

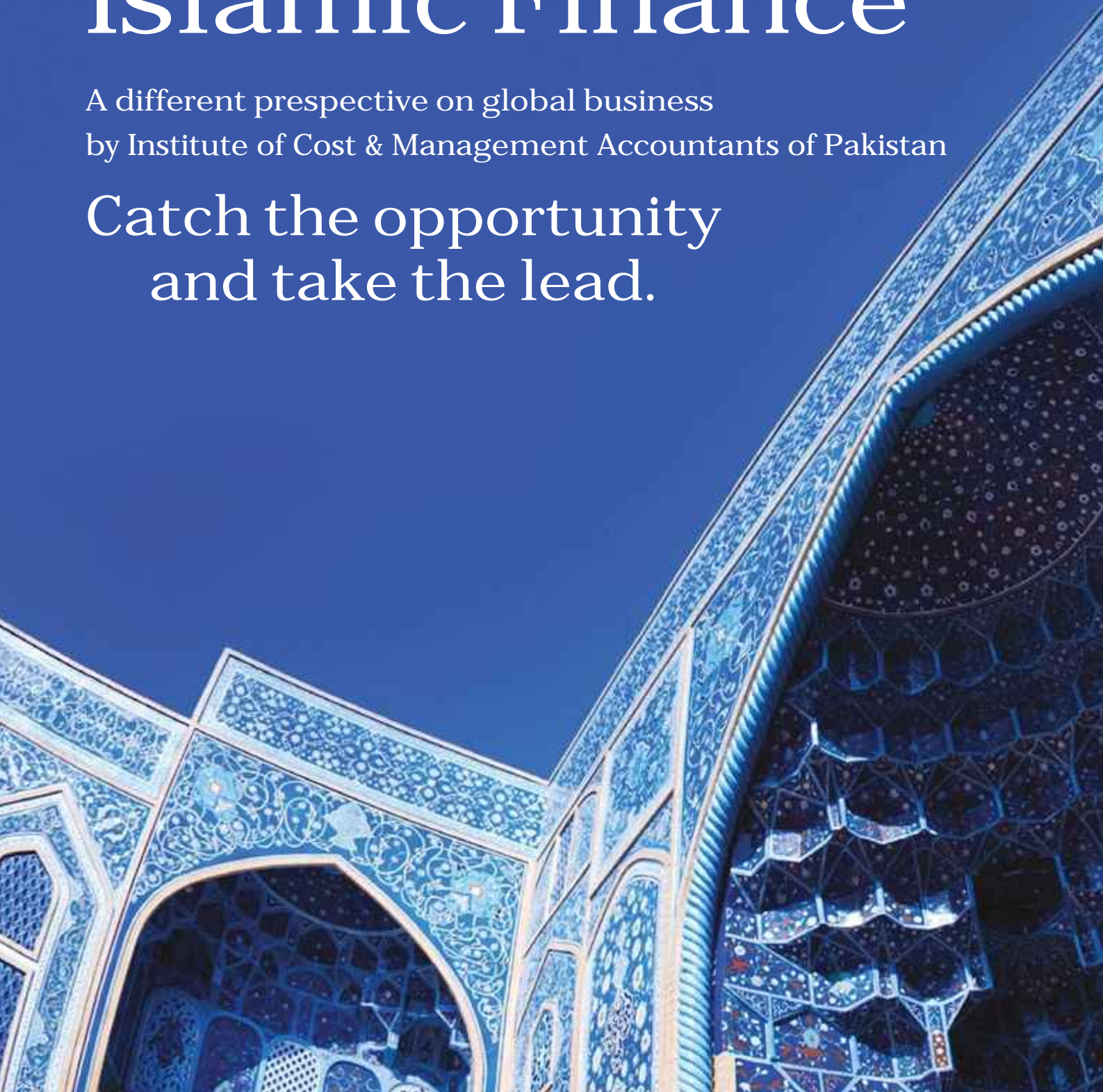


**ICMA**  
Pakistan

# Diploma in Islamic Finance

A different perspective on global business  
by Institute of Cost & Management Accountants of Pakistan

Catch the opportunity  
and take the lead.



## Introduction

ICMA Pakistan has developed the structure of the qualification and how it is offered to reflect the changing requirements for Islamic finance in business. The Trainers will introduce the exciting developments currently taking place in Islamic finance. The past 10 to 15 years has seen dramatic changes in this sector of the finance industry with a marked growth in both the demand for and the provision of products and services. The Islamic finance industry is still growing at an exceptional rate as more companies expand into or further develop their offerings in this area.

