



TAQWAA ADVISORY AND SHARIAH INVESTMENT SOLUTIONS (P) LTD.

INDIA'S PREMIER SHARIAH ADVISORY INSTITUTION

Introduction

Islamic Finance is a more than USD 3.5 trillion industry today and is emerging as one of the fastest growing areas of international finance. Currently Islamic banking and finance practices have a presence in over 75 countries of the world; these include many countries of Europe, North America, South-East Asia and Africa.

India Inc. having sensed the momentum building up in favour of Islamic Finance, has started looking for strategic vantage positions to exploit the niche opportunity. Many Indian private sector players have come up with Shariah Compliant products. Some financial institutions such as HSBC, Goldman Sachs, TATAs, Taurus, UTI, Kotak, BajajAllianz, have some kind of Shariah Compliant products already in the market.

Government of India too is seriously contemplating various options for allowing Islamic finance in the country. The publication of Mohanty Committee on Medium-term Path on Financial Inclusion Report and the proposal by Islamic Cooperation for the Development of Private Sector (ICD) – a 100% subsidiary of the Jeddah based Islamic Development Bank (IDB) - to establish a NBFC to facilitate regular financing activities for businesses in India, are some of the notable milestones in this area.

These developments are definitely encouraging pointers towards the increasing interest of the government in Islamic Finance which has for far too long been ignored in our country when nations across the globe were benefiting from it.



Role of TISIS

The increasingly rapid developments taking place in India makes it essential to have a reliable and independent institutional mechanism to advise, monitor and certify the various offerings coming to the market with claims of Shariah compliance.

The benefit that such an institution brings to the nascent Indian organized Islamic Finance sector is to provide credibility to the Shariah compliant products hitting the market. On the other hand, by advising investors about the status of Shariah compliance of various products, it enables investors to differentiate between various products, make informed decisions about them and infuse confidence in the market.

About TESIS

TESIS is India's premier Shariah advisory institution in the field of Finance. It derives strength from its deep-rooted belief in Shariah values and the commitment of its people to Shariah in letter and spirit. It is proud to have some of the internationally renowned Shariah scholars on its Shariah Advisory Board. Its Shariah scholars are known for their pragmatic but firm approach towards Shariah and its application in day-to-day life.

TESIS strives for quality in its work seeking to deliver value and excellence to its clients. This approach has helped TESIS earn many prestigious clients in India without diluting its credibility and reputation for adhering to Shariah principles. As a result it is now well-recognized both within the country and abroad as a reliable provider of Shariah advisory services.

The aim of TESIS is to help Indian corporates and entrepreneurs to realize their commercial potential while following Shariah principles in the truest sense. It also advocates and works towards increased business interactions and seeks to promote contacts and joint ventures between India and global Islamic Finance markets.



Achievements

- 2024 TESIS provides Infinity Value Investments Ltd DIFC Dubai 13 years data on Shariah compliance of NSE and BSE listed stocks for back-testing their proposed strategy for investment in Shariah compliant stocks.
- 2024 TESIS approves ITG Edutech LLP for using TESIS Shariah screening feed as the basis of its Shariah compliance recommendations for Indian stocks listed on NSE and BSE on its Online Platform.
- 2024 TESIS approves Nuqi Wealth India Pvt Ltd, DIFC Dubai for using TESIS Shariah screening feed as the basis of its Shariah compliance recommendations for Indian stocks listed on NSE and BSE on its Online Platform.
- 2024 TESIS provides guidance to Kotak Mahindra Bank Ltd regarding investment on Mudaraba basis foreign managed Shariah portfolio funds with Qatar Islamic Bank.
- 2024 TESIS provides guidance to Sundaram Alternates on deploying in India in alternate Shariah compliant debt structures, funds raised from Gulf region.
- 2022 Motilal Oswal Asset Management Company Ltd. (Mumbai) appoints TESIS for Shariah Consultancy Services for its Motilal Oswal Ethical Strategy - Portfolio Management Services.
- 2021 TESIS structures Shariah compliant Financing scheme for Ship acquisition by Admiral Marine (in Dubai).
- 2021 Sahulat Microfinance [Facilitation] Society (Delhi) appoints TESIS to study operations of its affiliated co-operative credit societies (in Telangana and AP) and propose a Shariah compliant system of determining and charging Service Charges on their loans.
- 2021 Issue of Shariah Opinion (Fatwa) from TESIS Shariah Board for Sahulat Microfinance [Facilitation] Society (Delhi) regarding Shariah compliance of use of white labelled ATM for members of Sahulat affiliated co-operative credit societies.

