

**ISLAMIC BANKING AND FINANCE – STAGE-III**  
**ISQ Examination (Summer-2010)**

- Q.1** Please write the alphabet of the selected choice in the answer column:
- Q.2** State True or False in the answer column.
- Q.3** (A) Define Istisna and discuss its conditions.
- Q.3** (B) Explain how Istisna can be used by the Government of Sindh to finance construction of motorway between Karachi and Hyderabad, and propose a practical process flow.
- Q.4** (A) How is Diminishing Musharakah different from Term Finance being provided by Conventional Banks?
- Q.4** (B) Explain the process flow followed by the Islamic Banks for financing purchase of houses by their customers.
- Q.5** What should be the mechanism of Internal Shariah Audit in an Islamic Bank? Also discuss the contents of the Shariah Audit Report.
- Q.6** Consider yourself to be a relationship manager of an Islamic Bank. A customer approaches your Bank to understand difference between Islamic and conventional Banking. Your supervisor requests you to explain the difference between:
- (A) Murabahah and Running Finance  
(B) Ijarah and Conventional Leasing
- What differences will you explain to the customer?
- Q.7** The Federal Government wishes to raise funds for construction of 1,000 housing units, and plans to issue Sukuks for this purpose.
- Suggest a Shariah Compliant Sukuk structure to achieve this objective of the Federal Government
- Q.8** What is Takaful. Explain how it differs from conventional insurance.

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