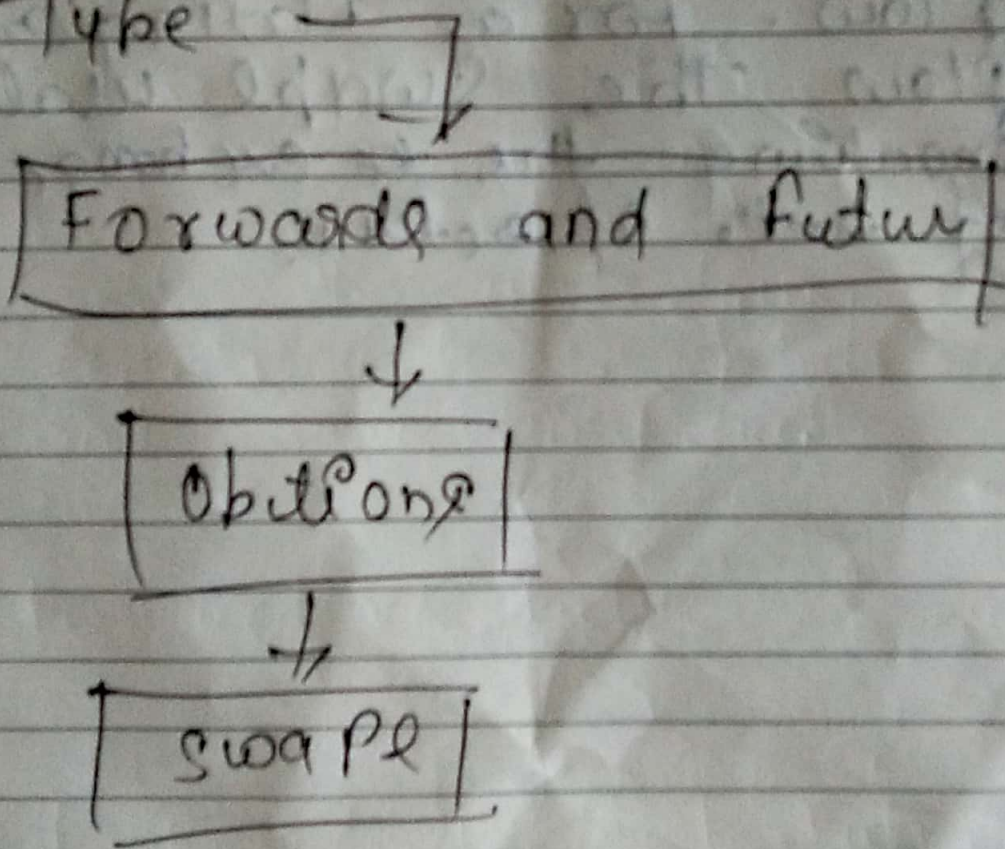


(A) Type of Derivatives

Derivatives are financial contracts whose value is linked to the value of an underlying asset.

They are complex financial instrument that are used for various purpose. including hedge and getting access to additional asset or market

* Type



(1) Forwards and Futures :- These are financial contract the obligating

the contractual buyer and seller relationship.

2) Option -

Option provide the buyer and contract the right but or not type of option. the can exercise the option on the maturity

3) Swaps -

Swaps are derivative contracts the fixed cash flow. For a floating cash flow. The swaps usually involving the exchange of rates of return.