

“ALTHOUGH WE WORK THROUGH FINANCIAL
MARKETS,
OUR GOAL IS TO HELP MAIN STREET, NOT WALL
STREET ”

QUESTION BANK ON FINANCIAL MARKET

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FINANCIAL MARKET

UNIT - I

1. What does NSE stand for?
 - a. National Securities Exchange
 - b. National Stock Exchange
 - c. National Stock Excise
 - d. National Securities Excise
2. Which of the following is not a stock exchange in India?
 - a. NSE (National Stock Exchange)
 - b. BSE (Bombay Stock Exchange)
 - c. DSE (Delhi Stock Exchange)
 - d. NYSE (New York Stock Exchange)
3. Which of the following is not a type of order in the stock market?
 - a. Market order
 - b. Limit order
 - c. Stop loss order
 - d. Rescue order
4. SEBI is the regulatory body for the capital market in India. What does SEBI stand for?
 - a. Securities and Exchange Board of India
 - b. Securities and Exchange Bureau of India

- c. Securities and Equity Board of India
 - d. Securities and Excise Board of India
5. What is the index of the top 30 companies listed on the BSE called?
- a. BSE Sensex b. NIFTY
 - c. SENSEX d. NSE Nifty
6. Which of the following is not a type of trading in the stock market?
- a. Intraday trading
 - b. Positional trading
 - c. Long-term investment
 - d. Forex trading
7. Who is responsible for setting the circuit limits in the stock market?
- a. SEBI b. RBI
 - c. Stock exchanges d. Mutual funds
8. What does IPO stand for?
- a. Initial Public Offering
 - b. Initial Private Offering
 - c. Initial Primary Offering
 - d. Initial Public Order

9. Which of the following is not a type of derivative product in the Indian capital market?
- a. Futures b. Options
 - c. Swaps d. Bonds
10. What is the minimum lot size for trading in the futures and options segment of the Indian capital market?
- a. 10 b. 100
 - c. 500 d. 1000
11. Who is responsible for the depository system in the Indian capital market?
- a. NSDL b. CDSL
 - c. SEBI d. RBI
12. What is the process of buying back shares by a company called?
- a. Dividend b. Buyback
 - c. Merger d. Acquisition
13. How are shares allocated in an initial public offering (IPO)?
- a. First come, first serve basis

- b. Lottery system
- c. Price-based allocation
- d. All of the above

14. What is the role of a stockbroker in the capital market?

- a. Buying and selling securities on behalf of clients
- b. Providing investment advice to clients
- c. Facilitating trading on the stock exchange
- d. All of the above

15. Which of the following is not a role of SEBI?

- a. Regulating stock exchanges
- b. Protecting the interests of investors
- c. Promoting the development of the capital market
- d. Setting interest rates

16. What is the primary market in the capital market?

- a. Market for trading of securities already issued
- b. Market for trading of newly issued securities

- c. Market for trading of government securities
- d. Market for trading of international securities

17. What is a mutual fund?

- a. A type of investment vehicle that pools money from multiple investors to invest in a diversified portfolio of securities
- b. A type of government bond
- c. A type of insurance policy
- d. A type of bank account

18. What is primary market?

- a. Market where already issued securities are traded
- b. Market where newly issued securities are traded
- c. Market where international securities are traded
- d. Market where derivatives are traded

19. Who is a broker?

- a. A person who buys and sells securities on behalf of clients

- b. A person who provides investment advice to clients
- c. A person who regulates the capital market
- d. A person who issues securities

20. What is financial inclusion?

- a. Providing banking and financial services to all segments of the society, especially the underprivileged
- b. Investing in high-risk financial products
- c. Providing financial literacy programs
- d. All of the above

21. What is the role of SEBI in the Indian capital market?

- a. Regulating stock exchanges and protecting the interests of investors
- b. Setting interest rates and controlling inflation
- c. Providing loans to the government and regulating the banking sector
- d. None of the above

22. What is a stock exchange?

- a. A marketplace where securities are traded
- b. A government agency that regulates the capital market
- c. A type of derivative product
- d. A type of insurance policy

23. What is a derivative?

- a. A financial instrument whose value is derived from an underlying asset
- b. A type of bond issued by the government
- c. A type of mutual fund
- d. A type of stock traded on the stock exchange

24. What is insider trading?

- a. Buying or selling securities based on non-public information
- b. Buying or selling securities based on public information
- c. Buying or selling securities without any information
- d. None of the above

25. What is a bull market?

- a. A market in which prices are rising or expected to rise
- b. A market in which prices are falling or expected to fall
- c. A market in which prices remain constant
- d. None of the above

26. What is the role of the International Monetary Fund (IMF)?

- a. Regulating international trade
- b. Promoting global economic development
- c. Setting interest rates in international markets
- d. Regulating international financial markets

27. What is a trade deficit?

- a. When a country's imports exceed its exports
- b. When a country's exports exceed its imports
- c. When a country's imports and exports are equal
- d. When a country's trade is completely closed off

28. What is a multinational corporation (MNC)?

- a. A corporation that operates in multiple countries

- b. A corporation that operates only in its home country
 - c. A corporation that focuses on domestic trade
 - d. A corporation that is owned by multiple countries
29. What is foreign direct investment (FDI)?
- a. Investment made by foreign entities into domestic companies
 - b. Investment made by domestic entities into foreign companies
 - c. Investment made by foreign governments into domestic countries
 - d. Investment made by domestic governments into foreign countries
30. What is a currency exchange rate?
- a. The rate at which a country's currency can be exchanged for another country's currency
 - b. The rate at which a country's currency can be exchanged for goods and services
 - c. The rate at which a country's currency can be exchanged for gold
 - d. The rate at which a country's currency can be exchanged for commodities

31. What is a balance of payments?
- a. The total value of a country's imports and exports
 - b. The difference between a country's exports and imports
 - c. The difference between a country's income and expenditure
 - d. The total value of a country's income and expenditure
32. What is a tariff?
- a. A tax on imports or exports
 - b. A tax on domestic goods and services
 - c. A tax on foreign investment
 - d. A tax on foreign income
33. What is economic globalization?
- a. The integration and interdependence of national economies through trade, investment, and technology
 - b. The separation and isolation of national economies from global markets
 - c. The domination of global markets by a single country or corporation

- d. The protection and promotion of domestic industries through trade barriers

34. What is a free trade agreement?

- a. An agreement between two or more countries to eliminate tariffs and other trade barriers
- b. An agreement between two or more countries to impose tariffs and other trade barriers
- c. An agreement between two or more countries to eliminate FDI
- d. An agreement between two or more countries to impose restrictions on imports and exports

35. What is the World Trade Organization (WTO) responsible for?

- a. Promoting global economic development
- b. Regulating international trade and resolving trade disputes
- c. Setting interest rates in international markets
- d. Regulating international financial markets

36. What is a trade surplus?

- a. When a country's imports exceed its exports
- b. When a country's exports exceed its imports
- c. When a country's imports and exports are equal

- d. When a country's trade is completely closed off
37. What is offshore outsourcing?
- a. The practice of relocating business functions to a foreign country
 - b. The practice of restricting business functions to the domestic country only
 - c. The practice of exchanging goods and services between countries
 - d. The practice of imposing taxes on foreign goods and services
38. What is a multinational trade bloc?
- a. A group of countries that have eliminated trade barriers and promote free trade among themselves
 - b. A group of countries that impose trade barriers and restrict trade among themselves
 - c. A group of countries that aim to achieve economic independence from the global market
 - d. A group of countries that provide financial aid to developing nations
39. What is the role of the World Bank?

- a. Providing loans and financial assistance to developing countries for development projects
 - b. Regulating international trade and resolving trade disputes
 - c. Promoting global economic development
 - d. Setting interest rates in international markets
40. What is the role of the Organization for Economic Cooperation and Development (OECD)?
- a. Promoting global economic development
 - b. Regulating international trade and resolving trade disputes
 - c. Setting international standards and guidelines for economic policies
 - d. Regulating international financial market
41. Which of the following is not a capital market instrument?
- a. Shares b. Bonds
 - c. Commodities d. Futures
42. What is the primary function of the capital market?
- a. To provide short-term financing to individuals and businesses
 - b. To facilitate the buying and selling of securities

- c. To promote economic growth through long-term investment
 - d. To regulate financial transactions
43. Which regulatory body oversees the Indian capital market?
- a. Reserve Bank of India (RBI)
 - b. Securities and Exchange Board of India (SEBI)
 - c. Ministry of Finance
 - d. National Stock Exchange (NSE)
44. What is an IPO?
- a. Initial Public Offering
 - b. International Purchase Order
 - c. Investment Portfolio Option
 - d. Indian Property Ownership
45. Which of the following is considered a secondary market?
- a. Stock exchange
 - b. Primary market
 - c. Debt market
 - d. Mutual funds
46. What are blue-chip stocks?
- a. Stocks issued by new and upcoming companies
 - b. Stocks of well-established, financially stable companies

- c. Highly speculative stocks with the potential for high returns
 - d. low-risk, low potential stocks with stable returns
47. What is an index in the capital market?
- a. The price at which a security is bought or sold
 - b. A measure of the performance of a group of stocks
 - c. A type of derivative instrument
 - d. The interest rate at which banks lend to each other
48. What is the role of a stockbroker in the capital market?
- a. To facilitate the buying and selling of securities on behalf of investors
 - b. To provide loans for individuals and businesses
 - c. To regulate the functioning of the stock market
 - d. To create and issue new securities
49. What is the difference between a primary market and a secondary market?
- a. Primary market is where new securities are issued, while secondary market is where existing securities are traded

- b. Primary market is where government securities are traded, while secondary market is for corporate securities
- c. Primary market is for short-term investment, while secondary market is for long-term investment
- d. Primary market is regulated by SEBI, while secondary market is regulated by RBI

50. What is the role of credit rating agencies in the capital market?

- a. To determine the price of securities in the market
- b. To regulate the operations of banks and financial institutions in the capital market
- c. To provide credit scores for individual investors
- d. To assess the creditworthiness of issuers of securities

51. which one of the following is not a money market instrument?