To know how Islamic finance may impact you or your business efforts and what opportunities it may pose. We hope that this three Months Diploma in Islamic Finance will help you in your journey.

“We always interested in moving in to Islamic finance by our personal preference and the career opportunities available in this fast growing industry.”

## Programme Overview :

Islamic finance provides a wholesome approach to financing economic development where ethics is central within an equitable financial system based on Shariah values and principles. The essence lies in its two most crucial financing features based on risk and reward sharing and on riba. As a result, the demand for mass awareness and personnel to support the growth in Islamic Finance is increasingly high. In this back drop, we intend to conduct this diploma on Islamic Finance, aimed at spreading not only awareness of Islamic Banking and Finance but also to discuss the growth and potentials of the Shariah based industry; including the issues and challenges confronting the industry.

## Objectives :

- Understand the main principles of corporate governance applied to financial sector.
- Understand the principles and techniques of Islamic banking and finance.
- Explain the rationale for the prohibition of interest (Riba) and its consequences for savings and investments.
- Consider the nature and scope of Islamic finance and its relationship with conventional finance.
- Understand the long-term & short-term modes of Islamic finance for industry and commerce.
- Explore the range of Islamic financial instruments available for investors and Corporations.
- Evaluate the current practices of Islamic banks and their relationship with non-financial corporations.
- Develop Islamic financial and banking products with adequate marketing and communication techniques.
- Assess the merits and weaknesses of Islamic finance and funds.

## Who Should Participate :

- Senior and middle level employees from Islamic Banks, Takaful Companies & Banks
- Accounting professionals / Experts
- Shari'ah scholars in Islamic Banks
- CEOs and CFOs
- People from Regulatory Authorities, Academicians and Students

## Expected Outcomes :

- Familiarization with the basic dynamics of Islamic Finance
- Understanding the growth and stability mechanisms of an Islamic Financial system
- Understanding current and future trends of Islamic Finance in Pakistan

Islamic finance is a subtle mix of economy, ethics and Islamic law (Sharia'a) resulting in financial transactions based on fairness, profit and loss sharing and real transactions.





## Course Outline

### Part I: Fundamentals of Islamic Finance

- Overview, structure and trends in local and global Islamic finance industry
- Fundamentals & principles of Islamic finance
- Overview of Economics Systems and Islamic Economic System
- Concept of Financial intermediation and need of Islamic Finance
- Basic contracts in Islamic finance
- Business Ethics in Islam

### Part II: Overview of Shariah, Fiqh and Basic Prohibitions in Islamic Finance

- Overview of Shariah & Islamic Fiqh
- Riba & Its Type
- Gharar, Qimar and Haram Businesses

### Part III: Islamic Law of Contracts

- Contracts and Its types
- Essentials of Valid Contracts
- Laws related to Sale Contracts
- Khiyar (Options) and Its types
- Sub Contracts

### Part IV: Islamic Modes of Financing – Participatory & Rental based Modes

- Musharakah and Mudaraba and its application in Banking
- Ijarah (leasing) and its application in Banking
- Diminishing Musharakah and Its application
- Accounting treatments
- Case Study

### Part V: Islamic Modes of Financing – Trade Based Modes

- Murabahah
- Musawamah
- Salam
- Istisna
- Accounting treatments
- Case Study

### Part VI: Pool Management in Islamic Banking (Retail Banking Products)

- Nature of deposits in Islamic Banks
- Concept pooling, weightages and PSR
- Types of pools and their rationale
- Allocation of assets and liabilities in the pool
- Profit computation in pool
- Regulatory requirements of PLS management

### Part VII: Treasury Fund Management in Islamic Banking

- Asset-liability management issues for Islamic banks
- Shariah requirements for Islamic money market instruments
- Primary and secondary markets of Islamic instruments /Sukuk
- Interbank acceptance and placement between FIs
- Investment in Mutual Funds /Shares of Companies with good record
- FX transaction under Shariah principles
- Scope of Central bank as lender of last resort

### Part VIII: Trade finance in Islamic Banking

- Understanding of documentary Credit, its types and Shariah status
- Practice of Funded and non-funded Letter of Credit in Islamic banks
- Practice of sight and Usance LCs in Islamic banks
- Practice Shipping guarantee in Islamic banks
- Bill discounting and Islamic banks
- Guarantees in Islamic banks

