

INTERNATIONAL ISLAMIC UNIVERSITY ISLAMABAD

FACULTY OF SHARIAH & LAW

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**Scheme of Studies 2010 for**

**PHD ISLAMIC BANKING & FINANCE**

<b>S. #</b>	<b>Title</b>	<b>Description</b>
<b>1.</b>	Name of Program	PhD Islamic Banking & Finance
<b>2.</b>	Duration of the Program	3 to 5 Years or as per IIU/HEC Rules.
<b>3.</b>	Date of Approval from Board of Studies of Dept. of Shariah (Islamic Law)	<b>August 09, 2010</b>
<b>4.</b>	Date of Approval from Faculty Board, Faculty of Shariah & Law	<b>9<sup>th</sup> Meeting, August 09, 2010</b>
<b>5.</b>	Date of Approval from the Academic Council	<b>56<sup>th</sup> Meeting, September 25, 2010</b>
<b>6.</b>	Eligibility for Admission	MS/M Phil Islamic Finance, LL.M., MS/M Phil Shariah/ Islamic Studies, MS/ M Phil Economics, MS Finance or equivalent with 3.00/4.00 CGPA in semester system Or 65% marks in Conventional system where CGPA is not calculated. Note: The candidate must have MS/ LL.M. level relevant research.
<b>7.</b>	Offered By	Jointly by Faculty of Shariah & Law, School of Islamic Banking & Finance, IIIIE and Faculty of Management Sciences. The reason for joint offering is as under: 1. The close coordination between SOIBAF, FMS and FSL in terms of teaching, research and curriculum development has been instrumental in success of IBF programs. Currently, all courses related to Fiqh, Islamic contract law, Shariah maxims, and AAOIFI's standards are taught by the teachers of FSL. Faculties of both disciplines are also engaged in joint supervision of Islamic finance related theses and research. Three books written by Professor Dr. Muhammad Tahir Mansoori are the prescribed text books for the students of IBF. Similarly, faculty of SOIBAF is invited to teach students of corporate and Islamic commercial law. 2. The Islamic finance industry needs experts in both finance and Shariah. Shariah compliance is the nucleus of Islamic finance operation. While Shariah experts need intensive training in banking, the bankers must have strong orientation in Shariah. There is, therefore, strong desire to offer joint degree program of PhD in Islamic Finance to cater scope of both SOIBAF and FSL. The proposal is also feasible in terms of HEC requirement to have minimum number of PhD faculty. 3. The consultation with Islamic banks has also supported the

		proposal in view of the situation where research in product development and Shariah compliance is virtually nonexistent. The need intensifies when Islamic banking has evolved in the hands of conventional manpower and the real products based on risk sharing have not been preferred. This can be evidenced by overwhelming use of Murabahah and most dangerous liquidity management techniques using sale and purchase of commodities through conventional market. The situation reflects that sufficient efforts have not been drilled in to invest in research and product development, most probably owing to little capacity of Islamic banks in this respect. This calls for the role of academic institutions, more particularly IIUI, to come up to fill the gap.
8.	Rationale and Significance for offering PhD Islamic Banking & Finance *	<p>1. Islamic finance is one of the fastest growing industries all over the world. The current growth is not less than 15-20% as estimated by Islamic Development Bank. In Pakistan, too, the progress in Islamic finance, including commercial banking, funds management, and Takaful is exemplary. Islamic banking institutions have increased from 3 in 2003 to 19 in 2009 (six fully fledged banks and 13 Islamic banking divisions of conventional banks). The total assets of Islamic banks, in the same period, have increased from Rs. 13 to 366 billion, depicting increase in industrial share respectively from 0.5 to 5.6%<sup>1</sup>.</p> <p>2. The industry, demonstrating robust growth, is facing a number of challenges, trained human resource being the most crucial which has yet not been attended to adequately. Strategic Plan for Islamic Banking Industry announced by SBP calls for concerted efforts to increase the related capacity in research &amp; development, academic programs, policy making, regulation and audit, more particularly in product development, risk management, and Shariah compliance. As such, a consolidated requirement has been estimated to rise from current 8,000 to 20,000 by 2012 (1% or 200 senior managers, 15% or 3000 mid level managers and 84% or 16,800 front line or field staff)<sup>2</sup>. The figure is indicative of sizable employment opportunity to be focused by educational and training institutions. Besides, IDB has assigned primary importance to <i>Shariah</i> compliance of the services offered by Islamic financial institutions. The human resource requirements of <i>Shariah</i> governance system therefore include expertise in formulation of <i>Shariah</i> compatible contracts and products, financial engineering and risk management instruments, analysis of complex trading systems and transactions and other banking transactions.</p>
9.	Academic Pursuits of IIUI in Islamic Banking and Finance	<p>1. The International Islamic University Islamabad (IIUI) has earned recognition, at national and international level, of its contributions to the development of knowledge in Shariah &amp; Law, Islamic Economics and Banking and has become the first ever institution in Pakistan to respond to these challenges by introducing academic pursuits in these areas. The School of Islamic Banking and Finance (SOIBAF) is already offering BS, PGD, MSc, and MS degrees. Equal opportunity of admission is provided to female students in MSc and MS programs. The passed out graduates are being absorbed in Islamic banks, <i>takaful</i> and leasing companies and have earned due recognition. The Post Graduate Diploma in Islamic banking has been extended to Mauritius under a MOU signed in</p>