- a. call money b. treasury bills
- c. bonds d. commercial paper

52. Discount market is

- a. Secondary market b. Primary market
- c. Debt market d. Forex market

53. Which one of the following is a regulatory institution ?

- a. RBI b. EXIM
- c. SFCs d. OTCEI

54. Money lent for more than 14 days is

- a. Loan money b. Notice money
- c. Term money d. Call money

55. Commercial paper has a maturity period of

- a. days to one year
- b. 7 days to one year
- c. 15 days to one year
- d. 14 days to one year

56. Commercial paper is issued to finance

- a. Fixed capital needs b. Working capital needs
- c. Projects d. none of these

57. The market for short term loan is known as

- a. Call money market
- b. Money market
- c. Treasury bill market
- d. Acceptance market

58. Major investors in Treasury Bills are

- a. Banks
- b. Financial Institutions
- c. RBI
- d. Central Government

59. Government securities are listed on the NSE's

- a. French auction
- b. Wholesale debt market
- c. Public debt office
- d. derivations associations

60. REPO transaction is comprised of

- a. Sale and repurchase
- b. Acceptance and discounting
- c. Auction and purchase
- d. Listing and delisting

ANSWERS

1.b,2.d,3.d,4.a,5.a,6.d,7.a,8.a,9.d,10.b,11.a&b,12.b,13.d,14.d,
15.d,16.b,17.a,18.b,19.a,20.a,21.a,22.a,23.a,24.a,25.a,26.b,
27.a,28.a,29.a,30.a,31.d,32.a,33.a,34.a,35.b,36.b,37.a,38.a,
39.a,40.c,41.c,42.c,43.b,44.a,45.a,46.b,47.b,48.a,49.a,50.d,
51.d, 52.a,53.a,54.c,55.c,56.b,57.b,58.a,59.b,60.a



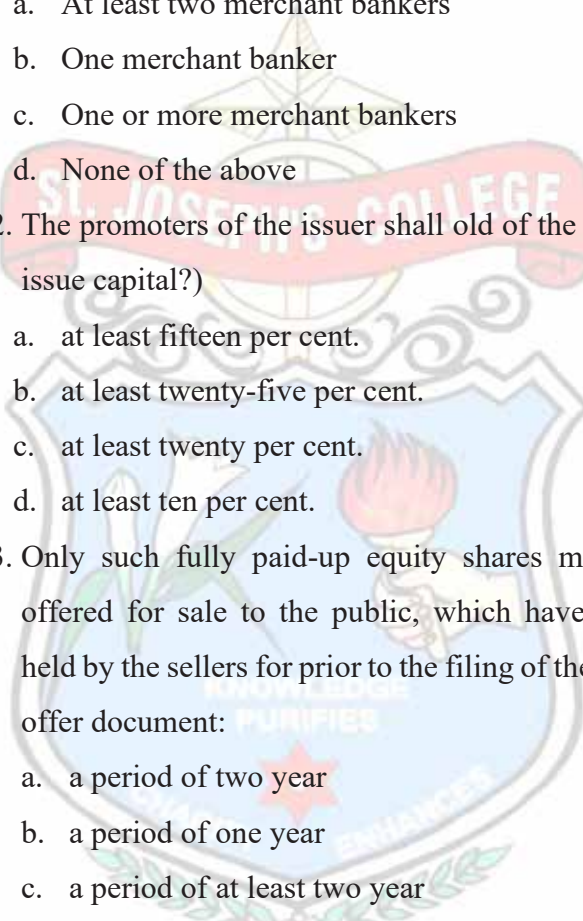
UNIT-2

1. The minimum application amount of an IDR shall be:
 - a. Thirty thousand rupees
 - b. Twenty thousand rupees
 - c. Forty thousand rupees
 - d. Ten thousand rupees
2. The tenure of the convertible securities of the issuer shall from the date of their allotment:
 - a. not exceed twelve months
 - b. not exceed twenty four months
 - c. not exceed six months
 - d. not exceed eighteen months
3. For making a rights issue through the fast track route the average market capitalisation of public shareholding of the issuer is :
 - a. two hundred and fifty crore rupees
 - b. at least two hundred and fifty crore rupees
 - c. two hundred crore rupees
 - d. at least two hundred crore rupees

4. An issuer making a rights issue of convertible debt instruments shall ensure that it has obtained:
 - a. There is no need of credit rating
 - b. Credit rating from at least one credit rating agency
 - c. It is on the discretion of the issuer
 - d. Credit rating from one credit rating agency
5. When an issuer shall be eligible to make a rights issue of specified securities:
 - a. If the issuer, any of its promoters, promoter group or directors of the issuer are debarred from accessing the capital market by the Board
 - b. If the issuer who were debarred in the past by the Board and the period of debarment is already over as on the date of filing of the draft letter of offer with the Board.
 - c. If any of the promoters or directors of the issuer is a promoter or director of any other company which is debarred from accessing the capital market by the Board.

- d. If any of its promoters or directors is a fugitive economic offender.
- 6. Where the securities are not allotted and/or application monies are not refunded or unblocked within the prescribed period the issuer shall undertake to pay interest at the rate of to the investors:
 - a. Fifteen per cent, per annum
 - b. Six per cent, per annum
 - c. Eighteen per cent, per annum
 - d. Twelve per cent, per annum
- 7. The issuer shall stipulate in the offer document the minimum application size in terms of number of specified securities which shall fall within the range of:
 - a. minimum application value of ten thousand rupees to fifteen thousand rupees
 - b. minimum application value of one thousand rupees to five thousand rupees
 - c. minimum application value of five thousand rupees to ten thousand rupees
 - d. at the discretion of the issuer

8. An initial public offer shall be kept open for at least three working days and not more than ten working days:
 - a. At least three working days
 - b. Three days
 - c. At the discretion of the issuer
 - d. At least three days
9. If the issue size, excluding the size of offer for sale by selling shareholders, the issuer shall make arrangements for the use of proceeds of the issue to be monitored by a public financial institution or by a scheduled commercial bank named in the offer document as bankers of the issuer:
 - a. exceeds seventy five crore rupees
 - b. exceeds twenty five crore rupees,
 - c. exceeds one hundred crore rupees
 - d. exceeds fifty rupees
10. The issuer shall accept bids by using
 - a. Only the ASBA facility
 - b. Cash deposit in escrow account
 - c. Cheque deposit in escrow account
 - d. All the options are correct

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11. The issuer shall appoint which are registered with the Board, as lead manager(s) to the issue:
- At least two merchant bankers
 - One merchant banker
 - One or more merchant bankers
 - None of the above
12. The promoters of the issuer shall hold of the (post-issue capital?)
- at least fifteen per cent.
 - at least twenty-five per cent.
 - at least twenty per cent.
 - at least ten per cent.
13. Only such fully paid-up equity shares may be offered for sale to the public, which have been held by the sellers for prior to the filing of the draft offer document:
- a period of two year
 - a period of one year
 - a period of at least two year
 - a period of at least one year

14. An issuer making an initial public offer of specified securities shall satisfy the conditions of Chapter II of ICDR Regulations:
- a. as on the date of registering the offer document with the Registrar of Companies
 - b. as on the date of filing of the draft offer document with the Board
 - c. Both A and B above
 - d. None of the above
15. “application supported by blocked amount (ASBA)” means:
- a. An application for subscribing to a public issue or rights issue, along with an authorisation to self certified syndicate bank to block the application money in a bank account
 - b. An application for subscribing to a public issue or rights issue, along with a certificate from scheduled bank
 - c. An application for subscribing to a public issue or rights issue, along with a certificate from non-schedule bank

- d. None of the above
16. Which section of the Securities and Exchange Board of India Act, 1992 have conferred powers to the SEBI to make the SEBI(ICDR) Regulations, 2009:
- a. Section 30
 - b. Section 28
 - c. Section 31
 - d. Section 29
17. An issuer shall be eligible to make an initial public offer only if it has net tangible assets of _____ :
- a. at least three crore rupees
 - b. at least one crore rupees
 - c. at least four crore rupees
 - d. at least two crore rupees
18. An issuer making an initial public offer of convertible debt instruments shall comply:
- a. Appoint at least one debenture trustee
 - b. Appoint at least one debenture trustee
 - c. Obtain credit rating from at least one credit rating agency
 - d. All of the above

19. The entire pre-issue capital held by persons other than the promoters shall be locked-in for a period of from the date of allotment in the initial public offer:
- Three years
 - Two years
 - One year
 - None of the above
20. The cap on the price band, and the coupon rate in case of convertible debt instruments, shall be:
- Equal to the floor price
 - Less than the floor price
 - More than or equal to one hundred and twenty per cent, of the floor price
 - Less than or equal to one hundred and twenty per cent, of the floor price
21. In case of a book built issue, the price of the specified securities offered to the anchor investors:
- Shall be more than the price offered to other applicants

- b. Shall not be lower than the price offered to other applicants
 - c. Shall be lower than the price offered to other applicants
 - d. None of the above
22. If the issuer makes a public issue through the book building process, the issue shall be underwritten by:
- a. Scheduled Commercial Banks
 - b. Lead manager(s) and syndicate member(s)
 - c. Term Lending Institutions
 - d. None of the above
23. The minimum subscription to be received in the issue shall be .of the offer through the offer document, except in case of an offer for sale of specified securities:
- a. Ninety five per cent
 - b. Ninety per cent
 - c. At least ninety five per cent
 - d. At least ninety per cent

24. If the issuer proposes to receive subscription monies in calls, it shall ensure that the outstanding subscription money is called from the date of allotment:
- within nine months
 - within twelve months
 - within three months
 - within six months
25. The value of specified securities allotted to any person, except in case of employees, shall for retail investors:
- not exceed two lakhs rupees
 - not exceed four lakhs rupees
 - not exceed one lakhs rupees
 - not exceed three lakhs rupees
26. The lead manager(s) shall submit a final post-issue report as specified in Part A of Schedule XVII, along with a due diligence certificate as per the format specified in Form Fof Schedule V, of the date of finalization of basis of allotment or within seven days of refund of money in case of failure of issue:

- a. within seven days
 - b. within three days
 - c. within seven working days
 - d. within three working days
27. An issuer shall be eligible to issue warrants which shall _____ from their date of allotment in the rights issue:
- a. not exceed eighteen months
 - b. not exceed six months
 - c. not exceed twenty four months
 - d. not exceed twelve months
28. The promoters shall contribute in the public issue as either to the extent of of the proposed issue size:
- a. Twenty per cent
 - b. Ten per cent
 - c. Twenty five per cent
 - d. Fifteen per cent
29. A listed issuer making a preferential issue of specified securities shall ensure that:
- a. all of the above

- b. all equity shares allotted by way of preferential issue shall be made fully paid up at the time of the allotment
 - c. a special resolution has been passed by its shareholder
 - d. all of the above
30. The tenure of the convertible or exchangeable eligible securities issued through qualified institutions placement:
- a. Shall not exceed 30 months from the date of allotment.
 - b. Shall not exceed 60 months from the date of allotment.
 - c. Shall not exceed 15 months from the date of allotment
 - d. Shall not exceed 45 months from the date of allotment.
31. The floor price or the final price of IDR:
- a. Shall equal to the face value of the IDRs.
 - b. May be less than the face value of the IDRs.
 - c. Shall not be less than the face value of the IDRs.

d. Shall less than the face value of the IDRs.

