

Azhar Hamid

Villa No. 590-A, Street 63, Way No. 6308, Bousher, Muscat, Oman
Cell No: +968-98051042 E: azhar.hamid@hotmail.com

Profile

A senior professional of Shari'a compliance and governance of Islamic bank with exceptional track record of developing policies and procedures, engineering Islamic banking products, leading Shari'a audit and compliance and supervising Islamic bank's business with effective controls.

Competencies

- Overseeing integrity and ethics of an Islamic bank.
- Strong knowledge and experience of Islamic banking rules and principles.
- Hold on structuring Islamic banking assets and liabilities' products and their policies.
- Shari'a review of product proposals and their legal documents.
- Management and business development of Islamic banking corporate, SME, trade finance and treasury.
- Coordination with Management and BOD of a bank.
- Cultivating a culture of compliance through readiness of all policies and procedures and ensuring their efficacious implementation.
- Ensuring compliance and governance in all areas of an Islamic bank to earn all stakeholders' confidence.
- Giving trainings to staff on Islamic banking and addressing in seminars.
- Excellent interpersonal and strong leadership qualities to manage and lead Islamic bank's compliance and governance.
- Management of compliance, fraud risk management, Shari'a risk management, Shari'a auditing and Shari'a compliance
- Dealing with financial institutions and corporate clients for investments through Sharia compliant contracts.

Professional Experience

AHLI BANK OMAN

Head Shari'a Audit and Compliance Department (Jan. 2012-Cont.)



Ahli Bank SAOG (the "Bank") is one of the fastest growing commercial banks in the Sultanate. Its parent bank is Ahli United Bank, which is one of the leading regional banking groups in GCC with presence in Bahrain, Kuwait, Egypt, Oman, Iraq, Libya and UK. I started my career with the Bank in Jan 2012 as Head Shari'a Department and worked as a key team member in development of Islamic banking operations from its inception stage. As per Islamic banking governance structure of the Bank, the Shari'a Department comprises of Shari'a Audit Unit, Shari'a Compliance Unit and Shari'a Risk Management Unit. Mainly the role of Head Shari'a contains the responsibilities that are directed by Central Bank Oman, briefly these are:

- Ensuring effective Islamic banking compliance controls,
- objectively examine and evaluate the extent of compliance of the Bank with relevant Shari'a principles as well as central bank guidelines,
- to extend advisory, research and supervision of operations from Islamic banking perspectives,
- Islamic banking training services and
- to develop and implement comprehensive mechanism for Islamic banking Shari'a risk management.

To achieve the goal of successful Islamic financial institute, I optimally worked and performed the following:

- **Shari'a Governance, Shari'a Audit, Shari'a Compliance and Shari'a Risk Management**
- I continuously supported all business units of the Bank, support offices, risk management, senior management, BOD and SSB of the Bank in accomplishing Islamic banking requirements of Central Bank specifically the

requirements relating to Shari'a governance and compliance. The exceedingly specialized monitoring and supervision of all the financing transactions resulted the Bank fully Shari'a compliant and there was not a single case during the last five years of the Shari'a supervision and management that any issue was raised by authorities in business areas or any transaction was declared as Shari'a non-compliant by external or internal Shari'a auditors.

