



Islamic Finance Certification

Summary of the Syllabus

Introduction

The IFMP Islamic Finance Certification covers the concepts of economic system, contract, and banking, modes of deposit, pool management, insurance, capital markets and funds according to Islamic law for products related to financial market.

Objective of the Examination

This Certification Exam specifically designed to meet the minimum qualifications needs of all the professionals related to Islamic banking and finance. It intends to ensure that the professionals dealing with its techniques are competent enough in their work.

Target Audience

This exam has been designed for all the professionals working in capital markets or is connected to it.

Syllabus Structure

The curriculum is divided into elements which are further broken down into learning outcomes. Each learning objective starts with a specific prefix which indicates the level of skills to be tested. The following prefixes are used in this curriculum:

- Know require the candidate to recall information such as facts, rules and principles
- Understand require the candidate to demonstrate comprehension of an issue, fact, rule or principle.
- Be able to calculate require the candidate to be able to use formulae to perform calculations.
- Be able to apply require the candidate to be able to apply their knowledge to a given set of circumstances in order to present a clear and detailed explanation of a situation, rule or principle.

Examination Specification

Each examination paper is constructed from a specification that determines the weightings that will be given to each element. The specification is given below. It is important to note that the numbers quoted may vary slightly from examination to examination as there is some flexibility to ensure that each examination has a consistent level of difficulty. However, the number of questions tested in each element will not change by more than plus or minus 2. This comprises of 100 multiple choice questions.

| Element | Description | Questions |
|---------|--|-------------|
| 1 | Introduction to Islamic finance and economic system | 10% |
| 2 | Islamic finance products – Asset side and fee based services | 15% |
| 3 | Deposits and Pool management for Islamic banks | 15% |
| 4 | Introduction to Islamic insurance (Takaful) | 10% |
| 5 | Islamic capital markets and funds | 20% |
| 6 | Accounting, auditing and Shariah auditing for Islamic financial institutions | 10% |
| 7 | Regulatory framework for Islamic banking and other IFIS | 10% |
| 8 | Introduction to governance and risk management | 10% |
| | Total | 100% |

Assessment Structure

- This will be a 150 minutes examination of 100 Multiple Choice Questions (MCQs).
- All questions will carry equal marks.
- There will be no negative marking.

SUMMARY OF THE SYLLABUS

| Module reference | Description | Contents | Weightage |
|------------------|--|---|-------------|
| Module A | Introduction to Islamic finance and economic system | <ul style="list-style-type: none"> ➤ Introduction to Islamic Economic System ➤ Basic Principles of Islamic Finance ➤ Introduction to Islamic Law of Contract ➤ Islamic Banking System in Pakistan | 10% |
| Module B | Islamic finance products – Asset side and fee based services | <ul style="list-style-type: none"> ➤ Assets side modes of finance ➤ Fee-based Islamic banking services | 15% |
| Module C | Deposits and Pool management for Islamic banks | <ul style="list-style-type: none"> ➤ Modes of Deposits ➤ Pool Management | 15% |
| Module D | Introduction to Islamic insurance (Takaful) | <ul style="list-style-type: none"> ➤ Introduction to Islamic Insurance (Takaful) | 10% |
| Module E | Islamic capital markets and funds | <ul style="list-style-type: none"> ➤ Introduction to capital markets and concepts of Shariah ➤ Islamic capital market funds ➤ Introduction to Sukuk ➤ Islamic indices and equity investment screening | 20% |
| Module F | Accounting, auditing and Shariah auditing for Islamic financial institutions | <ul style="list-style-type: none"> ➤ Accounting for Islamic Financial Institutions ➤ Auditing and Shariah auditing | 10% |
| Module G | Regulatory framework for Islamic banking and other IFIS | <ul style="list-style-type: none"> ➤ Pakistan’s regulatory framework for Islamic banks and other IFIs | 10% |
| Module H | Introduction to governance and risk management | <ul style="list-style-type: none"> ➤ Introduction to governance ➤ Introduction to risk management | 10% |
| Total | | | 100% |

RECOMMENDED READINGS

The next section of this study guide covers a brief extract from some of the below mentioned documents. Candidates are advised to study the respective documents (in detail and original) which are available free-to-download from IFMP's website and / or the respective organization's websites.

1. Anti-Money Laundering Act, 2010
2. Anti-Money Laundering Ordinance, 2007
3. Anti-Money Laundering Regulations, 2008
4. Anti-Money Laundering Rules, 2008
5. Bond Automated Trading System (BATS) Regulations, 2009
6. Broker Agents Registration Rules, 2001
7. CDC Act, 1997
8. CDC Regulations
9. Code of Corporate Governance, 2012
10. Directive to Brokers on Conduct of Business 2003
11. Income Tax Ordinance, 2001
12. PSX Listing Regulations
13. PSX Investor Protection Fund Regulations
14. PSX Cash Settled Future Contract Regulations, 2008
15. PSX Members Default Management Regulations, 2009
16. PSX Deliverable Future Contract Regulations, 2009
17. General Regulations of PSX (Amended), 2009
18. PSX Investor Protection Fund Regulations
19. Margin Trading Regulations, 2004
20. NCCPL Procedure, 2003
21. NCCPL Regulations, 2003
22. NCEL General Regulations, 2007
23. Commodity Exchange and Futures Contracts Rules, 2005
24. Regulations Governing Over the Counter Market, 2009
25. Regulations Governing System Audit of Brokers of Exchanges, 2004
26. SECP Act, 1997
27. Securities Act, 2015