



The Institute of Bankers Pakistan

**Time Allowed: 3 Hours**

**Maximum Marks: 100**

**Date: December 19, 2023**

**Islamic Finance  
JAIBP (Specialization)**

**Roll No:**

**Instructions:**

- Attempt ALL questions;
- Answers must be neat, relevant and brief;
- In checking the answers, the examiner takes into account clarity of exposition, logic of arguments, presentation and language;
- Read the instructions printed inside the top cover of answer script CAREFULLY before attempting the paper;
- DO NOT write your Name, Access No or Roll No. etc. anywhere inside the answer script(s);
- Candidates are advised not to mark any of the objective answer on the Question Paper, otherwise their paper will be cancelled;
- Question Paper must be returned to invigilator before leaving the examination hall.
- Ensure that you shade your choice on the Optical Mark Reader sheet correctly. Only **ONE** circle must be shaded as shown below:

**Correct way**       A    B    C    D   **(Choice B is selected)**

**Incorrect ways**       A    B    C    D

**SECTION B: SUBJECTIVE**

**Attempt ALL Questions.**

**(55 Marks)**

**Q1.** M/s Premier Cotton wants to buy machinery from local supplier for expanding its Weaving Unit. The cost of machine is 50 million. M/s Premier Cotton want to avail financing facility for 50 % of total cost of machine. Tenor of financing is 5 years.

- As Relationship manager at Islamic Bank, suggest best suitable mode of finance to fulfill client requirement.
- Proposed detail covenants of transaction agreements and documentation required from disbursement till settlement. **(10 Marks)**

**Q2.**

- The Asset side of Islamic Bank reflects different products which are divided into three modes. Discuss these three modes of financing along with examples. **(06 Marks)**
- Critically discuss “Deposit of Conventional Bank are Qard base or Amanah Base”. **(03 Marks)**



The Institute of Bankers Pakistan

---

- Q3.** State Valid or Invalid against each case scenario and Identify mistake (If any) in the following scenario and suggest remedy to make it correct. **(08 Marks)**
- I.** Mr. Rehan sells 10 Liter Brake Oil to Mr. Ali, that Mr. Ali will pay the price on 5<sup>th</sup> of next month on market prevailing rate on that date.
  - II.** Mr. Saif a car dealer who own Ten Sedan car of model 2019 says to Mr. Jaffer “I sell one of the car to you for Rs. 1,000,000/-
  - III.** Akbar made a spot sale of 4 kg of wheat to Aslam with 2 kg of dates.
  - IV.** Najeeb a car dealer has purchased car from Yousuf. Yousuf has not delivered the car to Najeeb yet. However, Mr. Najeeb sells car to Mr. Rehan by describing specification of car.
- Q4.**
- a) Define Khiyar. Name any three types of Khiyar along with example. **(05 Marks)**
  - b) State three types of transactions that are prohibited in Shari’ah. **(06 Marks)**
- Q5.**
- a) Explain how the Securitization of Musharakah is different from bond issuance. **(06 Marks)**
  - b) Define Tawarruq. State the difference between Tawwaruq and Bai Inah. **(04 Marks)**
- Q6.** Discuss key challenges faced by the Islamic Banking Industry since its inception till date. **(07 Marks)**

X ——— END OF PAPER ——— X