### Part IX: Islamic Capital Market & Its Product

- Islamic Bonds/Sukuk
- Securitization and Sukuk Structuring / Sukuk Models
- Islamic Mutual Funds
- Shariah Screening Criteria of Shares
- Case Study

### Part X: Regulatory, Shariah Governance and Compliance/audit Framework for Islamic Financial Institutions

- An overview of Legal and Regulatory Framework
- Major Legal Provisions relating to Islamic Banking
- Regulations for Islamic Banking
- Shariah Compliance Framework
- Basics of Shariah Compliance review and Internal
- Shariah audit

### Part XI: Takaful

- Basics of Insurance and risk management
- General and Family Takaful
- Models of Takaful
- Wakalah-Waqf Model of Takaful
- Re-takaful

### Part XII: Sharia Laws and Islamic Banking Practice in Dubai



## Trainers' Profile

### Mufti Javed Ahmad

Mufti Javed Ahmad is currently working as Resident Shariah Board Member at BankIslami Pakistan Limited. He is also the Shariah Board member of AlFalah GHP Investment Fund. Prior to joining BankIslami, he was associated with Ernst & Young Ford Rhodes as 'Senior Shariah consultant where he was engaged in Shariah Advisory, Shariah Review, Shariah Audit and Shariah Compliance activities for more than four years. He is also the member of Editorial committee for the Urdu translation Project of AAOIFI Shariah Standards.

Mufti Javed Ahmad has completed his Shahadat-ul-Alamia (Masters in Arabic and Islamic Studies) from Jamia Dar-ul-Uloom, Karachi, and Takhassus fi Fiqh-el-Muamlat (Specialization in Islamic Jurisprudence of trade and finance) from Jamia-tur-Rasheed, Karachi. He is also a Certified Shariah Advisor and Auditor (CSAA) from AAOIFI, Bahrain and Chartered Islamic Finance Professional (CIFP) from INCEIF, Malaysia. He has completed M.A. Economics from Karachi University.

He regularly delivers lectures on Islamic Economics and Finance at different forums and educational institutions including National Institute of Banking and Finance (State Bank of Pakistan).

### Muhammad Irfan Ahmed

Head of Shariah Compliance Department

Mr. Muhammad Irfan Ahmed is the Head of Shariah Compliance Department at BankIslami and possess more than 12 years of experience in the field of Islamic Banking & Finance. He has been involved in Product Development, Shariah Structuring, Shariah Compliance, Shariah Audit, Shariah Advisory. He also played a major role in development of conversion of plan of ex-KASB Bank into an Islamic Bank.

He conducts Islamic Banking trainings in BankIslami, and at various forums and educational institutions including NIBAF and Institute of Banker Pakistan (IBP). He has done MBA in Finance and Masters in Economics.





## Programme Information :

### Venue and Schedule:

- Modules take place on Sunday, 12-4 pm at ICMA Pakistan, Head Office Karachi.
- Orientation Session on Wednesday, March 06, 2019 at 6pm at ICMA Pakistan Head Office, ST-18/C, ICMAP Avenue, Block - 6, Gulshan-e-Iqbal, Karachi, Pakistan Karachi.
- Classes from March 17, 2019

### Teaching format:

- Interactive Session (based on 3 Months or 45 CPD hrs)
- The programme is delivered over a series of interactive sessions, based on 12 pillars equals to 3 Months or 45 CPD hrs.

### Course Fees:

- PKR 42,000 (excl. of all taxes) applicable to all members of accounting apex bodies.
- PKR 45,000 (excl. of all taxes) for other participants.

### Assessment Criteria:

- The programme is assessed through a mix of two practically focused home assignments and an end of course exam at ICMA Pakistan, Computer Lab (CBE).
- 50% marks on 2 home assignments.
- 30% marks for the home assignments.
- Participants must achieve 50% or above in the final exam to be eligible for the award of the Diploma. Pass mark is set at 50% with distinction achieved at 70%.
- The candidates will be required to undertake a 1.5 hours computer based examination (CBE).

### Enrolment Procedure:

- The registration form is available on request to below person.
- The number of participants is limited in order to ensure a high quality level of the programme.

### Will get Diploma Certificate:

- Participants who have actively taken part in the whole programme and have passed CBE Exam.
- While this Diploma is in itself a valuable addition to the participant's academic records, the CPD hours of this certificate will be beneficial to them in the future.
- Attendance must be above overall 90%.

### Want to find out more:

<https://www.icmap.com.pk/cibf.aspx>

### For further details:

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