- Developed Shari'a Governance Manual of the Bank in line with Central Bank guidelines, industry practices and recommendations of standard setting bodies and got them approved by SSB and BOD of the Bank. The Shari'a Governance manual is considered as a charter for BOD, management, SSB, Shari'a audit, Shari'a compliance and Shari'a risk management.
- Devised Shari'a Risk Management Policy of the Bank to mitigate Shari'a non-compliance risk in transactions, accounting systems, IT modules and Operational procedures. The policy was approved by Board of Directors. Essentially, the Shari'a Risk Management Policy defined possible implications of Shari'a risk under credit risk, legal and compliance risk, integrity risk and market risk. Additionally, the policy took into consideration complete process of identifying, measuring and monitoring Shari'a non-compliance risks inherent in the Bank's operations, financings and investment activities of Corporate, Investment, Private and Consumer Banking. The policy was successfully instigated in application under my supervision through Shari'a Risk Management Unit of the Bank.
- Devised professional ethics and conduct for SSB of the Bank which incorporated best practices and guidelines issued by Islamic Financial Services Board.
- Leading Shari'a department which comprises of Shari'a Audit Unit, Shari'a Compliance Unit and Shari'a Risk Management Unit.
- Constantly conducted 25 meetings of the SSB over the period of five years. All the matters of the Bank that include product papers, audit reports, financing contracts and documents, audit plan, Islamic banking training plan, interim period products issues, profit calculation and distribution sheets, charity matters, were presented to the SSB in a professional manner and approvals as well as directives and established Shari'a repository for easy reference. Interpreted the SSB directives, opinions and resolutions in a highly-specialized manner for their correct application.
- Prepared Shari'a audit plans and regularly conducted and supervised the audits of the Bank. The Shari'a audits have been a mega exercise over the period that was performed on quarterly basis and completed within the time frame. By year end 2016, there were sixteen audits conducted from beginning of the Bank's Islamic banking operations. The Shari'a audits met the requirements of the regulator and recommendations of standard setting bodies (such as AAIOFI and IFSB) and SSB directives.

▪ **Contribution in Development of Business Products**

Worked in close coordination with respective departments and senior management in development of diverse set of business products for above listed business units, got them approved by SSB and ensured efficacious implementation of the products in a Shari'a compliant way. Mainly, the set of the products includes the following:

- **Retail Banking Asset Products:** 1- Vehicle finance based on Murabaha and Diminishing Mushraka cum Ijara concept, 2- Home finance for reach assets based on Diminishing Mushraka cum Ijara and Ijara Muntahiya Bit Tamleek (Ijara MBT) principles and Home finance for under construction asset based on Diminishing Mushraka and Forward Ijara bases, 3- Personal finance products based on Ijara and Murabaha. 4- Credit Card product based on Qard and Ujra principles.
- **Liabilities Products:** The deposit products were designed for Corporate, Private Banking and Retail Banking on the basis of Mudaraba and Wakala Istithmar instruments and non-remunerative account product is based on Qard principle.
- **Corporate, Commercial, Investment Banking and Syndicate Financings:** The product suite includes Diminishing Musharka, Ijara Ending with Transfer of Ownership, Murabaha based financing and Istisna'a based products for manufacturing of assets.
- **Trade Finance:** Import Murabaha, Istisna cum Wakala, LCs and guarantees business products.
- **Investment Banking:** reviewed Oman Sovereign Sukuk and Omantel Sukuk product structures and legal documentation. The Sukuk were structured based on sale and lease back and Wakala Istithmar instruments respectively.
- **Treasury and Structured Products:** Placement of deposits with an Islamic Financial Institution (IFI) on Wakala basis, Sale and purchase of currencies on spot exchange rates.
- **Al Hilal MENA Fund:** Worked with the management of Al Hilal MENA Fund in development of Shari'a compliant structure, legal documents of the fund and supporting its successful business investments. Regularly conducted Shari'a audits of the fund and obtained its Shari'a compliance reports from the SSB on yearly basis.

All the products are extensively performing and currently the business portfolio of Al Hilal Islamic stands at second number among the Islamic banking windows in Oman. The work was greatly appreciated by authorities, regulators and internal and external examiners.

