

**202: International Trade and Finance**

**Part : II Full Marks: 100**

**Time: 3 Hours Pass Marks: 45**

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

1. a) What is International Trade? 2  
 b) What are the differences between Absolute and Comparative advantages of international trade? 8  
 c) What are the components of Balance of Trade and Balance of Payment? 6  
 d) “Balance of payment always balances” explain. 4
  2. a) Define the approach of Islamic Financial System. 4  
 b) What are Financial Derivatives? Briefly describe different types of derivatives. 4  
 c) What is International Financial Market? Discuss components of international financial market. 8  
 d) Does Islamic economics support international financial market? 4
  3. a) What is Off-Shore Banking? 2  
 b) Define Documentary Letter of Credit and Back to Back Letter of Credit. 4  
 c) What are the preparatory steps required of opening a letter of credit? 10  
 d) Why documentary credit is so preferred worldwide? Explain. 4
  4. Explain following terms in the light of UCP-600: 2x10=20  
 i) Honor                      ii) Bill of Lading                      iii) Negotiation                      iv) Commercial Invoice  
 v) Nominated Bank      vi) Transferable Credit                      vii) Clean Transport Document  
 viii) Banking Day      ix) Assignment of Proceed                      x) Complying Presentation
  5. a) What do you mean by Exchange Rate? 4  
 b) What factors influence the exchange rate? 6  
 c) What are the factors responsible for appreciation and depreciation of currency? 6  
 d) Discuss the importance of foreign currency in the economy of a country in the light of present scenario. 4
  6. Discuss following issues as per latest Guidelines for Foreign Exchange Transactions (GFET) of Bangladesh Bank: 4x5=20  
 i) Advance payment for import  
 ii) Issuance of foreign currency for travel abroad  
 iii) Activities of money changer  
 iv) Import on deferred/usance basis, its allowed items/commodities and tenor of usance.
  7. a) What is Spot Rate and Forward Rate? 2  
 b) Describe different types of spot buying and selling rates as practiced by the banker in the international trade. 6  
 c) A customer wants to sell an export bill of EURO 15000 at sight basis. Calculate applicable exchange rate for purchasing the bill under Bai-as-Sarf and to be paid to the customer’s account considering the following information: 12
- |                                   |                           |
|-----------------------------------|---------------------------|
| i) EURO/USD Rate                  | 1.1250-1.1255             |
| USD/BDT Rate                      | 95.5060-95.5070           |
| ii) Transit Period                | 21 days (1 Year=360 days) |
| iii) Collection Charge            | 0.25%                     |
| iv) Bank’s Profit                 | 5% per annum              |
| v) Postage Charge                 | Tk. 0.15 per EURO         |
| vi) Foreign Correspondence Charge | Tk.0.10 per EURO          |
8. Write short notes on **any 5 (Five)** of the following: 5x4=20  
 a) Inco-terms 2020      b) Bill of Entry                      c) Financial Engineering      d) TBML  
 e) Supplier’s Credit      f) Dealing Room                      g) Short Position                      h) Value Addition

