

- 1.** Give short answers for the following questions: (18)
 - i. What are the alternatives for foreign loans in Islamic banking?
 - ii. What are the various types of Islamic financial market instruments in terms of their nature and flow of return?
 - iii. How are commercial banks different from investment banks?
 - iv. What are the various types of deposits managed by Islamic banks?
 - v. What are the various modes of financing in trade, agriculture, and industry? And how do they work?
 - vi. What are the principles of Islamic finance relating to stocks?

- 2.** What is liquidity management? How an Islamic bank uses the following instruments for liquidity management? (6)
 - a. Mudarabah
 - b. Suksuk

- 3.** Discuss the various financial instruments used on the asset side of Islamic banks. (6)