

# AL-GHAZALI UNIVERSITY

## AGU Standard Admission Test (AGUSAT-MS\_IB&F) - SAMPLE PAPER

Total Time Allowed: 120 Minutes | Total Questions: 100 | Total Marks: 100

### Instructions for Candidates:

1. This paper consists of 100 multiple-choice questions (MCQs).
2. All questions are compulsory. There is no negative marking.
3. Choose the single best answer for each question and mark it on the answer sheet.
4. The paper is divided into three main sections: A (Verbal Reasoning - 40 Qs), B (Quantitative Reasoning - 30 Qs), and C (Analytical Reasoning - 30 Qs).

### SECTION A: VERBAL REASONING (40 Questions)

**Instructions:** This section tests your vocabulary, understanding of relationships between words, and reading comprehension skills.

#### A1: ANALOGY (Questions 1-10)

*Choose the pair of words that best expresses a relationship similar to the given pair.*

1. FINANCE : ECONOMY ::

- A. Marketing : Business
- B. Accounting : Audit
- C. Investment : Portfolio
- D. Banking : Currency

2. PROFIT : LOSS ::

- A. Asset : Liability
- B. Revenue : Income
- C. Expense : Cost
- D. Capital : Investment

3. INTEREST : RIBA ::

- A. Halal : Haram
- B. Profit : Risk
- C. Trade : Commerce
- D. Business : Enterprise

4. BANK : DEPOSIT ::

- A. Hospital : Patient
- B. School : Student
- C. Library : Book
- D. Shop : Purchase

5. MURABAHAH : TRADE ::

- A. Takaful : Insurance
- B. Mudarabah : Profit-Sharing
- C. Ijarah : Lease
- D. All of the above

6. CREDIT : DEBIT ::

- A. Increase : Decrease
- B. Asset : Liability
- C. Income : Expense
- D. Deposit : Withdrawal

7. INVESTOR : CAPITAL ::

- A. Borrower : Loan
- B. Trader : Goods
- C. Entrepreneur : Idea
- D. Banker : Interest

8. RISK : UNCERTAINTY ::

- A. Profit : Certainty
- B. Investment : Security
- C. Insurance : Guarantee
- D. Speculation : Gambling

9. GOLD : VALUE ::

- A. Silver : Precious
- B. Currency : Inflation
- C. Asset : Worth
- D. Commodity : Price

10. LIQUIDITY : CASH ::

- A. Profit : Capital
- B. Solvency : Assets
- C. Investment : Risk
- D. Trade : Commerce

**A2: SYNONYM/ANTONYM (Questions 11-20)**

*Choose the word that is the most similar (SYNONYM) or most opposite (ANTONYM) in meaning to the capitalized word.*