**The End**

**Diploma in Islamic Banking Examination, November-2022**

**203: Ethics in Banking & Legal Environment**

**Part :II                      Full Marks: 100**

**Time: 3 Hours      Pass Marks: 45**

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

- |       |  |                         |
|-------|--|-------------------------|
| 1. a) | What is ‘Ethics’? What are the differences between “Law” and “Ethics”?   | 7                       |
| b)    | Mention the Laws/Acts relating to the banking business.  | 3                       |
| c)    | What is meant by ‘Act’, ‘Ordinance’, ‘Order’ and ‘Rule’ in the context of Bangladesh?  | 10                      |
| 2. a) | Discuss briefly the ‘Memorandum of Association’ and “Articles of Association’ of a company.  | 6                       |
| b)    | What are the procedures of converting a Private Limited Company to a Public Limited Company?   | 6                       |
| c)    | What do you mean by Collateral Security? What pre-cautionary measures would you like to take for accepting any property as collateral security?                        | 8                       |
| 3. a) | What are the pre-conditions that to be fulfilled before filing of Artha Rin Suit against a defaulter client?   | 5                       |
| b)    | Write down the procedure of filing CR Case for dishonor of cheque against a limited company.   | 5                       |
| c)    | What are the difficulties banks face in selling out the mortgaged properties before filing of Artha Rin Suit and after filing Execution Suit?                          | 10                      |
| 4. a) | Distinguish briefly between ‘Contract’ and ‘Agreement’. “All contracts are agreements but all agreements are not contracts”-explain in the light of Contract Act-1872. | 10                      |
| b)    | What is ‘Void and Voidable Contract’?  | 4                       |
| c)    | Can a minor enter into a contract with the bank? What are the procedures for opening an account of a minor?  | 6                       |
| 5. a) | Briefly discuss the stages of Money Laundering.  | 4                       |
| b)    | What are the duties & responsibilities of a Reporting Organization as per section-25 of the “Money Laundering Prevention Act-2012”?                                    | 10                      |
| c)    | What are the preventive measures to be taken by the bank for prevention of money laundering in the event of “Wire Transfer” & “Off-shore Banking Unit (OBU)”?          | 6                       |
| 6. a) | What is Mortgage? Define ‘Mortgagor’, ‘Mortgagee’, and ‘Mortgaged Property’.   | 8                       |
| b)    | Discuss the methods of charge creation.  | 7                       |
| c)    | What are the differences between ‘2 <sup>nd</sup> Charge’ & ‘Pari-passu Charge’?   | 5                       |
| 7. a) | What are the differences between ‘Cheque’ and ‘Promissory Note’?   | 5                       |
| b)    | What are the punishments of dishonor of cheque as per NI Act-1881? What is the provision of filing Appeal by the convicted person?                                     | 10                      |
| c)    | Why ‘Demand Promissory Note Delivery Letter’ is taken from the investment client at the time of obtaining charge documents?  | 5                       |
| 8.    | Write short notes on any 5 (five) of the following:  | 5×4= 20                 |
| a.    | Trade Based Money Laundering (TBML)  | b. Corporate Governance |
| c.    | Trade Mark   | d. ADC Products         |
| e.    | Material Alteration  | f. Predicate Offence    |
| g.    | Holder in Due Course   | h. Free Consent         |

**The END**

**Diploma in Islamic Banking Examination, November 2022**

**204: Management Accounting and Financial Management**

**Part :II                      Full Marks: 100**

**Time: 3 Hours      Pass Marks: 45**

(N.B.: Answer any **5 (Five)** Questions selecting **at least 2 (two)** questions from each section. The figure in the right margin indicates full marks. Answer to the question must bear workings, notes, and formula where necessary)

**Section-I: Management Accounting**

1. a) Point out the major differences and similarities between Financial Accounting and Management Accounting. 5
- b) Discuss the tools and techniques used in management accounting for planning, controlling and making decisions in a banking business. 5
- c) Calculate Prime Cost, Total Manufacturing Cost, Cost of Goods Manufactured, Total Cost, Cost of Goods Sold and Sales of a manufacturing company from the information given below: 10

Raw material used	Tk.40,000
Work in Process - Beginning	Tk.50,000
Work in Process - Ending	Tk.60,000
Finished Goods - Beginning	Tk.1,40,000
Finished Goods - Ending	Tk.80,000
Direct Wages	1,400 hours @ Tk.20 per hour
Direct Expenses	Tk.70,000
Indirect Materials	Tk.40,000
Indirect Labor	Tk.90,000
General and Administrative Expense	
Fixed	Tk.60,000
Variable	10% of prime cost
Marketing Expense	
Fixed	Tk. 30,000
Variable	5% of goods manufactured
Profit	15% on sales

