

## Diploma in Examination, November 2024

### Part Islamic Banking:II

#### 201: Investment Management

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. Different parts, if any, of the same question must be answered in one place sequentially.

- 1 a. Briefly describe the various Islamic investment modes practiced by Islamic banks. 6  
b. Explain the differences among investment, loan and speculation. 7  
c. Differentiate among Murabaha, Musharaka & Musharaka Muntahiya-Bit-Tamlik. 7
- 2 a. What is NPI? Write down its components. 6  
b. Explain the impact of classification on the economy. 6  
c. Explain the reasons of NPI and measures for recovery of the same. 8
- 3 a. Differentiate between rescheduling and restructuring. 6  
b. How rescheduling of investment can help the bank to regularize its liabilities? 6  
c. What is syndicate finance? Discuss, how syndicate finance mitigates risk? 8
- 4 a. What do you mean by mortgage? Mention the types of mortgages as per the Transfer of Property (TP) Act, 1882. 5  
b. What do you mean by Break Even Point (BEP)? How BEP analysis can help a firm to take proper decision. 5  
c. Comfort Shoe Company is producing shoes. The available information of the company are given below: 10

Year	Sales (Tk.)	Profit (Tk.)
2022	400,000	25,000
2023	600,000	60,000

Calculate the following:

- i) Profit Volume Ratio
  - ii) BEP
  - iii) Profit amount when sales Tk.800,000
  - iv) Sales to earn profit of Tk.75,000
- 5 a. What is Ratio Analysis? What are the major types of ratio? 5  
b. The Balance Sheet of ABC Chemical Ltd. as on 31<sup>st</sup> December 2023 was as following: 15

Assets	Tk.	Equity and Liability	Tk.
Cash in hand	300,000	Sundry creditors	500,000
Sundry debtors	300,000	Outstanding expenses	200,000
Short term investment	1,000,000	Notes payable	300,000
Inventory	300,000	Long term debts	800,000
Goodwill	100,000	Reserves	200,000
Fixed assets	1,000,000	Paid up capital	1,000,000
<b>Total</b>	<b>3,000,000</b>	<b>Total</b>	<b>3,000,000</b>

Total sales for the year 2023 was Tk.2,700,000

Now Calculate the following ratios:

- i) Current Ratio
- ii) Quick Ratio
- iii) Inventory Turnover Ratio
- iv) Debt Equity Ratio
- v) Fixed Asset Turnover Ratio

6. a. Discuss the importance of client rating. How does it impact capital adequacy? 5  
 b. Differentiate between business risk and financial risk. 5  
 c. What do you understand by Investment Risk Management? Explain the techniques used by Islamic Banks to reduce this Investment Risk? 10
7. a. What is working capital? What are the main components of working capital? 5  
 b. What factors are to be considered for determining working capital requirements of a manufacturing unit? 5  
 c. Calculate the working capital requirement of an industrial unit considering estimated production of 1,20,000 unit in a year. Related costs and other information are as follow: 10

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 1 (one) month.
  - ii. Work in progress on an average for ½ (half) a month production.
  - iii. Finished goods are in stock on an average for 2 (two) months.
  - iv. Credit allowed by creditors is 2 (two) months & debtors are provided 1 (one) month's credit.
  - v. Cash in hand & Bank balance is expected to be Tk. 500,000.
- 8 Write short note on any 5 (five) of the following: 5x4=20
- a) Creation of Charge with RJSC & Mortgage
  - b) Pari-Passu Charge and Second Charge
  - c) Compromise Amount & Down Payment
  - d) Venture Capital Finance
  - e) Write off
  - f) Bank Guarantee and Indemnity
  - g) Discounted Payback Period
  - h) CIB

# Diploma in Islamic Banking Examination, November 2024

Part : II

## 202: International Trade and Finance

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.  
Different parts, if any, of the same question must be answered in one place sequentially.

