SEBI- GRADE A

DEMUTALISATION | DERIVATIVES
PRACTICE QUESTIONS
Q 1) Which is the World’s largest stock exchange on the basis of market Capitalisation-
[a] NASDAQ
[b] New York stock exchange
[c] London stock exchange
[d] Shanghai stock exchange
Q.2) The process of segregation of ownership and management from the trading rights of members is known as-

[a] Dematerialisation
[b] Rematerialisation
[c] Corporatisation
[d] Demutualisation
Q.3) The arguments not in favour of demutualisation from the below mentioned factors are-
[a] Conflict of interest
[b] Greater management accountability
[c] Interest of other players
[d] Loss of control
Q.4) Which of the following statements is not a feature of Forward contracts-

1. A forward contract is an agreement between parties to buy or sell an underlying asset on a specified date for a specified price.
2. One of the parties of the contract assumes a long position and agrees to buy the underlying asset on a certain specified future date for a certain specified price.
3. The other party assumes a short position and agrees to sell the asset on the same date for the same price.
4. Other contract details like delivery date, price and quantity are standardised based on the stock exchange.

Codes:
[a] 3&4
[b] 2 only
[c] 1,2 & 3
[d] 4 only
Q.5) Y contracts with Z to and purchase a right but not the obligation to sell 100 quantities of chairs at a price of Rs 750 each, anytime during a 6 months period. What kind of derivative contract is this?

[a] Swap
[b] Forwards
[c] Put options
[d] Call options
[e] Futures
Q.6) Which of the following derivatives are traded on OTCEI -

[a] Forwards
[b] Futures
[c] Swaps
[d] Options