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# Teaching Islamic Finance in *Madaris* – Need, Difficulties and Solutions\*

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## Introduction

The Muslims have had faced many multi faceted challenges during various ages of their checkered history. One such challenge was faced by the *Ummah* when the boundaries of the Islamic Caliphate expanded to new lands and societies and multiple social and economic problems surfaced for which there was no specific guidance available in the Quran or the Hadith. To address these problems, the ulama resorted to analogical inference (*ijtihad*). In the light of the objectives of Shariah, exercising *ijtihad* they determined Islamic rulings. Concerning these problems one might enlighten himself on the subject by studying the chapter on business dealings in the volumes of *fiqh* where almost every aspect of life has been covered. These chapters form the bulk of the volumes of jurisprudence.

During the early Islamic centuries Muslims had to face challenges from the other nations' culture and philosophy, sciences and crafts. At that time ulama came forward and gave a befitting rejoinder to these intellectual onslaughts. To repulse the philosophical and logical offensive they introduced scholasticism (*Ilm al-Kalam*). They studied sciences, added new theories through their own pursuit and experiments and improved its positive aspects.

But after some centuries when *ijtihad* and contemplation lost its momentum and dynamism, that Muslims had to adopt a defensive and apologetic approach. Two instances may be given here. Printing press was invented in Europe in the 15th century AC. It played a vital role in the promotion of knowledge and technology. But the most powerful Muslim empire Ottoman Caliphate that ruled out a large part of Europe put a ban on it for more than 100 years in the empire. When it permitted its use, the Christian and Jewish subject of the Caliphate were allowed to make use of it for their own purposes. But it was strictly prohibited to publish any thing on Islamic subjects as it would be a sacrilege to the Islamic knowledge.<sup>1</sup> In this connection some points are to be kept in view. Muslim scholars and students wasted their energy and time in writing and copying thousands of pages by hands.<sup>2</sup>

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\* Original in Urdu. The word '*madaris*' refers to chain of Islamic religious school in India (singular = *Madrasah*). They award degrees called *alimiyat* and *fadilat* normally equivalent to bachelor and master respectively.

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<sup>1</sup> Perry, Glenn E, (1983), *The Middle East*, New Jersey, Prentice-Hall. P. 151

<sup>2</sup>.160 ص 3، ج 3، دار الكتاب الإسلامي، القاهرة، اعيان القرن الحادي عشر، المحبي، (ب ت) خلاصة الأثر في اعيان القرن الحادي عشر، القاهرة، دار الكتاب الإسلامي، ج 3، ص 160.

After two and a half century of the invention of printing press it was in the 18th century that Islamic sciences were allowed to be published through printing press.<sup>3</sup> One can imagine how far back ward the Islamic *Ummah* was thrown against their contemporaries.

Here is another example that is closely related to our subject. During the same period i.e. 15th to 18th centuries foreign trade got unprecedented promotion among the nations whose hermits were deadly against it. In the economic history it is known as mercantilism. It heralded the advent of industrial revolution in Europe. In development of this school of thought a paramount role was played by scientific inventions, ship-building industry, invention of press,<sup>4</sup> and the intention to defeat and let down Muslims. During this period our Muslim rulers were eager to purchase modern weapons from the West, but they never thought to benefit themselves from the scientific advancement and industrial development of Europe by establishing similar institutions in their own country. Europeans founded universities during this period while we constructed forts and palaces.

Even during the 16th centuries our ulama were unable to contemplate that how it is, Akbar the great who ruled upon the land but the Portuguese who came from a distant land controlled the sea. Even the gifts forwarded to the rulers of Makkah and Madinah and the ships sailing towards Arabia had to cover their voyage if permitted by the Portuguese.<sup>5</sup> Neither the intellectuals nor the rulers ever thought about it. The result was that Islamic world was colonized by the West. This mental inertia has widened the gulf between us and the West in the field of science, technology, industry, trade, and invention and even in ethics and dealings; it is difficult to predict how long it would take to bridge this gap.

