



**UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL**

**FINAL EXAMINATION
MARCH 2024 SEMESTER**

COURSE CODE	: EBB30603
COURSE NAME	: ISLAMIC INTERNATIONAL TRADE FINANCING
PROGRAMME NAME	: BACHELOR OF BUSINESS ADMINISTRATION (HONS) IN ISLAMIC FINANCE
DATE	: 9 JULY 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 **FOUR (4)** questions.
4. Answer **ALL** questions.
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 FIVE (5) PAGES OF QUESTIONS, INCLUDING THIS PAGE.

SECTION A (Total: 100 Marks)**INSTRUCTION: Answer ALL questions.****Please use the answer booklet provided.****Question 1**

- a. Why does international business need a shipping guarantee? Explain the process involved and name the Shariah contract applicable for this purpose.
(6 marks)
- b. Suppose the company you work for wishes to use Kafalah shipping bank guarantee, and the owner or the chief executive officer of the company demand you to draw a diagram to help him or her to understand the business flow of the facility. Please draw a simple diagram to illustrate the process.
(10 marks)
- c. Your company may have to import some raw materials from Bangladesh. Please explain (definition and process) how you could use Accepted Bill-i to buy those raw materials.
(9 marks)

[Total: 25 marks]

Question 2

- a. Define what is working capital. And why it is important to have positive working capital for any business.

(5 marks)

- b. What is the financial instrument Islamic Banks can use to finance the working capital requirement of businesses?

(2 marks)

- c. Draw a brief overview of modus operandi of the Murabahah Working Capital Financing (MWCF).

(13 marks)

- d. Provide at least five (5) financial needs for Murabahah Working Capital Financing (MWCF).

(5 marks)

[Total: 25 marks]

Question 3

a. Briefly explain Trust Receipt.

(5 marks)

b. How can we use Islamic Trust Receipt in international trade? Name the shariah contract that can be used for this purpose.

(5 marks)

c. Differentiate between Murabahah Trust Receipt (MTR) and conventional Trust Receipt (TR).

(10 marks)

d. Assuming your company have to pay a USD100,000 to the negotiating bank with an annual rate of profit at 10%. The tenor is 90 days with prevailing exchange rate USD1 equivalent to MYR4. Compute the selling price.

(5 marks)

[Total: 25 marks]

Question 4

- a. Discuss how Salam Financing can cause potential problem to commercial banks and how can they address the problem.

(8 marks)

- b. Briefly explain issues surrounding the application of Bay al Dayn in Malaysia.

(8 marks)

- c. What is the difference in terms of application of Bay al Dayn between Malaysia and Indonesia.

(9 marks)

[Total: 25 marks]

END OF QUESTION PAPER