

**EXECUTIVE MASTER OF BUSINESS
ADMINISTRATION (EXMBA)**

Term-End Examination

June, 2013

MCTE-090 : DERIVATIVES

Time : 3 hours

Maximum Marks : 100

Note : Attempt any five questions. All questions carry equal marks.

1. Discuss the current regulatory framework relating to derivatives market. 20
2. Distinguish between a Future and an Option giving examples. 20
3. What is Swaption ? What precautions should be taken to reduce swap risk ? 20
4. Explain the difference between commodity and financial derivatives by bringing out their key features. 20
5. Write notes on the following : 20
 - (a) Call Option
 - (b) Convertible Securities

6. Critically examine the factors which determine the theoretical value of an Option. 20
7. Write notes on the following : 20
- (a) Put - Call parity relationship
 - (b) Forward contract
8. What are structured financial products ? Why are they preferred by the Companies ? 20
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