Achievements

- 2021 TASIS issues Shariah Opinion (Fatwa) from its Shariah Board for Sahulat Microfinance [Facilitation] Society (Delhi) regarding Shariah compliance of use of dedicated Debit Card for members of Sahulat affiliated co-operative credit societies.
- 2021 Geojit Financial Services Ltd (Kerala) becomes the bonafide customer of TASIS availing TASIS Shariah List for offering Investment basket based on TASIS Shariah List.
- 2021 Arthya Wealth and Investment Pvt. Ltd. (Mumbai) appoints TASIS for Shariah Consultancy Services to in order to offer Shariah Compliant Portfolio Management Services - Arthya ALL STAR Multi-Cap Shariah Portfolio.
- 2020 Issue of TASIS Opinion for Sahulat Microfinance [Facilitation] Society (Delhi) regarding Shariah non-compliance of availing overdraft from banks for maintaining liquidity of Sahulat affiliated co-operative credit societies during Covid.
- 2020 Issue of TASIS Opinion for Sahulat Microfinance [Facilitation] Society (Delhi) regarding Shariah non-compliance of insuring life of borrowers of Sahulat affiliated co-operative credit societies during Covid.
- 2020 TASIS certifies NBFC-ND Vehicle Financing model of ECW Consultants Pvt Ltd (Kochi) as Shariah compliant.
- 2020 TASIS structures Shariah compliant variant of joint real estate investment scheme of PropShare Investment Advisors Pvt Ltd (Bangalore).
- 2019 TASIS structures a Shariah compliant Fund Mobilisation scheme for Herdsmen Estates Pvt Ltd's (Chennai) dairy and animal husbandry project.

Achievements

- 2019 TESIS structures a Shariah compliant fund-raising model for CODA Technology Pvt Ltd (Chennai), a technology company.
- 2018 TESIS issues Shariah Opinion (Fatwa) from its Shariah Board for Sahulat Microfinance [Facilitation] Society (Delhi) regarding use of “Interest” for Shariah compliant Service Charges on Loans in India.
- 2018 Sahulat Microfinance [Facilitation] Society (Delhi) appoints TESIS to develop a comprehensive Accounting & Management Information System for its affiliated co-operative credit societies.
- 2017 TESIS certifies Vehicle Financing model on P2P platform of ECW Consultants (Kochi), as Shariah compliant.
- 2017 TESIS conducts Shariah Audit of Operations of Sahulat Microfinance [Facilitation] Society affiliated co-operative credit societies (of Maharashtra).
- 2017 TESIS issues certificate of Shariah compliance of Operations to Sanghamam Co-operative Credit Society Ltd (TN and Kerala)
- 2017 TATA Asset Management Ltd. appoints TESIS as its Shariah Consultant for its TATA Ethical Fund.
- 2017 TATA Asset Management Mauritius Pvt. Ltd. (Mauritius) appoints TESIS as its Shariah Consultant for its offshore scheme Tata Indian Sharia Equity Fund.
- 2016 TESIS issues certificate of Shariah compliance of Operations to Al Khair Multistate Co-operative Society Ltd, Patna (Bihar).
- 2016 TESIS appointed Shariah Advisor of Bait-un-Nasr Urban Co-op Credit Society Ltd (Mumbai) – India's pioneer interest-free co-op credit society.

