

MULTIPLE CHOICE QUESTIONS AND ANSWERS

ISLAMIC HISTORY

ISLAMIC ECONOMICS AND BANKING

I. Choose correct answer

1. Which refers to uncertainty and deception in Islamic Economics?
A) Zakat
B) Gharar
C) Sadaqa
D) Salath
2. Inthe profit ratio is fixed according to capital contribution, while loss ratio.
A) Musharaka
B) Ijrah
C) Mudarabah
D) Bai Muhajjal
3. What refers to a delay in the settlement of one or both counter-values?
A) Riba-al-Fadl
B) Interest
C) Riba
D) Profit
4. Buying a house for example Rs. 450,000 (to be paid in instalments over 5 years) is a permissible arrangement.
A) Yes
B) No
C) Maybe
D) None of these above
5. According to....., anything that has economic value is considered wealth.
A) Shariah
B) Qiyas
C) Ijma
D) Ijthihad
6. Offer and acceptance are non-essential attributes of the contract and if they are missing then the contract cannot be described as.
A) Riba
B) Shariah
C) Void (batil).
D) Sunnah
7. It is permissible to sell a commodity before it comes under our control or we take (actual or constructive) possession of it.
A) Excluding Salam and Istisna arrangements
B) Only Salam
C) All things
D) none of these above
8. One of the core aims or objectives (maqasid) of the Shariah is the preservation of.
A) Wealth (Maal).
B) Sunnah
C) Imaan
D) Value
9. Buying shares (stock) on a short term price fluctuations is considered speculation (rather than investment) and thus is atrading practice.
A) Prohibited
B) None of these above
C) Allowed
D) Not a matter
10. The result of a sale transaction is instant and a result in an absolute transfer of the (asset) is.
A) Ownership
B) Private
C) Partnership
D) Public
11. In....., partner who invest eg. Rs.50,000 (or 10 % of total investment capital) has right to specify from the beginning that his share of profit will be Rs. 5,000 per year

(which equals to 10 % of his initial contribution).

- A) Musharaka
C) Mudarabah
- b) Riba
d) Zakat
12. Man is the Khalifah of God or Vicegerent on earth and the resources at his disposal are.
A) A trust (Amanath)
C) A profit
- B) Property
D) A commodity
13. Who must utilize them according to the will of the Creator and he will be held accountable for any misuse of these resources.
A) Man
C) God
- B) Prophet
D) Angels
14. All the follows that the resources are means to attain.
A) Falah
C) Sujud
- B) Fait
D) Tragedy
15. Which is the creation of God for man?
A) Nature
C) Animals
- B) Planets
D) Vegetables
16. All resources in nature are means for man to attain his falah (happiness) in this world and in the.
A) Hereafter
C) Death
- B) Friends
D) Family
- 17..... is the social science that studies the allocation of scarce resources to satisfy unlimited wants.
A) Economics
C) History
- B) Botany
D) Commerce
18. Islamic Economics is a social science which studies the economic problems of people imbued with the values of.
A) Islam
C) Iman
- B) Pragmatic
D) Rational
19. It is the study of social science which enables people to perform their obligation to Allah (God) and to their society.
A) Islamic Economics
C) Macro Economics
- B) Micro Economics
D) E-commerce
20. In which place for accountability, and for getting the outcome of all deeds including economic activities, in an eternal life.
A) Akhirah
C) Heaven
- B) Dunyah
D) Hell
21.well-being for leading a good life and discharging socio-Islamic obligations in this world and for achieving the home of hereafter.
A) Economic
C) Financial
- B) Trade
D) Commerce
22. Who created resources in abundant as per the Islamic ideology?
A) Allah (God)
C) Khalifa
- B) Prophet
D) Government
23. Why recourses in the eyes of man are scarce or limited?