32. "relevant date" in case of preferential issue of equity shares, means the on which the meeting of shareholders is held to consider the proposed preferential issue:

- a. date thirty days prior to the date
- b. date ten days prior to the date
- c. date forty days prior to the date
- d. date twenty days prior to the date

33. Allotment pursuant to the special resolution shall be completed within a period of from the date of passing of such resolution:

- a. 20 days
- b. 10 days
- c. 30 days
- d. 15 days

34. The eligible securities allotted under the qualified institutions placement shall not be sold by the allottee for a period of from the date of allotment, except on a recognised stock exchange:

- a. Three year
- b. One year

- c. Four year
 - d. Two year
35. The cap on the price band, and the coupon rate in case of convertible debt instruments, shall be:
- a. Less than or equal to 120% of the floor price
 - b. Less than or equal to 100% of the floor price
 - c. Less than or equal to 130% of the floor price
 - d. Less than or equal to 110% of the floor price
36. An issuer shall be eligible to make a further public offer of convertible debt instruments if:
- a. it has not defaulted in payment of interest or repayment of principal amount in respect of debt instruments issued by it to the public, if any, for a period of more than six months.
 - b. its equity shares are already listed
 - c. Both A and B are correct
 - d. None of the above
37. For making a rights issue through the fast track route the annualized delivery based trading turnover of the equity shares during six calendar months immediately preceding the month of the reference date has been of the annualized trading

turnover of equity shares during such six months⁴ period:

- a. at least ten per cent.
- b. ten per cent.
- c. more than ten per cent.
- d. none of the above

38. The issue price _____ of the specified securities:

- a. Shall equal to the face value
- b. May be less than the face value
- c. Shall be more than the face value
- d. Shall not be less than the face value

39. The issuer shall ensure that all transactions in securities by the promoter and promoter group between the date of filing of the draft offer document or offer document, as the case may be, and the date of closure of the issue shall be reported to the stock exchange(s), of such transactions:

- a. after twenty four hours
- b. within twelve four hours
- c. within twenty four hours

- d. after twelve four hours
- 40. The issuer shall not make an allotment pursuant to a public issue if the number of prospective allottees is:
 - a. less than one thousand.
 - b. less than one hundred
 - c. less than five thousand.
 - d. less than five hundred
- 41. The minimum sum payable on application per specified security shall be:
 - a. at least twenty five per cent, of the issue price
 - b. at least fifteen per cent, of the issue price
 - c. at least thirty per cent, of the issue price
 - d. at least twenty per cent, of the issue price
- 42. An initial public offer shall be kept open for at least three working days and:
 - a. not more than seven working days
 - b. not more than three working days
 - c. not more than ten working days
 - d. not more than five working days
- 43. A public issue may be opened from the date of issuance of the observations by the Board:

- a. within nine months
- b. within three months
- c. within twelve months
- d. within six months

44. The issuer shall, before the opening of the subscription list, deposit with the designated stock exchange, an amount calculated at the rate of of the issue size available for subscription to the public:

- a. Three per cent.
- b. One per cent.
- c. Five per cent.
- d. Two per cent.

45. The floor price or the final price shall:

- a. Not be less than the face value of the specified securities
- b. Be less than the face value of the specified securities
- c. More than the face value of the specified securities
- d. None of the above

46. Promoters' holding in excess of minimum promoters' contribution shall be locked-in for a period of from the date of allotment in the initial public offer:
- Three years
 - One year
 - Two years
 - None of the above
47. An issuer shall be eligible to issue warrants in an initial public offer subject to condition that the tenure of such warrants from the date of their allotment in the initial public offer:
- shall not exceed eighteen months
 - shall not exceed six months
 - shall not exceed twenty four months
 - shall not exceed twelve months
48. An issuer shall be eligible to make an initial public offer only if it has a net worth of in each of the preceding three full years:
- at least three crore rupees
 - at least one crore rupees
 - at least four crore rupees

d. at least two crore rupees

49. "Green shoe option" means an option of allotting equity shares the equity shares offered in the public issue as a post-listing price stabilizing mechanism:

- a. equal to
- b. less than
- c. in excess of
- d. None of the above

50. "Book building" means:

- a. A process undertaken to elicit demand and to assess the price for determination of the quantum or value or coupon of specified securities
- b. A process undertaken to fix price based on demand of shares in the market.
- c. A process through which the public is able to determine the price of shares.
- d. None of the above

51. Securities contracts (regulations) act came into force in

- a. 1957
- b. 1956

- c. 1959 d. 1958

52. SEBI was established on

- a. April 12, 1987 b. April 12, 1920
c. April 12, 1989 d. April 12, 1988

53. _____ committee was constituted by SEBI for deciding about derivative trading

- a. Tandon b. L.C. Gupta
c. Dave d. M.J. Pherwani

54. Professional independent broker who deals in securities on his own behalf

- a. Tarawaniwalla b. Jobber
c. commission brokers d. sub-brokers

55. _____ are appointed by a broker to act on his absence.

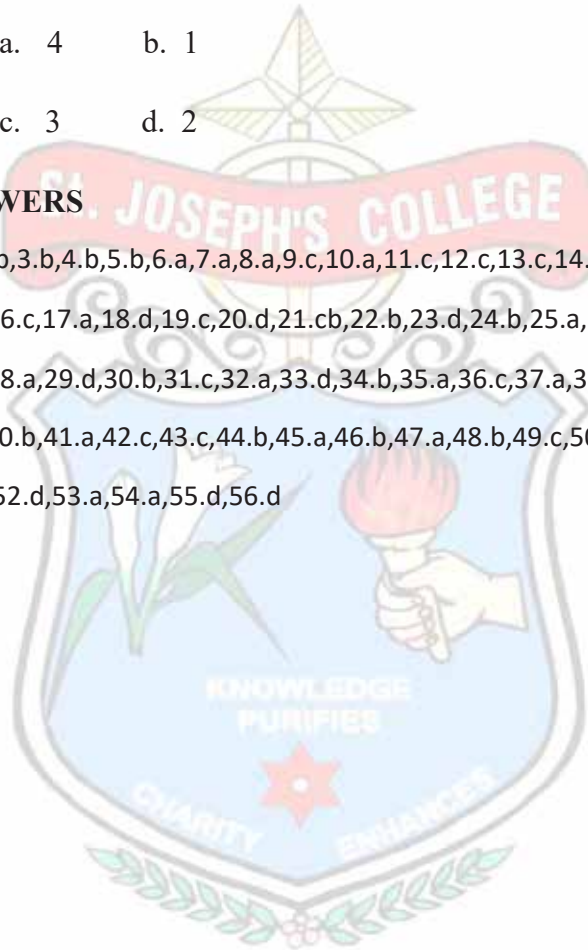
- a. Jobbers
b. Commission Brokers
c. sub-brokers
d. authorised clerks

56. Public sector banks should have a profitability record of _____ year before pricing their public issues above par

- a. 4 b. 1
c. 3 d. 2

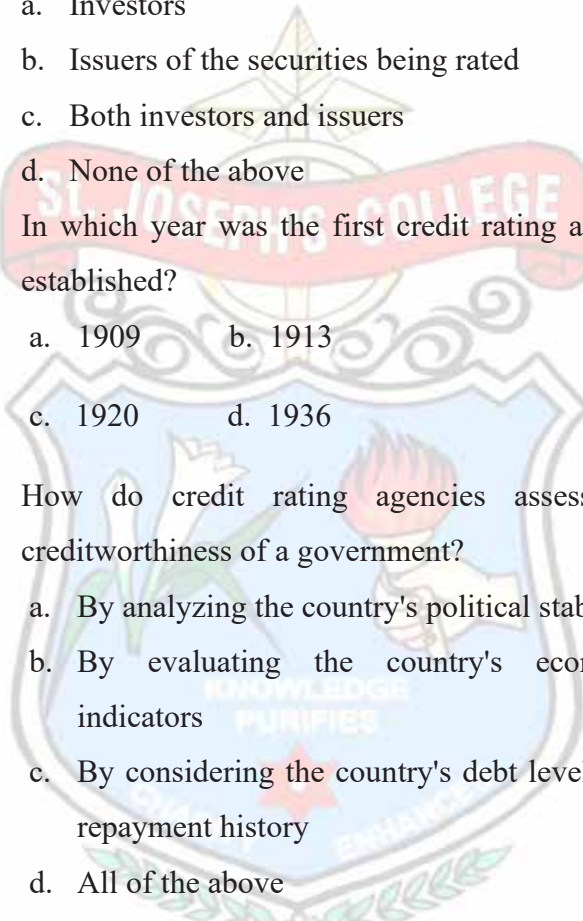
ANSWERS

1.b, 2.b, 3.b, 4.b, 5.b, 6.a, 7.a, 8.a, 9.c, 10.a, 11.c, 12.c, 13.c, 14.c,
15.a, 16.c, 17.a, 18.d, 19.c, 20.d, 21.cb, 22.b, 23.d, 24.b, 25.a, 26.a,
27.a, 28.a, 29.d, 30.b, 31.c, 32.a, 33.d, 34.b, 35.a, 36.c, 37.a, 38.d,
39.c, 40.b, 41.a, 42.c, 43.c, 44.b, 45.a, 46.b, 47.a, 48.b, 49.c, 50.a,
51.a, 52.d, 53.a, 54.a, 55.d, 56.d



UNIT 3

1. Who issues credit ratings for corporate bonds?
 - a. Moody's
 - b. Standard & Poor's
 - c. Fitch Ratings
 - d. All of the above
2. Which of the following is not one of the three major credit rating agencies?
 - a. Fitch Ratings
 - b. Morningstar
 - c. Moody's
 - d. Standard & Poor's
3. What is the highest credit rating designation given by credit rating agencies?
 - a. AAA
 - b. AA
 - c. A
 - d. B
4. Which of the following factors do credit rating agencies consider when assigning a credit rating?
 - a. Financial performance and stability
 - b. Market position and competitiveness
 - c. Management strength and experience
 - d. All of the above

- 
5. Who pays for the credit rating services provided by rating agencies?
 - a. Investors
 - b. Issuers of the securities being rated
 - c. Both investors and issuers
 - d. None of the above
 6. In which year was the first credit rating agency established?
 - a. 1909 b. 1913
 - c. 1920 d. 1936
 7. How do credit rating agencies assess the creditworthiness of a government?
 - a. By analyzing the country's political stability
 - b. By evaluating the country's economic indicators
 - c. By considering the country's debt levels and repayment history
 - d. All of the above
 8. Which of the following is a potential conflict of interest for credit rating agencies?
 - a. Being paid by issuers for rating their securities

- b. Providing consulting services to the issuers they rate
 - c. Lack of transparency in the rating process
 - d. All of the above
9. What is the purpose of credit ratings?
- a. To provide an opinion on the creditworthiness of an issuer or security
 - b. To provide guidance for investors in making investment decisions
 - c. To assist issuers in accessing capital markets
 - d. All of the above
10. Which of the following is a quantitative factor used by credit rating agencies?
- a. Financial ratios
 - b. Market share
 - c. Management expertise
 - d. Reputation
11. How do credit rating agencies indicate a negative outlook or potential downgrade for a credit rating?
- a. A plus sign (+) is added to the rating
 - b. A minus sign (-) is added to the rating

- c. A notation is added indicating the negative outlook or potential downgrade
 - d. None of the above
12. How do credit rating agencies evaluate the creditworthiness of municipal bonds?
- a. By assessing the financial condition of the state or local government issuing the bonds
 - b. By analyzing the revenue sources and debt repayment capacity of the bonds
 - c. By evaluating the economic conditions of the region or community served by the bonds
 - d. All of the above
13. Which of the following ratings represents a below investment grade or speculative grade credit rating?
- a. AAA b. BBB
 - c. BB d. AA
14. Which of the following is a limitation of credit ratings?
- a. Ratings can be subjective and prone to errors

