

## Diploma in Islamic Banking Examination, October-2023

Part : I Subject Code: 101

Subject Name: Alternative Financial System

Full Marks: 100 Pass Marks: 45

Time: 3 Hours

( Answer **any 5 (five)** of the following questions. The figures in the right margin indicate full marks.)

1. a) What is meant by Alternative Financial System? Differentiate Alternative Financial System from Alternative Delivery Channel. 6  
b) “Alternative Financial System aims at achieving the balanced economic growth”. 7  
c) What do you mean by “Ethical Banking”? “Islamic banking is born to be ethical”- explain. 7
2. a) Define Sharia’h. Name the major sources of Sharia’h. 4  
b) What is Maqasid-al-Sharia’h? How can Maqasid-al-Sharia’h be realized through Islamic banking and finance? Explain. 10  
c) “Commitment to the principles of Sharia’h is the core of Islamic Banking”. Do you agree? Explain. 6
3. a) Define the term “Sukuk”. 5  
b) ABC Islamic bank developed a new Mudaraba deposit product named “Double Benefit Scheme” for the expatriate customers featuring that the depositors will get double of their deposited amount after a certain period on deposit of specialized amount by installments on regular basis. The Sharia’h Supervisory Committee of the bank while reviewing the product termed it as a violation of Sharia’h principle. Explain the reason. 8  
c) Is there any difference between the fixed profit in Mudaraba and fixed profit in Murabaha form the point view of Islamic Sharia’h? Give your opinion with justifications. 7
4. a) Define the term ‘Risk Management’. 4  
b) Are there any differences in the risks faced by conventional banks and Islamic banks? Mention the unique risks faced by Islamic banks. 8  
c) What are the major Sharia’h non compliances in the investment operations of Islamic banks as per Guidelines on Internal Control and Compliance in banks issued by Bangladesh Bank through BRPD circular no 3/2016. 8
5. a) “Any loan that brings benefit is Riba”. Explain. 6  
b) Define Riba-al-Fadl with an example. 7  
c) Explain the differences between Al-Wadeah Current Account of Islamic banks and Current Accounts offered by conventional banks. 7
6. a) Define Takaful. 3  
b) Explain the evolution of Takaful market in Bangladesh. 7  
c) What are the differences between Conventional Money Market and Islamic Money Market? 10
7. a) Narrate the scopes and challenges of developing Islamic money market in Bangladesh. 6  
b) Briefly explain the Islamic money market instruments being practiced in Bangladesh market. 6  
c) What are the current challenges of Islamic banking in the context of Bangladesh? 8
8. Write short notes on any **5 (Five)** of the following: 5x4=20
  - i) Riba and Gharar
  - ii) Sharia’h Governance
  - iii) AAOIFI Sharia’h Standards
  - iv) Mudaraba Financing
  - v) Ijarah Mawsufa Fiz Zimmah (Forward Ijarah)
  - vi) IFSB
  - vii) Liquidity Management
  - viii) CRR, SLR

**The End**

**Diploma in Islamic Banking Examination, October-2023**

**Part : I Subject Code:102**

**Subject Name : Principles of Economics: Conventional & Islamic**

**Full Marks: 100 Pass Marks: 45**

**Time : 3 Hours**

(Answer **any 5 (five)** of the following questions. The figures in the right margin indicate full marks.)