### **Modern Islamic finance – a challenge:**

Through this comparatively longer introduction, I wish to attract your attention towards an important challenge and its redressal. No one can deny the significance of finance in various sectors in the contemporary age. Trade, agriculture, industry crafts, means of communication, provision of various services, establishment of academic institutions and their maintenance and administration, research and pursuit of higher, education, media and news papers, alleviation of starvation and privation, improving the conditions of *awqaf*, all these need financial investment. No success can be possible in any sector of life without money. With the shortage of money one lags to move forward. Strong men collapse for want of money. That is why Islamic finance sector has emerged as a challenge during the contemporary period. To understand modern finance system and application of Islamic norms upon them and their practical efforts are very much necessary. Although initiatives have been taken in this

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<sup>3</sup> Gibb, H. A. R. and Bowen, Harold (1965), *Islamic Society and the West*, London, vol.1, part 2, p. 153.

<sup>4</sup> Islahi, Abdul Azim (2008), *A Study on Muslim Economic Thinking in the 11th AH / 17th CE Century*, Jeddah, Scientific Publishing Center, King Abdulaziz University, pp.71-75.

<sup>5</sup> الجزيري، عبد القادر بن محمد (ب ت)، الدرر الفرائد المنظمة في أخبار الحج و طريق مكة المعظمة، الرياض، دار اليمامة، ص 1009، 1128 وغيرها

regard, those whose attention is badly needed by the system they are not attentive to it. To understand modern financial affairs and to determine Shariah ruling concerning them is your duty. *Madrrasah* people from olden days have been studying the jurisprudence of dealing, one can find out this fact by studying any book on jurisprudence. The origins of this discipline of knowledge is traced back to the trade expeditors of Allah's Messenger (PBUH). So the basic of partnership is his (PBUH) precedent. Imam Abu Hanifah, himself was a trader, other jurists had also studied business dealings closely and had understood its pros and cons and then they offered the solution to the challenges. Many such problems where there was no explicit ruling in the Quran and Sunnah, like *waqf*, the jurists have dealt on these subject in detail and some of them had even authored comprehensive books on the subject.

But with the changing times dealings also changed. New problems surfaced and new aspects are added to the old ones. It demands that there should be constant contemplation on these issues. After their comprehension, Shariah ruling should be given in regard to these propositions. While teaching these subjects the *ulama* should update it according to the prevailing conditions but our teachers don't pay much attention towards it. Most of the books on the curricula of *madaris* were authored 200 years ago. While during the past one and a half century the world has changed all together. Numerous issues have cropped that we don't find their precedent in the past. Even in the *madaris* established as a result of modern movement we don't find a text book on modern finance and economics on the curricula issues. As jurisprudence offers no solution to the contemporary challenges, the students study it as an antiquated manuscript having no relevance with the modern day problem. As if it is only meant to have a glimpse of it and recite it. When some *ulama* of the 20th century attempted to offer the solution to modern economic and finance problems from the Qur'an and Sunnah and the jurisprudence, then many people were enlightened on the relevance of the chapters of business dealings in jurisprudence.

Now a days the relevance of Islamic economics and finance is commonly debated in the modern academic institutions but in our *Madrrasah* there is hardly any reference to it. Very few people are aware of the fact that Indian *ulama* were in the forefront who introduced Islamic economy as a perfect subject. Maulana Hifzur Rahman of Seohara, Maulana Manazir Ahsan Gilani and Maulana Abul Aala Maududi's names are among the pioneers of this initiative.<sup>6</sup> The *madrrasah* people should have taken this regained discipline of knowledge with open arms studied it, taught it to their students and should have added new chapters to these works. But the fact is that modern scholars came forward to promote the subject. They studied it enlightened their students on it and also wrote article on the subject. They endeavored for its practical application. At present more than 300 Islamic banks and financial institutions are functioning in 75 countries. Their annual transaction has been estimated at 2.5 trillion to 7 trillion dollars. Their growth is estimated 15 to 20% per annum.<sup>7</sup> Only in the gulf countries about 91 thousand workers are engaged in these

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<sup>6</sup> إصلاحي، عبدالعظيم، مساهمة علماء الهند في الاقتصاد الإسلامي في النصف الأول من القرن العشرين  
[http://islamiccenter.kau.edu.sa/arabic/Hewar\\_Arbeaa/abs/239/Islahi.pdf](http://islamiccenter.kau.edu.sa/arabic/Hewar_Arbeaa/abs/239/Islahi.pdf)

