



THE ANSWERS MUST BE ATTEMPTED ON THE ANSWER SHEET PROVIDED

Q.1. Answer the following short questions. (6x5=30)

- i. What is leasing? What are the differences between Operating Lease and Finance Lease?
- ii. Differentiate between:
 - a) Revocable Letter of Credit vs. Irrevocable Letter of Credit
 - b) Sight Letter of Credit vs. Deferred Letter of Credit
- iii. Discuss any four Islamic Modes of Financing used by banks in Pakistan.
- iv. Define Trade Cycles. Briefly discuss its four phases?
- v. Differentiate between Deflation and Hyper Inflation
- vi. Briefly discuss the differences amongst Current, PLS, & Term Deposit Accounts.

Q.2. Answer the following questions (2x15=30)

- i. What is Central Banking. Discuss the functions of Central Banks.
- ii. What is Barter System? Discuss the problems of Barter System? Also briefly discuss what should be the attributes of Good Money?