

# QB365 Question Bank Software Study Materials

## Securities Exchange Board of India (SEBI) 50 Important 1 Marks Questions With Answers (Book Back and Creative)

12th Standard

Commerce

Total Marks : 50

Multiple Choice Question

50 x 1 = 50

- 1) Securities Exchange Board of India was first established in the year \_\_\_\_\_  
**(a) 1988** (b) 1992 (c) 1995 (d) 1998
- 2) The headquarters of SEBI is \_\_\_\_\_  
(a) Calcutta **(b) Bombay** (c) Chennai (d) Delhi
- 3) Registering and controlling the functioning of collective investment schemes as \_\_\_\_\_  
**(a) Mutual Funds** (b) Listing (c) Rematerialisation (d) Dematerialization
- 4) SEBI is empowered by the Finance ministry to nominate \_\_\_\_\_ members on the Governing body of every stock exchange.  
(a) 5 **(b) 3** (c) 6 (d) 7
- 5) Trading in dematerialized shares commenced on the NSE is \_\_\_\_\_  
(a) January 1996 (b) June 1998 **(c) December 1996** (d) December 1998
- 6) In which year SEBI was constituted as the regulator of capital markets in India?  
(a) 1988 **(b) 1992** (c) 2014 (d) 2013
- 7) The process of converting physical shares into electronic form is called \_\_\_\_\_  
**(a) Dematerialisation** (b) Delisting (c) Materialisation (d) Debarring
- 8) \_\_\_\_\_ was the first company to trade its shares in Demat form.  
(a) Tata Industries **(b) Reliance Industries** (c) Infosys (d) Birla Industries
- 9) \_\_\_\_\_ enables small investors to participate in the investment on share capital of large companies.  
**(a) Mutual Funds** (b) Shares (c) Debentures (d) Fixed deposits
- 10) Which of the following is true?  
(a) SEBI was first established in the year 1988 (b) SEBI was given statutory powers in the year 1992  
(c) SEBI has its head quarters in Mumbai **(d) SEBI encourage insider trading in securities**
- 11) Securities and exchange Board of India was first established in the year  
(a) 1980 (b) 1986 **(c) 1988** (d) 1990
- 12) SEBI is an apex body that maintains and regulates our  
**(a) capital market** (b) mutual funds (c) share capital (d) none of these
- 13) The capital market is meaningless in the absence of the  
(a) Brokers **(b) Investors** (c) Owners (d) employees
- 14) SEBI issues Guidelines and Instructions to business concerning  
(a) credit issues (b) capital issues **(c) capital issues** (d) share capital

- 15) Registering and controlling the functioning collective investment schemes such as  
**(a) mutual funds** (b) securities (c) bonds (d) debentures
- 16) Stock exchanges deals in  
 (a) Goods (b) Services **(c) Financial securities** (d) country's currency
- 17) Number of recognised stock exchange in India  
 (a) 2 **(b) 21** (c) 22 (d) 24
- 18) SEBI is formed as per  
 (a) Securities contract (Regulation) Act (b) Companies Act **(c) Securities and Exchange Board of India Act**  
 (d) Indian Constitution
- 19) SEBI has the following number of members including chairman.  
 (a) 5 **(b) 6** (c) 7 (d) 8
- 20) Which of the following statement is not correct about the SEBI?  
**(a) At present is a non statutory body** (b) At present it is a statutory body  
 (c) It got statutory powers by an ordinance in 1992 (d) SEBI is managed by 6 members
- 21) Where is the headquarter of the SEBI?  
 (a) Delhi (b) Bengalure (c) Chennai **(d) Mumbai**
- 22) Chairman of the SEBI is appointed for  
 (a) for maximum 3 years (b) for maximum 6 years (c) for maximum 5 years **(d) tenure not fixed**
- 23) A stock market is also called  
 (a) free market (b) open market **(c) equity market** (d) sports market
- 24) SEBI has allowed celebs to endorse which products?  
 (a) Stocks and shares **(b) Mutual funds** (c) Dividends (d) Insurance
- 25) Which of the following words does not belong to the stock exchange?  
 (a) NAV (b) NSE (c) IPO **(d) KPO**
- 26) Legal document required by securities Exchange commission stating associated risks and detailed description of issues is classified as  
 (a) prospectus (b) stated document **(c) risk detailed document** (d) exchange commission document
- 27) Which of the following is not a characteristic of an exchange?  
 (a) It allows securities to be listed on more than one exchange  
**(b) It allows exchange-listed issues to trade off the exchange floor with the aid of brokers.**  
 (c) It provides liquidity to individuals who acquire securities in the primary market.  
 (d) Stocks traded on an exchange must meet minimum listing requirements.
- 28) The exchange generating the largest volume in the United States is the:  
 (a) American Stock **(b) New York Stock Exchange** (c) Chicago Stock Exchange (d) Pacific Stock Exchange