\*<sup>1</sup> SBP, Islamic Banking Bulletin, October-December, 2009

<sup>2</sup> SBP, Strategic Plan for Islamic Banking Industry of Pakistan

		<p>2007 between IIUI and DOHA Academy of Mauritius involving high commissions of both the countries. Necessary preparations are also in hand to offer diploma through distance learning mode for the benefit of interested professionals at remote locations nationally and internationally.</p> <p>2. SOIBAF has at home convenience of unique combination of faculties of economics, finance, and <i>Shariah &amp; Law</i> to offer multidisciplinary courses in Islamic banking &amp; Finance. The core addresses broad areas, including Islamic economics, Shariah maxims, Islamic financial contracts, contemporary issues in Islamic banking, accounting and auditing standards, product development, marketing of financial services, <i>takaful</i> and risk management. A wide range of electives allows participants to tailor their educational pursuits to meet their own individual interests and development needs and those of Islamic banks.</p>								
10.	Objective of the Program	<p>Objectives of the program have been envisaged as under:</p> <ol style="list-style-type: none"> <li>1. To become pioneer in Pakistan to offer the highest degree in Islamic finance with necessary coursework and provide research and development forum for Islamic finance industry.</li> <li>2. To offer the highest quality PhD degree through enrichment by pooling intellectual resources of FSL and SOIBAF.</li> <li>3. To uncover new knowledge of Islamic banking and finance which would be of publishable quality</li> <li>4. To provide experts to teach and supervise research at the level of MS and PhD in Islamic finance.</li> </ol>								
11.	Management Committee	<table> <tr> <td>Dr. Muhammad Zia-ul-Haq, Professor/ Dean FSL</td> <td>Chairman</td> </tr> <tr> <td>Dr. M. Tahir Mansoori, Professor of Islamic Law</td> <td>Member</td> </tr> <tr> <td>Mr. Atiquzzafar Khan, Asst. Prof./ Head IBF</td> <td>Member</td> </tr> <tr> <td>Mr. Muhammad Khaleequzzaman, Consultant SOIBAF</td> <td>Member/ Secretary</td> </tr> </table>	Dr. Muhammad Zia-ul-Haq, Professor/ Dean FSL	Chairman	Dr. M. Tahir Mansoori, Professor of Islamic Law	Member	Mr. Atiquzzafar Khan, Asst. Prof./ Head IBF	Member	Mr. Muhammad Khaleequzzaman, Consultant SOIBAF	Member/ Secretary
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12.	Course Work	18 Credit Hours								
13.	Research Work	36Credit Hour								
14.	Total No. of Credit Hours	54Credit Hours								

### 1<sup>st</sup> Semester

### Compulsory/ Core Courses

Sr. #	COURSE CODE	TITLE	CREDIT HRS
1.	DCC-701	Capital and Money Markets: Islamic & Conventional Perspectives	03
2.	DCC-702	AAOIFI's Accounting, Auditing and Governance Standards	03
3.	DCC-703	Maqasid al Shariah and Ijtihad Relevant to Islamic Finance	03
4.	DCC-704	Advanced Course / Workshop in Research Methods in Islamic Business & Finance	03
<b>Total Credit Hours</b>			<b>12</b>

Sr. #	COURSE CODE	TITLE	CREDIT HRS
1.	DEC-701	Islamic Banking: Supervision and Regulation	03
2.	DEC-702	Designing of new Islamic Financial Instruments	03
3.	DEC-703	Risk Management in Islamic Finance	03
4.	DEC-704	Commercial Bank Management	03
5.	DEC-705	Shariah Maxims Relevant to Financial Transactions	03
6.	DEC-706	Current Issues in Islamic Finance	03
7.	DEC-707	Practice and Law of Banking in Pakistan	03
8.	DEC-708	Property and Ownership in Islamic Law	03
9.	DEC-709	Corporate Law	03
10.	DEC-710	Contracts of Guarantee and Applications	03
11.	DEC-711	Fiqh al Muamalat al Maliah	03

Preparatory Courses\*\*

Sr. #	COURSE CODE	TITLE	TEACHING HRS
1.	PDC-701	Methodologies of Islamic Law	03-NC
2.	PDC-702	Islamic Law of Transactions	03-NC
3.	PDC-703	Islamic Banking: Theory and Practice	03-NC
4.	PDC-704	Economic Theory	03-NC
5.	PDC-705	Shariah Standards for Islamic Financial Institutions	03-NC
6.	PDC-706	Financial Accounting	03-NC

Breakup of the Course Work

Preparatory Courses:	As Assigned by the Admission Committee
Core Courses:	12 Credit Hours
Elective Courses:	06 Credit Hours
Thesis :	36 Credit Hours

Key to Abbreviations

DCC:	Doctoral Compulsory Course
DEC:	Doctoral Elective Course
PDC:	Preparatory Doctoral Course