2. a) State the assumptions and limitations of Cost-Volume-Profit (CVP) Analysis. 4
- b) Two manufacturing companies which have the following operating details decided to merge:

Particulars	Company A	Company B
<b>Capacity Utilization</b>	<b>85%</b>	<b>80%</b>
Sales	Tk.60,00,000	Tk.50,00,000
Variable Cost	Tk.40,00,000	Tk.35,00,000
Fixed Cost	Tk.10,00,000	Tk.8,00,000

**Requirements:**

- (i) Determine the Break-Even Sales of Company A and Company B separately. 4
- (ii) Determine Break Even Sales of merged plant at capacity utilization at given stage. 4
- (iii) Determine Profitability of the merged plant at 90% capacity utilization assuming the merged plant will be able to sell all products it produces without further increase in fixed cost. 4
- (iv) Sales turnover of the merged plant to earn profit of Tk.25,00,000 assuming total fixed cost will be reduced by Tk.300,000 due to the effect of synergy. 4

3. a) Discuss the techniques that are most frequently used for analyzing financial statement of a firm. 4
- b) The following selected financial data has been taken from the Income Statement for the year ended on 30th June, 202A and the Balance Sheet as on 30<sup>th</sup> June, 202A of Rashna Industries Ltd.:

Sales	Tk.32,00,000
Cost of Goods Sold	Tk.17,00,000
Net Income	Tk.5,00,000
Dividends	Tk.3,00,000
Fixed Assets	Tk.47,00,000
Current Assets	Tk.16,50,000
Current Liabilities	Tk.13,50,000
10% Debenture (20-year maturity, 5 years have yet to run)	Tk.10,00,000
8% Preference Shares of Tk.100 each	Tk.5,00,000
Ordinary Shares of Tk. 10 each	Tk.30,00,000
Reserve and Surplus	Tk.5,00,000

Additional information:

- Ending inventory was Tk. 50,000.
- Market price of the share on 30<sup>th</sup> June, 202A was Tk. 11.20
- Ignore Tax.

2x8=16

**You are required to determine:**

- Net Income Margin Ratio
- Current Ratio
- Acid-Test Ratio
- Long-Term Debt to Equity Ratio
- Time Interest Earned Ratio
- Return on Asset (ROA)
- Return on Equity (ROE)
- Price-Earning (P/E) Ratio

4. You have been assigned with the responsibility of preparing a month-wise cash budget for the quarter ended June 202A to know the cash position of Mim Company. The following data are available for the next six months ended June, 202A: 20

(Amount in Tk.)

Month	Sales	Materials	Wages	Overheads
January	1,50,000	75,000	10,000	25,000
February	1,60,000	80,000	11,000	26,000
March	1,70,000	85,000	12,000	30,000
April	1,80,000	90,000	13,000	31,000
May	1,90,000	95,000	14,000	32,000
June	2,00,000	1,00,000	15,000	33,000

**Credit Terms:**

- Period of credit allowed by material supplier – 2 months.
- Lag in payments of overheads – 1 month.
- No lag in payment of wages.

**Other information:**

- i. Plant to be installed in January at a cost of Tk. 50,000 and will be paid @ Tk.10,000 on monthly basis starting from February 202A. Cost to be incurred to the tune of Tk.10,000 for extension of Research Department in March and payment to be made in April.
- ii. Plant depreciation for the quarter is to be charged in May, 202A for Tk.5000.
- iii. 60% of total sales are on cash. 20% of credit sales will be received in the month following sale and 15% of credit sale in the next month while the rest 5% will not be recoverable.
- iv. Payment of Tk.10,000 is to be made under a hire purchase contract throughout the budgetary period.
- v. Dividend from investment of Tk.50,000 is expected to be received in June, 202A.
- vi. Tax of Tk. 1,00,000 is due on 30 June 202A.
- vii. Cash balance at the beginning of April is Tk. 1,00,000.

