

IMBA in FM/HRPA/BM/BEM Sem.-9 Examination
BEM/HR/FM_MBA_F_307

D&RM

Time : 2.30 Hours]

December-2025

[Max.Marks : 70

- Q.1 Explain the basic concepts of the cash market and discuss the relationship between cash and derivative markets. (14)
- Q.2 Define and differentiate between Forward, Future, Option, and Swap contracts with suitable examples. (14)
- Or
- Q.2 Explain the growth and development of the derivative market in India. Discuss the role of SEBI and stock exchanges in its regulation. (14)
- Q.3 Discuss the mechanics of Forward and Future Markets. Explain how stock futures and stock index futures are priced in India. (14)
- Or
- Q.3 Explain arbitrage opportunities in forward and futures markets. How does the cost of carry model help in identifying such opportunities? (14)
- Q.4 Explain the concept of currency and interest rate derivatives. Discuss their applications and importance in financial risk management. (14)
- Or
- Q.4 Explain the Black-Scholes and Binomial Models of option pricing. How are they used in determining the fair value of options? (14)
- Q.5 Write short notes on any two: (14)
- a) VAR and Risk Measurement in Derivatives
 - b) Role of Hedgers, Speculators, and Arbitrageurs
 - c) Volatile Market Strategies and Derivative Mishaps

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