1. a) Define the role of balance of trade and balance of payment in the economic stability of a country. 6  
b) What do you understand by “Islamic approach to International Trade”? Explain. 6  
c) Define Current Account and Capital Account and explain their components. 8
2. a) What are the obligations of the collecting bank against a document sent to it on DA basis and DP basis? 6  
b) Explain the Shariah Principles and Procedures under which off-shore Banking can operate in shariah compliant manner. 6  
c) What is off-shore Banking and what are its features? Do you think off shore Banking can help improve the F.C reserve position of the country? 8
3. a) Discuss the role of Foreign Remittance in the socio-economic development of the country. 5  
b) What are the risks associated with Foreign Exchange Business and how they can be managed? 7  
c) What are the F.C Accounts for residents and non-residents an AD can open? What are the basic requirements for opening of these accounts? 8
4. a. What is Factoring and Forfaiting in International Trade? Describe under which Shariah principles, Factoring and Forfaiting can be done. 6  
b. Briefly describe the major ICC publications and local rules applicable to run International Trade? 6  
c. Describe the responsibility of the buyer and the seller under the Trade Terms CIF, FAS, DDP, CPT. 8
5. Briefly discuss the following in the light of UCP-600: 8x2.5=20
  - a) Advising Bank & its role
  - b) Nominated Bank & its role
  - c) Assignment of Proceeds
  - d) Force Majeure
  - e) Non-documentary Condition
  - f) Transferable Credit
  - g) Credit vs Contracts
  - h) Banking Day
6. Distinguish any 5 (five) of the following: 5x4=20
  - a) TM Form and EXP Form
  - b) Bill of Exchange and Bill of Lading
  - c) EDF Facility and UPAS Facility
  - d) Short Position and Long Position
  - e) Bai-as Sarf and MDB
  - f) Pre-shipment and Post shipment Finance Modes
  - g) Direct and Indirect Quotation

7. a) What is Crawling Peg exchange rate system introduced by the Central Bank in Bangladesh? 5
- b) Which rates are application for (i) Import Payment (ii) Export Bill Negotiation/Bai-as-Sarf (iii) Inward Remittance 5
- c) Calculate the applicable rate for sight export Bill of Euro 15000.00 considering the following: 10
- i) EURO/USD : 1.1126/1.1131
  - ii) USD/BDT : 119.95/120.00
  - iii) Transit Period : 21 days
  - iv) Bank's Profit : 9% (360 days in a year)
  - v) Collection Charge : 0.25%
  - vi) Postage : 0.15/EURO
  - vii) F.C. Charge : 0.10/EURO

8. Write short notes on any 5 (Five) of the following: 5×4=20
- a) Buyer's Credit
  - b) Open Account
  - c) Standby Letter of Credit
  - d) MRFC D Account
  - e) TBML
  - f) EFPP
  - g) Asian Clearing Union (ACU)
  - h) IsDB

# Diploma in Islamic Banking Examination, November 2024

Part :II

## 203: Ethics in Banking & Legal Environment

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.  
Different parts, if any, of the same question must be answered in one place sequentially.

1. a) What do you mean by ethical banking? 6  
b) Only interest free banking is not ethical banking. Explain. 6  
c) What is the ethical and shariah standard to distribute profit among the Mudarabah depositors and fixing up profit rate on different types of investment products? 8
2. a) Describe in brief the Negotiable Instrument (NI) Act, 1881? 6  
b) What procedures are to be followed for filing suit under NI Act, 1881? 6  
c) How the NI Act, 1881 helps the banks to recover banks' dues from the defaulter clients? 8
3. a) What are the main features of the Bank Company Act, 1991 (Amended 2013)? 6  
b) What are your suggestions to amend the aforesaid Act to protect the interest of the depositors, shareholders and other stake holders of the Bank? 6  
c) What is merger of a Bank Company and what are the effects of merger? Describe. 8
4. a) What are the preconditions to be followed before filling of Artharin Suit against a defaulter investment client as per Artharin Adalat Ain 2003? 6  
b) What steps shall a Bank take for disposal of the properties upon obtaining certificate under section 33 (7) of Artharin Adalat Ain 2003? 6  
c) What is the role of a banker for quick disposal of Artharin Suit & Jari Suit? 8
5. a) What do you mean by 'Primary Security' and 'Collateral Security'? 6  
b) Describe '2<sup>nd</sup> Charge' and 'Pari-Passu Charge'. Which is preferable for a banker and why? 6  
c) State briefly the different types of charges and methods for creating charge with the RJSC and Firms as per section 159 of the Company Act, 1994. 8
6. a) Distinguish between 'Contract and Agreement'. What are the essential elements of a valid contract? 6  
b) What are the duties of partners under the Partnership Act, 1932? Whether a partner may be appointed as an agent in a partnership firm? 7  
c) What is 'Statutory Meeting'? Differentiate between 'Statutory Meeting' and 'Annual General Meeting'. 7
7. a) What do you mean by Money Laundering (ML)? Briefly state the stages of ML as per the Money Laundering Prevention Act 2012 (Amended, 2015). 6  
b) What is walk-in-customer? What precautionary measures are to be taken for rendering banking services to a walk-in-customer? 6  
c) What do you mean by 'Trade Based Money Laundering (TBML)' and 'Credit Based Money Laundering'? What steps are to be taken to prevent such types of money laundering? 8
8. Write short notes on any 5 (five) of the following: 5×4 = 20
  - a) Merchant Banking
  - b) Bankruptcy
  - c) Holder in due course
  - d) BFIU
  - e) Artha Jari Case
  - f) CRR, SLR
  - g) Good for Payment
  - h) Guarantee and Indemnity

