

**2023**

***Time - 3 hours***

***Full Marks - 80***

*Answer ALL questions.*

*Figures in the right hand margin indicate marks.*

1. Who are different traders in derivative market ? Discuss the uses, critiques and factors contributing to the growth of derivative contracts. [16]

OR

Write short notes on :

- (a) Types of Derivative contracts [8]  
(b) Financial Derivative market in India [8]
2. "All future contracts are forward contracts, but all forward contracts are not future contracts." Justify the statement. [16]

OR

What are different types of Financial Future Contract ? Discuss the evolution of future markets in India. [16]

3. What are different features of a forward contract ? Explain different models used to value forward contracts. [16]

[ 2 ]

OR

Define the term Risk Management. Discuss how risk management can be done using forward and future prices. [16]

4. Elaborate Black Scholes Model of option price determination along-with its assumptions and limitations. [16]

OR

Differentiate between : [8 × 2]

- (a) Options vs. futures contract  
(b) Call option vs. put option
5. Define a SWAP contract. What are its features ? Discuss different types of swap contracts alongwith its uses. [16]

OR

Write an essay on credit derivative market in India by highlighting the features and benefits of credit derivative instrument. [16]