Candidates are required to answer the question in
Their own words as far as practicable.
The figures in the margin indicate full marks.
Answer from both the Groups as directed.

Group – A
(Objective Type Questions)
Answer all Questions.

1. Choose the Correct answer of the following:
   \[2 \times 10 = 20\]
   (a) Banks would be established on the principle of:
       (i) Sole Trading (ii) Joint stock Companies
       (iii) Equity Market (iv) None of these
   (b) The minimum No of shareholders would be .......... While setting up a bank.
       (i) One (ii) Two (iii) Three (iv) Four
   (c) IFB Stands for:
       (i) Ijarah free bank (ii) Interest Free Bank
       (iii) Income Free Bank (iii) None of these
   (d) There are mainly .......... Methods of credit Control
       (i) One (ii) Two (iii) Three (iv) Four
   (e) The people who would provide Capital Investment in a bank will be referred as:
       (i) Promoting (ii) Share Trading
       (iii) Capital Holders (iv) None of these
   (f) "Modarbah" means:
       (i) Promoting (ii) Partnership
       (iii) Paying (iv) None of these
   (g) "Amanat" means:
       (i) Safe investing (ii) Safe keeping
       (iii) Safe throwing (iv) None of these
   (h) 'Nisbat" means:
       (i) Percentage (ii) Marriage
       (iii) Social Binding (iv) None of these
   (i) An important function of the Banking System is:
       (i) Investment (ii) Credit
       (iii) Capital Formation (iv) Both (ii) and (iii)
   (j) .......... Bank Cannot move transactions with public:
       (i) Commercial Bank (ii) Central Bank of a State
       (iii) Foreign Bank (iv) None of these.
Group – B
(Long – answer Type Questions)

Answer any four questions:

2. Define Bank and discuss its advantage.

3. What do you mean by Bank Deposits? Describe the different types of Bank Deposits.


5. Discuss Modaarbah through Bank Capital.

6. "The idea of Introducing interest Free Banking is to bring equilibrium in the Economic growth and to distribute income equitably" – justify this statement.

7. Discuss the Process of establishment of Islamic Bank.

8. What are the basic guidelines the Interest Free Banks should follow for granting a facility?

9. In what way would the Interest Free Bank liquidate the debts if the funds are lost?

10. What are the major Problem faced by the existing Islamic Banking Institutions?

11. Write short Notes on:
   (a) Charged services of Bank
   (b) Free Services of Bank.