1. a) What is Economics? 5
- b) Discuss the main features of Capitalistic, Socialistic and Islamic economics. 6
- c) Islamic economic system ensures social justice and equitable distribution of wealth more ethically- explain. 5
- d) Describe Narrative Economics and Positive Economics. 4
2. a) What is Demand? Explain Law of Demand and Law of Supply with graphical presentation. 8
- b) What is Elasticity of Demand? 4
- c) Distinguish among i) Price Elasticity ii) Income Elasticity iii) Cross Elasticity. 8
3. a) What is Utility? Describe Total, Average and Marginal Utility with graphical presentation. 8
- b) State the implication of “Law of Diminishing Marginal Utility” explain with example. 6
- c) What is Market? What do you understand by “invisible hand” in market economy? 6
4. a) What is Cost of Production? 5
- b) Define and distinguish among i) Fixed Cost ii) Variable Cost iii) Average Cost iv) Marginal Cost with graphical presentation. 8
- c) Discuss the factors of production in Islamic economics and Conventional economics. 7
5. a) What is Money? Distinguish between “Narrow Money & Broad Money” 8
- b) Discuss the Quantity Theory of Money and describe its limitations. 7
- c) Distinguish between Economies of Scale and Diseconomies of Scale. 5
6. a) What do you mean by Inflation and Deflation in economics? 4
- b) Distinguish between Monetary Policy and Fiscal Policy mentioning the major tools of Monetary policy and Fiscal policy. 8
- c) What are the major tools of controlling inflation? 5
- d) What is National Income? 3
7. a) What is Financial Inclusion? “Agent Banking Model” is an important tool for financial inclusion- explain. 8
- b) What are the different types of mechanism used for poverty alleviation in Islamic economy? 7
- c) Define and distinguish between Interest and Profit. 5

8. Write short notes on any **5 (Five)** of the following:

5x4=20

- a. Indifference Curve
- b. Balance of Trade and Balance of Payment
- c. Growth and Development
- d. IMF and IBRD (World Bank)
- e. Impact of NPI on Economy
- f. Reserve of Foreign Currency
- g. Trickle- Down Economics
- h. Smart Economy

**The End**

**Diploma in Islamic Banking Examination, October-2023**

**Part : I Subject Code:103**

**Subject Name: Principles of Accounting**

**Full Marks: 100 Pass Marks: 45**

**Time: 3 Hours**

**(N.B.: Answer any5 (Five) of the following questions. The figures in the right margin indicate full marks.)**

1. a) Define Accounting. Why is accounting considered the language of business? 6  
b) Who are the users of Accounting Information? 6  
c) Describe in brief the Accounting Concepts, Principles and Assumptions. 8
2. a) What is Double Entry Accounting System? 4  
b) Discuss the difference between Accrual Basis Accounting and Cash Basis Accounting. 6  
c) Describe the effect of the following transactions (i.e. increase or decrease) on Assets, Liabilities, Revenue, Expense and Owner's Equity. 10
  - i) Investment made by the owner for BDT10,00,000 to the business.
  - ii) Paid advertising expenses of BDT 20,000.
  - iii) Paid advance insurance expense in cash of BDT 24,000.
  - iv) Withdrawal of cash of BDT 10,000 for personal use.
  - v) A furniture purchase on account of BDT 25,000.
  - vi) Performed payroll services to ABC Company for cash of BDT 50,000.
  - vii) Received cash of BDT 30,000 from a customer billed in the last month
  - viii) Borrowed BDT 100,000 from a bank.
  - ix) Cash of BDT 25,000 paid to the supplier of the furniture.
  - x) Paid cash of BDT 15,000 for office rent.
3. a) What are the principal factors to be considered to compute depreciation? 5  
b) M/s Karim enterprise purchased a new machine at a cost of BDT 15,00,000 at the beginning of the year. It has an estimated economic life of 5 years with salvage value of BDT 200,000. You are asked to determine the depreciation of the machine under - 5x3=15
  - i) Straight Line Method
  - ii) Sum-of-Years Digit Method and
  - iii) Unit of Activity Method (Assumed that production would be 1<sup>st</sup> year = 200,000 units, 2<sup>nd</sup> year= 180,000 units, 3<sup>rd</sup> year= 150,000 units, 4<sup>th</sup> year= 130,000 and 5<sup>th</sup> year =100,000 units)
4. a) What do you mean by Inventory? How does inventory valuation affect the financial statements? 5  
b) From the following information, determine the value of ending inventory, COGS, and gross profit as per FIFO, LIFO and Average Method under Perpetual Inventory System: 15
  - i) May 1, 2023: Beginning inventory 200 units @ BDT 60.
  - ii) May 03, 2023: Purchase 400 units @ BDT 65.
  - iii) May 10, 2023: Sale 450 units @ BDT 85.
  - iv) May 15, 2023: Purchase 500 units @ BDT 65.
  - v) May 20, 2023: Sale 400 units @ BDT 82.
5. a) What is Journal Entry? What are the accounting principles related to adjusting entries? 4  
What is Triple/Three Column Cash Book.

