | 1 |
|  | b. Earnings Per Share | | | | 1 |
|  | d. is a director | | | | 1 |
|  | Price sensitive information means any information which is related directly or indirectly to a company and which if published is likely to materially affect the price of securities of a company.(1) (a) periodical financial results of the company. (b) intended declaration of dividends (both interim and final).(1) | | | | **2** |
|  | Registered Owner is Depositary (1) • Beneficiary Owner is Demat Account holder | | | | **2** |
|  | The term 'Short Delivery' is used in situations when a seller is not able to fulfill the obligation of delivering a security, for Settlement purpose. The securities that were not delivered in this case are called as Short | | | | **2** |
|  | Pg 85 | | | | **2** |
|  | "fraud" includes any act, expression, omission or concealment committed whether in a deceitful manner or not by a person or by any other person with his connivance or by his agent while dealing in securities in order to induce another person or his agent to deal in securities, whether or not there is any wrongful . | | | | **2** |
|  | Numbering System of ISIN: The numbering structure for securities in NSDL is of 12 digit alpha numeric string. The first two characters represent country code i.e. IN (in accordance with ISO 3166). (1) The third character represents the Issuer Type. The list may be expanded as per need. Maximum issuer types can be 35 (A to Z and 0 to 8. The partly paid up shares are identified by 9). The next 4 characters (fourth to seventh character) represent company identity of which first 3 characters are numeric and fourth character is alpha character. (1) The next two characters (the eight and ninth characters) represent security type for a given issuer. Both the characters are numeric. The next two characters (the tenth and eleventh characters) are serially issued for each security of the issuer entering the system. Last digit is check digit. (1) | | | | **3** |
|  | Several entities involved in the process of clearing and settling the trades executed on Exchanges. Write the role of each agency. (1x3)  • Clearing Corporation (NSCCL): The NSCCL is responsible for post-trade activities of a stock exchange. Clearing and settlement of trades and risk management are its central functions.(1)  • Clearing Members: They are responsible for settling their obligations as determined by the NSCCL. They have to make available funds and/or securities in the designated accounts with clearing bank/depository participant, as the case may be, to meet their obligations on the settlement day. (1)  • Custodians: A custodian is an entity who is responsible for safeguarding the documentary evidence of the title to property like share certificates, etc. In NSCCL, custodian is a clearing member but not a trading member.(1)  • Clearing Banks: Clearing banks are a key link between the clearing members and NSCCL for funds settlement. Every clearing member is required to open a dedicated settlement account with one of the clearing banks. Based on his obligation as determined through clearing, the clearing member makes funds available in the clearing account for the pay-in and receives funds in case of a pay-out. | | | | **3** |
|  | Investors prefer to receive money today rather than the same amount of money in the future because a sum of money, once invested, grows over time. For example, money deposited into a [savings account](https://www.investopedia.com/terms/s/savingsaccount.asp) earns interest. Over time, the interest is added to the principal, earning more interest. That's the power of compounding interest.  If it is not invested, the value of the money erodes over time. If you hide $1,000 in a mattress for three years, you will lose the additional money it could have earned over that time if invested. It will have even less [buying power](https://www.investopedia.com/terms/b/buyingpower.asp) when you retrieve it because [inflation reduces its value](https://www.investopedia.com/ask/answers/042415/what-impact-does-inflation-have-time-value-money.asp). | | | | **3** |
|  | Pg 113 | | | | **3** |
|  | Value at Risk (VaR) Margin: Definition, Meaning & Basics Value at Risk margin is a measure of risk. It is used to estimate the probability of loss of value of a share or a portfolio, based on the statistical analysis of historical price trends and volatilities. Based on VaR margin, stock exchanges calculate risk of loss in the value of a stock, typically with a one-day time horizon. | | | | **4** |
|  | a) an immediate relative of connected persons specified in clause (i); or (b) a holding company or associate company or subsidiary company; or (c) an intermediary as specified in section 12 of the Act or an employee or director thereof; or (d) an investment company, trustee company, asset management company or an employee or director thereof; or (e) an official of a stock exchange or of clearing house or corporation; or (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or (h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or (i) a banker of the company; or (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent. of the holding or interest; | | | | **4** |

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