- **Dealing with Central Bank Oman, external auditors, law firms for legal documentation and IT vendors for respective work**
 - Professional furnished deliverables to Central Bank and external auditors and addressed queries for clear understanding of structures, policies and procedures and applications.
 - Worked closely with external law firms and legal department in development and preparation of Shari'a compliant legal documents, contract and agreements for all Retail, Corporate, SME, Treasury and Trade business products. Currently the Bank has unique set of legal documentations for its all products which are agreed by all stakeholders.
 - Worked with vendors for IT modules of all business products of the Bank to make them in line with Shari'a structures. The IT modules reflect correct accountings which are in line with AAOIFI's Accounting, Auditing and Governance Standards.
- **Devised operational process follows** for each of the above listed products, in line with Islamic banking requirements and central bank's guidelines for Islamic banking practices and implemented them through business units, operations and risk.
- **Training and Leadership Development**
 - I designed a comprehensive training plan and facilitated the Bank with in-house trainings by conducting training sessions for staff involved in business units and back office, senior management, BOD and SSB of the Bank. In the training sessions, the trainees were exposed to the "Islamic Banking Products, their Shari'a Rules and Principles and CBO Guidelines", "Shari'a Compliance and Governance of Islamic Banks and "Islamic Financial Contracts". By mid of year 2016, 60 training sessions were conducted and all the staff members were given with necessary trainings. Additionally, I contributed to the knowledge of stakeholders and public by:
 - conducting seminars in different universities of Oman such as Sultan Qaboos University, Dohfar University, Modern College of Banking and Science and
 - writing brochures describing structures and products, drafting website material of the Bank that includes FAQs, glossary of Islamic banking, the Bank's retail banking products details, the Bank's Shari'a governance model and by producing certificates of Shari'a compliance for all products of the Bank signed by SSB.
 - Alongwith commitment with professional work, I continuously updated myself with industry developments and accomplished AAIOFI's CSAA (Certified Shari'a Advisor and Auditor) course and Durham University UK Summer School, 2015.
- **Contribution to Islamic Banking Industry**
 - Exceptionally, I have contributed to the entire industry with my knowledge and expertise and co-authored a book on "*Foundations of Shari'a Governance of Islamic Banks*" that was published by John Wiley & Sons, UK (Ref. <http://eu.wiley.com/WileyCDA/WileyTitle/productCd-1118460774.html>). The work was greatly revered by industry top professionals and leaders and used as text book in Qatar Foundation and Durham University and in several other academic and professional institutes as a reference. The book describes the process of implementing Shari'a compliance and governance controls in Islamic banking and it is highly appreciated by regulators, Shari'a scholars and economists and considered as useful tool for developing Shari'a governance model of an Islamic financial institute.
 - Further, I regularly wrote articles in journals on different topics of Islamic banking such as:
 - Article on "*Shari'a Governance in Islamic financial institutions*" published in AIWA-December 2012. <http://www.readwhere.com/read/72743/AIWA/December-2012#dual/32/1>
 - Article on "*Mudaraba and its Application in Islamic Banking*" published in AIWA-March 2013. <http://www.readwhere.com/read/94223/AIWA/AIWA-March-2013#dual/10/1>
 - Article on "*Shari'a Supervisory Board Members Character, Ethics and Conduct* " published in AIWA-Oct 22, 2014. http://www.readwhere.com/read/175532/AIWA/AIWA-October-16-31_2013#dual/14/1
 - Wrote article on Professional Conduct and Ethics that is scheduled to publish through IFN as part of its publications.
 - Wrote chapter on "Case Studies of Shariah Governance Practices in Oman" which is published as part of the Book on "*Shariah Governance Systems and Practices in a Globalized World*". The Book is published through Edinburgh University Press (EUP)

DOHA BANK QATAR

Deputy Head of Shari'a Department (May 2010-Jan. 2012)



While working for Doha Bank, I got opportunity to work under supervision of their Shari'a Supervisory Board. As Deputy Head of Shari'a Department, I developed and implemented the turnaround strategy of the Bank for its Islamic banking business, which included the following key initiatives: -

