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**MASTER OF BUSINESS ADMINISTRATION  
(MBAEV)  
Term-End Examination**

**June, 2014**

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

*Time : 3 hours*

*Maximum Marks : 100*

*Note : (1) Attempt any five questions.*

*(2) All question carry equal marks.*

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1. Explain the term financial derivative. What are its important features? Explain with suitable example? 20
  2. Explain different types of derivatives in brief along with its merit & demerits. 20
  3. State the historical origin of derivative market in India. Discuss its scope also. 20
  4. Differentiate between the two: 10+10
    - (a) Hedging and Speculation
    - (b) Commodity and financial derivatives

5. How do you find equity derivative in India. Explain its current status. **20**
6. What are foreign exchange derivatives and who are the market players involved in it? **20**
7. Explain the following in detail: **10+10**
- (a) Energy derivatives
  - (b) Exotic options
8. Write short notes on the following **5x4=20**
- (a) Option pricing model
  - (b) Accounting for financial derivatives
  - (c) Futures
  - (d) Options

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