



K. K. Wagh Institute of Engineering Education & Research, Nashik
(An Autonomous Institute From A.Y. 2022-23)

SUMMER-2024	
Exam Seat No.:	
Academic Year:2023-2024	Semester:III
Class: SY	Program:MBA
Branch Code:M.B.A.	Pattern:2022
Name of Course:Derivatives Market	Course Code:MBA223210
Max. Marks:30	Duration:1: 15 Hrs.

Instructions: Candidates should read carefully the instructions printed on the Question Paper and on the cover page of the Answer Book, which is provided for their use.

1. This question paper contains 2 page(s).
2. Answer to each new question is to be started on a new page.
3. Assume suitable data wherever required, but justify it.
4. Draw the neat labelled diagrams, wherever necessary.
5. The last columns indicates the Course Outcome and level of Blooms Taxonomy of the Question/sub-question.

Question No. 1 Attempt following Question

- 1 a) Describe regulatory framework of derivatives market in India (6) 1

OR

- 1 b) List down the four main participants in Indian Derivatives Market with examples. (6) 1

Question No. 2 Attempt following Question

- 2 a) Describe the forward and Future derivatives contract. (6) 2

OR

- 2 b) Define Option Contract. (6) 2

Question No. 3 Attempt following Question

- 3 a) Illustrate what is Legislative, Regulatory risk and Market risk? (6) 3

OR

- 3 b) Illustrate what is Operation, Reputational and Systematic Risk? (6) 3

Question No. 4 Attempt following Question

- 4 a) Suppose that Share price of HCL share is 900 Rs. And Mr. DSK wants to buy an Call option at the rupees 1000 Rs, for this Mr. DSK is ready to pay the premium amount Rs 20 rs. Then find out below values (6) 4

1. Strike price

2. Spot Price

4. OTM Price
5. Break Even point
6. Max Loss and Max Profit for buyer of Call option

OR

- 4 b) Suppose that Share price of HCL share is 600 Rs. And Mr. DSK wants to buy an Put option at the rupees 550 Rs, for this Mr. DSK is ready to pay the premium amount Rs 30 rs. Then find out below values (6) 4

1. Strike price
2. Spot Price
3. ITM price
4. OTM Price
5. Break Even point
6. Max Loss and Max Profit for buyer of Put option

Question No. 5 Attempt following Question

- 5 a) Summarize the idea of Interest rate Swap (6) 5

OR

- 5 b) Summarize the idea of Credit Default Swap also write down Advantages and Disadvantages of it. (6) 5

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