Achievements

- 2016 TASIS wins Gold Award in the category of Best Advisory Service Provider & Best Capital Market Service Providers in India, presented by IFFSA 2016, held in Sri Lanka.
- 2014 TASIS wins Award for its contribution in the field of Islamic Finance in India, presented by Maeeshat in the 6th All India Minorities Business Summit & Awards 2014 ceremony held at New Delhi, India.
- 2013 TASIS becomes Knowledge Partner with National Stock Exchange to provide Shariah Index services for Chittagong Stock Exchange.
- 2012 TASIS in collaboration with Bombay Stock Exchange, launches online certification course in Islamic Banking, Finance and Capital Market.
- 2012 Kerala State Industrial Development Corporation promoted Shariah NBFC, Cheraman Financial Services Ltd. appoints TASIS as Shariah Auditor.
- 2011 Awarded Membership of Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) (Bahrain) as the first and the only Member from India.
- 2010 TASIS and Bombay Stock Exchange launches high profile BSE-TASIS Shariah 50 Index.
- 2009 GIC Re appoints TASIS as Shariah Advisor for its Retakaful scheme offered to International Takaful Companies.
- 2009 TASIS advises Secura Investment Management Pvt. Ltd. (Kerala) India's first Shariah Compliant Venture Capital Fund registered with Securities and Exchange Board of India (SEBI).
- 2009 TASIS advises Taurus Ethical Fund (Mumbai) India's first Shariah Compliant Mutual Fund which is registered with Securities and Exchange Board of India (SEBI).



How Does TESIS Work ?

TESIS provides its customers from varied industries specific services according to their requirements in a timely, effective and cost efficient manner.

The process of Shariah certification starts with the willingness of the client to structure the business in a Shariah compliant manner. During the initial discussion TESIS focuses more on objectives, methodology and legal issues involved in structuring the product.

After being satisfied of the legal and economic viability of structuring the operation or product in a Shariah compliant manner, TESIS prepares a Shariah Assessment Report (SAR) which identifies the Shariah issues, weaknesses and strengths of the product.

The client is informed of necessary actions, amendments and revisions in the proposal to ensure Shariah compliance of its product. The revisions and amendments are then discussed in detail with the Shariah Board members to ensure that the product and its methodology are fully in alignment with Shariah precepts.

On obtaining clearance from the Shariah Board TESIS proceeds with assisting the client in preparation of the legal documentation.

The last stage involves final approval of our Shariah Board followed by a Fatwa or Shariah Certificate in favour of the product or operations of the client.

SHARIAH CERTIFICATION PROCESS

The client is ready with the Final Product

Authorised copy of legal document is received from the client and Shariah Certificate (Fatwa) is issued

Client is asked to go ahead with legal documentation

Revised document received from client is shared with Shariah scholars for their comments and further fine-tuning

Client prepares the document in the light of comments and suggestions received from TESIS

Shariah Assessment Report (SAR) is prepared by TESIS and communicated to the client for necessary action

Client and TESIS meet to discuss the proposal



TASIS Shariah Board

Members of TESIS Shariah Board are highly qualified and have vast exposure in the field of fiqhul mu'amalaat (commercial transactions). Apart from India, our board members provide Shariah consultancy services in Europe, North America and Africa.

▣ **Mufti Abdul Kadir Barkatulla**

Mufti A.K.Barkatulla is a prominent Shariah Scholar and an Islamic Sharia law expert with a background in economics and finance as well as Science. He graduated in Islamic Studies from the famous Darul Uloom Deoband, India where he was also trained as a Mufti (qualified to issue Islamic authoritative edicts) in 1974. Moving to London in 1979, he pursued his studies and attained both B.Sc (1985) and M Phil (1992) and started practicing as one of the Shariah Judges at the Islamic Shariah Council. He has been a member of the Shariah supervisory committees of several Islamic Financial Institutions including United National Bank, Al Buraq of Arab Banking Corporation, London and Lloyds TSB and is also a member of the Islamic Shariah Council, U.K. He has been commended by members of the British Parliament for his contributions to the Islamic Finance sector of U.K.

▣ **Mufti Khalid Saifullah Rahmani**

Maulana Khalid Saifullah Rahmani is the General Secretary of Islami Fiqh Academy, India and founder member and currently Member, Executive Council of All India Muslim Personal Law Board. He has inherited rich scholarly traditions from his family of reputed scholars, specifically his father Moulana Zainul Abidain and grandfather Moulana Abdul Ahad Jalavi. He has also written more than 100 books on a wide range of topics and pioneered more than fifteen institutions of Islamic education, research and jurisprudence across the country. His broad outlook, ability to provide solutions to modern problems and represent Islam in media has made him popular in all sections and sects of the Muslim community in India. He is the Founder and Rector of Al Mahad al Aali al Islami Hyderabad, a unique centre in the subcontinent for academic, ideological and dawah training of graduates of madrasas. He is one of the founders of Jamia Aisha Niswan, one among the four major women's Islamic educational institutions in the country.