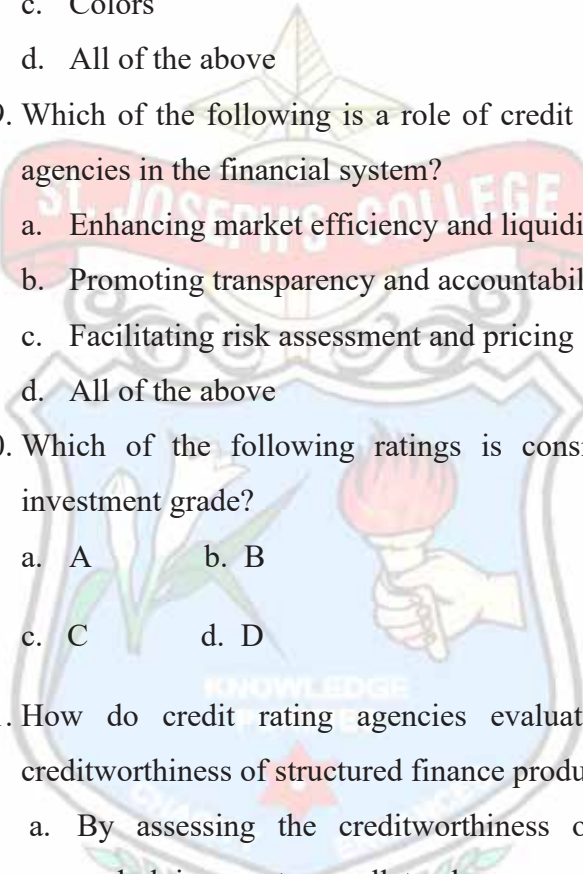
- b. Ratings may not fully capture all risks and factors affecting creditworthiness
 - c. Ratings may be influenced by conflicts of interest
 - d. All of the above
15. Which of the following is true about the rating process used by credit rating agencies?
- a. The rating process is standardized across all agencies
 - b. The rating process involves a thorough analysis of all relevant factors
 - c. The rating process includes input from industry experts and analysts
 - d. The rating process is transparent and easily understood
16. Which of the following factors do credit rating agencies NOT consider when assigning a credit rating?
- a. Political stability
 - b. Country's legal framework and regulatory environment
 - c. Market conditions and interest rates

- d. None of the above
17. How do credit rating agencies indicate a ratings upgrade or improvement?
- a. A plus sign (+) is added to the rating
 - b. A minus sign (-) is added to the rating
 - c. A notation is added indicating the upgrade or improvement
 - d. None of the above
18. Which of the following is a factor that can lead to a credit rating downgrade?
- a. Deterioration in financial performance
 - b. Increased competitive pressures
 - c. Corporate governance issues
 - d. All of the above
19. Which of the following is a role of credit rating agencies in the capital markets?
- a. Facilitating the pricing of securities
 - b. Providing information and transparency to investors
 - c. Assisting with risk management and credit analysis
 - d. All of the above

20. How often do credit rating agencies review and update credit ratings?
- a. Quarterly
 - b. Annually
 - c. On an as-needed basis
 - d. Every 5 years
21. How do credit ratings affect borrowing costs for issuers?
- a. Higher credit ratings result in lower borrowing costs
 - b. Lower credit ratings result in higher borrowing costs
 - c. Credit ratings do not have a direct impact on borrowing costs
 - d. None of the above
22. Which of the following is a key difference between municipal bond ratings and corporate bond ratings?
- a. Municipal bond ratings are based on the creditworthiness of the issuer, while corporate bond ratings are based on the creditworthiness of the specific bond

- b. Municipal bond ratings are only applicable to bonds issued by government entities
 - c. Corporate bond ratings are only applicable to bonds issued by private companies
 - d. None of the above
23. Which of the following is NOT a credit rating agency code of conduct?
- a. Independence and objectivity
 - b. Confidentiality
 - c. Disclosure and transparency
 - d. Profit maximization
24. Which of the following statements about credit rating agencies is true?
- a. Credit rating agencies provide a guarantee of repayment for the securities they rate
 - b. Credit rating agencies can accurately predict the future performance of issuers or securities
 - c. Credit ratings are the sole determinant of an issuer's creditworthiness
 - d. None of the above
25. Which of the following statements about credit rating agencies is true?

- a. Credit rating agencies are regulated by government authorities
 - b. Credit rating agencies do not face any competition in the market
 - c. Credit rating agencies are solely responsible for protecting the interests of investors
 - d. None of the above
26. Which of the following factors do credit rating agencies consider when assigning a credit rating?
- a. Financial condition and leverage
 - b. Regulatory environment and governance
 - c. Industry and competitive position
 - d. All of the above
27. What is the primary role of credit rating agencies?
- a. To provide investment advice to individual investors
 - b. To issue credit ratings for debt securities
 - c. To facilitate the trading of securities in the secondary market
 - d. None of the above
28. How do credit rating agencies classify their ratings?

- 
- a. Alphabetical letters
 - b. Numeric numbers
 - c. Colors
 - d. All of the above
29. Which of the following is a role of credit rating agencies in the financial system?
- a. Enhancing market efficiency and liquidity
 - b. Promoting transparency and accountability
 - c. Facilitating risk assessment and pricing
 - d. All of the above
30. Which of the following ratings is considered investment grade?
- a. A b. B
 - c. C d. D
31. How do credit rating agencies evaluate the creditworthiness of structured finance products?
- a. By assessing the creditworthiness of the underlying assets or collateral
 - b. By analyzing the structure and credit enhancement features of the product

- c. By considering the recovery or default statistics of similar products
 - d. All of the above
32. Which of the following is a limitation of credit rating agencies?
- a. Potential conflicts of interest
 - b. Limited access to information
 - c. Subjective nature of ratings
 - d. All of the above
33. Which of the following is a role of credit rating agencies in the bond issuance process?
- a. Assessing the creditworthiness of the issuer
 - b. Estimating the interest rate for the bond
 - c. Determining the maturity date of the bond
 - d. None of the above
34. Which of the following statements about credit rating agencies is true?
- a. Credit rating agencies can predict the likelihood of default for a specific security
 - b. Credit rating agencies are immune to conflicts of interest

- c. Credit rating agencies only provide ratings for corporate bonds
 - d. None of the above
35. Which of the following is a factor that can lead to a credit rating upgrade?
- a. Improved financial performance
 - b. Strengthening of competitive position
 - c. Corporate governance improvements
 - d. All of the above
36. Which of the following is a rating agency dedicated to evaluating individual bonds or debts?
- a. Moody's
 - b. Standard & Poor's
 - c. Fitch Ratings
 - d. Morningstar
37. Which of the following is NOT a rating category used by credit rating agencies?
- a. Investment grade
 - b. Speculative grade
 - c. Junk grade
 - d. High yield

38. Which of the following statements about credit rating agencies is true?
- a. Credit ratings are always accurate and reliable
 - b. Credit rating agencies are responsible for regulating and overseeing the financial industry
 - c. Credit rating agencies are independent and unbiased in their ratings
 - d. None of the above
39. Which of the following factors do credit rating agencies consider when assigning a credit rating?
- a. Country risk and sovereign debt ratings
 - b. Industry risk and competitive position
 - c. Creditworthiness and repayment capacity
 - d. All of the above
40. Which of the following is a limitation of credit ratings?
- a. Credit ratings are only applicable to bonds and not other types of securities
 - b. Credit ratings do not provide any information about the issuer's financial health

- c. Credit ratings can be subjective and rely on historical data
 - d. Credit ratings are calculated using a simple formula and do not take into account complex factors
41. How do credit ratings affect bond prices?
- a. Higher credit ratings result in higher bond prices
 - b. Lower credit ratings result in higher bond prices
 - c. Credit ratings have no impact on bond prices
 - d. None of the above
42. Which of the following is not a credit rating agency?
- a. J.D. Power
 - b. Moody's
 - c. Fitch Ratings
 - d. Standard & Poor's
43. Which of the following is not a type of credit rating?
- a. Corporate credit rating
 - b. Sovereign credit rating
 - c. Municipal credit rating

- d. Market credit rating
44. Which of the following is a responsibility of credit rating agencies?
- a. Determining the interest rate of a bond
 - b. Guaranteeing the repayment of a bond
 - c. Providing an opinion on the creditworthiness of an issuer or security
 - d. None of the above
45. Which of the following is NOT a credit rating agency?
- a. Fitch Ratings
 - b. Bureau Veritas
 - c. Moody's
 - d. Standard & Poor's
46. What does the plus or minus sign added to a credit rating indicate?
- a. A positive or negative outlook for the rated entity
 - b. A higher or lower credit risk for the rated security
 - c. A potential upgrade or downgrade of the rating in the future
 - d. All of the above

47. Who regulates credit rating agencies in the United States?
- a. Securities and Exchange Commission (SEC)
 - b. Federal Reserve
 - c. Office of the Comptroller of the Currency (OCC)
 - d. The Department of Justice
48. Which of the following statements about credit rating agencies is true?
- a. Credit rating agencies are always accurate in their assessments
 - b. Credit rating agencies provide a recommendation to buy or sell a security
 - c. Credit rating agencies are responsible for ensuring the repayment of rated securities
 - d. None of the above
49. Which of the following is a conflict of interest for credit rating agencies?
- a. Being paid by issuers for rating their securities
 - b. Holding financial stakes in securities they rate

- c. Pressure to provide high ratings to maintain relationships with issuers
- d. All of the above

50. Which of the following is a rating agency dedicated to evaluating the creditworthiness of countries and their sovereign debt?

- a. Moody's
- b. Standard & Poor's
- c. Fitch Ratings
- d. Morningstar

ANSWERS

1.d,2.b,3.a,4.d,5.b,6.a,7.d,8.d,9.d,10.a,11.b,12.d,13.c,14.d,
15.b,16.d,17.a,18.d,19.d,20.c,21.b,22.a,23.d,24.d,25.a,26.d,
27.b,28.a,29.d,30.a,31.d,32.d,33.a,34.d,35.d,36.d,37.c,38.d,
39.d,40.c,41.a,42.a,43.d,44.c,45.b,46.d,47.a,48.d,49.d,50.c

UNIT-4

1. What is a stock exchange?

- a. A market where only stocks are traded
- b. A market where bonds and stocks are traded
- c. A market where commodities are traded
- d. None of the above

2. Which organization regulates the Indian capital market?

- a. SEBI b. RBI

- c. NSE d. BSE

3. A company's stock is traded in which exchange?

- a. NSE b. BSE

- c. Both a) and b) d. None of the above

4. Which type of order allows the investor to buy or sell a security at the current market price?

- a. Limit order b. Market order

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Department of Commerce

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- c. Stop order d. None of the above

5. What is the minimum number of shares that can be traded in the Indian capital market?

- a. 10 b. 50
c. 100 d. 500

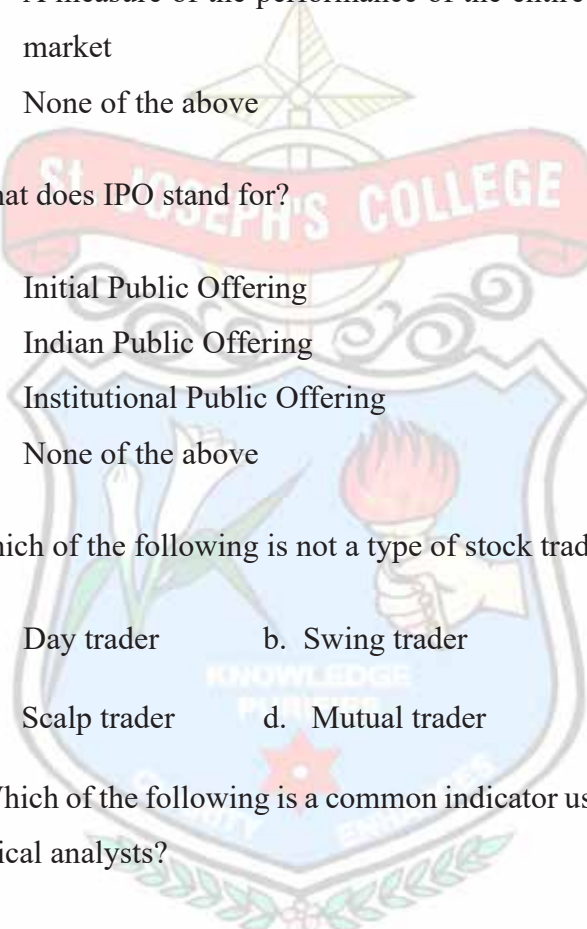
6. What is the difference between primary and secondary market?

