

# € TRAINING

Islamic Finance - A Brief Introduction





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## Introduction

The Islamic banking and finance sector meets the desire for a fair and just banking system on a global scale. The knowledge of Islamic finance's enduring principles and values is growing along with this desire.

The Islamic finance sector takes pride in conducting business and financial transactions ethically because it is based on Islamic law, which forbids usury and speculative activity. This industry is motivated by mutual cooperation and partnership through a just and equitable financial system, not by greed.

The Islamic finance sector has grown to the astonishing \$2 trillion worldwide enterprise it is today. This area of the financial sector is not only expanding at the highest rate, but it is also sustainable and socially responsible.

## Course Objectives

At the end of this course, participants will be able to:

- Comprehend how Islamic banking functions in modern culture.
- Comprehend the advantages of Islamic banking and finance.
- Comprehend the fundamental tenets of Islamic money and banking.
- Comprehend the principles behind various Islamic financing methods.
- Comprehend the sector's present market and potential growth areas.

## Targeted Audience

All participants who want to improve their knowledge of Islamic banking and finance, break into the industry, or expand their career options should take this course.

## Course Outline

### Unit 1: Introduction

- Define Islamic Finance.
- Define Shariah.
- The Islamic perspective of wealth.
- Islamic finance growth and future potential.

### Unit 2: Islamic Law & Contracts

- Sources of Islamic Law Shariah
- The actions of Islam.
- Common elements of a contract.
- Different ownership categories.
- The classification of contracts.
- Key contract conditions.

### Unit 3: Modes of Finance

- Prohibition of Interest Riba
- Prohibition of uncertainty/risk Gharar.
- How Islamic insurance Takaful works.
- Debt and equity-based finance.
- Different modes of finance.
- The difference between Islamic and conventional banks.
- A key consideration when choosing an Islamic product.
- How Islamic housing finance works.

#### Unit 4 and 5: Regulatory Issues

- The role of independent Shariah boards?
- Legal and regulatory environment.
- Islamic finance potential.