

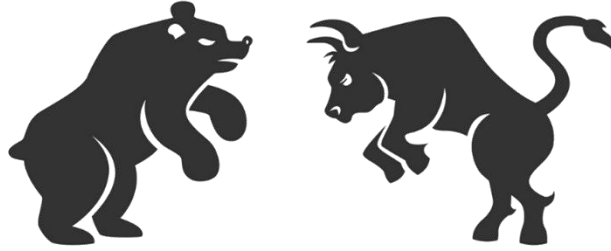


राष्ट्रीय वित्तीय शिक्षा केन्द्र

National Centre for Financial Education

एक आर्थिक रूप से जागरुक और सशक्त भारत

A financially aware and empowered India



**STOCK EXCHANGE AND SHARE
NSE AND BSE**



**DELHI PUBLIC SCHOOL,
JAIPUR**

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STOCK EXCHANGE – STORY BOARD

PROCESS TO START YOUR INVESTMENT IN STOCK MARKET



DIFFERENCE BETWEEN BSE AND NSE

BSE	NSE
Bombay Stock Exchange	National Stock Exchange
1875	1992
Sensex 30	Nifty 50
Listed Companies (as on date) - 5749	1696

It's the last day of the month, Priya, a graduate has received her salary from her part-time job at a corporate office.



Priya entered the living room and was very happy.



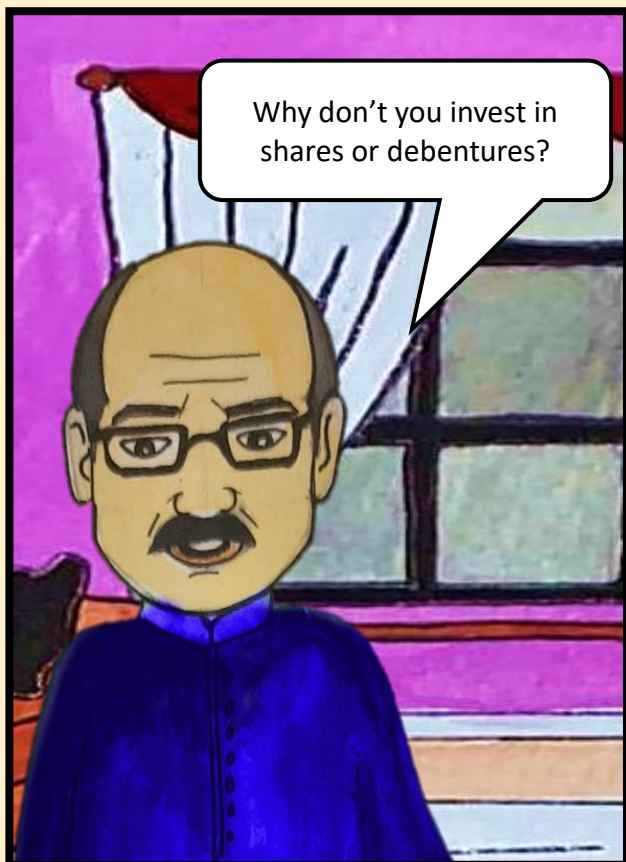


In investing, since I'm now a graduate I want to learn about investing, trading and saving my hard earned money



That's a very good thought, dear!

As Priya's parents hold a huge business, they have a good knowledge about investing in different instruments.



Why don't you invest in shares or debentures?



I know a bit about shares, but I have no clue about debentures

Could you brief them both a bit?



Debentures are an important instrument which you can purchase of any company carrying a fixed rate of interest



And what about shares?
What are they?



Shares represent equity ownership in a company, bought by the public and members of the company

Shareholders in return get a share of profit.

There are two types of shares – Equity and Preference Shares.



I also want to know about ETFs. Please help me with this too.



An exchange-traded fund is a place where shares and debentures can be bought and sold by paying some brokerage





I've heard about the stock exchange? BSE and NSE. Can you guide me little about this as well?

A stock exchange is a market where shares and debentures are bought and sold. Capital market is regulated by SEBI, and in order to trade shares, one has to open a Demat account.



Demat account is an account in which you are supposed to deposit money before placing trades.



It is like a vegetable market where buyers purchase vegetable from the sellers at a particular location, but the market doesn't own the vegetables.



BSE uses SENSEX30 as a benchmark index. It encompasses various companies from 12 different sectors.



NSE is a premier marketplace for companies preparing to list on a major exchange. It is totally based on NIFTY which contains the rank of 50 companies.

SENSEX 30 and NIFTY 50 summarises the movements of the market in real-time help to identify the whether the market is at boom or at slump



Which is better NSE or BSE?



Due to the high number of active stock marketers, high liquidity, and active buying and selling, Nifty is more significant in number than Sensex



In case one is looking for a new company to invest in then, BSE is the best option.





Now I guess, you have enough clarity on investment options. So, what have you decided?



Yes Dad, I've decided to go with BSE as after listening to you, I've realised that it's a good option for beginners



Take your own time dear. Do little more research before you invest in it. Let's have dinner now.