

**NAIPUNNYA SCHOOL OF MANAGEMENT**  
**QUESTION BANK**  
**CAPITAL MARKET**

SECTION A

1. What is a financial system?
2. What is a financial instrument?
3. What are financial services?
4. What is financial market?
5. What is capital market?
6. What is money market?
7. What is Gilt-edged security?
8. What is G-Sec?
9. What is new issue market?
10. What is secondary market?
11. What is loan market?
12. What is Treasury bill?
13. What is a Primary market?
14. What is Public issue?
15. What is Right issue?
16. What is underwriting?
17. What is IPO?
18. What is FPO?
19. Who is a Lead Manager?
20. What is a Prospectus?
21. What is a bonus issue?
22. What is price band?
23. What is ESOP?
24. What is QIP?
25. What is QIBs?
26. Who is a retail individual investor?
27. Define Stock Exchange.
28. Who is a speculator?
29. Who is a stag?
30. Who is a Bear?
31. Who is a Broker?
32. Who is Depository Participant?
33. What is screen based trading?
34. Explain Kerb Trading.
35. Who is Lame Duck?
36. Who is Bull?
37. Explain NSDL.

38. What is SENSEX?
39. What is NIFTY?
40. Define Derivatives.
41. What is a forward contract?
42. What is Option?
43. What is Future?
44. What is SWAP?
45. What is Hedging?
46. What is Rolling & Settlement?
47. Explain SEBI.
48. What is Insider Trading?

## SECTION B

1. State Financial Market and its different types.
2. What is a mortgage market?
3. Define Money Market.
4. What is Commercial Paper?
5. What is a Prospectus?
6. What do you mean by Private Placement?
7. Who is a Merchant Bank?
8. What is a New Issue Market?
9. What is Book Building?
10. What is Right Issue?
11. Explain Over Subscription.
12. Explain Under Subscription.
13. Explain ABSA.
14. What is Right Issue?
15. Explain Underwriting.
16. What are the functions of primary market?
17. Explain Public Issue.
18. What are the different categories of investors?
19. What do you mean by ESOP?
20. What are the advantages of right issue?
21. Distinguish between book built and fixed price issue.
22. What are the different types of book building system?
23. Explain the system of Depository.
24. Explain Margin Trading.
25. What do you mean by Listing of shares?
26. Distinguish between Primary Market and Secondary Market.
27. What is arbitrage?
28. Distinguish between bull & Bear Speculators.

29. What is DEMAT?
30. What is a Stock Market Index?
31. Explain Derivative Instrument.
32. Explain different types of Options.
33. Distinguish between American and European Option.
34. Explain SWAP.
35. What are financial futures?
36. What are the objectives of SEBI?
37. Distinguish between Unfair Trade Practice and Insider Trading.
38. What are the development functions of SEBI?

## SECTION C

1. Briefly explain BSE.
2. Briefly explain NSE.
3. Briefly explain the book building method.
4. State the advantages of listing.
5. What are the functions of stock exchanges?
6. Differentiate Futures from Options.
7. Explain Option and Different types of Options.
8. What is derivative and what are the types of derivatives?
9. Differentiate between put option and call option.
10. Explain the features of Futures.
11. Explain different types of investors.
12. What is dematerialization of shares? Explain its procedure.
13. What is listing of shares?
14. Differentiate Bull and Bear Market.
15. Explain the difference between primary market and secondary market.
16. Explain depository and its functions.
17. Explain different types of equity shares.
18. What is bonus issue?
19. Who are the participants in new issue market?
20. What is ESOPs? What are the different types of ESOPs?
21. Explain Financial Market.

## SECTION D

1. Explain the difference between Capital Market and Money Market?
2. Explain the importance of Capital Market.
3. Explain the different modes of issuing securities.
4. Explain the role and importance of SEBI in Capital market.

5. What is a stock exchange? Explain the functions of stock exchange.
6. What are derivatives? Explain different kinds of derivatives.