<sup>7</sup> بلوافي، احمد (2009)، "البنوك الإسلامية والاستقرار المالي"، في: الأزمة المالية العالمية - أسباب و حلول من منظور إسلامي، اعداد مجموعة من الباحثين، مركز أبحاث الاقتصاد الإسلامي، جدة، مركز النشر العلمي، جامعة الملك عبدالعزيز، ص 118.

institutions. In 2020 the number of these workers is estimated to touch twice the existing number.<sup>8</sup>

### **Need to teach modern Islamic finance in *Madaris*:**

But the employees and officers of the Islamic banks and financial institutions have their own limitations. No doubt banking and finance are their subjects but they are not experts of Quranic knowledge, Hadith and jurisprudence. These are the subjects of *Madaris*. It is a temperament of Muslim *Ummah*, and of course a very positive trait it is, that they won't accept any thing convincingly unless approved of by *ulama*. This is why that Islamic banking and financial institutions are in need of the advice of *ulama*. But such *ulama* are very few in number who could provide guidance to these institutions. It means that only book knowledge is not sufficient, one should know about practical aspect of a subject. To day there is a wide gap between the demand of Shariah experts in Islamic banks and financial institutions and availability of such experts. According to one assessment at present there are only fifty renowned *ulama* who have the knowledge of modern financial system. There is a sort of competition among Islamic banks and financial institutions to have the honor to avail of the services of these *ulama*.<sup>9</sup>

In some case even one Shariah expert is simultaneously nominated on the board of Shariah supervisory of dozens of such banks and institutions. It is obvious that they would not be able to spare time to attend to their assignments there. The authorities of these institutions take liberty in the name of these *ulama* to do what ever they like. There are many complaints in this regard and it has distanced common Muslim from these institutions and it has caused serious damage to the movement.

In Islamic banking and financial institutions presence of *ulama* is needed at every level. The Shariah supervisory boards can not function without the participation of *ulama*. Only *ulama* can authoritatively say that how far the modern and newly emerging forms of business dealings are in conformity with the norms of Shariah. How some of the necessary contemporary dealings could be conformed to the Shariah. Whether it is the collective system of *zakat* or the *waqf* committees, only the experts of Shariah well versed in financial affairs could provide satisfactory guidance, that how far the activities of the financial institutions are in accordance with principles of Shariah. At present various financial dealings have application through financial engineering, some such dealings are shaped that satisfy Shariah demands but it is to be determined as to whether they are in conformity with the objectives of Shariah.

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<sup>8</sup> al-Jarhi, Ma'bid (2008), "An Overview for Human Resource Needs for the Islamic Financial Services Industry for Next 10 Years", paper presented to: *International Islamic Finance Education Symposium*, 28-29 April 2008, IIUM, Kuala Lumpur. P. 18.

<sup>9</sup> Ayub, Muhammad (2008), "Present State, Challenges, and Initiatives of Human Resource Development through Teaching Programs for Religious Institutions", paper presented to: *International Islamic Finance Education Symposium*, 28-29 April 2008, IIUM, Kuala Lumpur. P. 11.

### **Facilities of teaching Islamic finances in *Madaris*:**

To meet the growing demand of Shariah expert of modern finances in Islamic financial institutions many universities across the world have introduced courses on Islamic finances, where Islamic financial dealings, Arabic language fundamentals of jurisprudence, and jurisprudence of Islamic financial dealing is also studied.<sup>10</sup> The students of Islamic *madaris* have the advantage that these subjects are their main study. So what they need is to know modern financial dealings application of Shariah norms on them or what their Islamic alternatives is. If Islamic *madaris* introduce these courses they would be better placed than modern academic institutions because traditionally this is their own field.

These *madaris* could produce more and at an early stage as well as better experts of Shariah than the modern institutions, and they will have better credibility in the financial institutions, and they would be able to check deviations from Shariah rules in these institutions.

