

EXAMINATION AND EVALUATION DIVISION  
DEPARTMENT OF POLYTECHNIC EDUCATION  
(MINISTRY OF HIGHER EDUCATION)

COMMERCE DEPARTMENT

FINAL EXAMINATION

DECEMBER 2011 SESSION

**P2112: BANKING IN MALAYSIA**

**DATE: 24 APRIL 2012 (TUESDAY)**  
**DURATION: 2 HOURS (8.30 AM – 10.30 AM)**

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This is a paper consisting of **THREE (3)** pages including the front page.

**ESSAY (4 Questions – Answer ALL)**

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**CONFIDENTIAL**  
**DO NOT OPEN THIS QUESTION PAPER UNTIL INSTRUCTED BY**  
**THE CHIEF INVIGILATOR**

**STRUCTURED / ESSAY (100 marks)**

Instruction: This section consists of **FOUR (4)** essay questions. Answer **ALL** questions.

**QUESTION 1**

- (a) List **FOUR (4)** objectives of establishing Labuan as International Offshore Financial Centre (IOFC).  
(4 marks)
- (b) Determine **SIX (6)** financial product services offered by International Offshore Financial Centre (IOFC).  
(6 marks)
- (c) Describe **FIVE (5)** steps taken to develop financial system in Malaysia.  
(15 marks)

**QUESTION 2**

- (a) Identify **FIVE (5)** facilities offered by merchant banks under the corporate finance and advisory.  
(5 marks)
- (b) Define Discount House based on BAFIA 1989.  
(4 marks)
- (c) Discuss briefly the functions of the following organizations :
- i. Lembaga Tabung Haji
  - ii. Provident and Pension Fund
  - iii. Bank Simpanan Nasional
  - iv. Malaysian Industrial Development Finance  
(16 marks)

**QUESTION 3**

- (a) Recognize **THREE (3)** Islamic banking institutions which are operating in Malaysia and list them down

(3 marks)

- (b) Analyze the differences between Al-Wadiah and Bai Bithaman Ajil

(12 marks)

- (c) Amin and Abu are looking forward for their involvement in business. However, they are confused between Al- Mudharabah and Al-Musyarakah financing. Discuss and do comparative analysis of the two financing to help them understand better.

(10 marks)

**QUESTION 4**

Discuss **FOUR (4)** functions of each Non-Banking Financial Intermediaries below:

- i. Development Finance Institutions
- ii. Saving Institutions
- iii. Insurance Companies

(25 marks)