

Q.1 A) True or false. (Any 8)

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- 1) Derivatives is a contract between buyer and seller.
- 2) Derivatives help for price discovery.
- 3) Future contract is a standardised contract.
- 4) Put option gives right to sell but not obligation.
- 5) Forward contract is a type of derivatives.
- 6) Index option is a Exchange Traded derivatives.
- 7) Option writers received premium.
- 8) Settlement dates are the dates on which the contracts are settled.
- 9) FMC stand for forward market commission.
- 10) Metal and Crude material are the examples of commodities.

B) Match the following : (Any 7)

7

Group 'A'

- 1) Option buyer
- 2) ETD
- 3) SEBI
- 4) NSE
- 5) MCX
- 6) Tick size
- 7) Premium
- 8) Var
- 9) Gold and Silver
- 10) Nifty lot size

Group 'B'

- a) Highly regulated
- b) Security Exchange Board of India
- c) National Securities Exchange
- d) Multi Commodity Exchange
- e) Intrinsic + Time value
- f) Risk Measurement
- g) Commodities
- h) 50 Units
- i) Minimum Price Move
- j) Pays Premium

Q.2 A) Explain the term derivatives and its Economic benefits.

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B) Explain the types of derivatives.

7

OR

A) Distinguish between Futures and Options.

8

B) Explain the following terms.

7

- 1) Contract Price
- 2) Option Interest
- 3) Future Price

P.T.O.

Q. 3 A) An investor took position in future market which are as follows.

- 1) Sold future contract of HDFC with a lot size of 1000 shares at ₹ 70 and at expiry it closed at ₹ 72.
- 2) Bought future contract of IDBI Bank with a lot size of 500 shares at ₹ 100 and at expiry it closed at ₹ 95. Find out his profit / loss.

B) Mr. Jatin purchased 1st June month Nifty at ₹ 5,500 call option at a premium ₹ 150. After 1 month Nifty / loss at ₹ 5,400. Calculate his profit / loss.

OR

A) Explain different types of orders in derivatives market.

B) Explain rules for intermediaries.

Q. 4 A) Explain the functions of FMC.

B) Cash settlement and physical settlement.

OR

Q. 4 Explain the role of FMC in commodity market.

Q. 5 Write short notes on :- (Any 3)

- 1) Pay off diagram
- 2) Types of risks
- 3) Types of options
- 4) Underlying assets
- 5) Features of futures

— The End —