- a. Primary market deals with new securities issuance, while secondary market deals with already issued securities
b. Primary market deals with already issued securities, while secondary market deals with new securities issuance
c. Both primary and secondary markets deal with new securities issuance
d. Both primary and secondary markets deal with already issued securities

7. What is a stock index?

was born in 1990 in

St. Joseph's College of Arts and Science for Women, Hosur.

- 
- The logo of St. Joseph's College is a watermark in the background. It features a shield with a blue background. Inside the shield, there is a white lily on the left and a hand holding a flaming torch on the right. Above the shield is a red banner with the text 'ST. JOSEPH'S COLLEGE' in white. Below the shield is a green laurel wreath. The words 'KNOWLEDGE', 'FAITH', and 'CHARITY' are written in yellow across the shield.
- a. A measure of the performance of a group of stocks
 - b. A measure of the performance of a single stock
 - c. A measure of the performance of the entire stock market
 - d. None of the above
8. What does IPO stand for?
- a. Initial Public Offering
 - b. Indian Public Offering
 - c. Institutional Public Offering
 - d. None of the above
9. Which of the following is not a type of stock trader?
- a. Day trader
 - b. Swing trader
 - c. Scalp trader
 - d. Mutual trader
10. Which of the following is a common indicator used by technical analysts?
- a. Moving average
 - b. Price-to-earnings ratio

- c. Book value
- d. Debt-to-equity ratio

11. What is the full form of SEBI?

- a. Securities Exchange Bureau of India
- b. Securities and Exchange Board of India
- c. Securities Exchange Board of India
- d. None of the above

12. Which of the following is not a type of trading order?

- a. Market order
- b. Limit order
- c. Stop order
- d. Hold order

13. What is the role of a stockbroker?

- a. To buy and sell securities on behalf of clients
- b. To regulate the stock market
- c. To issue new securities to the public
- d. None of the above

14. Which of the following is a fundamental analysis technique?

- a. Technical analysis
- b. Dividend discount model
- c. Moving average
- d. Fibonacci retracement

15. What is the role of a market maker?

- a. To maintain liquidity in the market by buying and selling securities
- b. To regulate the stock market
- c. To issue new securities to the public
- d. None of the above

16. Which of the following is a measure of a stock's volatility?

- a. Beta
- b. Alpha
- c. Sharpe ratio
- d. None of the above

17. What is the minimum amount needed to open a demat account

- a. Rs. 1,000

- b. Rs. 5,000
- c. Rs. 10,000
- d. There is no minimum amount

18. What is a stock's bid-ask spread?

- a. The difference between the highest and lowest trading price of a stock
- b. The difference between the price at which a trader is willing to buy and sell a stock
- c. The difference between the current market price and the stock's intrinsic value
- d. None of the above

19. What is insider trading?

- a. Trading based on non-public information
- b. Trading based on public information
- c. Trading based on stock market trends
- d. None of the above

20. What is a stock's dividend yield?

- a. The annual dividend divided by the stock's current price
- b. The annual dividend multiplied by the stock's current price
- c. The annual dividend divided by the stock's book value
- d. None of the above

21. What is circuit breaker in stock market

- a. A system that automatically halts trading if there is excessive volatility
- b. A system that allows investors to place orders outside of normal trading hours
- c. A system that allows companies to issue new securities to the public
- d. None of the above

22. What is a stock's P/E ratio?

- a. The stock's price divided by its earnings per share
- b. The stock's price plus its earnings per share
- c. The stock's earnings per share divided by its price

- d. None of the above

23. What is a futures contract?

- a. An agreement to buy or sell a specific asset at a predetermined price at a future date
- b. An agreement to buy or sell a specific asset at the current market price
- c. An agreement to buy or sell a specific asset at the highest bid price in the market
- d. None of the above

24. What is a stock's market capitalization?

- a. The total value of a company's issued shares
- b. The total value of a company's assets
- c. The total value of a company's liabilities
- d. None of the above

25. What is a stock's book value

- a. The company's net income divided by the number of outstanding shares

- b. The company's total assets minus its total liabilities divided by the number of outstanding shares
- c. The company's total debt divided by its total equity
- d. None of the above

26. What is a stock's beta?

- a. A measure of a stock's volatility relative to the market
- b. A measure of a stock's intrinsic value
- c. A measure of a stock's dividend yield
- d. None of the above

27. What is a stock dividend?

- a. A cash payment made by a company to its shareholders
- b. A distribution of additional shares to existing shareholders
- c. A distribution of assets to shareholders in case of liquidation

- d. None of the above

28. What is a stock's 52-week high/low?

- a. The highest/lowest price at which a stock has traded in the past 52 weeks
- b. The highest/lowest price at which a stock is expected to trade in the next 52 weeks
- c. The average price at which a stock has traded in the past 52 weeks
- d. None of the above

29. What is a stop-loss order?

- a. An order to buy or sell a security at a specified price or better
- b. An order to buy or sell a security at the current market price
- c. An order to sell a security if its price reaches a certain level
- d. None of the above

30. What is a mutual fund?

- a. A pool of money collected from multiple investors to invest in a diversified portfolio of securities
- b. A loan taken by a company to finance its operations
- c. An investment taken by a company to expand its operations
- d. None of the above

31. What is a stock split?

- a. A distribution of additional shares to existing shareholders
- b. A conversion of shares from one class to another class
- c. A reduction in the number of shares outstanding
- d. None of the above

32. What is a stock's dividend payout ratio?

- a. The annual dividend divided by the stock's current price
- b. The annual dividend divided by the company's earnings

- c. The company's earnings divided by the stock's current price
- d. None of the above

33. What is the role of a depository in the Indian capital market?

- a. To regulate the stock market
- b. To facilitate the holding and transfer of securities in electronic form
- c. To issue new securities to the public
- d. None of the above

34. What is a stock's dividend ex-date?

- a. The date on which the dividend is paid to shareholders
- b. The date on which the dividend is declared by the company
- c. The date on which the dividend is deducted from the stock's price
- d. None of the above

35. What is a stock's resistance level?

- a. The price at which a stock is likely to encounter selling pressure
- b. The price at which a stock is likely to encounter buying pressure
- c. The price at which a stock is likely to continue its uptrend
- d. None of the above

36. What is a stock's support level?

- a. The price at which a stock is likely to encounter selling pressure
- b. The price at which a stock is likely to encounter buying pressure
- c. The price at which a stock is likely to continue its uptrend
- d. None of the above

37. What is a stock's initial public offering (IPO) price?

- a. The price at which a stock is first offered to the public
- b. The price at which a stock is bought and sold in the secondary market
- c. The price at which a stock is bought and sold by institutional investors
- d. None of the above

38. What is a stock's earnings per share (EPS)?

- a. The company's net income divided by its total assets
- b. The company's net income divided by the number of outstanding shares
- c. The company's net income divided by its total liabilities
- d. None of the above

39. What is a stock's return on equity (ROE)?

- a. The company's net income divided by its total assets

- b. The company's net income divided by its total liabilities
- c. The company's net income divided by its total equity
- d. None of the above

40. What is a stock's dividend coverage ratio?

- a. The company's earnings divided by its dividends
- b. The company's dividends divided by its earnings
- c. The company's dividends divided by its net income
- d. None of the above

41. What is a stock's price-to-earnings growth (PEG) ratio?

- a. The stock's price divided by its earnings per share
- b. The stock's earnings per share divided by its price
- c. The stock's price divided by its earnings per share growth rate
- d. None of the above

42. What is a stock's revenue?

- a. The company's total expenses
- b. The company's net income
- c. The company's total assets
- d. None of the above

43. What is a stock's return on assets (ROA)?

- a. The company's net income divided by its total sales
- b. The company's net income divided by its total assets
- c. The company's net income divided by its total liabilities
- d. None of the above

44. What is a stock's price/book (P/B) ratio?

- a. The stock's price divided by its book value per share
- b. The stock's price plus its book value per share

- c. The stock's book value per share divided by its price
- d. None of the above

45. What is a stock's current ratio?

- a. The company's current assets divided by its current liabilities
- b. The company's current liabilities divided by its current assets
- c. The company's total assets divided by its total liabilities
- d. None of the above

46. What is a stock's debt-to-equity ratio?

- a. The company's total debt divided by its total equity
- b. The company's total equity divided by its total debt
- c. The company's total debt divided by its total assets
- d. None of the above

47. What is a stock's beta?

- a. A measure of a stock's volatility relative to the market
- b. A measure of a stock's intrinsic value
- c. A measure of a stock's dividend yield
- d. None of the above

48. What is a stock's alpha?

- a. A measure of a stock's risk-adjusted performance
- b. A measure of a stock's intrinsic value
- c. A measure of a stock's dividend yield
- d. None of the above

49. What is a stock's Sharpe ratio?

- a. A measure of a stock's risk-adjusted return
- b. A measure of a stock's intrinsic value
- c. A measure of a stock's dividend yield
- d. None of the above

50. What is a stock's market order?

- a. An order to buy or sell a security at a specified price or better
- b. An order to buy or sell a security at the current market price
- c. An order to sell a security if its price reaches a certain level
- d. None of the above

ANSWERS

1.b,2.a,3.c,4.b,5.c,6.a,7.a,8.a,9.d,10.a,11.b,12.d,13.a,14.b,
15.a,16.a,17.d,18.b,19.a,20.a,21.a,22.a,23.a,24.a,25.b,26.a,
27.b,28.a,29.c,30.a,31.c,32.b,33.b,34.c,35.a,36.b,37.a,38.b,
39.c,40.a,41.c,42.d,43.b,44.a,45.a,46.a,47.a,48.a,49.a,50.b

UNIT 5

1) What is technical analysis?

- a. The analysis of financial statements and economic indicators
- b. The study of price and volume patterns to forecast future market behavior
- c. The analysis of market psychology and investor sentiment
- d. The study of financial ratios and valuation models

2) What is fundamental analysis?

- a. The analysis of financial statements and economic indicators
- b. The study of price and volume patterns to forecast future market behavior
- c. The analysis of market psychology and investor sentiment
- d. The study of financial ratios and valuation models

3) Which of the following is an example of a technical analysis tool?

- a. Price-to-earnings ratio
- b. Balance sheet
- c. Moving average
- d. Gross domestic product

4) Which of the following is an example of a fundamental analysis tool?

- a. Relative strength index
- b. Candlestick chart
- c. Price-to-earnings ratio
- d. Stochastic oscillator

5) Technical analysis is primarily used for:

- a. Short-term trading
- b. Long-term investing
- c. Speculative trading
- d. Value investing

6) Fundamental analysis is primarily used for:

- a. Short-term trading
- b. Long-term investing
- c. Speculative trading
- d. Value investing

7) Which of the following is a limitation of technical analysis?

- a. It does not take into account market psychology
- b. It relies on subjective interpretations of price patterns
- c. It does not consider financial statements and economic indicators
- d. It cannot be used in conjunction with fundamental analysis

8) Which of the following is a limitation of fundamental analysis?

- a. It does not take into account market psychology
- b. It relies on subjective interpretations of price patterns

- c. It does not consider financial statements and economic indicators
- d. It cannot be used in conjunction with technical analysis

9) What does the Dow Theory emphasize?