**Section-II: Financial Management**

5. a) What is meant by the concept Time Value of Money? Does Islamic Finance support the concept of time value of money? Explain. 5
- b) A woman has decided to provide grant for Tk. 3,00,000 to a private university for poor students every year for the next ten years. The first grant is to be awarded one year from now. If the university can earn a 6% return annually on their investment, compounded annually how much should the woman give now? 5
- c) Rainbow Company needs Tk. 10,00,000 in 5 years to replace a piece of equipment which will have salvage value of Tk. 2,00,000. How much Rainbow Company needs to invest each year in order to provide this replacement assuming the company will be able to earn 8% per annum compounded annually? 5
- d) Mr. X bought a flat for Tk. 55,00,000. As per contract he will pay Tk. 15,00,000 immediately and the balance amount in 15 annual equal installments with 10% per annum compound interest. How much he has to pay annually? 5

6. a) Does dividend policy of a company affect the pricing of share in the market? Explain. 5
- b) Discuss the relative merits of Lease Financing and Hire Purchase under Shirkatul Melk (HPSM). 7
- c) Calculate the Weighted Average Cost of Capital based on the information below: 8

Source of capital	Book Value (Tk.)	Related Information
8% Debt	2,00,000	Corporate Tax Rate 37.50%
9% Preference share	1,00,000	No Floatation Cost
Common equity	2,00,000	Risk-Free Rate ( $K_F$ ) = 4%, Return on Market Portfolio ( $K_M$ ) = 12% Beta ( $\beta$ ) = 1.20
Retained earnings	3,50,000	

7. a) Evaluate Internal Rate of Return (IRR) as a technique of capital investment decisions. 5
- b) Two mutually exclusive projects have the following projected cash flows with cost of capital @12%.

Year	Project A	Project B
0	(Tk. 40,000)	(Tk. 40,000)
1	14,000	23,000
2	14,000	12,000
3	14,000	10,000
4	14,000	9,000

**Requirements :**

- (i) Payback Period 4
- (ii) Internal Rate of Return (IRR) 4
- (iii) Profitability Index (PI) for each project 4
- (iv) Which project should be accepted and why? 3
8. Write short-notes on **any 5 (five)** of the following: 5×4 = 20
- |                               |                    |
|-------------------------------|--------------------|
| a) Zero-Coupon Bond           | b) Prime Rate      |
| c) Compensating Balance       | d) Ex-Dividend     |
| e) Revolving Credit           | f) Operating Cycle |
| g) Sale-Leaseback Arrangement | h) Venture Capital |

**THE END**

**Diploma in Islamic Banking Examination, November-2022**

**205: E-Banking**

**Part :II                      Full Marks: 100**  
**Time: 3 hours              Pass Marks: 45**

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

1. a) Describe the basic units of a Computer System with their functionalities. 6  
b) What is Operating System? Name some OSs which are used in your bank. What are the differences between Multiuser and Multitasking system? 8  
c) Why BIOS is used in computer system? 2  
d) What are the differences between LAN and WAN? What is VPN? 4
2. a) What is RDBMS? What are the differences between RDBMS and Flat File Database? Name some popular RDBMS. What do you understand by DCL, DML, DDL, in respect of the RDBMS? 6  
b) What do you understand by CIA in respect of the Data Security? Describe the customer data security policy of your bank when data is in motion or data is in rest. 10  
c) How does social engineering act as a threat to information security? 4
3. a) What do you mean by Fintech? Why Fintech is important for sustainable growth of a bank? 8  
b) What are the responsibilities of ADC Department of a branch? How the ATM/CRM cash loading and customer dispute is settled by the bank? 8  
c) What is POS? How does it work? What functionalities are performed through Branch & Agent POS? 4
4. a) Describe the process of customer On-boarding through e-KYC in CellFin or eIBS. Briefly describe the advantages of account opening through e-KYC over manual process. What are the customer types in e-KYC system as per Bangladesh Bank guideline for the bank account opening through e-KYC system? 8  
b) “Cellfin- all of your banking through one app” do you agree with the statement?- justify it. 4  
c) Describe the different types of cards issued by your bank along with their features? What is the difference between VISA and NPSB network? 8
5. a) What steps must be taken to ensure physical security for Desktop & Laptop computers? 8  
b) Describe the standard password policy for an internet banking user. What do you understand by 2FA? 7  
c) Write down names of the different ADC services which are available through ATMs. 5
6. a) What do you mean by Core Banking System (CBS)? What are the standard functionalities and controls a CBS should have as per Bangladesh Bank Core Banking Guidelines? Name some popular CBS used in banking industry. 12  
b) Write down the information contained in the MICR line of an MICR cheque? Presently, which types of currency transaction is handled by BACH? 4  
c) Mention the services available in i-Banking. 4
7. Distinguish between (**any five**): 5x4=20