- b) The following transactions took place in the book of A. Rahman during the month of January  
c) 2023:

4  
12

Jan	1	Cash in Hand BDT 20,000/-
		Cash at Bank BDT 40,000/-
	3	Purchased goods by cheque BDT 7,000/-
	5	Cash Sales BDT 12,000/-
	8	Purchased goods by cheque BDT 5,500/-
	11	Received cheque from Amiree less 10% cash discount, BDT 25, 000/-
	12	Paid to Rabiul by cheque BDT 10,000/- less 8% cash discount
	15	Received cheque from Hanif BDT 18,000/- less 5% cash discount
	18	Purchased equipment by cash BDT 6,000/-
	19	Paid wages by cash BDT 4,000/-
	20	Withdrew from bank for business use BDT 22,000/-
	21	Withdrew cash from bank for family use BDT 7,000/-
	25	Sold goods by cheque BDT 20,000/-
	31	Paid Salary by cash Tk.20,000/-.

**Required: Prepare Triple/Three Column Cash Book**

6. Write short notes on any 5 (five) of the following:

5x4=20

- i) Intangible Assets
- ii) Window Dressing
- iii) Revenue vs. Capital Expenses
- iv) Ethics in Accounting
- v) Closing Entry
- vi) Non-Banking Asset
- vii) Contingent Liability
- viii) CIPA

7. The Trial Balance of M/s Fahim Manufacturing for the year ended on June 30, 2023 is given below:

<b>Particulars</b>	<b>BDT</b>	<b>Particulars</b>	<b>BDT</b>
Opening stock	125,000	Sales	1,690,000
Purchase	860,000	Accounts payable	89,500
Wages	116,000	Bills payable	38,500
Factory rent	87,600	Accrued salary	21,000
Electricity	11,200	Income tax provision	46,000
Office rent	65,000	Retained earnings	50,400
Salary	178,600	Capital	350,000
Prepaid salary	8,500		
Telephone bill	9,600		
Stationary	10,300		
Advertisement	4,900		
Administrative exp.	35,300		
Cash in hand	54,000		
Bank balance	142,000		
Accounts receivable	418,000		
Drawing	27,000		
Bad debts	1,700		
Fixed assets	130,700		
<b>Total</b>	<b>2,285,400</b>	<b>Total</b>	<b>2,285,400</b>

The following adjustments are necessary:

- i) There is an advance wage of BDT 3,500.
- ii) The closing stock is valued at BDT 156,000.
- iii) Depreciation on fixed assets for the year is BDT 5,000.
- iv) Corporate Income Tax Rate @40%

**Required:**

- i) Prepare Income Statement for the year June 30, 2023
- ii) Prepare Financial Position as on June 30, 2023

10  
10

8. XYZ Islamic Bank PLC has provided the following information as of December 31, 2022:

XYZ Islamic Bank PLC

Trail Balance  
As on December 31, 2022

Particulars	Debit	Credit
Cash in Hand	40,000	
Balance with Bangladesh Bank	100,000	
Investment in Share and Securities	2,000	
Placement with other banks	46,000	
General Investments	350,000	
Bill Purchased and Discounted	23,000	
Al-Wadeah Current Deposits		30,000
Mudarabah Savings Deposits		150,000
Mudarabah Term Deposits		250,000
Income Tax payable		1,000
Fixed Assets	8,000	
Other Assets	1,500	
Others Liabilities		4,000
Paid up Capital		80,000
General Reserve		12,100
Statutory Reserve		11,000
Retained earnings		6000
General investment income		36,000
Income from Shares and Securities		6,000
Commission, Brokerage and Exchange Income		17,000
Income from Agent Banking Operations		2,500
Profit Paid to Depositors	24,000	
Salaries and Allowances	8,500	
MD's Salary and Allowance	1,550	
SSC Fees & Expenses	250	
Business development expenditure	1,300	
Zakat expenses	650	
Income from ADC products		3,000
Repairs and maintenance	550	
Other expenses	1,300	
<b>Total</b>	<b>608,600</b>	<b>608,600</b>