- a. Fundamental analysis
- b. Technical analysis
- c. Market psychology
- d. Speculative trading

10) Which of the following is NOT a type of technical analysis chart pattern?

- a. Head and Shoulders
- b. Double Bottom
- c. Bullish Engulfing
- d. Dividend Discount Model

11) Which of the following technical analysis indicators measures market momentum?

- a. Moving average

- b. Bollinger Bands
- c. Relative Strength Index
- d. Williams %R

12) Which of the following is a common technical analysis trading strategy?

- a. Buy and hold
- b. Value investing
- c. Trend following
- d. Dividend investing

13) Which of the following financial ratios is used in fundamental analysis?

- a. Moving average
- b. Bollinger Bands
- c. Price-to-earnings ratio
- d. Relative Strength Index

14) Which of the following economic indicators is used in fundamental analysis?

- a. Moving average

- b. Bollinger Bands
- c. Consumer Price Index
- d. Relative Strength Index

15) Which of the following is NOT a component of the Dow Jones Industrial Average?

- a. Apple Inc.
- b. Microsoft Corporation
- c. Procter & Gamble Company
- d. Visa Inc.

16) Which of the following is a component of the S&P 500 Index?

- a. Amazon.com, Inc.
- b. Berkshire Hathaway Inc.
- c. Exxon Mobil Corporation
- d. All of the above

17) Which of the following is NOT a limitation of technical analysis?

- a. It relies on subjective interpretations of price patterns
- b. It cannot be used in conjunction with fundamental analysis
- c. It does not consider financial statements and economic indicators
- d. It does not take into account market psychology

18) Which of the following is NOT a limitation of fundamental analysis?

- a. It relies on subjective interpretations of financial statements
- b. It does not consider market psychology
- c. It cannot be used in conjunction with technical analysis
- d. It does not take into account price and volume patterns

19) Which of the following indicators is used in both technical and fundamental analysis?

- a. Moving average

- b. Price-to-earnings ratio
- c. Relative Strength Index
- d. Bollinger Bands

20) Which type of analysis is considered more suitable for short-term trading?

- a. Technical analysis
- b. Fundamental analysis
- c. Both are equally suitable
- d. Neither are suitable

21) Which type of analysis is considered more suitable for long-term investing?

- a. Technical analysis
- b. Fundamental analysis
- c. Both are equally suitable
- d. Neither are suitable

22) Which type of analysis is better suited for analyzing market psychology and investor sentiment?

- a. Technical analysis

- b. Fundamental analysis
- c. Both are equally suited
- d. Neither are suited

23) The study of financial statements and economic indicators is known as:

- a. Technical analysis
- b. Quantitative analysis
- c. Fundamental analysis
- d. Valuation analysis

24) The study of price and volume patterns to forecast future market behavior is known as:

- a. Technical analysis
- b. Quantitative analysis
- c. Fundamental analysis
- d. Valuation analysis

25) Which type of analysis is better suited for evaluating the intrinsic value of a company?

- a. Technical analysis

- b. Fundamental analysis
- c. Both are equally suited
- d. Neither are suited

26) Which analysis methodology believes that price patterns repeat over time?

- a. Technical analysis
- b. Fundamental analysis
- c. Both believe in this idea
- d. Neither believe in this idea

27) Which analysis methodology believes that the market is efficient and prices reflect all available information?

- a. Technical analysis
- b. Fundamental analysis
- c. Both believe in this idea
- d. Neither believe in this idea

28) Which analysis methodology relies on historical price and volume data to make predictions about future market behavior?

- a. Technical analysis
- b. Fundamental analysis
- c. Both rely on this methodology
- d. Neither rely on this methodology

29) Which analysis methodology relies on financial statement analysis and economic indicators to evaluate the health and value of a company?

- a. Technical analysis
- b. Fundamental analysis
- c. Both rely on this methodology
- d. Neither rely on this methodology

30) What is the goal of technical analysis?

- a. To determine the intrinsic value of a company
- b. To identify trends in stock prices
- c. To analyze financial statements and economic indicators
- d. To forecast future market behavior based on price patterns

31) What is the goal of fundamental analysis?

- a. To determine the intrinsic value of a company
- b. To identify trends in stock prices
- c. To analyze financial statements and economic indicators
- d. To forecast future market behavior based on price patterns

32) Which analysis methodology is considered more subjective?

- a. Technical analysis
- b. Fundamental analysis
- c. Both are equally subjective
- d. Neither are subjective

33) Which analysis methodology is considered more objective?

- a. Technical analysis
- b. Fundamental analysis

- c. Both are equally objective
- d. Neither are objective

34) Which of the following is a limitation of technical analysis?

- a. It relies on subjective interpretations of financial statements
- b. It does not take into account market psychology
- c. It cannot be used in conjunction with fundamental analysis
- d. It does not consider financial ratios and valuation models

35) Which of the following is a limitation of fundamental analysis?

- a. It relies on subjective interpretations of price patterns
- b. It does not consider market psychology
- c. It cannot be used in conjunction with technical analysis
- d. It does not consider price and volume patterns

36) Which type of analysis focuses on the supply and demand of securities?

- a. Technical analysis
- b. Fundamental analysis
- c. Both focus on this aspect
- d. Neither focus on this aspect

37) Which type of analysis focuses on the financial health and valuation of a company?

- a. Technical analysis
- b. Fundamental analysis
- c. Both focus on this aspect
- d. Neither focus on this aspect

38) Which of the following is NOT a type of technical analysis indicator?

- a. Moving average
- b. Bollinger Bands
- c. Price-to-earnings ratio
- d. Relative Strength Index

39) Which of the following is NOT a type of fundamental analysis indicator?

- a. Moving average
- b. Earnings per share
- c. Return on equity
- d. Price-to-earnings ratio

40) Which type of analysis is more suitable for asset allocation and portfolio management?

- a. Technical analysis
- b. Fundamental analysis
- c. Both are equally suitable
- d. Neither are suitable

41) Which analysis methodology is more commonly used by professional traders and investors?

- a. Technical analysis
- b. Fundamental analysis
- c. Both are equally used
- d. Neither are commonly used

42) Which analysis methodology is more commonly used by individual retail investors?

- a. Technical analysis
- b. Fundamental analysis
- c. Both are equally used
- d. Neither are commonly used

43) Which analysis methodology is better suited for evaluating the potential of growth stocks?

- a. Technical analysis
- b. Fundamental analysis
- c. Both are equally suited
- d. Neither are suited

44) Which analysis methodology is better suited for evaluating the potential of value stocks?

- a. Technical analysis
- b. Fundamental analysis
- c. Both are equally suited
- d. Neither are suited

45) What is the primary focus of technical analysis?

- a. The intrinsic value of a company
- b. Income statement and balance sheet analysis
- c. Market psychology and price patterns
- d. Economic indicators and financial ratios

46) What is the primary focus of fundamental analysis?

- a. The intrinsic value of a company
- b. Income statement and balance sheet analysis
- c. Market psychology and price patterns\
- d. Economic indicators and financial ratios

47) Which analysis methodology is more widely accepted and used in academia and finance theory?

- a. Technical analysis
- b. Fundamental analysis
- c. Both are equally accepted and used
- d. Neither are widely accepted and used

48) Which analysis methodology requires a deep understanding of financial statements and accounting principles?

- a. Technical analysis
- b. Fundamental analysis
- c. Both require this understanding
- d. Neither require this understanding

49) Which analysis methodology is better suited for evaluating the risk and return potential of a security or portfolio?

- a. Technical analysis
- b. Fundamental analysis
- c. Both are equally suited
- d. Neither are suited

50) Which analysis methodology is better suited for evaluating the value and potential profitability of a company?

- a. Technical analysis

Assistant professor

b. Fundamental analysis

c. Both are equally suited

d. Neither are suited

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ANSWERS

1.b,2.a,3.c,4.c,5.a,6.b,7.a,8.a,9.b,10.d,11.c,12.c,13.c,14.c,

15.d,16.d,17.b,18.c,19.a,20.a,21.b,22.a,23.c,24.a,25.b,26.a,

Arts and Science

27.b,28.a,29.b,30.d,31.c,32.a,33.b,34.b,35.b,36.a,37.b,38.c,

39.a,40.b,41.a,42.b,43.b,44.b,45.c,46.a,47.b,48.b,49.a,50.b

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UNIT -I

includes Marketing

1. What is the primary regulatory body overseeing Indian capital markets?

2. Explain the role of SEBI in maintaining the integrity of Indian capital markets.

3. Define NSE and BSE and highlight the key differences between them.

4. How do stock exchanges contribute to the efficient functioning of capital markets?

5. Discuss the significance of the Securities Contract Regulation Act (SCRA) in the Indian capital market.

6. What is the role of a depository in the context of securities trading in India?

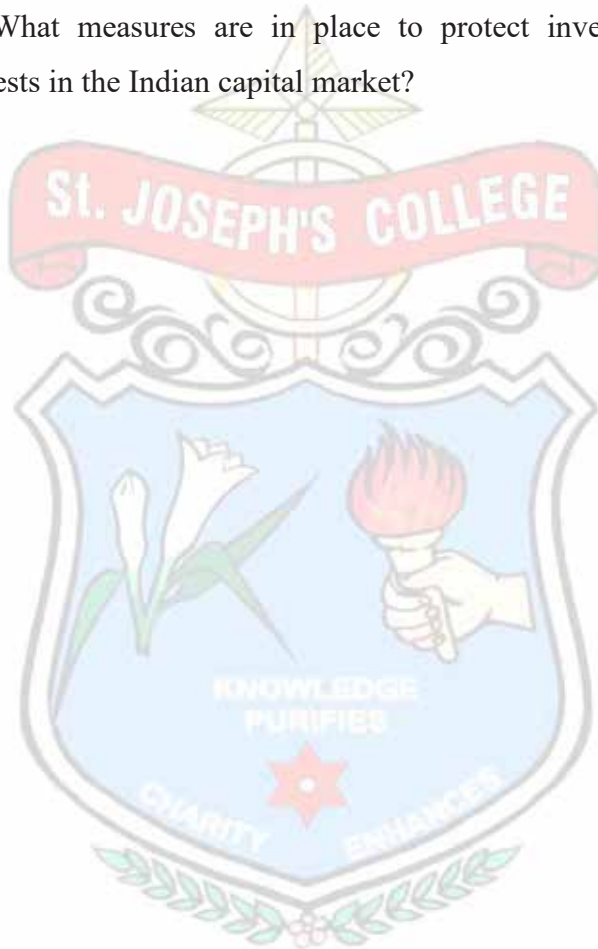
7. Explain the concept of dematerialization and its impact on Indian capital markets.

8. How do Initial Public Offerings (IPOs) contribute to capital formation in India?

9. Discuss the importance of credit rating agencies in the Indian financial system.

10. What are the functions of a custodian in the Indian capital market?
11. Explain the role of market intermediaries in facilitating transactions in capital markets.
12. Discuss the impact of Foreign Institutional Investors (FIIs) on Indian capital markets.
13. What is insider trading, and how does it affect the integrity of the capital market?
14. Explain the concept of margin trading and its risks in the Indian context.
15. Discuss the role of merchant bankers in the process of raising capital through public issues.
16. How does the Clearing Corporation of India (CCIL) contribute to risk management in capital markets?
17. Describe the regulatory framework for mutual funds in the Indian capital market.
18. Discuss the significance of the Securities Appellate Tribunal (SAT) in the Indian financial system.

