

# Diploma in Islamic Banking Examination, November 2024

Part : I

## 101: Alternative Financial System

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) Alternative financial system is based on principles of Islamic Shariah. Explain. 5  
b) Analyze the growing interest in alternative financial system in other jurisdictions of the world. 5  
c) What are the challenges Islami banking faces in the present time? How can the system overcome the challenges? 10
2. a) Define the term “Riba”. 3  
b) Differentiate between “Riba-al-Nasiah” and “Riba-al-Fadl”. Explain the impact of Riba-al-Nasiah in an economy. 10  
c) How Shariah standards of AAOIFI contribute to Shariah Compliance across various Islamic financial institutions worldwide? 7
3. a) Define the term “Takaful”. 3  
b) Explain the reasons behind prohibition of conventional insurance. 7  
c) What are the challenges of Takaful in Bangladesh? What do you suggest to overcome the challenges? 10
4. a) What are the primary and secondary sources of Islamic Shariah? 4  
b) What is the role of Ijtihad and Mujtahid in shaping modern Islamic banking and why Ijtihad is crucial for addressing new financial challenges? 8  
c) Suggest some issues to be considered for the development of capital market in the context of Bangladesh. 8
5. a) Suppose the interim Government is planning to launch a major infrastructure development project such as constructing highways, bridges and renewable energy facilities to enhance connectivity across the country and stimulate economic growth. What will be your recommendation for funding these projects within the Islamic finance framework? 12  
b) Narrate the historical background of Sukuk. 8
6. a) Define money market. Who are the participants of money market? 5  
b) Explain the major differences between Islamic and conventional money market. 7  
c) Narrate the scopes and challenges of developing Islamic money market in Bangladesh. 8
7. a) Define risk and discuss the significance of risk management from Shariah perspective. 7  
b) Suggest some measures to be taken to mitigate Shariah non-compliance risk. 5  
c) What are the risks associated in equity and trade-based products in Islamic Banking? 8
8. Write short notes on any 5 (five) of the following: 5X4=20
  - a) Shariah Supervisory Committee (SSC)
  - b) Dharar & Gharar
  - c) Liquidity Management
  - d) Commodity Murabaha
  - e) Mudaraba Liquidity Support (MLS)
  - f) IFSB and IsDB
  - g) Murabaha To the Purchase Orderer (MTPO)
  - h) HPSM

## Diploma in Islamic Banking Examination, November 2024

Part : I

### 102:Principles of Economics: Conventional & Islamic

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 economics, micro economics and macro economics. 6  
b) Discuss the main features of Islami economics and conventional economics. 6  
c) Does Islamic economic system ensure social justice and equitable distribution of wealth? Explain. 8
2. a) What is demand and desire? Explain with example. 6  
b) “Demand always increases”. Substantiate your opinion. 7  
c) Explain from Islamic and conventional point of view that wants are unlimited but resources are limited. 7
3. a) What are the main factors of production? Is it the same for Islamic and conventional economics? 6  
b) How can we minimize the cost of production of a company? 7  
c) “Minimum cost of production always ensures the highest profitability of an organization”-Explain. 7
4. a) “External beautification and structural development are not the only indicators of actual economic development”-Explain. 7  
b) What is per capita income? Does higher per capita income of a country indicate the standard of living? Explain. 6  
c) What is budget? Why is it required to be declared? Why does our country declare deficit budget most of the time? Explain. 7
5. a) What is the difference between conventional microcredit and Rural Development Scheme (RDS) program of IBBPLC? 6  
b) Explain how Agent Banking can play role for financial inclusion in Bangladesh? 7  
c) “To alleviate rural poverty, advancement in the agriculture sector is a must”- Discuss. 7
6. a) What is balance of payment? Discuss. 6  
b) What are the differences between balance of payment and balance of trade? 7  
c) “Balance of payments is always balanced”- Explain. 7
7. a) What is Maqasid-al-Shariah? How Islamic economics addresses Maqasid-al-Shariah? Explain. 6  
b) Distinguish between monetary policy and fiscal policy mentioning the major tools of Monetary policy and Fiscal policy. 7  
c) Discuss the socio-economic impact of interest vis-à-vis profit & loss sharing business. 7
8. Write short notes on any 5 (five) of the following: 5x4=20
  - a. Inflation and deflation
  - b. Profit and interest
  - c. Fixed cost and variable cost
  - d. Narrow money and broad money
  - e. Money market and capital market
  - f. Bank rate and call money rate
  - g. Growth and development
  - h. Reserve of foreign exchange

