



**UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL**

**FINAL EXAMINATION
JULY 2024 SEMESTER**

COURSE CODE	: EBB20903
COURSE NAME	: FIQH MUAMALAT
PROGRAMME NAME	: BACHELOR OF BUSINESS ADMINISTRATION (HONS) IN ISLAMIC FINANCE
DATE	: 23 SEPTEMBER 2024
TIME	: 2.00 PM – 5.00 PM
DURATION	: 3 HOURS

INSTRUCTIONS TO CANDIDATES

1. Please **CAREFULLY** read the instructions given in the question paper.
2. This question paper has information printed on both sides of the paper.
3. This question paper consists of **TWO (2) Sections; Sections A and Section B.**
4. Answer **ALL** questions in **Sections A** and **Section B.**
5. Please write your answers on the answer booklet provided.
6. All questions must be answered in **English** (any other language is not allowed).
7. This question paper must not be removed from the examination hall.

THERE ARE FOUR (4) PAGES OF QUESTIONS, INCLUDING THIS PAGE.

SECTION A (Total: 40 MARKS)**INSTRUCTION: Answer ALL questions.****Please use the answer booklet provided.****Question 1**

- (a) Define *Milkiyah* (ownership) according to Islamic jurisprudence and explain its significance in the context of *Fiqh Muamalat*.
(4 marks)
- (b) Differentiate between *Milk al-Tam* (complete ownership) and *Milk al-Naqis* (incomplete ownership) with examples from Islamic law.
(6 marks)
- (c) Explain the concept of *Ihya al-Mawat* (reclamation of barren land) and its relevance to *Milkiyah* (ownership) in Islamic law.
(6 marks)
- (d) Discuss the ethical considerations in Islamic law regarding the ownership of public property, such as waqf or baitul mal, and the implications for society.
(4 marks)

Question 2

- (a) Define *Bay'* (sale) in Islamic jurisprudence and explain its significance in Islamic commercial transactions.
(6 marks)
- (b) Discuss the pillars of a valid sale (*Bay' Sahih*) in Islamic law and how do these pillars ensure fairness in commercial transactions?
(8 marks)
- (c) What is *Khiyar* (right of option) in Islamic sales contracts, and why is it important?
(6marks)

SECTION B (Total: 60 MARKS)**INSTRUCTION: Answer ALL questions.****Please use the answer booklet provided.****Question 3**

Ali is a businessman who operates a trading company. He is approached by a friend, Ahmed, who needs a loan to expand his business. Ali agrees to lend Ahmed RM50,000 but stipulates that Ahmed must repay RM55,000 after one year. Ahmed accepts the terms and signs a contract. During the course of the year, Ahmed struggles to make payments, and Ali informs him that if he is unable to pay by the due date, the loan amount will increase to RM60,000 as a penalty.

- (a) Analyze the situation described above in light of the Islamic concept of *Riba* (usury).
- (b) Discuss the implications of *Riba* (usury) on both Ali and Ahmed from an Islamic legal and ethical perspective.

(20 marks)**QUESTION 4**

- (a) Define *Mudarabah* (profit lost sharing) and explain the key differences between *Mudarabah* (profit lost sharing) and *Musharakah* (sharing contract) in Islamic finance.

(10 marks)

- (b) Discuss the significance of contract *musaqah* (watering) in agricultural practices, including the roles and responsibilities of both the landowner and the worker under a *musaqah* (watering) contract.

(10 marks)

- (c) Elaborate the key conditions that must be met for a *Bay' Salam* (forward contract) to be valid, and discuss its significance in commercial practices.

(10 marks)

Question 5

Hassan enters into an *Ijarah* (leasing) agreement with a car rental company to lease a car for two years. Halfway through the contract, the car breaks down due to a mechanical fault that was not caused by Hassan. The car rental company refuses to repair the car, claiming that it is Hassan's responsibility as the lessee.

As a student of Islamic finance, give your view on the following issues:

- (a) Explain whether the car rental company's refusal to repair the car is justified under the *Ijarah* (leasing) contract according to Islamic principles.
(4 marks)
- (b) If Hassan wanted to terminate the *Ijarah* (leasing) contract due to the car's breakdown, would he be within his rights to do so? Justify your answer.
(4 marks)
- (c) In the event of termination, who is responsible for the costs associated with the car's breakdown?
(2 marks)

END OF QUESTION PAPER