

<b>R15</b>
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Code No: 724AH

**JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD**
**MBA IV Semester Examinations, January-2018**
**FINANCIAL DERIVATIVES**
**Time: 3hours**
**Max.Marks:75**

**Note:** This question paper contains two parts A and B.  
 Part A is compulsory which carries 25 marks. Answer all questions in Part A.  
 Part B consists of 5 Units. Answer any one full question from each unit. Each question carries 10 marks and may have a, b, c as sub questions.

**PART - A**
**5 × 5 marks = 25**

- 1.a) Discuss about the recent derivative market in India. [5]
- b) Differentiate between future and forward market. [5]
- c) Discuss about currency option with example. [5]
- d) What is MCX and why it is established? [5]
- e) Explain about equity index swaps. [5]

**PART - B**
**5 × 10 marks = 50**

2. Write about derivatives and its types. How spot and derivative market are interlinked? [10]

**OR**

3. Elaborate about the various types of derivatives in India? What are the significant uses of derivatives? [10]

4. What do you mean by future market and how is it different from option? Discuss about interest rate futures and currency future with examples. [10]

**OR**

5. Explain how option market works. Discuss the major hedging strategies in option market. [10]

6. Elucidate the principles of option pricing. Discuss about The Binomial Model of option pricing. [10]

**OR**

- 7.a) Write about option and its types. [5]
- b) Discuss about advanced option strategies. [5]

8. Discuss about commodity futures and option. Discuss about role and function of MCX. [10]

**OR**

9. Elucidate about commodity market in India. What is the role and functions of NCDEX. [10]

10. Discuss the concepts and feature of swaps. What do you mean by credit risk in swaps? [10]

**OR**

11. Discuss different types of swaps. How do we determine the value of swaps? [10]

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