19. Explain the concept of algorithmic trading and its impact on market efficiency.
20. What measures are in place to protect investors' interests in the Indian capital market?



UNIT-II

1. What are the key functions of SEBI in ensuring investor protection in the Indian financial markets?
2. Explain the significance of the Investor Education and Protection Fund (IEPF) in safeguarding investors' interests.
3. How does the concept of Know Your Customer (KYC) contribute to investor protection in financial transactions?
4. Discuss the role of grievance redressal mechanisms, such as SEBI's SCORES, in addressing investor complaints in India.
5. What measures are in place to protect minority shareholders from unfair practices in Indian companies?
6. Explain the importance of the Securities Investor Protection Corporation (SIPC) in the United States and its role in safeguarding investors.
7. How do proxy advisory firms contribute to investor protection by providing guidance on shareholder voting in corporate decisions?

8. Discuss the role of disclosure norms and financial reporting standards in enhancing transparency and investor protection.
9. Explain the concept of segregated accounts in mutual funds and its significance in protecting investors during market crises.
10. Analyze the impact of stringent insider trading regulations on ensuring a fair and level playing field for all investors in the capital market.
11. When was SEBI established, and what is its primary mandate in the Indian financial market?
12. Enumerate five key functions of SEBI in regulating securities and protecting investors.
13. Describe the regulatory framework established by SEBI to govern stock exchanges and intermediaries in India.
14. Explain how SEBI's regulations contribute to maintaining the integrity and fairness of the securities market.

15. Outline SEBI's initiatives aimed at ensuring investor protection and promoting investor education in India.
16. How does SEBI address grievances and disputes raised by investors in the financial markets?
17. Discuss the role of SEBI in market surveillance and its efforts to prevent market manipulation and fraud.
18. Explain the enforcement mechanisms employed by SEBI to maintain market integrity.
19. Highlight two recent regulatory reforms introduced by SEBI and their impact on the Indian capital market.
20. Discuss SEBI's focus areas for the future in terms of market development and regulatory enhancements.
21. How does the age and financial goals of an investor impact their approach towards short-term and long-term investment?
22. Discuss the importance of diversification in an investment portfolio and how it reflects an investor's attitude towards risk management.

23. Provide examples of different asset classes that investors may include in a diversified portfolio.
24. Explain how market sentiment influences investor behavior and decision-making.
25. Discuss the psychological aspects that may affect an investor's attitude during periods of market volatility.
26. How do an investor's financial goals and objectives play a crucial role in determining their investment attitude?



UNIT- III

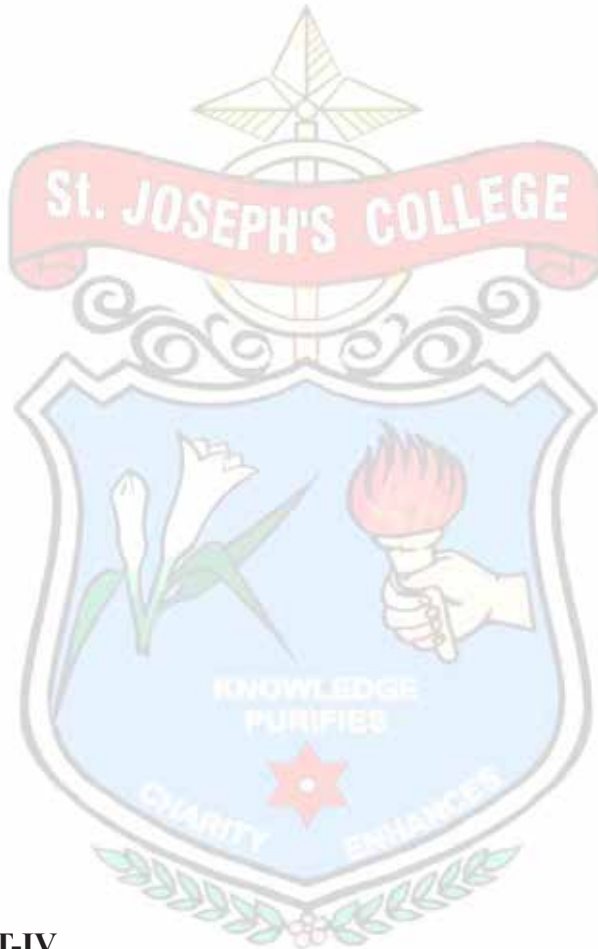
1. When was CRISIL established, and what is its primary role in the financial landscape of India?
2. Briefly describe the services provided by CRISIL in the context of credit ratings and financial analysis.
3. Outline the key steps involved in CRISIL's credit rating process for companies and financial instruments.
4. Explain how credit ratings provided by CRISIL assist investors and creditors in making informed decisions.
5. Discuss the impact of a favorable or unfavorable credit rating from CRISIL on a company's ability to raise capital in the market.
6. How do investors use CRISIL ratings to assess the creditworthiness of fixed-income securities?
7. Provide an example of how CRISIL's ratings have influenced investment decisions in a particular industry.
8. Explain the regulatory framework governing credit rating agencies in India, including any guidelines or oversight provided by regulatory bodies.

9. Discuss how CRISIL maintains independence and transparency in its rating assessments within the regulatory guidelines.
10. When was ICRA established, and what is its primary role in the Indian financial sector?
11. Briefly describe the key services offered by ICRA, emphasizing its focus areas in credit ratings and research.
12. Outline the steps involved in ICRA's credit rating process for assessing the creditworthiness of companies and financial instruments.
13. How does ICRA's rating methodology contribute to providing insightful credit risk assessments?
14. Discuss the significance of credit ratings assigned by ICRA and how they influence investment decisions for both issuers and investors.
15. Provide examples of situations where ICRA ratings have played a crucial role in financial markets.
16. When was CARE Ratings established, and how does it contribute to the credit rating landscape in India?

17. When was ONICRA established, and what is its primary focus in the credit rating industry?
18. Describe the methodology ONICRA uses in assessing credit risk for companies.
19. How does ONICRA contribute to enhancing transparency and reliability in the credit evaluation process?
20. Explain the significance of ONICRA's credit ratings for investors and lenders in India.
21. What is FETCH, and how does it differ from traditional credit rating agencies like ONICRA?
22. Outline the key features and services provided by FETCH in the context of credit assessment.
23. Discuss how FETCH leverages technology and data analytics in its credit risk evaluation process.
24. Provide an overview of SMERA, including its establishment and primary functions in credit rating.

25. How does SMERA contribute to fostering credit access for micro, small, and medium enterprises (MSMEs)?
26. When was Moody's Investors Service founded, and what is its global reputation in credit rating?
28. Explain the credit rating scale used by Moody's and its significance for investors and issuers.
29. Discuss the factors considered by Moody's in assigning credit ratings to sovereign nations.
30. When and where was S&P Global Ratings established, and what is its significance in the credit rating industry?
31. Explain the credit rating scale used by S&P and its impact on investors and issuers.
32. Briefly introduce Egan-Jones Ratings Company and highlight its unique features in the credit rating landscape.
33. Explain the methodologies employed by Egan-Jones in assessing credit risk for corporate entities and bonds.
34. When was DBRS established, and what led to its acquisition by Morningstar?

35. Describe the credit rating services offered by DBRS Morningstar and its focus areas in the financial market.



UNIT-IV

1. What are the key differences between BSE (Bombay Stock Exchange) and NSE (National Stock Exchange) in terms of trade practices?
2. How do these distinctions impact investor preferences and trading dynamics in the Indian capital market?
3. How do extended trading hours or after-market sessions influence trading strategies and liquidity?
4. Name the benchmark indices associated with BSE and NSE, and explain their significance in reflecting market trends.
5. How do BSE and NSE conduct market surveillance to ensure fair and orderly trading practices?
6. Explain the regulatory framework governing trade practices on both exchanges and its impact on market integrity.
7. Describe common order types used in trading on BSE and NSE and how they contribute to efficient market functioning.

8. What are the listing requirements for companies seeking to be listed on BSE or NSE?
9. Discuss the role of BSE and NSE in the derivatives market and how derivatives contribute to risk management for investors.
10. Highlight any differences in the types of derivative products offered by the two exchanges.
11. Explain what the Sensex is and how it serves as a key benchmark for the Indian stock market.
12. Highlight the methodology used to calculate the Sensex and its significance for investors.
13. Describe the Nifty and its role as a benchmark index in the National Stock Exchange (NSE).
14. Compare the Nifty with the Sensex in terms of index constituents and methodology.
15. How do the Sensex and Nifty function as indicators of the overall health of the Indian stock market?

16. When was the Over-The-Counter Exchange of India (OTCEI) established, and what was its objective in the Indian financial market?

17. Compare the trading platform of OTCEI with traditional stock exchanges like BSE and NSE.

18. Discuss any specific benefits or drawbacks for companies listed on OTCEI.

19. How do these indices and exchanges contribute to investor confidence and market transparency?

20. What is a depository, and how does it function in the context of the financial market?

21. Explain the role of depositories in facilitating the holding and transfer of securities.

22. Define dematerialization and outline the steps involved in converting physical securities into electronic form.

23. Discuss the benefits of dematerialization for investors and the overall efficiency of the market.

24. What is the role of Depository Participants (DPs) in the depository system?
25. Enumerate five advantages of holding securities in dematerialized form over physical certificates.
26. Discuss the role of depositories in ensuring the smooth and timely settlement of trades in the financial market.

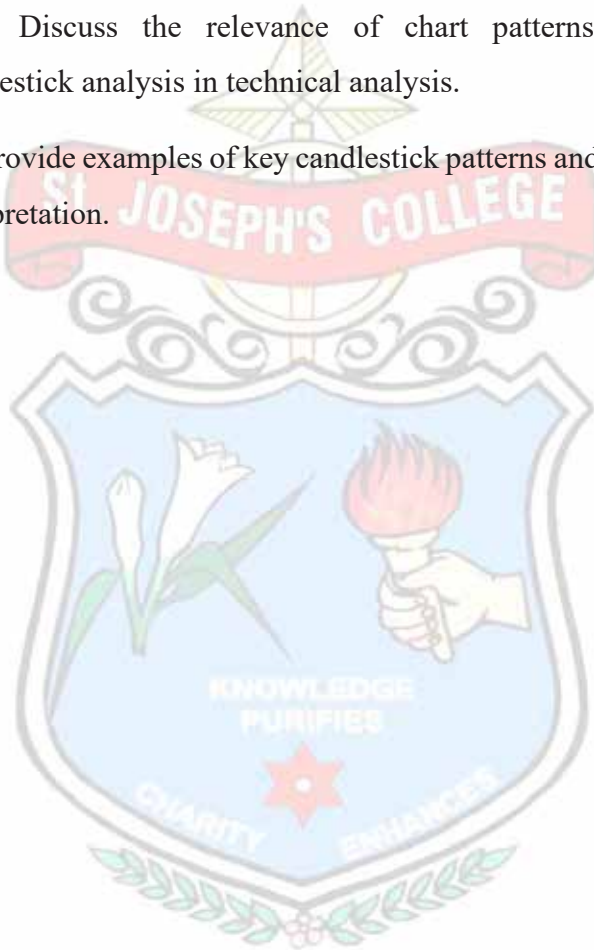


UNIT-V

1. What is fundamental analysis, and how does it differ from other methods of evaluating securities?
2. Highlight the key elements studied in fundamental analysis.
3. Explain how fundamental analysts use financial statements such as income statements and balance sheets in their analysis.
4. Discuss the importance of understanding a company's financial health in fundamental analysis.
5. Define Earnings Per Share (EPS) and explain its significance in fundamental analysis.
6. Discuss how changes in EPS over time can provide insights into a company's performance.
7. What is the Price-to-Earnings (P/E) ratio, and how is it used in fundamental analysis?
8. Discuss the factors that influence the interpretation of a company's P/E ratio.