# Diploma in Islamic Banking Examination, November 2024

Part: II

## 204: Management Accounting and Financial Management

Full Marks: 100 Pass Marks: 45

Time: 3 Hours

N.B.: Answer any 5 (five) questions selecting at least 2 (two) questions from each section. The figures in the right margin indicate full marks. Answer to the questions must bear workings, notes and formula where necessary. Different parts, if any, of the same question must be answered in one place sequentially.

### Section I: Management Accounting

1. a) Briefly discuss the uses of Management Accounting. 4
- b) How Management Accounting helps in analyzing and interpreting financial statements? 4
- c) M/s. Alfa Enterprise is an importer and distributor of a foreign product. Following information has been obtained from the firm:

Selling price per unit:	: Tk.100
Cost of Import per unit:	: Tk.70
Selling & Administrative cost per year:	: Tk.120,000
Variable selling expenses per unit	: Tk.6
Commission per unit	: Tk.4

#### Requirements:

- i) Calculate Break-Even Point in quantity and amount. 4
  - ii) Find out the sales level in units required for earning an annual profit of Tk.130,000 before tax. 4
  - iii) Determine the sales level required to have the same amount of profit if tax rate is 35%. 4
2. a) Differentiate between accrual basis accounting and cash basis accounting with examples in banking operations. 5
  - b) Following information has been obtained from XYZ Corporation, a large wholesaler of edible oil: 15
    - i) Cash Balance at beginning of October, 2023 is Tk.1,000 million.
    - ii) Actual sales for October, 2023 and November, 2023 and expected sales of December, 2023 are as follow:

(Figure in Million Tk.)

Particulars	October	November	December (expected)
Cash sales	700	750	800
Sales on account	2,000	2,200	2,400
<b>Total sales</b>	<b>2,700</b>	<b>2,950</b>	<b>3,200</b>

Sales on account are collected over a 3 (three) months period in the following ratio:

- a) 10% will be collected in the month of sales.
  - b) 70% will be collected in the following month of sales.
  - c) 15% will be collected in the second following month of sales.
  - d) The remaining 5% will be uncollectable.
- iii) Purchases are paid in the following month of purchase. The purchase of November was Tk.2,500 million.
  - iv) Selling and administrative expenses for December are budgeted at Tk.300 million of which depreciation amount is Tk.50 million.
  - v) Equipment costing Tk.200 million will be purchased in December.
  - vi) In December, Tk.300 million cash dividend will have to be paid.
  - vii) The above company will have to keep a surplus cash of Tk.1,000 million as per existing fund management policy. When necessary, the Company may take investment from the Bank for maintaining the above surplus.

**Requirements:**

Prepare a Cash Budget for the month of December, 2023 showing investment amount, if applicable.

3. a) Distinguish between marginal costing and absorption costing. 4  
 b) Following data are collected from the record of an export-oriented garment manufacturing concern during 2023:

Particulars	Amount in Thousand Tk.
Raw material used	50,000
Work-in-Process (01.01.2023)	45,000
Work-in-Process (31.12.2023)	50,000
Finished goods (01.01.2023)	120,000
Finished goods (31.12.2023)	70,000
Direct wages	1200 hours @ Tk.25 per hour
Direct expenses	60,000
Factory indirect material	50,000
Factory labor	80,000
Sales	500,000
Administrative expense:	
Fixed	50,000
Variable	10% of Prime Cost
Selling expense:	
Fixed	30,000
Variable	5% of Cost of Goods manufactured
Profit	15% on Sales