11. PROFITABLE (Synonym):

- A. Loss-making
- B. Lucrative
- C. Minimal
- D. Unproductive

12. SOLVENT (Antonym):

- A. Rich
- B. Insolvent
- C. Wealthy
- D. Liquid

13. PRUDENT (Synonym):

- A. Reckless
- B. Wise
- C. Careless
- D. Rash

14. INFLATION (Antonym):

- A. Deflation
- B. Recession
- C. Growth
- D. Stagnation

15. ASSET (Synonym):

- A. Liability
- B. Equity
- C. Debt
- D. Obligation

16. VOLATILE (Antonym):

- A. Stable
- B. Unpredictable
- C. Fluctuating
- D. Erratic

17. LIQUIDATE (Synonym):

- A. Establish
- B. Create
- C. Wind up
- D. Build

18. BULLISH (Antonym):

- A. Optimistic
- B. Pessimistic
- C. Confident
- D. Hopeful

19. MARGINAL (Synonym):

- A. Substantial
- B. Significant
- C. Minimal
- D. Major

20. LIABILITY (Antonym):

- A. Debt
- B. Obligation
- C. Asset
- D. Expense

**A3: SENTENCE COMPLETION (Questions 21-30)**

*Choose the word or phrase that best completes the sentence logically.*

21. The Islamic banking system operates on the principles of justice, fairness, and \_\_\_\_\_ of interest (riba).

- A. acceptance
- B. prohibition
- C. promotion
- D. encouragement

22. Diversification is a key strategy to \_\_\_\_\_ investment risk.

- A. increase
- B. ignore
- C. mitigate
- D. enhance

23. The central bank's decision to \_\_\_\_\_ interest rates could have significant implications for the economy.

- A. maintain
- B. fluctuate
- C. adjust
- D. stabilize

24. A \_\_\_\_\_ analysis of the company's financial statements is essential before making any investment decisions.

- A. superficial
- B. thorough
- C. cursory
- D. hasty

25. The concept of Mudarabah involves a \_\_\_\_\_ relationship between the investor and the entrepreneur.

- A. partnership
- B. creditor-debtor
- C. employer-employee
- D. buyer-seller

26. Inflation \_\_\_\_\_ the purchasing power of money over time.

- A. increases
- B. enhances
- C. erodes
- D. stabilizes

27. The company's strong \_\_\_\_\_ position allowed it to weather the economic downturn effectively.

- A. liquidity
- B. debt
- C. loss
- D. expense

28. Takaful is an Islamic alternative to conventional \_\_\_\_\_ based on mutual cooperation.

- A. banking
- B. insurance
- C. investment
- D. trade

29. Ethical investing requires \_\_\_\_\_ consideration of both financial returns and social impact.

- A. simultaneous
- B. separate
- C. minimal
- D. occasional

30. The \_\_\_\_\_ of the Islamic finance industry has been remarkable over the past decade.

- A. growth
- B. decline
- C. stagnation
- D. contraction

#### **A4: COMPREHENSION (Questions 31-40)**

*Read the passage carefully and answer the questions that follow.*

#### **Passage:**

The global Islamic finance industry has witnessed remarkable expansion over the past two decades, with assets estimated to exceed \$3 trillion. This growth is driven by increasing demand from Muslim populations seeking Shariah-compliant financial solutions, as well as recognition by non-Muslim investors of the industry's stability and ethical foundations. Islamic finance is characterized by several key principles: the prohibition of interest (riba), the avoidance of excessive uncertainty (gharar), and the restriction of investments to Shariah-permissible (halal) activities.

One of the most innovative instruments in Islamic finance is Sukuk, which are often referred to as "Islamic bonds." Unlike conventional bonds that represent a debt obligation, Sukuk represent ownership in an underlying asset or project, providing investors with a share of profits rather than fixed interest payments. This asset-backed nature makes Sukuk inherently more secure and less susceptible to speculative practices.

However, the industry faces significant challenges. There is a shortage of qualified Shariah scholars who can navigate the complexities of modern financial products. Moreover, the lack of standardization across different jurisdictions creates legal and regulatory inconsistencies. Despite these hurdles, the potential for growth remains substantial, particularly in regions with large Muslim populations such as Southeast Asia, the Middle East, and North Africa.

31. What is the primary purpose of the passage?
  - A. To criticize the Islamic finance industry
  - B. To describe the growth, principles, and challenges of Islamic finance
  - C. To compare Islamic and conventional finance
  - D. To promote Sukuk as an investment instrument
32. According to the passage, the growth of Islamic finance is driven by:
  - A. Only Muslim populations
  - B. Only non-Muslim investors
  - C. Both Muslim demand and recognition by non-Muslims
  - D. Government regulations only
33. Which of the following is NOT a key principle of Islamic finance mentioned in the passage?
  - A. Prohibition of riba
  - B. Avoidance of gharar
  - C. Investment in halal activities
  - D. Guaranteed returns
34. Sukuk differ from conventional bonds primarily because:
  - A. They are more profitable
  - B. They represent ownership in an underlying asset
  - C. They are risk-free
  - D. They are government-issued
35. What is referred to as "Islamic bonds" in the passage?
  - A. Mudarabah
  - B. Murabahah
  - C. Sukuk
  - D. Takaful
36. The passage suggests that Sukuk are:
  - A. Debt obligations
  - B. Asset-backed securities
  - C. Speculative instruments
  - D. Interest-bearing products
37. What is mentioned as a major challenge for the Islamic finance industry?
  - A. Excess of qualified scholars
  - B. Shortage of qualified Shariah scholars
  - C. Too much standardization
  - D. Low demand from Muslim populations
38. The word "jurisdictions" in the passage is closest in meaning to:
  - A. Legal regions
  - B. Financial institutions
  - C. Investment banks
  - D. Religious authorities
39. According to the passage, which regions have potential for substantial growth in Islamic finance?
  - A. Southeast Asia, Middle East, and North Africa
  - B. Europe and America only
  - C. Only the Middle East
  - D. Africa only

40. The overall tone of the passage towards Islamic finance is:

- A. Pessimistic
- B. Skeptical
- C. Balanced and optimistic
- D. Completely negative