29)

|     | List I                       | List II                          |
|-----|------------------------------|----------------------------------|
| i)  | Regulation of stock exchange | 1) Reducing the risk of delivery |
| ii) | Checking the insider trading | 2) Middlemen                     |

|                                  |                                    |
|----------------------------------|------------------------------------|
| iii) Protection to the investors | 3) Buyer and selling of securities |
| iv) Control over brokers         | 4) First objective of SEBI         |

|                  |                  |                  |                  |
|------------------|------------------|------------------|------------------|
| <b>(a)</b>       | (b)              | (c)              | (d)              |
| (i)(ii)(iii)(iv) | (i)(ii)(iii)(iv) | (i)(ii)(iii)(iv) | (i)(ii)(iii)(iv) |
| 4 3 1 2          | 1 2 3 4          | 3 4 2 1          | 2 1 4 3          |

30)

| List I                | List II                        |
|-----------------------|--------------------------------|
| i) Brokers            | 1) 1988                        |
| ii) SEBI              | 2) Physical share certificates |
| iii) Stock exchange   | 3) Share market                |
| iv) Dematerialisation | 4) Capital market              |

|                  |                  |                  |                  |
|------------------|------------------|------------------|------------------|
| <b>(a)</b>       | (b)              | (c)              | (d)              |
| (i)(ii)(iii)(iv) | (i)(ii)(iii)(iv) | (i)(ii)(iii)(iv) | (i)(ii)(iii)(iv) |
| 4 1 3 1          | 1 2 3 4          | 2 3 4 1          | 3 4 2 1          |

31)

| List I                | List II  |
|-----------------------|--|
| i) Dematerialisation  | 1) Separation of ownership of securities.                          |
| ii) Demutualisation   | 2) An institution / organisation which holds securities            |
| iii) Depository       | 3) Securities on the stock exchange are known as listed securities |
| iv) Listed securities | 4) Converting physical certificates into electronic form           |

|                  |                  |                  |                  |
|------------------|------------------|------------------|------------------|
| (a)              | <b>(b)</b>       | (c)              | (d)              |
| (i)(ii)(iii)(iv) | (i)(ii)(iii)(iv) | (i)(ii)(iii)(iv) | (i)(ii)(iii)(iv) |
| 3 2 1 4          | 2 3 4 1          | 2 1 4 3          | 4 3 1 2          |

32)

| List I                                  | List II                 |
|---|-------------------------|
| i) The first issue are floated          | 1) Public issue         |
| ii) Sale of new share                   | 2) Financial securities |
| iii) Stock exchange                     | 3) 21                   |
| iv) Number of recognised stock exchange | 4) Primary market       |

|                  |                  |                  |                  |
|------------------|------------------|------------------|------------------|
| (a)              | <b>(b)</b>       | (c)              | (d)              |
| (i)(ii)(iii)(iv) | (i)(ii)(iii)(iv) | (i)(ii)(iii)(iv) | (i)(ii)(iii)(iv) |
| 3 2 1 4          | 2 3 4 1          | 2 1 4 3          | 4 3 1 2          |

