

1. What is the main purpose of the book according to the text?
  - a. To teach advanced trading techniques
  - b. To eliminate all risks from stock market investing
  - c. To transform a negative view of the stock market into a positive one
  - d. To guarantee quick profits in the stock market
  
2. Which of the following is NOT listed as a chapter topic in the contents?
  - a. The Basics of Stock Market Investment
  - b. Advanced Stock Trading Strategies
  - c. Factors Influencing the Stock Market
  - d. Learning to Invest in Stocks
  
3. According to the preface, who are the 'innocent lay investors'?
  - a. Professional financial analysts
  - b. Beginners and those with limited stock market knowledge
  - c. Experienced equity investors
  - d. Statisticians and mathematicians
  
4. What is Investonomy primarily written to inform investors about?
  - a. Complex algorithms for stock trading
  - b. Basic rules of stock investment
  - c. Insider trading secrets
  - d. How to become a financial guru
  
5. Which of the following is mentioned as a myth about stock investing in the preface?
  - a. Stock market investments are always profitable
  - b. You need to be a financial expert to invest in stocks successfully

- c. Stock investment is completely risk-free
- d. Stock analysis is very easy and basic

6. What did the author's father gift him along with money to invest?

- a. A car
- b. A house
- c. A TVS WEGO scooter
- d. Land for investment

7. According to the text, what is a 'share' in the stock market?

- a. A loan taken from the bank
- b. A unit of currency for stock trading
- c. Part ownership in a company
- d. A fixed return investment bond

8. What are the two essential components of the stock market mentioned?

- a. Brokers and traders
- b. Investors and speculators
- c. Buyers and sellers
- d. Regulators and companies

9. Which of the following is NOT mentioned as a function of the stock market?

- a. Price discovery
- b. Providing guaranteed returns
- c. Liquidity for investments
- d. Encouraging saving and investment

10. What are the two main types of income a shareholder can earn?

- a. Salary and bonus
- b. Interest and principal repayment
- c. Dividend income and appreciation of investment value
- d. Rental income and property value increase

11. According to the text, what is considered a "myth or reality" in Chapter 4?

- a. Stock market always guarantees high returns
- b. Stock market is a risky ride
- c. Stock market is only for the rich
- d. Stock market requires advanced degrees

12. What regulatory body was formed in India in 1992 to oversee the stock market?

- a. Reserve Bank of India (RBI)
- b. National Stock Exchange (NSE)
- c. Securities and Exchange Board of India (SEBI)
- d. Indian Stock Market Association (ISMA)

13. Which of the following is NOT listed as a factor influencing the stock market?

- a. Economic factors
- b. Weather patterns
- c. Geo-political factors
- d. Foreign Exchange Rates

14. What is the 'Rule of 72' used for in the context of stock investment?

- a. To calculate stock market volatility
- b. To determine the best stocks to buy

- c. To estimate how long it takes for an investment to double
- d. To predict market crashes

15. According to the text, what is 'compounding' described as?

- a. A complex mathematical formula
- b. The main reason for stock market crashes
- c. The force behind wealth creation in stocks
- d. A risky form of speculation