

**MASTER OF BUSINESS ADMINISTRATION
(MBAEV)**

Term-End Examination

December, 2014

00735

**MCNE-043 : FINANCIAL DERIVATIVES AND
PORTFOLIO MANAGEMENT**

Time : 3 hours

Maximum Marks : 100

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

1. State the historical origin of the derivative market in India. 20
2. What is the difference between forward and futures derivatives ? Which one is more popular in India ? 20
3. "Interest rate derivatives are prevalent in the international market as risk hedging tool." Comment. 20
4. Write detailed notes on the following : 10+10=20
 - (a) Credit Defaults Swaps
 - (b) Equity Derivatives

5. Explain the procedure of accounting the financial derivatives in India. 20
6. Differentiate between the following : 10+10=20
- (a) Hedge funds and Financial derivatives
 - (b) Energy and Equity derivatives
7. Explain in detail the role of foreign exchange market to handle the currency derivatives. 20
8. Write short notes on the following : 4×5=20
- (a) Commodity Derivatives
 - (b) Clearing and Settlement
 - (c) Hedging
 - (d) Exotic Options
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