FINAL EXAM
FIRST SEMESTER SESSION 2012/2013

COURSE CODE / NAME : BWFS2013 PHILOSOPHY OF ISLAMIC BUSINESS AND FINANCE
DATE : 31 DECEMBER 2012 (MONDAY)
TIME : 2.30 – 5.00PM (2 ½ HOURS)
VENUE : DPB 2

INSTRUCTION :

1. This questions booklet contains FOUR (4) structure questions in FOUR (4) printed pages excluding the cover page.
2. Answer ALL questions in the answer booklet provided.

MATRIC NO : ________________________ ( in word ) ________________________ ( in number )
IDENTIFICATION CARD NO : ____________________________________________
LECTURER : ___________________________________________________________
GROUP : _______ TABLE NO : _______

DO NOT OPEN THIS EXAMINATION PAPER UNTIL INSTRUCTED

CONFIDENTIAL
QUESTION ONE (26 MARKS)

1. Draw the framework of Islam in ONE (1) diagram. (6 marks)

2. List TWO (2) objectives of the Shariah. (4 marks)

3. Explain FOUR (4) sources of Islamic law. (4 marks)

4. The Shariah aims at promoting the welfare of society and safeguarding it from all forms of impediments and difficulties. The objective of Shariah should be used as a guide in developing business goals and objectives. It teaches us not to aim at making profits but instead we should aim at providing the best service to the customers.

   Based on the statement above, briefly explain:
   i. TWO (2) forbidden practices in Islamic finance and banking . (4 marks)

   ii. TWO (2) Islamic values to illustrate their universality in Islamic business. (4 marks)

5. In al-Ghazali’s words, Muamalat means the exchange of commodities or any other necessities among mankind such as buying, selling, association, making gifts and donations, lending, debt, contract, etc.

   Based on the statement, explain TWO (2) objectives of Muamalat in Islam. (4 marks)
QUESTION TWO (23 MARKS)

Contract is Islamic law is a complex legal discipline in both its jurisprudential foundation and its practical function. It covers a variety of dealings and transactions to meet the needs of the society. The whole idea of having a contract is to satisfy the consent of both parties to a contract.

1. Based on the statement above, define the Shariah compliant contracts below:

   i. Ijarah
   ii. Bai Bithaman Ajil
   iii. Muroabahah
   iv. Bai al Inah

   (4 marks)

2. Distinguish TWO (2) features of Mudharabah and Musyarakah

   (6 marks)

3. Explain THREE (3) essential elements in business contract.

   (9 marks)

4. Define terminologies below:

   i. Sahih
   ii. Bai Bai Fasid

   (4 marks)
QUESTION THREE (22 MARKS)

1. Define the terminologies below:

   i. *Al-haq*
   
   ii. *Al-amwal*
   
   iii. Money
   
   iv. *Khiyar*

   (8 marks)

2. Explain **FOUR (4)** advantages of using Islamic dinar.

   (8 marks)

3. Explain **THREE (3)** conditions of profit in Islam.

   (6 marks)
QUESTION FOUR (29 MARKS)

1. Explain THREE (3) concepts of Islamic contract under deferred payment sales. (6 marks)

2. Explain FOUR (4) unlawful transactions in Islam. (8 marks)

3. Ethics has always been a part of business. For Muslims, Islam is considered as a way of life and not merely a religion and business ethics cannot be separated from ethics in other aspects of a Muslim’s daily life.
   i. Define ethic according to Islam. (3 marks)

   ii. Give ONE (1) example from Hadith on ethic. (2 marks)

4. Explain FIVE (5) Islamic tenets concerning business transactions. (10 marks)

END OF QUESTIONS