



**Time Allowed: 3 Hours**

**Maximum Marks:100**

**Islamic Finance**

**Date: December 12, 2019**

**JAIBP (Specialization)**

**Roll No:**

**Instructions:**

- i. Attempt ALL questions;
- ii. Answers must be neat, relevant and brief;
- iii. In marking the question paper, the examiners take into account clarity of exposition, logic of arguments, presentation and language;
- iv. Read the instructions printed inside the top cover of answer script CAREFULLY before attempting the paper;
- v. DO NOT write your Name, Reg. No. or Access No. anywhere inside the answer script(s);
- vi. Candidates are advised not to mark any of the objective answer on the question paper, otherwise their paper will be cancelled;
- vii. Question Paper must be returned to invigilator before leaving the examination hall.

**SECTION B: SUBJECTIVE**

**All the questions from Section B are compulsory.**

**(55 Marks)**

**Q1.**

- A. Briefly explain Mysir and Qimar. **(4 Marks)**
- B. If 'A' has purchased from 'B' 1000 bags of rice by way of Salam to be delivered on December 31, 2019. 'A' can contract Salam with 'C' to deliver him 1000 bags of rice on December 31, 2019. Will this be a valid contract? Discuss with reasons. **(3 Marks)**
- C. How modern BOT (Buy, Operate and Transfer) are possible under Islamic Finance? **(3 Marks)**

**Q2.**

- A. According to Islamic Finance, what are the basic rules for distribution of losses? **(3 Marks)**
- B. State the FOUR essential elements required to constitute a valid Aqd. **(4 Marks)**
- C. State the products which are used more frequently, despite of concerns raised by Shari'ah experts. **(2 Marks)**

**Q3. State the characteristics of Ijara Sukkuk. (10 Marks)**

**Q4. What do you mean by Amwaal-e-Ribawiyah? (6 Marks)**



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- Q5.** State the differences between Murabahah and Conventional Financing in banking systems. **(5 Marks)**
- Q6.** What are the alternatives for Bills Purchase in Islamic banking? **(6 Marks)**
- Q7.** Write only Valid or Invalid in the answer of the following scenarios: **(9 Marks)**
- A.** 'A' and 'B' are friends. One day 'B' offers 'A' to buy his car for Rs. 1,000,000. 'A' agrees to buy car from 'B' with a condition that 'B' will employ his son in his office. Is it a valid sale?
- B.** 'C' and 'D' are friends. One day 'D' offers 'C' to buy his laptop for Rs. 100,000. 'C' agrees to buy it from 'D' with a condition that he will deliver it within one month. Is it a valid sale?
- C.** 'E' and 'F' are friends. One day 'F' offers 'E' to buy his refrigerator for Rs. 50,000. 'E' agrees to buy it from 'F' with a condition that he will give 2 years' free service to him. Is it a valid sale?
- D.** 'G' and 'H' are friends. Cow of 'H' is pregnant. One day 'H' offers 'G' to buy his calf which will be born approximately within a week for Rs. 50,000. 'G' agrees to buy it from 'H'. Is it a valid sale?
- E.** 'I' and 'J' are friends. One day 'J' offers 'I' to buy his stolen car for Rs. 50,000. 'I' agree to buy it from 'J'. 'I' found the car one day and got possession. Was the agreement between 'I' and 'J' valid?
- F.** 'K' and 'L' are friends. One day 'K' offers 'L' to buy his car for Rs. 50,000 next year. 'K' agrees to buy it from 'L'. Is the agreement between 'K' and 'L' valid?
- G.** 'M' and 'N' are friends. 'N' has 100 houses in different locations for selling purpose. One day 'N' offers 'M' to sell one of his houses to 'M' for Rs. 500,000. 'M' agrees to buy it from 'N'. Is the agreement between 'M' and 'N' valid?
- H.** 'O' and 'P' are friends. One day 'P' offers 'O' to buy his car for Rs. 1,000,000 if he pays him in 3 months but if he pays the price in a month then the cost will be reduced to Rs. 900,000. Is it a valid sale?
- I.** 'Q' and 'R' are friends. One day 'R' offers 'Q' to buy his car for Rs. 1,000,000 'Q' agrees to buy a car from 'R'. 'R' told him I will hand over you the car in the night. In afternoon 'Q' sold the said car to 'S' for Rs. 1,050,000. Are both agreements valid?

**X ——— END OF PAPER ——— X**