**Additional Information:**

- (i) Provision for investment is BDT 2,500
- (ii) Provision for income tax is BDT 910 and
- (iii) Depreciation on fixed assets is BDT 750

**Required:**

- (i) Prepare a Profit and Loss Account for the year ended December 31, 2022 and
- (ii) Prepare a Balance Sheet as on December 31, 2022.

10  
10

**The End**

**Diploma in Islamic Banking Examination, October-2023**

**Part: I Subject Code:104**

**Subject Name: Principles of Management**

**Full Marks: 100 Pass Marks: 45**

**Time: 3 Hours**

**(Answer any 5 (five) of the following questions. The figures in the right margin indicate full marks.)**

1. a) How does Management Cycle works? 6  
b) How would you apply Islamic principles of management in developing effective management system? 7  
c) Describe the evolution of management thoughts. 7
2. a) Differentiate between an Administrator and a Manager in an organization. 6  
b) Why do management analysis and practice require a system approach? Do managers operate in open system or close system? Explain in brief. 7  
c) Discuss Henry Mintzberg's Managerial role approach to management with its application in Islamic banks in Bangladesh. 7
3. a) "Motivation is a must to get a better result"- discuss the statement. 5  
b) Explain the 'Maslow's Hierarchy Theory of Needs' and limitations thereof. 8  
c) How would you develop a sound organization climate? 7
4. a) Define Leadership from Islamic perspective. 2  
b) What should be the traits of an Islamic banker? 3  
c) Distinguish between Islamic and conventional leadership in a tabular form. 8  
d) How a leader can be effective and successful in achieving the organizational vision? 7
5. a) Explain how BCG matrix is used as portfolio matrix for allocating resources in organizations. 7  
b) Describe with example Formal and Informal Organization concept in banks. 5  
c) Differentiate between groups and teams with suitable example. How group dynamics can be developed in an organization? 8
6. a) What is Counseling? How does counseling play role to solve problems? 7  
b) What type of counseling is appropriate in Islamic organizations? Explain with examples. 4  
c) How can you define MIS? How do MIS help in day to day decision making? 6  
d) How do you evaluate performance of MIS? 3
7. a) What is Ethical Strength? Explain the required work ethics of an employee in an organization. 7  
b) 'CSR' stands for what? How would you implement CSR by establishing 'Green Banking'? 6  
c) Discuss how you can develop suitable ethical standard in an unethical society. 7
8. Write short notes on **any 5 (five)** of the following: 5x4=20
  - a) Riba and Profit
  - b) JIT Concept
  - c) Six Sigma
  - d) Budgetary Control
  - e) TOWS Analysis
  - f) e-governance
  - g) Blue Ocean Economy
  - h) Strategic Planning

**The End**



**Diploma in Islamic Banking Examination, October-2023**

**Part : I      Subject Code: 105**  
**Subject Name: Business Communication**  
**Full Marks: 100      Pass Marks: 45**  
**Time: 3 Hours**

(Answer **any 5 (five)** of the following questions. The figures in the right margin indicate full marks.)