9. Define book value and market value, and explain their roles in fundamental analysis.
10. Explain the importance of cash flow analysis in fundamental analysis.
11. Explain why industry and economic analysis are integral parts of fundamental analysis.
12. Highlight the primary focus areas of technical analysts.
13. What is technical analysis, and how does it differ from fundamental analysis in evaluating securities?
14. Explain the significance of price patterns in technical analysis.
15. Provide examples of common chart patterns and their potential implications for future price movements.
16. Define moving averages and how they are used in technical analysis.
17. How does technical analysis assess and identify trends in stock prices?

18. Discuss the significance of trendlines and trend indicators in determining the direction of a market.
19. Discuss the relevance of chart patterns and candlestick analysis in technical analysis.
20. Provide examples of key candlestick patterns and their interpretation.



10- MARKS QUESTIONS:

UNIT -I

1. Trace the evolution of Indian capital markets, highlighting key milestones and regulatory changes.
2. Classify the various financial intermediaries functioning in the Indian financial system and bring out their features.
3. Discuss the role of the financial system in the economic development of a country.
4. Discuss the role of the Securities and Exchange Board of India (SEBI) in regulating and developing the Indian capital markets.
5. Identify major market intermediaries in India and elaborate on their functions in facilitating securities transactions.
6. Analyze the impact of Foreign Institutional Investors (FIIs) on Indian capital markets, considering both positive and negative aspects.

7. Explain the regulatory framework governing mutual funds in India and its impact on investor protection.
8. Discuss the process of Initial Public Offerings (IPOs) and their role in capital formation in the Indian market.
9. Detail the clearing and settlement mechanism in Indian capital markets and its significance in risk management.
10. Evaluate the role and significance of credit rating agencies in the Indian financial system.
11. Analyze the growth and impact of algorithmic trading in Indian capital markets, considering advantages and challenges.
12. Discuss various measures and regulations in place to protect the interests of investors in the Indian capital market.
13. Explore the impact of fintech innovations on Indian capital markets, considering digital payment systems, robo-advisors, and blockchain.

14. Analyze the regulatory landscape and challenges associated with the use of cryptocurrencies and digital assets in the Indian financial system.

15. RegTech in International Capital Markets:

16. Evaluate the use of Regulatory Technology (RegTech) in international capital markets for compliance and risk management.

17. Explore how artificial intelligence and machine learning are influencing decision-making and risk assessment in both Indian and international capital markets.

18. Discuss innovations in derivatives markets, including new financial instruments and risk management tools, both in India and globally.

19. Assess initiatives aimed at promoting financial inclusion through innovative financial products and services in India.

20. Discuss the importance of global regulatory coordination in the context of financial innovation and its impact on international capital markets.
21. Provide an overview of the current fintech landscape in India, highlighting key innovations and their impact on the financial sector.
22. Provide an overview of the current fintech landscape in India, highlighting key innovations and their impact on the financial sector.
23. Discuss global trends in financial inclusion, including innovative solutions and technologies that promote access to financial services.



UNIT –II

1. Discuss the role of regulatory bodies, such as SEBI and international equivalents, in safeguarding the interests of investors.
2. Evaluate the effectiveness of investor education programs in India and globally in enhancing investor awareness and protection.
3. Explain the regulatory framework for insider trading in Indian and international capital markets and its significance in protecting investors.
4. Discuss the cybersecurity measures implemented to protect investors from digital threats in financial transactions.
5. Analyze how regulations against market manipulation contribute to maintaining a fair and level playing field for investors.
6. Discuss the role and significance of the Securities Appellate Tribunal (SAT) in addressing appeals related to investor protection issues.

7. Explore the importance of international cooperation and information sharing in ensuring investor protection globally, with a focus on regulatory collaboration.
8. Provide a historical overview of SEBI, including its establishment and subsequent evolution as the primary regulatory body for securities markets in India.
9. Discuss in detail the regulatory functions performed by SEBI to ensure fair and transparent functioning of the securities markets in India.
10. Analyze SEBI's role in safeguarding the interests of investors, including regulatory measures and initiatives aimed at enhancing investor protection.
11. Explain how SEBI conducts market surveillance and enforcement actions to maintain market integrity and prevent fraudulent activities.
12. Highlight SEBI's initiatives and policies aimed at fostering market development, capital formation, and innovation in the Indian securities market.

13. Discuss SEBI's approach to promoting corporate governance practices among listed companies and its impact on investor confidence.
14. Examine the regulatory framework established by SEBI for mutual funds, including key guidelines and measures to protect the interests of mutual fund investors.
15. Identify and discuss the challenges faced by SEBI in regulating the dynamic and evolving landscape of Indian capital markets.
16. Analyze the key factors that influence investors' attitudes towards investments, including psychological, economic, and market-related factors.
17. Explore the concept of risk appetite and its impact on investors' decision-making processes, with examples from different investment scenarios.
18. Explain the principles of behavioral finance and how psychological biases affect investors' attitudes, leading to specific investment behaviors.

19. Analyze how market sentiment influences investors' attitudes and decision-making, especially during periods of market volatility.
20. Discuss the role of financial advisors in shaping investors' attitudes, providing guidance, and aligning investments with individual risk preferences.
21. Evaluate how macroeconomic conditions, such as inflation, interest rates, and economic growth, impact investors' attitudes towards different asset classes.
22. Discuss the importance of investor education initiatives in influencing and improving investors' attitudes towards financial markets and investment products.
23. Highlight the various measures taken by the different authorities to protect the interest of investors in India.
24. Explain in detail the SEBI guidelines for primary market.
25. Explain the functions and powers of the securities and Exchange Board of India.

26. How does SEBI protect the interest of investors?
Explain.

UNIT – III

1. What is the role of credit rating agencies in financial markets?
2. How do credit rating agencies assess the creditworthiness of a borrower?
3. Discuss the impact of credit ratings on interest rates in financial markets.
4. What is CRISIL, AND WHAT SERVICES DOES IT PROVIDE in the financial markets?
5. Explain the role of ICRA in credit rating and its significance in the Indian financial landscape
6. What distinguishes ONICRA from other credit rating agencies, and what sectors does it primarily focus on?
7. Discuss the functions and responsibilities of CARE ratings in the credit rating industry.

8. Discuss the regulatory framework that governs credit ratings agencies like ICRA in india.
9. What are the key factors that CARE ratings considers when assigning credit ratings to issuers?
10. Examine the role of CARE ratings in evaluating credit risk in the infrastructure sector.
11. Evaluate the impact of ICRA ratings on foreign investments in Indian financial instruments.
12. Investigate how ONICRA addresses environmental, social and governance(ESG) factors in its credit assessments.
13. What is Fitch Ratings, and how does it contribute to the global credit rating landscape?
14. Discuss the significance of moody's investors service in providing credit ratings to issuers worldwide.
15. How does standard & poor's ((S&P) contribute to the assessment of credit risk in the financial markets?
16. Explore the historical background and evolution of Fitch Rating as a major credit rating agency.

17. How does SMERA contribute to the growth and development of SMEs through its credit rating services?
18. Discuss the role of Moody's investors services in rating the credit risk of financial institutions and banks.
19. Explore SMERA's initiatives in promoting credit awareness and education among small businesses.
20. Compare the credit rating scales used by Fitch Ratings, Moody's investors services, standard & Poors's, and SMERA, highlighting any differences in their approaches.



UNIT – IV

1. Trace the evolution of Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India, highlighting their respective roles in the capital markets.
2. Compare and contrast the trading mechanisms at BSE and NSE, including order types, execution processes, and trading hours.
3. Discuss the listing requirements for companies on both BSE and NSE, examining how these requirements contribute to maintaining market quality.
4. Explain the market surveillance practices implemented by BSE and NSE to ensure fair trading practices, and discuss how both exchanges comply with regulatory standards.
5. Analyze the investor protection measures implemented by BSE and NSE, focusing on initiatives that enhance transparency and safeguard investors' interests.
6. Explain the calculation methodologies of the Sensex and Nifty indices, discussing the significance of their constituents and weightage.

7. Analyze how Sensex and Nifty serve as benchmark indices and discuss how their trends reflect the overall market sentiment and economic conditions.
8. Discuss the impact of market volatility on Sensex and Nifty, exploring how external factors influence the indices and investor sentiment.
9. Evaluate common investor strategies based on movements in Sensex and Nifty, considering how these indices guide investment decisions.
10. Compare the Sensex and Nifty with major global indices, discussing how these Indian indices are perceived in the international investment community.
11. Provide a historical background of the Over-The-Counter Exchange of India (OTCEI) and outline its objectives in the Indian financial market.
12. Explain the trading platform and mechanisms employed by OTCEI, highlighting any unique features that distinguish it from traditional stock exchanges.

13. Discuss the listing requirements for companies on OTCEI and how they differ from larger stock exchanges like BSE and NSE.
14. Evaluate OTCEI's role in facilitating financing for Small and Medium Enterprises (SMEs) in India, discussing the impact on capital access.
15. Analyze how OTCEI has contributed to market innovation in India, considering its role in promoting new financial instruments and trading practices.
16. Explain the advantages of OTCEI to investors and the company.
17. Make a comparison between Stock Exchange, OTCEI and NSE.
18. Explain the features of NSE and its method of trading.
19. Describe the advantages of depository system.
20. Explain the features of SEBI (Depository and Participants) regulation act.

UNIT – V

1. Define fundamental analysis and explain its purpose in evaluating securities for investment.
2. Identify and discuss the key components of financial statements (income statement, balance sheet, and cash flow statement) used in fundamental analysis.
3. Explain the concept of Earnings Per Share (EPS) and discuss its significance in fundamental analysis, especially in evaluating a company's profitability.
4. Define the Price-to-Earnings (P/E) ratio and discuss how it is used in fundamental analysis to assess a company's valuation.
5. Explain the Dividend Discount Model (DDM) and its application in estimating the intrinsic value of a stock.
6. Discuss the importance of qualitative factors, such as management quality, industry trends, and competitive positioning, in fundamental analysis.
7. Describe the Discounted Cash Flow (DCF) analysis and discuss how it is used to estimate the intrinsic value of a security.

8. Identify and discuss common risks associated with fundamental analysis, including factors that may impact the accuracy of financial projections.
9. Analyze the role of industry analysis in fundamental analysis and how industry trends can impact a company's performance.
10. Discuss how fundamental analysis aligns with a long-term investing approach, emphasizing the identification of solid, well-valued companies.
11. Define technical analysis and discuss its purpose in analyzing securities and making investment decisions.
12. Identify and explain common chart patterns used in technical analysis, such as head and shoulders, triangles, and double tops/bottoms.
13. Discuss the use of moving averages in trend analysis, explaining how they help identify the direction of price trends.

14. Explain the concepts of support and resistance in technical analysis and how they are used to make trading decisions.

15. Define the Relative Strength Index (RSI) and discuss how it is used to measure momentum in technical analysis.

16. Explain the significance of Fibonacci retracement levels in technical analysis, including how they are used to identify potential reversal points