Despite the above said facilities and preference, Islamic *madaris* have not yet turned to teaching financial dealings. As far as I know only Jamiatul-Falah (Azamgarh-U.P) has Islamic economics on its curricula. Jamia Islamia Malappuram (Kerala) provides education in Islamic banking and finance up to the diploma level. The same is the position in the neighboring countries. Only some institutions in Karachi (Pakistan) have turned towards it. Darul-Uloom Korangi teaches subjects on Islamic Banking and Finance.<sup>11</sup>

### **Two stages of teaching Islamic finance:**

It would be better if Islamic finance is taught in *Madaris* in two stages. At the first stage orientation of financial dealings and modern form of the old dealings and rulings relating to them should be studied. The students in *Madrasah* study in the books of jurisprudence, *fiqh* of financial dealings under the chapter of business dealings even they study it repeatedly. To teach modern financial dealings along with these subjects may be, that to the students of higher classes, after every chapter that deals with financial dealings, modern forms of such dealings and the views of *ulama* with their arguments should be taught. Alternatively after teaching all the chapters on the subject, modern financial affairs should be taught under the title the jurisprudence of modern financial dealings. It should be taught by the same teacher or any other teacher. A draft of such a course is enclosed as the first annexure at the end of this thesis.

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<sup>10</sup> Tahir, Sayyid (2008), "Islamic Finance: Undergraduate Education" paper presented to: *International Islamic Finance Education Symposium*, 28-29 April 2008, IIUM, Kuala Lumpur. Pp. 4-10.

<sup>11</sup> Ayub, Muhammad (2008), "Present State,..... Religious Institutions", Op. cit. p. 8.

Education of the first stage could be arranged at every *madrasah* provided the teacher prepares himself to teach the subject or a teacher of modern Islamic finances is made available.

The second stage of study of Islamic finances would be that of specialization. Under this, one year certificate course namely specialization in the jurisprudence of financial dealings or two years diploma course known as specialization in Islamic investment may be introduced. It should be got recognized by Islamic banks and the academic institutions of finances.

At this stage there would be extensive study of Islamic finance and related subjects. Islamic economics and the objectives of Shariah will also be taught. Writing dissertation on any relevant subject and to under go practical training should also be part of this course. An outline of the topics of this course is given as annexure - II so that it could be kept in view while drafting curricula for such a subject. Since the education of second stage is of specialization level and requires more attention so it would be better to introduce this in major cities or at the institutions where required facilities could be made available.

### **Challenges and their solutions:**

The way leading to the confluence of modern and old, there are certain challenges. Before concluding it would be better to have a glance at this problems and their redressal. The foremost challenges are misunderstanding and baseless apprehensions. Sometimes one is disturbed with the apprehension that such activities will change the characteristic of Islamic Madaris and people from out side will interfere in *madaris*. Sometimes one thinks that we cannot reform the prevailing banking system; so we should distance ourselves from it. Some times they have serious doubt about the sincerity of those who advise them to introduce these subjects on the curricula of their *madaris* and they blame them with vested interest.

Such misgivings could be removed through mutual understanding and interaction. Meetings should be held for this purpose and there should be efforts to understand each others views. The congregation of today is a step towards it. Such conclaves should be held at various places in the country at various institutions and at various levels. This is what the Hadith – the religion is sincerity - teaches us and it is necessary for cooperation and coordination.

One of the arguments is that *madaris* already have heavy curricula and there is no room to add more subjects to it.

To address this problem teaching at some of the subjects that have lost their practical value like old logic and philosophy should be reduced. In *madaris*, many books of *fiqh* are taught in different years of the study. It is all right to learn them again and again but the subjects that have no practical value should not be repeated such as slaves, their sale/purchase, written agreement for their freedom, rulings regarding children of concubines, distribution of the spoils of war, feudalisms etc. Another way out would be to reduce five minutes of all the periods and modern finance could be taught to the students. These steps are meant to the first stage of study. They would

provide opportunity to teach jurisprudence of dealings along with Islamic finances. For the second stage which is for specialization separate steps will have to be taken. The students serious to study the subject in depth will come forward.

Another problem that impedes the study of these subjects is the non availability of text books. It is a fact much literature on these subjects is not available in Urdu and whatever is available has not been compiled as a text book. At present ample literature on these subjects is available in Arabic and English. *Madaris* students of senior classes study most of the books on curricula in Arabic. So they can have books in plenty on these subjects. Then with experience and time, it would not be difficult to produce textbooks on these subjects. The *madrasah* management may assign it to a teacher of jurisprudence to compile discussion papers on modern finances on the pattern of the chapters of jurisprudence and include the rulings (*fatawa*) and the decisions taken by the *fiqh* Academies. Some institutions may offer help in initiating such projects. Islamic *fiqh* Academy India and Institute of Objective Studies should pay their attention towards it.