1. a) What is Business Communication? 4  
b) Briefly explain the objectives and strategies of Business Communication. 8  
c) What are the characteristics of successful Business Communication? Explain briefly. 8
2. a) Briefly describe the steps involved in the process of communication. 8  
b) Do you think that digitalization has transformed the way we communicate in the present day business environment? Explain. 6  
c) What the common modes of Digital Communication that are in use around us? Describe briefly. 6
3. a) Briefly explain what you know about the guidelines of the Quran and Hadith in so far as they relate to communication. 8  
b) State the circumstances where written communication is preferred to oral communication. 6  
c) What may be the implications of “Silence” in communication contexts? 6
4. a) How would you differentiate between a “Circular Letter” and an “Instruction Circular”? 4  
b) Draft a circular letter for all branches of your bank to take part in the Tree Plantation campaign in the Monsoon Season. 8  
c) Draft an instruction circular addressed to all employees of your branch to strictly maintain office decorum and discipline. 8
5. a) Which mode of communication would you prefer and why to communicate with an investment client of your bank for the recovery of investment overdues? 6  
b) Write a letter to one of your investment clients in response to his query on the HPSM investment mode of your bank and how it operates. 8  
c) Write a letter of thanks to one of your valued depositor clients for maintaining a good amount of deposit with your bank. 6
6. a) “COVID-19 has unveiled a new horizon of communication in business organization”. Explain the statement. 6  
b) Write down the challenges of applying technology in business communication and the ways of overcoming such challenges. 7  
c) Write an official email inviting a resource person of a local university to lead a session at your Training Academy on “Islamic Approach to Communication”. 7
7. a) What are Business Reports? 2  
b) Mention the essential elements of a formal business report. 2  
c) Suppose, you are a Senior Executive in the IT department of your bank. The computers being used in some selected branches of the bank have become fairly aged. You have been asked by the Managing Director of the bank to check the present status of the computers and write a report on their possible updating modernization and replacements. Draft the report. 16
8. Write short notes on **any 5 (five)** of the following: 5x4=20

- a) Virtual Meeting
- b) EGM
- c) Horizontal Communication
- d) Body Language
- e) Smart Banking
- f) BEFTN & RTGS
- g) Web-site
- h) Artificial Intelligence

**The End**

**Diploma in Islamic Banking Examination, October-2023**

**Part : I Subject Code: 106**

**Subject Name: Theory and Practice of Banking: Islamic and Conventional**

**Full Marks: 100 Pass Marks: 45**

**Time: 3 Hours**

(N.B.: Answer **any 5 (five)** of the questions given below. The figures in the right margin indicate full marks.)

1. a) What is Digital Bank? 4  
b) Describe the principles of Digital Bank declared by Bangladesh Bank. 8  
c) Is there any necessity of Digital Banks in addition to existing bank's digital or alternative banking solution? If yes, please explain. 8
2. a) What are the sources of fund of an Islamic bank? How Islamic banks meet their urgent fund requirement? 4  
b) How can a commercial bank minimize its cost of fund? 4  
c) What is the SLR for Islamic banks and conventional banks? Explain the reason for difference. 6  
d) What do you know about SMART rate? How is it fixed? 6
3. a) Describe the role of Central Bank in controlling investment/credit. 6  
b) How Central Bank supervise the commercial banks of the country? Explain its importance in ensuring Good Governance in the banking sector. 8  
c) What is Monetary Policy? Who declares it? Describe some basic contents of monetary policy briefly. 6
4. a) What is Deposit Mix? Describe the importance of deposit mix for sustainable liquidity management. 6  
b) What are the responsibilities of a bank as collecting and paying bank? Describe when bank will not get legal protection? 10  
c) What are the characteristics of "Negotiable Instruments"? 4
5. a) Describe the role of Capital Market for economic development. 6  
b) What are the challenges in managing volatility in capital market? 6  
c) What are the tools of Islamic Money Market? Briefly describe. 8
6. a) What are the functions of Internal Control and Compliance Division of a bank? 6  
b) Strong internal control and compliance system can prevent fraud and forgery of a bank-explain. 6  
c) What are the main ancillary services of a bank? How foreign remittances through banking channel contribute in economic development? 8
7. a) What is Green Banking? Describe some main green products declared by Bangladesh Bank. 6  
b) What is Sustainable Finance? Why is it important? Why is it getting popularity now a days? 8  
c) Describe the role of bank officials in green and sustainable finance. 6
8. Write short notes on **any 5 (five)** of the following: 5x4=20
  - a) IDR
  - b) Financial Inclusion
  - c) MFS
  - d) AAOIFI
  - e) Statutory Audit
  - f) E-Banking
  - g) Profit vs Riba
  - h) Crossing of cheque

**The End**