

FIN356 Islamic Finance

Level: 3

Credit Units: 5 Credit Units

Language: ENGLISH

Presentation Pattern: EVERY JULY

Synopsis:

FIN356 provides the concepts and theoretical underpinnings of the Islamic Financial system and its products and services. It explains the fundamental principles and operational functions under the Shariah view of balanced profit-seeking, social responsibility and global sustainability. Basic tenets of accountability, equality, inclusiveness, preservation of property rights, the sanctity of contracts and the Rule of Law are discussed with the economic behaviour of individuals and operating tenets of financial institutions. It will be pivotal in helping participants grasp the basics of Islamic Finance principles, navigate the financial instruments that facilitate Shariah-compliant transactions and comprehend the real-world issues and intricacies from past banking case studies.

Topics:

- Islamic banking, financial system and the Shariah
- Economic institutions, rules and contracts
- Islamic contracts
- Islamic instruments
- Islamic retail and corporate banking
- Commercial and treasury operations
- Risk management tools and instruments
- Risk management framework
- Prudential regulation
- Regulatory and standards authorities
- The emergence of a risk-sharing financial system
- Corporate governance and Shariah governance

Textbooks:

Marjan Muhammad: Islamic Financial System Principles & Operations 2nd Edition ISRA (US)
ISBN-13: 9789671222010

Zamir Iqbal and Abbas Mirakhor: An Introduction to Islamic Finance: Theory and Practice 2nd Edition
Wiley (US)
ISBN-13: 9780470828083

Learning Outcome:

- Demonstrate an understanding of Islamic Banking Concepts based on Islamic Finance
- Distinguish between the different forms of Islamic financial products and services
- Compare and contrast established Islamic Financial regulations set by recognized institutions such as IFSB and AAOIFI.
- Formulate risk management strategies for Islamic Financial Institutions.
- Employ independent thinking and analytical judgment to discuss contemporary issues of Islamic Finance.
- Appraise different strategies and operational realities vis-à-vis Islamic financial products and services.

Assessment Strategies (Daytime Class):

Components	Description	Weightage Allocation (%)
Overall Continuous Assessment	PRE-COURSE QUIZ 1	2
	PRE-CLASS QUIZ 1	2
	PRE-CLASS QUIZ 2	2
	TUTOR-MARKED ASSIGNMENT 1	18
	GROUP BASED ASSIGNMENT 1	20
	PARTICIPATION 1	6
Overall Examinable Components	Written Exam	50
Total		100