**Requirements:**

- i) Calculate: Prime Cost, Factory Production Cost, Cost of Goods Manufactured, Total Cost of production, Cost of Goods Sold and Total Cost. 10  
 ii) Prepare a Profit & Loss Account statement assuming the company has no finance cost during the period and enjoys tax holiday. 6
4. a) Describe the purpose of financial statement analysis. 3  
 b) Describe the methods of vertical analysis of financial statements. How does it differ from horizontal analysis? 5  
 c) The following balances appeared in the books of Mubin Ltd. As on 30.06.2024:

Particulars	Amount in Tk.
Plant & machinery	200,000
Stock in trade	95,000
Sundry debtors	100,000
General reserve	96,000
Bank overdraft	10,000
Sundry creditors	70,000
Cash & bank balance	5,000
Equity share capital (Share of Tk.10 each)	384,000
Furniture & fixtures (at cost less depreciation)	92,000
Motor car (at cost less depreciation)	68,000
Sales	620,000
Cost of Goods Sold	550,000

**Requirements:** Calculate-

- i) Current Ratio 3  
 ii) Liquidity Ratio 3  
 iii) Credit Period allowed to Debtor 3  
 iv) Stock Turnover Ratio 3

Section II: Financial Management

5. a) What is time value of money? What are the inherent logic behind the time value of money theory? Is it acceptable in shariah? 5
- b) Assume that you are considering purchase of an apartment worth Tk.7,500,000. You have deposited Tk.25,00,000 as down payment to the developer. Now you have approached your bank for investment of the rest amount. The bank has sanctioned investment of the remaining amount under HPSM mode for a period of 20 years where rent will be charged at bank rate. What will be your monthly installment size for this investment facility? (Assume, Bank Rate is 4% and you will pay the installments at the end of each month) 7
- c) The trustee board of a renowned private university has decided to provide scholarship among meritorious students. It has been planned to give scholarship of Tk.15,000 each to 100 students for the next 5 (five) years. The scholarship will be awarded after one year from now. If the university can earn 10% return on their investment p.a. compounded annually, then how much amount should the trustee board arrange now so that it can run the five-year scholarship program? 8
6. a) Define capital structure. How can you devise an optimum capital structure? 6
- b) What is Weighted Average Cost of Capital (WACC)? How can you differentiate it with Marginal Cost of Capital? 6
- c) A company has the following capital structure:

Particulars	Amount in Tk.
10% Long-term debt	100,000
12% Preferred stock	100,000
Common stock	400,000
<b>Total</b>	<b>600,000</b>

Other Information:

- I. Currently, the company's common stock is selling @Tk.120 per share with current dividend of Tk.5 per share.
- II. The company's dividend is expected to grow at a constant rate of 5%.
- III. It can sell preferred stock @Tk.95 per share.
- IV. The company is in 35% Tax bracket.

**Requirement:**

Calculate Weighted Average Cost of Capital (WACC) of the company. 8

7. a) Show the difference between Discounted Cash-Flow and Non-Discounted Cash-Flow Techniques in Capital Budgeting Decision. 5
- b) A company is considering a proposal for purchasing of a machine costing Tk.500,000 initially. The machine is expected to have economic life of 5 (five) years with salvage value of Tk.50,000. The expected profit before depreciation and after tax is shown in the following table:

End of the Year	Annual Profit (Tk.) before Depreciation & after Tax	PVIF@15%
1	200,000	0.870
2	200,000	0.756
3	250,000	0.658
4	250,000	0.572
5	150,000	0.497

Other Information:

- a) The company follows straight-line depreciation method.
- b) The rate of corporate tax is 50% and the cost of capital is 15%.

**Requirements:**

- i. Calculate Payback Period. 5
- ii. What will be your decision regarding purchasing this machine by using NPV method. 10



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

5X4=20

- a) Sunk Cost
- b) Hybrid Security
- c) Sukuk
- d) Working Capital Cycle
- e) Zero Coupon Bond
- f) Diluted EPS
- g) ICRRS
- h) Venture Capital

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## Diploma in Islamic Banking Examination, November 2024

Part :II

### 205: E-Banking

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.  
Different parts, if any, of the same question must be answered in one place sequentially.