- Cultivated a culture of compliance by ensuring correct implementation of the policies.
- Regularly designed Islamic banking training plan and learning material by keeping abreast of banking products and services, rules and regulations of central Bank and best practices in the industry.
- The highly-specialized work resulted the bank fully compliant at all the times.
- Developed Shari'a compliance manual in line with regulations of Qatar Central Bank and implemented for stringent compliance with regulations. This ensured higher visibility, impact and clarity in terms of fulfillment with regulations issued by Central Bank Qatar and Shari'a requirements.
- Reviewed product papers, legal agreements and policies and procedures of the IBW across Investment, Corporate, Private and Consumer Banking and made necessary improvements in them in terms of fulfillment of Shari'a compliance requirements. This review included Mudaraba, Wakala, Wadi'ah, Ijara MBT, DM, Murabaha and Tawarruq based products.
- Monitored corporate, investment and private banking business customers financing applications on case-to-case basis and giving appropriate funding structures and process flows for stringent Shari'a compliance.
- Prepared Shari'a department' annual review plan for year 2010, 2011 and 2012 to set the major tasks regarding Shari'a review, Shari'a audit, Islamic banking training, products and policies review and review of legal documents.
- Have accomplished end-to-end work of Shari'a compliance from year 2010 and 2012. Conducted Shari'a review of all executed transactions (both liabilities and asset side) and profit distribution in accordance with the approved plan and policies, compiling Shari'a audit reports, dealt with all departments and branches of the Bank to obtain their responses on observations taken during Shari'a auditing and presented to Chairman Shari'a Supervisory Board ('CSSB') for opinion/advice and ensuring compliance to CSSB decisions.
- Worked in close coordination with CSSB of the Bank and regularly meeting with CSSB to present Shari'a relating issues raised by management of the Bank and interpreted the CSSB opinion in terms of application. Conducting
- Conducting CSSB meetings and compiling minutes of its meetings and conveying CSSB decisions on the issues to concerned departments of the Bank.
- Provide advice and guidance to management of the Bank to enable them to implement Shari'a as well as regulations compliant policies and procedures.
- Ensuring production of all relevant policies and procedures.

DUBAI ISLAMIC BANK PAKISTAN

Manager Shari'a Department (May 2006-May 2010)



Dubai Islamic Bank Pakistan (DIBPL) is a full-fledged Islamic bank incepted in January 2005 and started its journey under advisory and supervision of Dr. Hussain Hamid Hassan, who is one of the most revered Shari'a scholars and pioneers of Shari'a governed banking system in the industry. While working with DIBPL, I got the opportunity to learn and to get benefit from the opinions, fatawa, advices, recommendations and supervision of Dr. Hussain Hamid Hassan, which he extended on each presented matter of the Bank. During the four years' career with DIBPL, I extensively worked on several fronts. Mainly, the initiatives and the results comprise the following:

- Cultivated a culture of compliance by development of necessary policies and procedures and ensuring their effective implementation.
- Regularly designed Islamic banking training plan and learning material by keeping abreast of banking products and services, rules and regulations of State Bank and best practices in the industry. Gave trainings to all staff members of the Bank on all products and services of the Bank towards their ethical compliance.
- Contributed to a diverse menu of liabilities and assets products including Corporate & SME Finance, Treasury, Investment Banking, Consumer Finance and Trade Finance products. Following were the products which were worked out and successfully launched:

- a. Consumer Banking Products: 1- Auto finance based on *Musharaka cum Ijara* concept, 2- Home finance based on *Musharaka cum Ijara* concept, 3- Personal finance based on *Ijara* and *Murabaha*.
 - b. Corporate, Commercial and Trade Finance Products: 1- *Istisna'a* cum *Wakala*, 2- *Wakala Istithmar* for export, 3- *Murabaha* for local and international trade, 4- *Musharaka cum Ijara*.
 - c. Treasury Products: 1- Sale and purchase of currencies on spot exchange rates, 2- Forward promise for buying/selling of foreign currency, 3- Placement of deposits with an Islamic Financial Institution (IFI) on *Mudaraba* basis.
 - d. Liabilities Products: Preparation of account opening form and brochures relating to different depository products.
 - e. *Sukuk* Products Structures and documentation.
- Reviewed transaction documents, policies such as Profit Calculation, Risk Management, Operations Policies and Fraud Risk Management policies of the Bank for detailed analysis and comments from ethical compliance and integrity point of view.
 - Supervision of Shari'a audits of executed transactions.
 - Dealt with finance department for monthly profit calculation and quarterly preparation of financial reports and presenting them to Head of Shari'a Compliance Department for onward approval from Shari'a Advisor. Also, dealt with CAD, Liabilities, and Business Departments regarding Shari'a compliance matters.
 - Monitoring business transactions from South. The transaction approval sheets were reviewed and the appropriate structure and process flow was obtained from head of Shari'a compliance department and conveyed to respective business unit.
 - While working with DIBPL, the experience and learning from the fatawa and directives issued by Dr. Hussain Hamid Hassan, I got the idea of accomplishing my MPhil research work on the subject "*Mudaraba and its Application in Islamic Banking*". The research was done under supervision of a famous Shari'a scholar Dr. Tahir Mansoori and it was greatly appreciated by the reviewers.
 - The highly-specialized work resulted the bank fully compliant at all the times