- A) Due to lack of means to reach this resources B) Lack of knowledge
C) Lack of belief D) None of these above
24. To understand the Islamic worldview let us first define the followings.
A) Islam, Iman, Amal, & Ihsan. B) History
C) Economics D) Politics
25. An Islamic world view or....., is the vision of reality and truth that appears before our mind's eye revealing what existence is all about.
A) Ru'yat al-Islam li al Wujuod B) Nubuvath
C) Risala D) Rassol
26. It is defined as "a set of implicit and explicit assumptions about the origin of the universe as well as the nature and purpose of man not only in this world but in the hereafter too".
A) Islamic Economics B) Macro Economics
C) Ancient Economics D) Micro Economics
27. To seek,.....is a holy duty; it is obligatory on every Muslim, male and female.
A) Knowledge B) Health
C) Wealth D) Beauty
28. The first revealed word in the Qur'an was
A) Iqrah or Read B) Convert
C) Acquire D) Belief
29. The idea of Socialism emerged as a repercussion against the evils of.
A) Feudalism B) Communalism
C) Capitalism D) Materialism
30. In Islamic order the priority of production is determined by.
A) Availability of source B) Possibility of economic development
C) Requirement of the individual D) Requirement of the society
31. Usurer was synonym used for.
A) Arabs B) Lombard
C) Jews D) goldsmith
32. The earliest economics practice prevailed in the world was.
A) Barter system B) Barter system
C) Commerce D) Share market
33. The headquarters of Islamic Development Bank is.
A) Paris B) London
C) Jeddah D) Geneva
34. In Islamic philosophy Zakat is the of poor.
A) Right B) Mercy
C) Duty D) Principle
35. The profit loss sharing in the Islamic Banking is known as.
A) Mudarabah B) Murabaha
C) Musharakah D) Bai Muajjal
36. Economic andwell-being for leading a good life.
A) Non-Economic B) Trade
C) Financial D) Commerce

- A) Jurisprudence
C) Tawheed
- B) Shirk
D) Tasawuff
64. Which one is the compulsory economic duty of the wealthy Muslims?
A) Zakat
C) Sadqa
- B) Prayer
D) Hajj
65. Abu Yusuf was the author of.
A) Kithab-al-Kharaj
C) Kithab-al-Khaz
- B) Kithab-al-Hind
D) Kithab-al-Radd
66. Traditions of Prophet Muhammad are known in Arabic by term.
A) Quran
C) Sunnah
- B) Fiqh
D) Khalima
67. Zakat share on gold and silver is.
A) 1
C) 1.5
- B) 2.5
D) 2
68. Riba is translated into English as.
A) Profit
C) Interest
- B) Debt
D) Loan
69. Hujathul Baligha was written by.
A) Imam Shafi
C) Shaik Sirhindi
- B) Abu Yusuf
D) Shah Waliullah
70. Profit-loss sharing financing is known in Islamic concept by the term.
A) Riba
C) Zakat
- B) Mudharabah
D) Saddaka
71. Fakkir and Miskin are entitled to get a share of ----- tax.
A) Jaziya
C) Zakat
- B) Saddaka
D) Kharaj
72. The third pillar of Islam is.
A) Hajj
C) Zakat
- B) Prayer
D) fasting
73. Al-Barakka and Interest Free a Financial Enterprise was initiated for the first time India in the state of-----.
A) Jammu & Kashmir
C) Bihar
- B) U P
D) Kerala
74. People known as the bankers of the world.
A) Bankers
C) Clergy
- B) Lombards
D) Brokers
75. Author of 'Economic Development in the Islamic Framework'.
A) Asghar Ali Engineer
C) Dr. Thomas Isaac
- B) Ahammed Khurshid
D) Althaf Hussain
76. Author of 'Economic problems of man and its Islamic solution'.
A) Rashid Riddhah
C) Abdul Khadir Jilaani
- B) Moududi
D) Hassan al Banna
77. Author of 'Economics and Islam'.
A) Mahmudullah Shirassi
- B) Abdul Kalam Azad

78. Author of 'Muhamman Theories of Finance'.
- A) Montgomery Watt
B) Karen Armstrong
C) Nicholas P Agrudes
D) Sayyid Ahmad Khan
79. Author of 'Islamic Finance: Principles and Practice'.
- A) Amina Wudood
B) Haris Muhammad
C) Hans Visser
D) Montgomery Watt
80. Kharaj is a tax on ---.
- A) Water
B) Gold
C) Land
D) Industries
81. The tax collected instead of military service from the people of the book is.
- A) Zakat
B) Ganimath
C) Saddaka
D) Jazya
82. The first Arab coin was minted by which Caliph.
- A) Muawiya
B) Umar II
C) Haroon Al Rashid
D) Abdul Malik
83. The Public share of Ganimath is.
- A) 1/2 %
B) 1/4 %
C) 1/5 %
D) 1 %
84. Which is the primary source of Islam?
- A) Hadith
B) Quran
C) Shariath
D) Ijamah
85. The voluntary alms in Islam are called.
- A) Zakat
B) Jazya
C) Saddaka
D) Ganimath
86. The compulsory alms in Islam is called.
- A) Kharaj
B) Jazya
C) Saddaka
D) Zakat
87. The legal system in Islam is called.
- A) Monarchy
B) Shariath
C) Constitutional
D) Hierarchy
88. Faraidh is the laws related to.
- A) Islamic Inheritance
B) Islamic literature
C) Neighbour relation
D) Relation between husband & wife
89. Ghanimah is the wealth called in.
- A) Land
B) War
C) Water
D) Agriculture
90. The PLS financing in Islam is called.
- A) Murhabah
B) Mudarabah
C) Ushr
D) Riba
91. What is the word meaning of Fiqh.
- A) Islamic Jurisprudence
B) Penal code
C) Uniform Civil code
D) The God
92. 'Islamic Economics and Finance' is a book written by.

