



# ADITYA DEGREE COLLEGES

\* ANDHRA PRADESH \*

IV SEMESTER - I MID EXAMINATIONS

II -BBA major – DERIVATIVES & RISK MANAGEMENT

Time : 2 Hours

Max. Marks : 60

Date: 01 -02-2025

## SECTION-A

I. Answer any FIVE Questions.

5X4=20 M

1. Define financial derivative.
2. Explain the cost of carry.
3. Explain about call option and put option.
4. Explain about OTC market.
5. What is the underlying asset in the derivative contract?
6. What is hedging?
7. Explain about SWAP's.
8. Explain about the Stock Index futures.

## SECTION - B

II. Answer ALL Questions.

4X10=40 M

9. a) What are the differences between forward contract and future contract?  
(OR)  
b) Explain about Exchange traded and OTC traded derivatives.
10. a) Explain about regulatory framework of derivatives traded in India.  
(OR)  
b) What are the SEBI guidelines for derivatives traded in India?
11. a) Define futures and explain terminologies in futures contract.  
(OR)  
b) What is currency futures what are the features of currency futures.
12. a) Explain about futures pricing.  
(OR)  
b) Explain about cash settlement and physical settlements in futures