FINAL EXAM
FIRST SEMESTER SESSION 2012/2013

COURSE CODE / NAME : BWFS2073 USUL FIQH FOR FINANCE AND BANKING
DATE : 12 JANUARY 2013 (SATURDAY)
TIME : 9.00 - 11.30 AM (2½ HOURS)
VENUE : DMS

INSTRUCTION :
1. This question paper contains SEVEN (7) questions in THREE (3) printed pages excluding the cover page.
2. Answer ALL questions in the booklet provided.

MATRIC NO: ____________________________ (with word) ____________________________ (with number)
IDENTIFICATION CARD NO: ____________ ____________ ____________ ____________ ____________
LECTURER: ____________________________
GROUP: □ TABLE NO: ____________

DO NOT OPEN THIS EXAMINATION PAPER UNTIL INSTRUCTED

CONFIDENTIAL
QUESTION ONE (18 MARKS)

Allah Almighty said: “Allah permitted sale (bay’) and prohibited interest (riba).”
(al-Baqarah: 275)

i. What is al-Hakim? Explain what are the command and the rules of al-Hakim in this verse.
   (4 marks)

ii. Differentiate TWO (2) concepts of interest and profit.
   (8 marks)

iii. Give THREE (3) examples of commercial contracts that are prohibited in Islam.
   (6 marks)

QUESTION TWO (24 MARKS)

Hukm al-Shar’i is defined technically in Islamic Jurisprudence as “Communication from the lawgiver concerning the conduct of the mukallaf, which consists of demand, option or a declaration”.

From the above definition highlight the concept of the following:

i. Define what is al-sabab (cause)? Support your answer with ONE (1) example of contracts in Islamic Mu’amalah that is related to al-sabab.
   (6 marks)

ii. Define what is hukm taklifi (obligatory law). Support your answer with ONE (1) example of contracts in Islamic finance and banking.
   (6 marks)

iii. Discuss ONE (1) difference between ahlīyyah al-wujub and al-ahliyyah al-ada’. Support your answer with TWO (2) examples for each of the concept.
   (12 marks)
QUESTION THREE (8 MARKS)

*Qiyas* is defined as the extension of Islamic ruling from the original case, or *asl*, to a new case, because the latter has the same effective cause (*'illah*) as the former.

i. Discuss the above definition of *Qiyas* from its **TWO (2)** literal meaning.  
(4 marks)

ii. Support your answer with **TWO (2)** relevant examples of contracts in Islamic finance and banking that is related to *Qiyas*.  
(4 marks)

QUESTION FOUR (16 MARKS)

Briefly discuss the development of the science of *Usul Fiqh* as stated below:

i. Discuss **THREE (3)** important elements of *Usul Fiqh* according to *Mazhab Shafi‘i*.  
(6 marks)

ii. Discuss **THREE (3)** important elements of *Usul Fiqh* according to *Mazhab Hanafi*.  
(6 marks)

iii. List down **TWO (2)** important elements of the science of *Usul Fiqh* to Islamic finance and banking.  
(4 marks)

QUESTION FIVE (8 MARKS)

Briefly explain the terminologies below. Provide **ONE (1)** example of contract in Islamic *Muamalah* for each of the term:

i. *Istihsan*  
(4 marks)

ii. *Al-Sumah*  
(4 marks)
QUESTION SIX (12 MARKS)

Ijtihad is the effort made by the Mujtahid in seeking knowledge of the rules of the Shar’iah through rules of interpretation as stipulated in Islamic jurisprudence.

i. Discuss TWO (2) significance of Ijtihad in the contemporary Islamic finance and banking. (4 marks)

ii. Explain FOUR (4) types of Qat’i (authentic) and Zanni (speculative) evidences from Qur’an and Sunnah that allow Mujtahid to exercise Ijtihad. (8 marks)

QUESTION SEVEN (14 MARKS)

In terminology of fiqh, al-Nass means a definitive text ruling of the Qur’an or the Sunnah.

i. List THREE (3) ruling of al-Nass. (6 marks)

ii. Explain FOUR (4) differences between al-Nass and al-Zahir. (8 marks)