

International Islamic University Chittagong (IIUC)
Department of Economics & Banking
Mid Term Examination: Spring-2022
Program: BSS(Honors)

Course Code: Islamic Financial System
Time: 1.30 Minutes

Course Title: FIN-4702
Full Marks: 30

Answer any Three of the following questions. All parts of a question must be answered sequentially. Figures in the right margin indicate full marks.

1. a) "The basic function of the economic system is to allocate scarce resources" - Justify the statement. 2
- b) "The basic function of the financial system is to move scarce loanable funds" - illustrates the financial system's components. 8
2. a) "There are some distinctions between the conventional and Islamic economic systems"—explain your stance in support of or opposition to this assertion. 4
- b) Elucidate the financial system of Bangladesh. 6
3. a) "Islamic economics is „the study of economics in the light of Islamic principles“ or „bringing economics in consonance with the Shari’ah”— Justify the statement. 2
- b) "Every society, whether socialist, capitalist, or Islamic, must tackle some fundamental economic challenges" - answer these questions to connect the sources of Islamic economics knowledge. 4
- c) Explicate the principles of Islamic economics. 4
4. a) Distinguish between Riba and Profit. 3
- b) "Riba is forbidden in Islam"—Explain the assertion with relevant illustration. 7