

THE INSTITUTE OF BANKERS PAKISTAN
ISQ Examination (Winter-2010)
ISLAMIC BANKING AND FINANCE

- 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 Salam and discuss its conditions.
- B) Explain how Salam can be used to finance farmers under Agricultural financing scheme of Islamic Banks. Propose a practical process flow under which both farmers and Islamic Bank can earn profit.
- Q.4** What are the differences between Istisna and Salam? Regarding payment mechanism, which one is more flexible and how?
- Q.5** Consider yourself to be a relationship manager of an Islamic Bank. A customer approaches your Bank to understand difference between Islamic and conventional Banking products. Keeping in view customer's requirements, your supervisor requests you to explain difference between:
- A) Diminishing Musharakah & Conventional Term Finance
- B) Salam and Istisna & Conventional Running Finance

What differences will you explain to the customer?

- Q.6** Define Musharakah and Mudarabah and explain their rules of profit & loss sharing?
- Q.7** The Federal Government wishes to raise funds for construction of a hydro electric power plant on River Indus. The Government plans to issue Sukuk to raise funds from Gulf states.
- Suggest a Shariah Compliant Sukuk structure to achieve this objective of the Federal Government.
- Q.8** Describe features and rules of a housing finance product based on Diminishing Musharakah.
- Q.9** What are the objective of Islamic Financial System and how do they differ from capitalism and socialism?