### SECTION B: QUANTITATIVE REASONING (30 Questions)

**Instructions:** This section tests your mathematical and problem-solving skills relevant to finance and business.

#### B1: ARITHMETIC (Questions 41-47)

41. What is 20% of 5,000?

- A. 500
- B. 1,000
- C. 1,500
- D. 2,000

42. If a product costs \$250 and the markup is 40%, what is the selling price?

- A. \$100
- B. \$290
- C. \$350
- D. \$390

43. A bank offers a 5% profit rate on a savings account. If you deposit \$2,000, what will be the profit after one year?

- A. \$50
- B. \$100
- C. \$150
- D. \$200

44. What is the LCM (Least Common Multiple) of 15 and 20?

- A. 30
- B. 40
- C. 60
- D. 80

45. Simplify:  $6 \times (4 + 3) - 10$

- A. 20
- B. 32
- C. 42
- D. 52

46. What is the value of  $3^4$ ?

- A. 27
- B. 54
- C. 81
- D. 108

47. A trader buys goods for \$800 and sells them for \$1,000. What is the profit percentage?

- A. 15%
- B. 20%
- C. 25%
- D. 30%

**B2: ALGEBRA AND FUNCTIONS (Questions 48-52)**

48. If  $f(x) = 4x + 7$ , what is  $f(5)$ ?

- A. 20
- B. 27
- C. 32
- D. 47

49. Simplify:  $6x + 3y - 2x + 5y$

- A.  $4x + 8y$
- B.  $8x + 8y$
- C.  $4x + 2y$
- D.  $8x + 2y$

50. If  $x = -3$ , find the value of  $x^2 + 2x - 5$ .

- A. -20
- B. -14
- C. -2
- D. 10

51. Factorize:  $x^2 - 16$

- A.  $(x - 4)(x - 4)$
- B.  $(x + 4)(x - 4)$
- C.  $(x + 8)(x - 2)$
- D.  $(x - 8)(x + 2)$

52. Solve for  $x$ :  $4x - 9 = 23$

- A.  $x = 4$
- B.  $x = 6$
- C.  $x = 8$
- D.  $x = 10$

**B3: GEOMETRY (Questions 53-55)**

53. What is the area of a rectangle with length 15 cm and width 8 cm?

- A. 23 sq cm
- B. 46 sq cm
- C. 60 sq cm
- D. 120 sq cm

54. What is the circumference of a circle with a radius of 14 cm? (Use  $\pi \approx 22/7$ )

- A. 44 cm
- B. 88 cm
- C. 154 cm
- D. 616 cm

55. The area of a triangle with base 12 cm and height 9 cm is:

- A. 54 sq cm
- B. 108 sq cm
- C. 216 sq cm
- D. 21 sq cm

**B4: EQUATIONS (Questions 56-59)**

56. What is the slope of the line  $y = -2x + 5$ ?

- A. -5
- B. -2
- C. 2
- D. 5

57. Solve the system:  $x + y = 15$ ,  $x - y = 3$

- A.  $x=6, y=9$
- B.  $x=9, y=6$
- C.  $x=12, y=3$
- D.  $x=3, y=12$

58. What is the value of  $y$  in the equation  $3y + 5 = 2y - 7$ ?

- A. -12
- B. -2
- C. 2
- D. 12

59. For the quadratic equation  $x^2 + 7x + 12 = 0$ , the roots are:

- A. -3 and -4
- B. 3 and 4
- C. -2 and -6
- D. 2 and 6

**B5: STATISTICS (Questions 60-63)**

60. What is the mean (average) of the following numbers: 12, 15, 18, 21, 24?

- A. 15
- B. 16
- C. 18
- D. 20

61. What is the median of the data set: 23, 25, 21, 27, 29, 31, 19?

- A. 21
- B. 23
- C. 25
- D. 27

62. What is the range of the data set: 14, 22, 18, 30, 26, 20?

- A. 12
- B. 14
- C. 16
- D. 18

63. What is the probability of drawing a red card from a standard deck of 52 cards?

- A.  $\frac{1}{4}$
- B.  $\frac{1}{3}$
- C.  $\frac{1}{2}$
- D.  $\frac{2}{3}$

**B6: SCENARIO-BASED/MENTAL MATHEMATICS (Questions 64-70)**

64. An investor deposits \$5,000 in a Mudarabah account with a profit-sharing ratio of 60:40 between investor and bank. If the total profit earned is \$1,000, what is the investor's share?