INTERNATIONAL ISLAMIC UNIVERSITY ISLAMABAD

Lecturer Islamic Banking and Finance, IIIE (Jan. 2006-May2006)

Based on excellent performance in studies and research, I was selected in January 2006 as lecturer in the IIUI-School of Islamic Banking and Finance and Research Assistant to then President of IIUI Dr. Mahmood Ahmed and Ghazi. As lecturer, I prepared and presented lectures to the students of BSc. and MSc. in subject areas "Islamic Banking Theory and Practice" and "Islamic Economics Theory". In the capacity of Research Assistant to the President of IIUI, I conducted research on "*Mudaraba versus Venture capital*" under his supervision.

INTERNATIONAL ISLAMIC UNIVERSITY ISLAMABAD

Teaching Assistant (September 2004 to December 2005)

MODERN COLLEGE OF BUSINESS & SCIENCE MUSCAT-OMAN

Visiting Teacher (April 2016---

Became part of visiting faculty of MCBS and presented lectures to MSc. Islamic Finance students on subject "Islamic Banking and Finance".

Education

MPhil Economics **International Islamic University Islamabad Pakistan** **(2010)**

It is a four years' degree program of the university. I conducted research in *Fiqh ul-Muamlat al Maliyya* under supervision of Prof. Dr. Tahir Mansoori Dean Faculty of Shari'a & Law, International Islamic University Islamabad on the topic, "*Mudaraba and its Application in Contemporary Islamic Banking*"

MSc Economics **International Islamic University Islamabad Pakistan** **(2003)**

It is a three years' degree program of the university. Following were major studies accomplished under supervision of revered Shari'a scholars, economists and bankers:

Professional Education

- Regularly updated and accomplished the Banks' KYC/AML courses and always obtained highest marks in tests.
- Durham University, UK, Islamic Finance Summer School in August 2015
- Participation in the Shari'a Governance Forum conducted by QFIS-Qatar Foundation, Doha Qatar (16th of March 2016)

- Participation in seminar on “Islamic Banking and its Development in Oman” conducted by Modern College of Business and Science (15th of March 2016)
- Accomplished Durham University, UK, Islamic Finance Summer School in August 2015
- AAIOFI, CSAA: Completed Training of Certified Shari’a Advisor and Auditor (2012)
- International Islamic University Islamabad Pakistan Arabic Language Certificate (2000-2001)
- Publicitas and EY, 2-Days Training on “Methodology of Profit Calculation and Distribution for Islamic Banking” (July 2009)
- Dar ul-Mashwara Doha Qatar Shari’a Audit and Compliance Course (2010)
- FANAR Qatar Islamic Cultural Centre, Arabic Language Course: Completed top 3 levels (from 3rd to 5th) offered by the institute. (2011)
- Qatar Foundation-Qatar Faculty of Islam Studies: Islamic Banking and Finance Course (2011)

Personal Particulars

Date of Birth: 01 November, 1975 **Married** with 2 kids

Computer - Proficiency in MS-Office (Arabic and English)

Languages Known: Proficient in English, Arabic and Urdu

References: On request