



# Defining Banking based on ethics and values

## Banking Based on Trust

In response to increasing global demand in Islamic Banking practice, Craft Silicon has introduced “Bankers Realm-Islamic Banking” (BRIB) - a product offering based on the successful Bankers Realm core banking product-to cater for this growing banking segment. The Bankers Realm- Islamic meets clients' requirements in Islamic Banking besides supporting micro-finance operations in an Islamic Banking context. The product, being part of the Bankers' Realm product family benefits not only from Islamic Product enhancements but also from all the main enhancements that are made to the rest of the Bankers Realm product line.

The Islamic banking industry has witnessed a frenetic pace of growth during the last decade the world over respond to the opportunities presently by this rapidly growing industry. While estimate about the size of the industry differ, conservative sources put the total assets of Islamic Banking and Financial institutions at USD 300 Billion today and projected to reach USD 1 trillion By 2012. Islamic banking and financial institutions operate in over seventy five countries and they are expected to grow at over fifteen percent during the next five years. Most of the countries and their central banks have taken a lead in supervising Islamic Banking and Financial services, encouraging their growth and have passed Islamic Banking and financial laws to their countries.

A comprehensive Islamic banking solution that provides banks end-to-end functionality to define and offer Shariah-compliant products, will play a very critical role in addressing the needs of the burgeoning Islamic banking segment.

The Islamic finance paradigm is based on the following set of prohibitions:

- Transactions is unethical goods and services
- Earnings returns from a loan contract (Riba/Interest)
- Compensation-base restructuring of debts °Excessive uncertainty in contracts(Gharar)
- Gambling and chance –based games (Qimar)
- Trading in debt contracts at discount
- Forward foreign exchange transactions

Islamic economic goals of equality, fairness, social solidarity through risk sharing, property rights, and the sanctity of contracts; entrepreneurship, Partnership, income generation through productive activity of poverty alleviation are consistent with elements of Banking

## Bankers Realm Islamic System Architecture



## Asset Based Products

The products offered under Asset Based Financing Products include: Murabaha, Ijara, Ijara Wa Iktina, Istisna, Salam, Tawarruq

Salient Features:

1. On-Contract level capturing of assets/commodity details related to supplier and banks customer.
2. Purchase and sale of commodity on separate financing contracts.
3. Capture of payment schedule.
4. Capability to define multiple products with facility to modify the parameters.
5. Amortization repayment schedule for profit and rental.
6. Calculation of daily, weekly, fortnightly, monthly, half yearly and yearly profits or rents on accrual base.
7. Ability to define grace period and repayment holidays.
8. Acceptance of repayment by cash, cheque, post dated cheque (PDC) and ECS.
9. Facility to define fees and charges.
10. Ability to capture and report profit accrued on debt base product a/c funded under various pools
11. Advice and statement generation.
12. Facility to provide linkage between commodity/assets to inventory A/c.

## Liability Based Products

Liability Based Products provided by Bankers Realm- Islamic include Sharia compliant Saving and Deposits Products viz., Wadia Wad Damana / Qard Hasan, Wadia Wad Damana/Mudaraba, Mudraba Deposits and Wakala Deposits. These products can be parameterized based on specific requirements of the bank.

Salient features:

1. Term Deposits, Demand Deposits and Saving a/c under Mudarbah concept of investment.
2. Introduction of multiple Islamic Banking products for different market segments.
3. Ability to provide linkage of Term Deposits and demand deposits linkage to Mudarbah fund pool.
4. Auto rollover and auto closure of Islamic deposits.
5. Facility for pre-mature closure of deposits.
6. Distribution of profits based on pre-defined agreement between the bank and client.
7. Statement of accounts for individual a/c or combined statement for all a/c's
8. Calculation of zakat and collection from deposits a/c based on the tenor and amount as per sharia law.

## Fund Pool Management

It helps the bank to manage funds on acceptance of deposits and placement of funds appropriately for investment and financing

Salient Features:

- 1- Use of fund-pool for mobilization of funds, placement of funds and management of profit distribution to investors.
- 2- Capability to specify a fund pool under PSIAU and PSIAR, based on various pre-configured restriction that are bank-definable parameters.
- 3- Ability to define multi-currency pool and track pool balances in individual currencies.
- 4- Ability to define profit distribution frequency for a pool.
- 5- Ability to specify tenor base profit sharing percentage (Between client and Bank)

## Special Features of Bankers Realm –Islamic Banking

### User Interface

User interface is one of the greatest assets of BR IB. User interface plays a vital role as far as the software acceptance is concerned. This is the reason we have given special emphasis on the user interface. BR IB is a window compliant software, therefore it gives a smooth flow from windows environment to BRIB since has maintained most of the standard windows environment.

### Information Dashboard

Information dashboard is a solution designed to help users access the information and experience they need to work smarter. By taking information from a variety of sources and making it accessible, an Information dashboard enables users to make faster, better business decisions. An information dashboard makes it easy to access the information important to you in a single view.

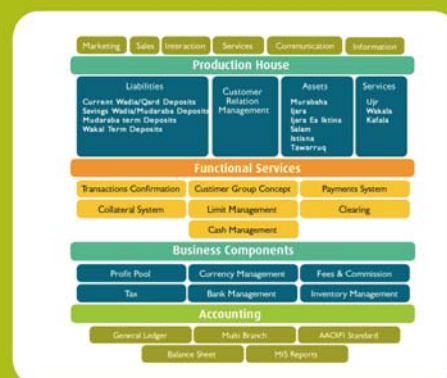
### Special Conditions and Parameters

In order to meet various customer specifications, BRIB has parameters and special conditions that are set globally and in some cases set at specific module level

### System Security

System security is one of the most important parts of any financial software. BRIB incorporates multi-layered security that virtually eliminates any unauthorized access.

## Bankers Realm Islamic Functional Architecture



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