1. a) Describe the current status and prospect of digital banking in Bangladesh. 6  
b) What are the major challenges of digital banking? How they can be overcome? 6  
c) Do you prefer virtual banking over brick and mortar banking? Justify your points. 8
2. a) What is antivirus and its importance for a computer and the entire network? 4  
b) Write down the main differences between operating system and application software. 5  
c) What is disruptive technology? Mention at least three examples. 5  
d) What is sanction screening? Describe screening parameters for customer onboarding and import LC opening. 6
3. a) Differentiate the spam mail and phishing mail. 4  
b) Describe the functionalities of each device in the computer network of a branch. 5  
c) What are the major functions of DC and DRS of a Bank? 5  
d) Write down the vital difference between satellite communication and radio communication. 6
4. a) What is social engineering? How social engineering is used in financial fraud? 5  
b) What are the obligatory measures to be taken to prevent financial fraud? 5  
c) What are the roles and functions of SWIFT? 5  
d) Describe the functional differences of mainframe computer and stand-alone computer? 5
5. a) Why unique customer ID is essential for the bank. 4  
b) How can you change your PIN using green PIN technology? 4  
c) Describe the advantages and disadvantages of cloud computing. 6  
d) Explain the procedure to onboard a customer through eKYC. 6
6. a) Explain BCP. Why BCP is essential for a bank? 4  
b) Differentiate between TPIN and OTP. 4  
c) Define MIS. What roles MIS plays in the decision making process? 5  
d) What is Business Intelligence (BI)? Describe the role of BI that can contribute to the bank. 7
7. a) Describe the features of internet banking and mobile wallet. 6  
b) Is credit card permissible in Shariah? Explain with example. 6  
c) What do you mean by CBS? What are the standard functions and controls that Bangladesh Banks CBS guideline have? 8
8. Write short notes on any 5 (five) of the following: 5x4 = 20
  - a) ChatBot
  - b) PCIDSS
  - c) Digital Nano Financing
  - d) Machine Learning and AI
  - e) IOT
  - f) Bangla QR
  - g) Payment Gateway
  - h) Data Encryption and Decryption

**Diploma in Islamic Banking Examination, November 2024**

Part: II

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

Full Marks: 100; Pass Marks: 45

Time: 3 Hours

N.B.: Answer any 5 (five) of the following questions. The figures in the right margin indicate full marks.  
Different parts of the same question must be answered in one place sequentially.

1. a) Explain the impact of Microcredit Regulatory Act-2006 on the microfinance industry in Bangladesh. 7
- b) “Microfinance is ‘credit-plus’ approach”- explain. Whether Rural Development Scheme (RDS) of Islami Bank Bangladesh PLC (IBBPLC) is microfinance or microcredit in nature? 7
- c) Micro-Finance Institutions are more women friendly compared to men, how? Explain. 6
2. a) What are the sources of fund for Islamic and Conventional Microfinance? 6
- b) What are the regular and special activities of Microfinance Regulatory Authority? 7
- c) Explain the “Integrated approach of Micro-Finance”. 7
3. a) Describe and explain the differences between the activities of NGOs and RDS of IBBPLC in rural areas. 10
- b) Poverty eradication is not possible through conventional Microfinance. Do you agree? Justify your opinion. 10
4. a) Define Maquasid-e-Shariah. How can RDS help to achieve Maquasid-e-Shariah? 10
- b) Define Poverty. “Conventional Microfinance cannot reach the poorest of the poor (hardcore poor)” - Justify. 10
5. a) Discuss the ways to mitigate investment risks in Islamic Microfinance. 10
- b) “Boost-up family ties” is a unique beauty of RDS/UPDS. Illustrate this statement in the light of various programs of RDS/UPDS. (UPDS: Urban Poor Development Scheme) 10
6. a) What are repayment rates in performance assessment? How capital adequacy impact on financial viability and profitability of microcredit industry of Bangladesh? 10
- b) “The success of Microfinance program depends on effective monitoring and supervision”-Justify. 10
7. a) What are the challenges of islamic microfinance in post-pandemic era? What are you suggestions to overcome the same? 6
- b) What is the current status and prospect of Islamic Microfinance in Bangladesh? 7
- c) How can we bring efficiency in Microfinance business in the digital age? 7
8. Write short notes on any 5 (five) of the following: 5x4=20
  - a) CMSME
  - b) Social Business
  - c) SDGs
  - d) MI & MEIS in RDS
  - e) Cluster Financing
  - f) Women Empowerment
  - g) Group Guarantee
  - h) PKSF