- A) Muhammad Akram Khan
C) Abul Kalam Azad
- B) Sayed Ahmad Khan
D) Azgar Ali Engineer
93. Public treasury in Islam is known as.
A) Diwan i Bandagan
C) Baith ul Mal
- B) Mudarabah
D) Amanath
94. Arab coinage was started by.
A) Prophet Muhammad
C) Umar II
- B) Caliph Abdul Malik
D) Walid I
95. The percentage of Zakat on money is.
A) 2
C) 3
- B) 2.5
D) 1.5
96. What is word meaning of 'Falah'
A) Prosperity or victory
C) Economics
- B) Development
D) Finance
97. Ordinary share of inheritance for female in Islam is----- share of a male.
A) 1/3
C) 1/4
- B) 1/2
D) 1/5
98. The name given by the system of exchange of goods for goods.
A) Barter
C) Share marketing
- B) Speculation
D) VAT
99. The basis of conventional banking system.
A) Deposit
C) Interest
- B) Profit
D) Loan
100. The Arab term used to denote the 'Sustainer' of the entire universe.
A) Rasak
C) Rafeedah
- B) Rasiq
D) Rashid
101. The owner of the earth according to Quran.
A) God
C) Caliph
- B) Muhammad
D) Malak
102. To whom the ownership of the Kharaj land belongs under Islamic Government.
A) Muhammad
C) God
- B) Malak
D) Caliph
103. The condition of the lack of the basic needs of life.
A) Faqir
C) Amanath
- B) Inamath
D) Ganimath
104. The basic stone of Islamic banking.
A) Interest free baking
C) Deposit free banking
- B) Profit motive banking
D) Collective banking
105. The obligatory duty referred with Namaz.
A) Payment of Zakat
C) Payment of Sadaqa
- B) Payment of Jazya
D) Payment of Kharaj
106. The term used to denote Usury.
A) Riba
- B) Baith-ul-Mal

107. What Islam aims by the abolition of Riba.
 A) Promotion of charity
 C) Promotion of collective deposit
 B) Profit
 D) Share marketing
108. What is the literal meaning of Zakat?
 A) Charity
 C) Obedience
 B) Purification
 D) Kindness
109. The author of 'Social Justice in Islam'.
 A) Hasan al Banna
 C) Azghar Ali Engineer
 B) Moulana Azad
 D) Abdul Kalam Azad
110. Ushr is changed on.
 A) Agricultural production
 C) Savings
 B) Loan and Interest
 D) Zakat
111. The percentage of property that the Quran allows to bequeath by will.
 A) 1
 C) 1/3
 B) 1/2
 D) 1/4

ANSWER KEY

Q. No	ANS								
01	B	02	A	03	A	04	A	05	A
06	C	07	A	08	A	09	A	10	A
11	A	12	A	13	A	14	A	15	A
16	A	17	A	18	A	19	A	20	A
21	A	22	A	23	A	24	A	25	A
26	A	27	A	28	A	29	C	30	D
31	C	32	A	33	C	34	A	35	A
36	A	37	A	38	A	39	A	40	A
41	A	42	A	43	A	44	A	45	A
46	A	47	A	48	A	49	A	50	A
51	A	52	A	53	D	54	A	55	A
56	A	57	B	58	D	59	A	60	B
61	A	62	A	63	A	64	A	65	A
66	C	67	B	68	C	69	D	70	B
71	C	72	C	73	D	74	D	75	A
76	B	77	C	78	B	79	B	80	C

81	D	82	D	83	B	84	B	85	C
86	D	87	B	88	A	89	B	90	A
91	A	92	A	93	C	94	C	95	B
96	A	97	A	98	A	99	C	100	A
101	A	102	C	103	A	104	A	105	A
106	A	107	A	108	B	109	C	110	A
111	C								

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