# Diploma in Islamic Banking Examination, November 2024

## Part : I

### 103: Principles of Accounting

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

1. a) What is the purpose of accounting? 6  
b) Discuss the difference between accrual basis accounting and cash basis accounting. 6  
c) Who are the users of accounting information and why do they need it? 8
2. a) Explain the double entry system of accounting. 4  
b) What are the causes of disagreement between bank balance as per cash book and bank statement? 6  
c) Briefly explain any 4 (four) of the following accounting assumption, concepts and principles: 10
  - i. Going concern assumption
  - ii. Conservatism principle
  - iii. Matching principle
  - iv. Business entity concept
  - v. Cost concept
3. a) What are the steps of accounting cycle? Discuss each step briefly. 10  
b) Journalize the adjusting entry needed on 30 June, 2024, the end of current accounting period for each of the following transactions of ABF Construction Company: 10
  - i) The company pays its workers each Thursday their weekly wages. The amount of the wages is Tk.10,400 for a 5 day week and daily wages amounts are equal. The current accounting period ends on Wednesday, June 30, 2024.
  - ii) The company has invested some money, during the current year, the company has earned accrued profit revenue for Tk.3,000 that will be received next year.
  - iii) The company received Tk.124,000 cash from a client which was recorded as unearned service revenue. The accounting dept. of the company estimates that the business has earned one quarter of the total amount during current year.
  - iv) Depreciation of office furniture for the current year is Tk.4,200.
  - v) The opening balance of supplies was Tk. 7,600 during the year; the company purchased supplies costing Tk.17,000; and at June 30, 2024, the inventory of supplies on hand is Tk.5,400.
4. a) Explain different methods of inventory valuation. 5  
b) Discuss in brief the regulatory framework for corporate financial reporting. 7  
c) What is the objective of a cash flow statement? Present a structure of a cash flow statement. 8
5. Write short notes on any 5 (five) of the following:
  - a. Non-banking assets
  - b. NPV and IRR
  - c. Window dressing
  - d. IFRS
  - e. Reversing entry and closing entry
  - f. T-Form and Multi-Column Ledger
  - g. Statutory reserve
  - h. Ethics in accounting

6. Mr. Bashar Ahmed started his consultancy firm on August 1, 2024 with cash investment of Tk.300,000. Following events and transactions occurred during the month:

Aug 02, 2024: Hired a secretary at salary of Tk. 15,000 per month.

Aug 05, 2024: Purchase supplies of Tk.10,000 on account.

Aug 09, 2024: Paid office rent of Tk. 2,400 cash for the month.

Aug 11, 2024: Completed a tax assignment and billed the client Tk.15,000 for the service provided.

Aug 13, 2024: Received Tk.14,000 advance as management consulting engagement.

Aug 16, 2024: Received Tk.7,000 cash for the services provided on August 11, 2024.

Aug 30, 2024: Paid salary Tk.15,000 as salary for the month.

Aug 31, 2024: Paid 50% of the due for purchasing of supplies on Aug 05, 2024

Requirements:

- |   |   |
|---|---|
| a. Journalize the transactions                  | 7 |
| b. Post to the ledger accounts.                 | 7 |
| c. Prepare a trial balance as on August 31,2024 | 6 |

7. The Trial Balance of M/s. ABC Company for the year ended December 31,2023 was as follows:

**M/s. ABC Company**  
**Trial Balance**  
 As on December 31, 2023

Particulars	Debit (Tk.)	Credit (Tk.)
Opening inventory	26,000	
Purchase	1,250,000	
Returns	75,000	85,000
Sales		2,200,000
Accounts payable		400,000
Building	2,000,000	
Accumulated depreciation-building		280,000
Accounts receivable	250,000	
Furniture	85,000	
Accumulated depreciation-furniture		15,000
Salary	230,000	
Accrued salary		30,000
Office rent	100,000	
Prepaid office rent	20,000	
Utility expenses	30,000	
Prepaid expenses	20,000	
Unearned revenue		40,000
Stationary	20,000	
Cash and bank balance	90,000	
Capital and drawing	60,000	1,000,000
Retained earnings		206,000
<b>Total</b>	<b>42,56,000</b>	<b>42,56,000</b>

Additional Information:

- i) Closing inventory Tk.29,500
- ii) Depreciation on furniture Tk.5,000
- iii) Depreciation on building Tk.20,000
- iv) Corporate tax rate 25%

Requirement:

- a. Prepare an Income Statement for the year ended December 31, 2023.
- b. Prepare a Balance Sheet as on December 31, 2023.