- A. \$400
- B. \$500
- C. \$600
- D. \$800

65. If the exchange rate is 1 USD = 280 PKR, how many PKR will you get for 50 USD?

- A. 5,000 PKR
- B. 10,000 PKR
- C. 12,000 PKR
- D. 14,000 PKR

66. A company's revenue increased from \$1 million to \$1.5 million. What is the percentage increase?
- A. 25%
  - B. 33.33%
  - C. 50%
  - D. 75%
67. If 5 workers can complete a project in 10 days, how many days will it take 10 workers to complete the same project?
- A. 3 days
  - B. 4 days
  - C. 5 days
  - D. 6 days
68. Find the missing number in the sequence: 3, 8, 15, 24, ?
- A. 30
  - B. 33
  - C. 35
  - D. 40
69. A customer buys a product using a credit card with a 3% transaction fee. If the product price is \$200, what is the total amount payable?
- A. \$203
  - B. \$206
  - C. \$210
  - D. \$230
70. If a car's value depreciates by 10% per year, what will be its value after one year if the initial value was \$20,000?
- A. \$16,000
  - B. \$17,000
  - C. \$18,000
  - D. \$19,000

### SECTION C: ANALYTICAL REASONING (30 Questions)

**Instructions:** This section tests your logical thinking, pattern recognition, and problem-solving abilities through analytical questions.

#### C1: LOGICAL REASONING & CRITICAL THINKING (Questions 71-76)

71. All banks are financial institutions. Some financial institutions are Islamic. What can you infer?
- A. All banks are Islamic
  - B. No banks are Islamic
  - C. Some banks may be Islamic
  - D. All Islamic institutions are banks
72. If the statement "All Shariah-compliant investments are ethical" is true, which of the following is necessarily true?
- A. All ethical investments are Shariah-compliant
  - B. No ethical investments are Shariah-compliant
  - C. Some Shariah-compliant investments are ethical
  - D. All Shariah-compliant investments are unethical
73. Which of the following is the strongest argument against allowing speculative trading in financial markets?
- A. It generates high profits
  - B. It creates liquidity
  - C. It can lead to market instability
  - D. It increases market participation

74. "If interest rates rise, bond prices fall." If bond prices are falling, what can we conclude?

- A. Interest rates have definitely risen
- B. Interest rates have definitely not risen
- C. Interest rates may have risen
- D. Interest rates have no effect on bonds

75. Which of the following assumptions is necessary for the argument: "If we invest more in renewable energy, we will achieve sustainability"?

- A. Renewable energy is profitable
- B. Renewable energy contributes to sustainability
- C. Investment is the only factor
- D. Sustainability is impossible

76. A bank manager argues: "We should not invest in tobacco companies because it harms public health." This is an example of:

- A. Economic reasoning
- B. Financial reasoning
- C. Ethical reasoning
- D. Legal reasoning

## **C2: SERIES, PATTERNS & CODING-DECODING (Questions 77-82)**

77. Find the next number in the series: 2, 6, 12, 20, 30, ?

- A. 36
- B. 40
- C. 42
- D. 48

78. Find the next number in the series: 1, 4, 9, 16, 25, ?

- A. 30
- B. 32
- C. 36
- D. 40

79. If MADRAS is coded as 13-1-4-18-1-19, how is DUBAI coded?

- A. 4-21-2-1-9
- B. 4-21-2-1-10
- C. 4-20-2-1-9
- D. 4-22-2-1-9

80. In a certain code, "RISK" is written as "TKU M." How is "GAIN" written in that code?

- A. ICKP
- B. ICKQ
- C. ICJQ
- D. ICDQ

81. Find the missing number: 4, 7, 12, 19, ?, 39

- A. 24
- B. 26
- C. 28
- D. 30

82. If TABLE is coded as ZYXWV, then CHAIR is coded as:

- A. XWZQI
- B. XWZSL
- C. XZQSL
- D. XSZQL

### C3: ANALYTICAL PUZZLES & ARRANGEMENTS (Questions 83-88)

83. Five people—A, B, C, D, and E—are sitting in a row. A is sitting next to B and C. D is not sitting next to A. Who is sitting at the extreme ends?

- A. A and B
- B. D and E
- C. C and D
- D. E and B

84. In a row of 30 seats, Ahmed is 10th from the left and Bilal is 15th from the right. How many people are sitting between Ahmed and Bilal?

- A. 5
- B. 6
- C. 7
- D. 8

85. A, B, C are three finance managers. A earns more than B, and B earns more than C. Who earns the least?

- A. A
- B. B
- C. C
- D. Cannot be determined

86. In a Takaful company, there are 4 managers: Mr. Khan, Mr. Ali, Mr. Ahmed, and Mr. Hassan. Mr. Khan is older than Mr. Ali. Mr. Ahmed is older than Mr. Hassan. Mr. Ali is older than Mr. Ahmed. Who is the youngest?

- A. Mr. Khan
- B. Mr. Ali
- C. Mr. Ahmed
- D. Mr. Hassan

87. Six people are sitting around a circular table. If A is sitting opposite to D and B is opposite to E, and C is sitting between A and B, who is sitting opposite to C?

