

1056

Advanced Diploma (Add-on Course)  
Portfolio Management and Security Analysis  
Paper – II: Derivatives Market – II  
(In all mediums)

Time allowed: 3 Hours

Max. Marks: 75

**NOTE:** Attempt five questions in all, including Question No. 1 which is compulsory.

x-x-x

- I. Attempt the following:-
  - a) Give the distinction between Futures and Option.
  - b) What are the various contract specifications for stock options?
  - c) Define Clearing Banks.
  - d) What are the various uses of futures?
  - e) What is the concept of index futures?
  - f) Define the concept of Basket Trading?
  - g) Discuss the role of Securities Contracts (Regulation) Act.
  - h) What are the various types of margins for managing risks?
- II. What are the different option strategies used for hedging, speculation and arbitrage?
- III. Give the difference between index and stock options.
- IV. Write notes on any two of the following:-
  - a) Market Watch Window
  - b) Contract Cycle
  - c) Quality freeze
- V. Explain the various provisions provided under Securities and Exchange Board of India Act, 1992.
- VI. Define Settlement Mechanism. Is there any difference between settlement of future contract and options contracts?
- VII. Write notes on:-
  - a) Market Spread Combination order entry.
  - b) Interest Rate futures
- VIII. Give the distinction between trading securities and trading futures on individual securities.

x-x-x

(Hindi and Punjabi versions enclosed)

P.T.O.