10  
10

8. Trail Balance of Taqwa Islami Bank PLC for the year ended on December 31,2023 was as follows:

**Taqwa Islami Bank PLC**

Trial Balance

December 31, 2024

Particulars	Debit (Tk.)	Credit (Tk.)
Paid up capital		5,000,000
Balance with Bangladesh Bank	8,800,000	
Balance with other banks	12,000,000	
Fixed assets	2,750,000	
Al-Wadeeah current account		40,000,000
Mudarabah saving deposit		40,000,000
Mudarabah term deposit		30,000,000
Salary & allowances	1,200,000	
General investment	89,900,000	
Bill purchased	5,000,000	
Cash in hand	1,150,000	
Dividend equalization fund		450,000
Profit paid on deposits	70,00,000	
MD's salary	1,012,000	
Income from ADC		800,000
Commission, exchange & brokerage income		650,000
Income from investment		11,600,000
Income from OBU		700,000
Shariah supervisory committee's fee & expense	60,000	
Non-banking assets	100,000	
Balance of profit & loss account		450,000
Legal expenses	15,000	
Reserve fund		350,000
Corporate social responsibility expenses	96,000	
Printing and stationary	10,000	
Investment in securities	907,000	
	<b><u>130,000,000</u></b>	<b><u>130,000,000</u></b>

Additional Information:

- i) Provide provision for investment Tk.200,000; Other provision Tk.500,000 and taxes Tk.600,000.
- ii) Proposed Dividend Tk.1,000,000.

Requirement:

- a. Prepare a Profit & Loss A/c as on December 31, 2023. 10
- b. Prepare a Balance Sheet as on December 31, 2023 10

# Diploma in Islamic Banking Examination, November 2024

## Part: I

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

1. a) Define management. How does management cycle work? 6  
b) How do you apply Islamic principles in developing effective management systems? Discuss. 7  
c) “F.W. Taylor shifted the traditional management to the scientific management”- explain the points in brief. 7
2. a) What is Management by Exception (MBE)? Discuss in detail with suitable example. 6  
b) How MBE is applicable in the banking system in Bangladesh? 6  
c) Explain the process of decision making by using the approach of Management by Objective (MBO). 8
3. a) Differentiate between delegation of authority and decentralization of authority. 6  
b) Explain the methods of departmentalization in organization. What kind of departmentalization is applicable for the state owned banks and private commercial banks of Bangladesh? 7  
c) Are staff employees and line employees the same? Establish your opinion. Write the roles and responsibilities of staff employees in banks. 7
4. a) Describe the motivational tools to achieve the targets in an organization. 6  
b) Define job evaluation. Distinguish between job evaluation and performance evaluation. 7  
c) How do you define ethical strength? Which ethical strengths do you expect from an employee of an Islamic bank? 7
5. a) What is MIS? How does MIS help management in decision making process? 7  
b) “If you are not able to control your subordinates, you will be controlled”- discuss. 7  
c) Distinguish between Islamic control system and the traditional control system? 6
6. a) Who are called charismatic leaders? Give an example of a charismatic leader in the field of Islamic banking in Bangladesh. 7  
b) Differentiate between transactional leader and transformational leader? 6  
c) “Leadership is not a chance, rather it is a choice”. Explain. 7
7. a) What are the steps of Human Resource Planning (HRP) process? What are the future challenges before managers of Islamic banks? 7  
b) Discuss the problems of human resource planning in Bangladesh. How can you overcome these problems? 7  
c) Discuss ways of planning and developing your career as an Islamic banker. 6
8. Write short notes on any 5 (five) of the following: 5x4=20
  - a) Span of supervision
  - b) School of management
  - c) Motivation
  - d) SWOT analysis
  - e) Dynamic leadership
  - f) Diversity of management
  - g) Power skill
  - h) Gig workforce

# Diploma in Islamic Banking Examination, November 2024

Part : I

## 105: Business Communication

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.