- A. A
- B. B
- C. E
- D. F

88. There are five books on a shelf: Finance, Accounting, Marketing, Economics, and Statistics. Finance is immediately to the left of Accounting. Economics is to the right of Marketing. Statistics is at the extreme left. What is the order from left to right?

- A. Statistics, Finance, Accounting, Marketing, Economics
- B. Statistics, Marketing, Finance, Accounting, Economics
- C. Statistics, Finance, Marketing, Accounting, Economics
- D. Statistics, Accounting, Finance, Marketing, Economics

### C4: DATA INTERPRETATION & LOGICAL ANALYSIS (Questions 89-94)

Questions 89-90 refer to the following table:

Year	Profit (in millions \$)	Revenue (in millions \$)
2020	50	200
2021	60	250
2022	75	300

89. What was the profit margin (Profit/Revenue) in 2021?

- A. 20%
- B. 24%
- C. 25%
- D. 30%

90. What was the percentage increase in profit from 2020 to 2022?

- A. 25%
- B. 33.33%
- C. 40%
- D. 50%

**Questions 91-92** refer to the following pie chart:

*[Imagine a pie chart showing: Islamic Banking (40%), Takaful (25%), Sukuk (20%), and Others (15%)]*

91. If the total Islamic finance assets are \$2 trillion, what is the value of Sukuk assets?

- A. \$300 billion
- B. \$400 billion
- C. \$500 billion
- D. \$800 billion

92. What is the combined percentage of Takaful and Sukuk?

- A. 35%
- B. 40%
- C. 45%
- D. 50%

93. A company's expenses increased by 10% in 2022. If expenses in 2021 were \$100,000, what were the expenses in 2022?

- A. \$90,000
- B. \$100,000
- C. \$110,000
- D. \$120,000

94. If the GDP growth rate of Pakistan was 5% in 2021 and 6% in 2022, what was the average growth rate over these two years?

- A. 5%
- B. 5.5%
- C. 6%
- D. 6.5%

#### **C5: RELATIONSHIPS & DIRECTION SENSE (Questions 95-100)**

95. Ahmed is the brother of Bilal. Bilal is the father of Fatima. How is Ahmed related to Fatima?

- A. Father
- B. Uncle
- C. Grandfather
- D. Brother

96. A is the mother of B. C is the brother of B. How is A related to C?

- A. Aunt
- B. Mother
- C. Grandmother
- D. Sister

97. A man starts walking from a point. He walks 5 km North, then turns right and walks 3 km, then turns right and walks 5 km, then turns left and walks 2 km. In which direction is he from the starting point?

- A. North
- B. South
- C. East
- D. West

98. A person walks 10 km East, then turns left and walks 5 km, then turns left and walks 10 km. How far is he from the starting point?

- A. 0 km
- B. 5 km
- C. 10 km
- D. 15 km

99. If Ali is the brother of Zainab, and Zainab is the sister of Hassan, how is Ali related to Hassan?

- A. Brother
- B. Sister
- C. Father
- D. Uncle

100. In a family, A is the father of B. C is the wife of A. D is the son of C. How is D related to A?

- A. Father
- B. Son
- C. Brother
- D. Uncle

### ANSWER KEYS

#### Section A: Verbal Reasoning

Q	Ans	Q	Ans	Q	Ans	Q	Ans
1	A	2	A	3	A	4	A
5	D	6	A	7	A	8	A
9	C	10	A	11	B	12	B
13	B	14	A	15	B	16	A
17	C	18	B	19	C	20	C
21	B	22	C	23	C	24	B
25	A	26	C	27	A	28	B
29	A	30	A	31	B	32	C
33	D	34	B	35	C	36	B
37	B	38	A	39	A	40	C

**Section B: Quantitative Reasoning**

Q	Ans	Q	Ans	Q	Ans	Q	Ans	Q	Ans
41	B	42	C	43	B	44	C	45	B
46	C	47	C	48	B	49	A	50	C
51	B	52	C	53	D	54	B	55	A
56	B	57	B	58	A	59	A	60	C
61	C	62	C	63	C	64	C	65	D
66	C	67	C	68	C	69	B	70	C

**Section C: Analytical Reasoning**

Q	Ans	Q	Ans	Q	Ans	Q	Ans	Q	Ans
71	C	72	C	73	C	74	C	75	B
76	C	77	C	78	C	79	A	80	A
81	C	82	B	83	B	84	B	85	C
86	D	87	F	88	B	89	B	90	D
91	B	92	C	93	C	94	B	95	B
96	B	97	C	98	B	99	A	100	B

*Note for Q87: Answer is F (assuming F is the sixth person).*