SYBFM sem IV Reg & A.T.K.T Exam April-2018
Commodity Derivatives market

Q. P. Code : 35065

Duration : 2.5 hours **Marks : 75**

Q NO 1 (A) State whether the following statement are true or false (Any 8) (8)

1. Forward contract are bilateral contracts and hence expose to country party risk.
2. Whenever the future price moves away from the fair value, there would be opportunity for arbitrage
3. A company that want to sell an asset at a particular time in future can hedge by taking short future position
4. The commodities cannot be revalidated after the Final Expiry Date (FED).
5. If the last trading day as specified in the respective commodity contract is a holiday, the last trading day is taken to be the previous working day of the exchange.
6. A Derivative is a contract between 2 parties which derives its value from an underlying assets
7. A forward contract is an agreement between two entities to buy or sell the underlying assets at a future date, at today's pre-agreed price
8. Options trading in commodity take place in Indian commodity exchange.
9. Trading cum clearing member can carry out transaction on their own account and also on their clients account.
10. Some of the future contract traded on NCDEX expires on day other than 20th of the month

Q NO 1 (B) Match the following (Any 7) (7)

1. Commodity devivative contract	a) Call option
2. Process of exchange money and goods	b) Put option
3. Multi commodity exchange	c) Bonds
4. Right to buy	d) M C X
5. Investor belief that stock price will	e) Settlement
6. Increase	
7. Right to sell	f) Bullish
8. National commodity and Derivative Exchange	g) NCDEX
9. Forward contract regulation act 1952	h) Forward market commission
10. Traditionally largest producer of gold	i) South Africa

Q NO 2 A) Explain the Derivatives Markets (8)

B) Distinguish between forwards and future (7)

OR

Q NO2 C Discuss Some important regulations applicable in case of commodity Derivatives market (8)

D) Explain The Physical Settlement Mechanism in case of Commodity derivative Markets (7)

Q NO 3 A) Write a note on commodities exchange in India (8)

B) Explain Hedging and its types (7)

OR

Q NO 3 C) Explain the structure of commodities future markets in India (8)

D) Explain the factor that influence price of gold and silver (7)

Q NO 4 A) Write a note on forward market commission (8)

B) Explain the clearing and settlement system of trader executed on NCDEX (7)

OR

QNO 4 C) Explain the commodities Traded as underlying assets in the derivatives market (8)

D) Explain the Procedure for selling a forward contract at expiration (7)

Q NO 5 A) Explain the concept of "MARGIN" in the future market (8)

B) Breifly Explain the membership criterion and type of members of NCDEX (7)

OR

Q NO 5 Write short note on (Any 3) (15)

1) Hedgers and speculators

2) M C X

3) Kabra committee Report

4) Arbitrage

5) Trading members

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