



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 purchases a right but not the obligation to sell a 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