Murabaha and Musawamah

ASSESSMENT # 8 | Total Marks: 30

1. Give short answers for the following questions: (16)

i. Define the term 'Musawamah.'
ii. What is a Murabaha sale?
iii. What is a commodity Murabaha?
iv. What is Murabaha to Purchase Order (MPO)?
v. What is meant by the term 'roll-over in Murabaha?'
vi. What are the various issues involved in a Murabaha contract?
vii. Discuss the various options available for conducting Murabaha trading.
viii. Explain the various factors which help to develop the need for MPO?

2. Discuss the Prerequisites for various stages of MPO. (7)

3. Describe various techniques used for mitigating risk in Murabaha contract. (7)