33)

| List I                          | List II                  |
|---------------------------------|--------------------------|
| i) Issue house                  | 1) Selling of debentures |
| ii) SEBI                        | 2) Prospectus            |
| iii) Circular in legal document | 3) Officer for sale      |
| iv) Managing broker             | 4) 1988                  |

|                  |                  |                  |                  |
|------------------|------------------|------------------|------------------|
| (a)              | (b)              | (c)              | <b>(d)</b>       |
| (i)(ii)(iii)(iv) | (i)(ii)(iii)(iv) | (i)(ii)(iii)(iv) | (i)(ii)(iii)(iv) |
| 3 2 1 4          | 2 3 4 1          | 2 1 4 3          | 4 3 1 2          |

34) Initially SEBI was a \_\_\_\_\_ without any statutory power.

- (a) statutory    **(b) non-statutory**    (c) departmental    (d) none of these

35) \_\_\_\_\_ affects the interest of the general investors and is essential to check this tendency.

- (a) Regulation of stock exchange    **(b) Insider trading**    (c) Protection to the investors    (d) Control over brokers

36) Regulating and controlling the business on \_\_\_\_\_ markets.

- (a) stock**    (b) exchange    (c) capital    (d) none of these

- 37) \_\_\_\_\_ conducts research and publishes information beneficial to all market players.  
 (a) WTO (b) HRM (c) Demat (d) **SEBI**
- 38) \_\_\_\_\_ is done at the request of the investor.  
 (a) Materialization (b) **Dematerialization** (c) Depository Participant (d) Demat account
- 39) \_\_\_\_\_ account holder can buy or sell any amount of shares.  
 (a) **DEMAT** (b) Equity (c) Cost (d) Management
- 40) \_\_\_\_\_ is the supervisory body established to regulate Indian Stock Market.  
 (a) **SEBI** (b) Mutual fund (c) Primary market (d) Secondary market
- 41) \_\_\_\_\_ account can be opened with no balance of shares.  
 (a) Fixed (b) Current (c) **Demat** (d) Recurring deposit
- 42) Trading in dematerialized shares commenced on the NSE in December \_\_\_\_\_  
 (a) 1991 (b) **1996** (c) 1993 (d) 1995
- 43) \_\_\_\_\_ is also empowered to regulate the business of stock exchanges  
 (a) **SEBI** (b) RBI (c) DEMAT (d) SBI
- 44) PAN is of \_\_\_\_\_ digits.  
 (a) **10 digit** (b) 9 digit (c) 13 digit (d) 8 digit
- 45) Which of the following are Proof of Identity?  
 (a) PAN Card (b) Voter's ID (c) Electricity Bill (d) **All of these**
- 46) Which of the following is not a proof of address?  
 (a) **PAN Card** (b) Voter's ID (c) Passport (d) Driver's License

47) Match the following.

|                       |                                     |
|-----------------------|-------------------------------------|
| (1) Proof of Identity | (i) Permanent Account Number        |
| (2) Proof of Address  | (ii) Pan Card                       |
| (3) PAN               | (iii) Physical share of certificate |
| (4) dematerialization | (iv) voter Id                       |

|             |                    |             |             |
|-------------|--------------------|-------------|-------------|
| (a)         | (b)                | (c)         | (d)         |
| A B C D     | <b>A B C D</b>     | A B C D     | A B C D     |
| iv iii i ii | <b>ii iv i iii</b> | i ii iii iv | i iv iii ii |

- 48) Pick out the odd one.  
 (a) Quasi legislative (b) Quasi-judicial (c) Quasi executive (d) **Mutual funds**
- 49) Which is not correctly Matched?  
 (a) Proof of Identity - Driver's license (b) Proof of Address - Ration card (c) PAN - 10 digit  
 (d) **Proof of Address - PAN card**
- 50) \_\_\_\_\_ means buying and selling o securities by directors and promoters using confidential information about the company.  
 (a) **Insider trading** (b) Gambling (c) Speculating (d) Investing