**[Answers must be written in English]**

1. a) Give a comprehensive definition of business communication. How does it differ from personal communication? 8  
b) Describe the objectives and strategies of effective business communication. 6  
c) Briefly describe the style and approach of communication that can be seen in the Holy Quran and Sunnah. 6
2. a) How can you classify communication? Discuss shortly. 7  
b) Explain the different modes of internal and external communication. 7  
c) Briefly explain the merits and demerits of virtual communication. 6
3. a) What is Webinar? Discuss its advantages and disadvantages in financial organizations. 8  
b) Write down the challenges of using technology for communication in the banking sector and the possible ways to overcome such challenges. 7  
c) Briefly discuss the importance of group discussion in business. 5
4. a) State the circumstances where oral communication is preferred to written communication. Give example. 6  
b) What is silence? In the communication process, what may be the implications of silence? 6  
c) How has ICT transformed the way we communicate today? Discuss in brief. 7
5. a) How would you differentiate among message, letter, Circular, and instruction circular? 8  
b) Draft a circular conveying the directive of Bangladesh Bank regarding the changed time-table in the month of Holy Ramadan. 6  
c) What do you mean by memo and office note? Briefly discuss. 6
6. a) Prepare a draft advertisement inviting applications from the prospective qualified candidates for appointment in the post of Probationary Officer in your bank. 8  
b) Write a letter to be addressed to the prospective depositors requesting them to keep more deposit in their accounts with your bank to overcome the recent deposit crisis. 6  
c) Define auction notice and precisely state the key elements of it. 6
7. a) What do you mean by minutes of a meeting? Discuss the elements to be considered while drafting a minute. 6  
b) What is report? Distinguish between routine and special reports. 6  
c) As a business development manager of your bank, write a report to the Managing Director of the bank on the suitability of some premises for shifting the Dhanmondi branch of the bank from its present location. 8
8. Write short notes on any 5 (five) of the following: 5x4=20
  - a) Executive summary
  - b) www
  - c) Twitter
  - d) Body language
  - e) Grapevine communication
  - f) SWIFT
  - g) Inquiry report
  - h) Aids of communication



## Diploma in Islamic Banking Examination, November 2024

Part : I

### 106: Theory and Practice of Banking: Islamic and Conventional

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.

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

1. a) Discuss the principles through which Islamic banks mobilize funds. 6  
b) Explain how Islamic banks manage liquidity during the periods of crisis. 6  
c) What techniques are used by commercial banks, both Islamic and conventional, to reduce their cost of funds without compromising profitability? 8
2. a) Explain the concept of digital banking and its role for smooth financial inclusion. 6  
b) How digital banks ensure the security and privacy of the customers' information? 7  
c) What are the current challenges faced by Islamic banking in Bangladesh? 7
3. a) Define monetary policy and explain the role of central banks in its implementation. 6  
b) How does monetary policy influence profit and interest rates of both Islamic and conventional bank? 6  
c) Discuss the key elements of a typical monetary policy in a developing economy. 8
4. a) Describe the importance of deposit mix for sustainable liquidity management. 6  
b) Outline the legal responsibilities of a bank as a collecting bank and a paying bank. 6  
c) Discuss the current global scenario of Islamic banking with your recommendations in this regard. 8
5. a) Explain the role of capital market for economic development. 6  
b) What are the major challenges faced by banks in managing risks associated with capital market volatility? 6  
c) What is residual risk? How can it be mitigated? 4  
d) What are the reasons of liquidity crisis in a bank? 4
6. a) How do Islamic money market instruments contribute to ethical banking? 6  
b) Compare the tools used in the Islamic money market with those in the conventional money market. 7  
c) What is Sukuk? Write the importance of Sukuk in the context of Bangladesh. 7
7. a) Define green banking and describe its importance for the banking industry. 6  
b) Mention some steps the banks can take to promote green and ethical banking products. 7  
c) What are the strategies taken by Islamic banks to ensure banker-customer relationship? 7
8. Write short notes on any 5 (five) of the following: 5x4=20
  - a) IBCA, IBDA
  - b) CRR, SLR
  - c) Financial literacy and inclusion
  - d) Mobile banking security
  - e) Al-Wadeah principle
  - f) Digital payment systems
  - g) ALCO
  - h) Crypto currency