a. BEFTN and RTGS	b. Agent Banking and Mobile Banking
c. DC and DRS	d. Operating System and Application Software
e. OTP and TPIN	f. Cyber Banking vs. Traditional Banking
g. ATM & CRM	
8. Write short notes on any 5 (five) of the following: 5x4=20

a. Chat Bot	b. Digital Security Act	c. Payment Gateway
d. Micro Merchant	e. PCI DSS	f. IDTP
g. Digital Nano Financing		

**The End**

**Diploma in Islamic Banking Examination, November-2022**

**206: Micro Finance & Rural Banking: Conventional & Islamic**

**Part : II                      Full Marks: 100**

**Time: 3 Hours      Pass Marks: 45**

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

- |    |       |  |        |
|----|-------|--|--------|
| 1. | a)    | Define Microfinance and its major features.  | 8      |
|    | b)    | Rural Development Scheme (RDS) of IBBL is a comprehensive development package for the poor- explain.                     | 12     |
| 2. | a)    | State the policy measures taken by Bangladesh Bank for promoting “Financial Inclusion” in the country.                   | 10     |
|    | b)    | Discuss the role of Microfinance Institutions (MFI) towards “Women Empowerment” in Bangladesh.                           | 10     |
| 3. | a)    | State the difference between Conventional and Islamic microfinance.  | 10     |
|    | b)    | Discuss the socio economic and cultural impact of NGOs in Bangladesh.  | 10     |
| 4. | a)    | What is Risk Management? Discuss the risks involved in microcredit operations.   | 10     |
|    | b)    | Discuss the ways to mitigate investment risk under the purview of Islamic microfinance.                                  | 10     |
| 5. | a)    | Discuss the concept of graduation of MF clients. Is there any graduation process in conventional microfinance?- Explain. | 10     |
|    | b)    | Discuss, how RDS/UPDS of IBBL graduate the entrepreneurs from micro to small and medium?                                 | 10     |
| 6. | a)    | Define supervision. Discuss the purpose and importance of microcredit supervision.                                       | 6      |
|    | b)    | What are the essential characteristics of successful supervision?  | 4      |
|    | c)    | Discuss the differences between traditional security based microcredit and supervised microcredit.                       | 10     |
| 7. |       | Discuss in brief the role of the following:  | 5x4=20 |
|    | a)    | RAKUB  |        |
|    | b)    | BRAC   |        |
|    | c)    | PKSF   |        |
|    | d)    | CDF  |        |
|    | e)    | MRA  |        |
| 8. |       | Write short notes on <b>any 5 (five)</b> of the following:   | 5x4=20 |
|    | i)    | Cottage Industry   |        |
|    | ii)   | Informal Credit  |        |
|    | iii)  | Prashika   |        |
|    | iv)   | BARD   |        |
|    | v)    | Cluster Finance  |        |
|    | vi)   | UPDS   |        |
|    | vii)  | Target Market  |        |
|    | viii) | Off-Firm economic activities.  |        |

