

Islamic Banking and Finance

Objective

The objective of the course is to familiarize the participants with the basic concepts and awareness of the main principles of Shariah that govern the economy and its associated organs that pertain to financial matters (Muamalat) i.e. Islamic finance and develop critical understanding of the Islamic mode of finance practices prevailing in Islamic Banking Industry.

Course Contents

1. Islamic Economics & Finance

An introduction to Islamic banking & finance; Divine guidance for an Islamic economy; Shariah and its meaning, Scope of Shariah in Micro and Macro level of the Economy Evolution and development of Islamic banking & finance; difference between conventional banking and Islamic banking.

2. Concept of Riba and its impact on Economy

Definition of riba; history of riba; kinds of riba; riba in Islamic perspective; prohibition of riba in the light of shariah.

3. Islamic Law of Contracts

Meaning of contract, Essential elements of Contract, Conditions pertaining to contracts classification of contracts in Commutative & Non commutative.

Different types of trade based sale & its conditions; credit sales: Murabaha and Musawamah, commodity Murabaha (Tawarruq); forward sales:(Salam and Istisna 'a)

Introduction to Equity based partnerships and its types Mudarba & Musharkah

4. Islamic Mode of Finance in Banking Industry

Comparative Analysis of Asset and Liability side of Banks products i.e. existing in Conventional and Islamic banking Industry.

5. Takaful-Islamic Insurance Operations

Nature of insurance; concept, objectives, basis of takaful, basic elements and operating principles; different models of takaful prevalent in the world.

Recommended Books

1. Justice(R) Taqi Usmani (2008). *An Introduction to Islamic Finance*. Maktaba Ma'ariful Quran August, Karachi Pakistan.

2. Mufti Nasim Ahmad Qasmi (2009). *Economy the Islamic Approach*. Darul Isha'at, Karachi Pakistan.
3. Justice(R) Taqi Usmani (2009). *The Historic Judgment on Interest*. Maktaba Ma'ariful Quran, Karachi Pakistan.
4. Imran Ashraf Usmani (2002). *Meezan Bank's Guide on Islamic Banking*. Darul Isha'at, Karachi Pakistan.
5. M.Tahir Mansoori (2008). *Islamic law of Contracts and bussiness Transactions*. Shariah Academy, International Islamic University, Islamabad, Pakistan.

- Note:**
1. Duration of course will be 10 weeks.
 2. Total 10 lectures of two hours duration will be delivered.
 3. Class time will be from 7:00 pm to 9:00 pm, once a week.
 4. Atleast 75% attendance is required to get a certificate.