Shortage of expert teachers could also be a hindrance in this program. *madaris* teachers who have been teachings books on old jurisprudence and have not apprised themselves on the modern financial system might find it difficult to understand and teach the modern subject. This fact would also be a factor that stands in the way of inclusion of these modern subjects. It could be solved by arranging some training and orientation courses on Islamic finances for the jurists. If facilities available at their own *madaris*, otherwise such programs could be organized at other institutions also such experts may be invited to deliver lectures who have insight both in old and modern system. Such programs be organized from time to time.

Short term but extensive training course should be introduced for the teachers of these subjects. They can join these courses during vacations or can have special leave to join it. Expert on part-time basis should also be sought after. It is hoped that after some years teachers from among the group will come forward to take up the assignment. Where there is will there is a way. Finance itself a major impediment in teaching finance in *madaris*.

Providing text books, training to teachers, their salary, part time teachers, holding various academic and training programs organizing seminars etc., money is a must for all these steps. One may ask that the *madaris* not in a position to pay attractive salary to their teachers, how could they be able to introduce new course at their institution. It is submitted that a large group of the *Ummah*, among them are philanthropists as well, is eager to see that these subjects are introduced and *madaris* students opt for them. They will certainly be happy and come forward to shoulder the financial burden. Some Islamic financial institution will also join the campaign. It is possible that these persons or the institutions may agree to arrange for the wages of some of the teachers. The fee received from the capable students will also help to some extent. It is also worth mentioning here that some of Indian *madaris* have also introduced a number of technical courses for their students and working successfully. If such courses can successfully be introduced why can't Islamic finance be a success at the *madaris*? The later would be a cheaper one in comparison to the technical courses. The demand for the persons qualifying the finance is ever increasing. It should be kept in mind that technicians learn their craft from other



schools/institutions, majority of them belongs to this category. But the *ulama* having financial expertise are the product of our *madaris* only.

### **Concluding Remarks**

Now a days major financial institutions and banks are facing acute financial crisis. This crisis is the result of indiscriminate loans then further loan, mortgage, and the easy issue of credit card gave a new impetus to it. The craze to earn interest upon interest (compound interest) speculation, sale without possession, avarice to earn more and more led to this crisis. Muslim economist had already predicted it. Some of the sagacious experts of these countries had also warned against the impending crisis. We all are aware that Islamic banking and investment don't allow such steps. Islamic financial institutions have therefore comparatively saved them from the current crisis. A group of non-Muslims experts is therefore attracted towards Islamic finance. It has provided us a confidence and conviction to the World.

To learn and teach Islamic finance is the double responsibility of *madaris*. It will add to the credibility and insight of those qualified from *madaris*. They will not only be able to prove their worth but their demand in these financial institutions will also increase. In this way they will be able to check the deviations that have crept into these institutions which is a religious obligations on them as they are the inheritors of the Messengers.

### **Annexure I:**

#### **First stage of Islamic Finance teaching at *Madaris*, a proposal**

We may call it study of modern financial dealing or any other title. It may be studied at the higher classes of *madaris*. As a pre-requisite, students must have studied in the junior classes Islamic jurisprudence fundamentals.

It would be better if it is studied as a distinct subject of one hour period. Teachers competent to teach modern finances should be appointed for the job or the teachers of jurisprudence may be motivated to learn and comprehend modern finance.

Another method may be that the teacher after teaching the chapters of *fiqh* concerning business dealing, explain modern aspect or its application and its various forms in the contemporary perspective. It would require more period for the study of jurisprudence. The students will study the chapters of the subject as the problems they face in their day to day life. It will make the subject attractive to them. It will also provide base for further study and research among the *madrakah*-graduates.

#### **Some important aspects of modern finance and their application**

Chapter on *mudarabah* (equity partnership): It's conformity to Islamic banking, as a basis for the partnership companies, its use for Islamic insurance, moral hazards in partnership, adverse selections and their solution etc.

Chapter on *shirkah* (profit and loss sharing Partnership):  
Forms of partnership in Islamic banking, a combination of *mudarabah* and *musharakah*, Time sharing partnership.

Interest:

Modern dealings based on interest, *inah* (same item sale-repurchase), *tawarruq*, jurisprudential or organized, provision of cash on the basis of *tawarruq*, a legal fiction or a way out? use of *tawarruq*, to issue credit card, application of *riba al-fadl* and *riba al-nasi'ah* in the exchange of the currency of different countries.