**The End**

**Diploma in Islamic Banking Examination, November-2022**

**201: Investment Management**

**Part :II Full Marks: 100**

**Time: 3 Hours Pass Marks: 45**

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

- 1 a. Briefly discuss the Islamic Financial Modes & Islamic Financial Instruments. 07
- b. What are the reasons for the low practice of sharing modes in Islamic Banks? 06
- c. What do you understand by Risk Management & how can risk be measured? 07
- 2 a. Discuss the phases of Capital Budgeting. 06
- b. Discuss the fundamental principles of capital budgeting. 06
- c. Compare the NPV & IRR methods while evaluating independent & mutually exclusive projects. 08
- 3 a. What is Write-off? What are the preconditions for writing off non performing investments? 05
- b. Discuss the main features of the latest BRPD circulars issued by Bangladesh Bank for rescheduling of classified investments. 10
- c. Your branch has an investment of Tk.20,00,000/- classified as DF with an eligible security of Tk.5,00,000/- and Tk.1,00,000/- in profit suspense account. Calculate the required provision for the investment. 05
- 4 a. What do you mean by Project Finance? 03
- b. What is Project Appraisal and why it is required? 04
- c. Discuss the different aspects of project appraisal. 08
- d. What is Syndicate Finance? Discuss its importance in mitigating risk. 05
- 5 a. What is investment pricing? 03
- b. What are the quantitative and qualitative components of ICRRS? How ICRRS contributes in selecting a good investment client? 09
- c. What are the importances of valuation of mortgaged property? Discuss the process of valuation as per BB Guidelines. 08
- 6 a. Discuss the importance of Client Rating. How does it impact on the capital adequacy? 05
- b. A to Z Corporation is considering investment in a project that cost Tk.5,00,000/- The estimated salvage value is Tk.50,000/-, Tax rate 35%. The company uses straight line depreciation method & the proposed project has Cash Flows Before Tax (CFBT) as follows:

Year	CBFT
1	Tk.100,000/-
2	Tk.150,000/-
3	Tk.200,000/-
4	Tk.225,000/-
5	Tk.300,000/-

**Determine the following:**

- a. Pay Back Period
- b. Net Present Value (NPV) at 15%
- c. Profitability Index
- d. Average Rate of Return
- e. Comment on the basis of the result

3x5=15

Year	01	02	03	04	05
PVF at 15%	0.870	0.756	0.658	0.572	0.497

- 7 a. AB Toys Ltd applied to your Bank for a working capital limit. As the Financial Manager you are required to calculate the working capital requirement of the company considering estimated production of 1,20,000 units in a year. Related cost and other information are as follow: 15

Element of Cost	Amount Per Unit (Tk.)
Raw Materials	100
Direct Labor	30
Overhead Cost	70
Total Cost	200
Profit	50
Selling Price	250

**Other Information:**

- i) Raw materials are held at stock on an average for 01 (one) month.
- ii) Work in process on an average for ½ (half) a month's production.
- iii) Finished goods are in stock on an average for 2 (two) months.
- iv) Credit allowed by creditors is 2 (two) months and debtors are provided 01(one) month's credit.
- v) There is a time lag in payment of wages for 01 (one) month and 01 (one) month in case of overheads.
- vi) Cash in hand and bank is expected to be Tk.5,00,000/-

Form the above information, prepare a statement showing working capital requirement for the company

- b. "Before taking decision of investment, a working capital requirement assessment is essential"-Discuss. 05

- 8 Write short notes on **any 05 (five)** of the following: 5×4 = 20

- a. Venture Capital Finance
- b. Gestation & Moratorium Period
- c. Residual Risk
- d. BEP & ERR
- e. Risk Weighted Assets
- f. Bank Guarantee & Indemnity
- g. Components of NPI
- h. CRAR

**The End**