

**HAILEY COLLEGE OF COMMERCE**

UNIVERSITY OF THE PUNJAB, LAHORE

Course Title: **Islamic Principles of Business and Finance**

Proposed Course Code: BSC-402

Credit Hours: 03

Program: BS Commerce

Semester: 7th

**1.0 The Course carries following objectives:**

The course Islamic Economics and Finance is designed with the intention to provide knowledge and skills of emerging financial system across the globe and in Pakistan

1. To equip participants with understanding of Islamic finance fundamentals, approach, different modes of business under Islamic Sharia.
2. providing basic knowledge of the principles of Islamic economics and the Islamic economic system,
3. developing skills necessary to appreciate an alternative to a commonly familiar approach of interpreting the economic behavior of men and women in the society,
4. and helping the students probe liberally outside the frontiers of familiar forms of capitalist and socialist systems.

**2.0 Pre-Requisites Course Requirements/Skills:**

- Money, Banking and Finance
- Introduction to Business Organizations
- Basic knowledge of accounting

**4.0 Course Learning Outcomes:**

After completion of the course, the students will be able to

1. Explain the principles of Islamic Economics
2. Differentiate between Islamic and Convectional Financial Systems
3. Apply various Islamic Business Modes in routine life.

**5.0 Course Contents:****Unit-1**

- 1.1.1 Introduction, Distinguishing Features of the Islamic Economic System
- 1.1.2 The Main Prohibitions and Business Ethics in Islamic Finance, The Philosophy and Features of Islamic Finance
- 1.1.3 Islamic Law of Contracts and Business Transactions
- 1.1.4 Trading in Islamic Commercial Law
- 1.1.5 Loan and Debt in Islamic Commercial Law
- 1.1.6 Overview of Financial Institutions and Products: Conventional and Islamic
- 1.1.7 Murabaha and Musawamah
- 1.1.8 Forward Sales: Salam and Istisna'a
- 1.1.9 Ijarah

- 1.1.10 Participatory Modes: Shirkah and its Variants
- 1.1.11 Takaful: An Alternative to Conventional Insurance
- 1.1.12 Sukuk and Securitization: Vital Issues in Islamic Capital Markets
- 1.1.13 An Appraisal of Common Criticism of Islamic Banking and Finance
- 1.1.14 Islamic Assets and Fund Management, The Way Forward
- 1.1.15 Some Accessory Contracts
- 1.1.16 Application of the System: Financing Principles and Practices

## **6.0 Teaching-Learning Strategies**

- 5 Primarily Lecture method based on the assigned readings
- 6 Class discussions and presentations on assigned topics, various course relevant reports, articles and news on current developments affecting the course contents
- 7 Services of outside specialist speakers shall be arranged as well.
- 8 Course pack shall be made available through photocopier or in soft form

## **7.0 Assignments-**

At least two assignments with presentation thereof (one before mid and one before final term) on the topics mutually finalized by scholar and teacher based on practical aspects of the subject contents

## **8.0 Assessment and Examinations:** As per University Rules

<b>Mid-Term</b>	Written Paper	<b>35 %</b>
<b>Final Examination</b>	Written Paper	<b>40 %</b>
<b>Sessional</b>	Quizzes and Tests, Assignment and Presentations, Attendance, Class Participations and Discipline etc.	<b>25 %</b>

## **9.0 Textbooks**

In the detail course outline, one may mention chapters of the textbook with the content topics

- 1. Ayub, M. "Understanding Islamic" Finance John Wiley and Sons Ltd, England.
- 2. Usman, M. T. An Introduction to Islamic Finance MaktabaMa'arifur Qur'an, Karachi, Pakistan.

## **10.0 Suggested Readings**

### **10.1 Books**

- 4. El-Gamal, M. A. Islamic Finance: Law, Economics, and Practice Cambridge University Press, New York, USA.
- 5. Islamic Finance Qualification: Securities and Investment Institute, London, UK.
- 6. SBP Islamic Banking Bulletin
- 7. INCEIF and IDB publications on the subject matter