*Murabahah* or Cost plus sale:

One of the most significant means for Islamic financing, controversial aspects, cost plus financing through deferred price for one who places order for purchase on his behalf

Chapter on *Salam* (Prepaid forward sale). use of *salam* contract in Islamic financing, parallel *salam*, its use in hedging.

*Istisna'* (commission to manufacture with or without advance payment), parallel *Istisna'*,

Chapter on *Khiyarat* (choices):

modern application of choice provision, from choice (*khiyarat*) to options (*ikhtiyarat*), various aspect of options and ruling concerning them. Use of options for hedging.

*Ijarah* (Hiring):

Modern forms of *ijarah* and difference among them. Lease leading to ownership, difference between *ju'alah* (an agreement to pay on condition to do a work) and *ijarah*.

Chapter on *Rahn* (Mortgage / collateral):

Mortgage as the basis of smaller loan, mortgage loan or the loan on the house so mortgaged.

*Zakat*:

*Zakat* on shares of companies, ruling on the changing measure of income, temporary use of *zakat* money investment or extending loans. Use of *zakat* in the welfare of destitute and problems cropping up in this regard.

*Waqf*:

Insurance through *waqf*, Shariah stand in respect of the development of *awqaf*, provision of some of the social medical and educational services.

Chapters on *buyu'* (Sales):

Various aspects of sale and their uses in modern techniques of financing

*Wakalah* (Agency): Its use for insurance.

*Daman* (Guarantee)

Guarantee, issue of guarantee letter for import.

## **Annexure – II**

### **Islamic finances in Islamic *Madaris* – second stage.**

It could be designed as specialization in the *fiqh* of financial dealings. This stage will cover one year's certificate course or two years diploma course. Under the diploma course first paper would be on Islamic economics, second on objectives of the Shariah, 3rd one of financial rules, 4th on Islamic banking, 5th *fiqh* financial dealings, 6th on Islamic financial market, 7th practical training at a financial institution or to write a thesis on any Islamic financial aspect, and 8th viva voce. Thus these eight papers could be divided over two years period. Some more subjects could also be added to it.

### **The following outline is of one year certificate course.**

- 1- Brief introduction of the objectives of Shariah. Shariah norms concerning finances.
- 2- Chapter on Shariah rules regarding finances.
- 3- Introduction to Islamic banking. Brief contour of Islamic banking, kinds of deposit, Functions and sources of income, distribution of profit, comparison (contrast) between the Islamic and the traditional banks.
- 4- Prohibitions in Islamic finance. Interest its various aspects; currency exchange (swaps), time value of money, Indexation of loans, speculations, commercial conditions kinds of *gharar* (excessive uncertainty),. Difference between *gharar* and risk. Hoarding, definition, arguments concerning its prohibition, difference between the economic and jurisprudential meanings of hoarding. *Ghubn* (fraud), (*najsh*) bidding high price without the intention of purchase,
- 5-Dealings based on compensation, sale and purchase, lease, brokerage, agency, various form of these contracts, their modern application, problems associated with them., their application in contemporary financial dealings
- 6- Debt contracts: loan, mortgage, guarantee privation, *Sukuk*, *Tawarruq*.

- 7- Dealings based on partnership. Kind of partnership, terms for permissibility of partnership. Their conformity in partnership banking, financial dealing. Kinds of partnership in legislative law and jurisprudential ruling about them.
- 8- Non commercial financial dealings, loan gift, deposit, *waqf*, application of them in Islamic finance, ruling concerning them, their effects on economy.
- 9- Issue of Islamic bonds (*sukuk*) and their transaction, bonds based on *murabahah*, commercial bonds, bonds on the basis of *mudarabah*.
- 10- Islamic Mutual Fund: conditions for permissibility their categories their management.
- 11- *Takaful* (Islamic insurance): various forms of it, difference between Islamic Insurance and the traditional system.
- 12- Market option, derivativeness, future sales, risk management.
- 13- Islamic stand about risk management; sharing risk instead of shifting risk upon others.
- 14- Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and its Shariah standard.
- 15- New forms of corporate bodies having separate autonomous legal existence. Institutions devised with specific purpose (SPV or special purpose vehicles, various aspects of insurance, electronic trade.