TASIS Shariah Board

□ **Dr. Hafiz Mohammad Iqbal Masood Al-Nadvi**

Dr. Nadvi has a doctorate in Islamic jurisprudence (Fiqh) from Ummul Qura University, Makkah, Saudi Arabia. He has been Asst. Professor at King Saud University Riyadh for six years. He has taught Shariah for two decades in various institutes. He is Resident Scholar of Al Nadwa Institute, Chairman of Canadian Council of Imam and Chairman of Shariah Board, Canada. For his expertise, Dr. Nadvi has been invited by Harvard Law School, London School of Economics and many other prestigious institutions.

□ **Mufti Mohammed Ashfaq Kazi**

Mufti Mohammed Ashfaq Kazi is an eminent Islamic Scholar with over 20 years of experience in Islamic Jurisprudence (Fiqh & Usool-al-Fiqh). He has been heading the Fatwa Department and Fiqh committee at the Jama Masjid of Bombay Trust for the past twelve years. He has been an advisor/consultant for several individuals, businesses, and corporate firms to review and ensure compliance with Shariah. He is also the Shariah Advisor for a multinational listed firm at the Bombay Stock Exchange. Mufti Ashfaq is very passionate about solving the problems plaguing the community by getting involved and creating solutions. He has inspired many people and brought together talented individuals to create teams and social ventures that are self-sustainable. Some of the aspects he has researched extensively, and has worked on in the field of Shariah Compliant Financial Advisory include Musharaka and Mudaraba, Shariah Screening, Audits for Shariah Compliance, Takaful, Microfinance, Inheritance, Wills and Deeds, Gift Deeds etc. After graduating in Islamic Theology, he studied the principles of issuing edicts (Fatwas) for two years at Al-Mahad Al-Aali Al-Islami, Hyderabad, a globally renowned and leading institution from India. He subsequently earned a specialized license for Qadhaa (legal responses) from Imaarat-e-Shariah, Patna, Bihar, and completed a postgraduate degree from the King Saud University, Riyadh, Saudi Arabia. In addition to his extensive Islamic studies, he is a trained counsellor, NLP (Neuro-linguistic Programming) practitioner, and has studied psychology to help in counselling and coaching.

CORE TEAM

Mr. Mohammed Husain Khatkhatay (B Tech, MBA)
(Director - Operations)

Mr. Jamil Ahmed Shaikh (B Com, FCA, DISA)
(Director - Finance and Administration)

Mr. M. Z. Rehman (BA, DLL, MBA)
(Director - Public Relations)

Mr. Ibn Soud (PG - Arabic and Islamic Studies)
(Director - Business Development)

Mr. Zaheer M. Khan (B Com)
(Manager - Operations)





Services

TASIS is committed to the development and promotion of Shariah compliant finance in the country. It specializes in Shariah advisory, Product structuring, Shariah Screening & Monitoring, Purging (calculation of impure income to be purged), Shariah Auditing & Supervision and providing Islamic Finance education.

■ Shariah Advisory

Shariah advisory services of TASIS, in general terms, involve understanding the essence of a financial transaction or scheme and then analyzing whether the route to the desired objective, involves any Shariah repugnant elements such as Interest (Riba) or excessive uncertainty (Gharar). In the event such is the case, then to exercise innovativeness to attempt to reach the same objective without infringing Shariah stipulations or statutory obligations.

Those cases which cannot be rid of Shariah deficiencies will be ruled out as non-compliant and the client shall be offered the choice of modifying his objectives suitably so as to save the essence of the scheme or such aspects of it as do not conflict with the Shariah norms.

Also central to the entire exercise is the attempt to ensure that the resultant scheme is robust in operation and tax efficient.



■ **Shariah Product Structuring**

Shariah Product structuring services involve designing and development of specific/customized Shariah compliant products and operational structures for institutions such as banks, asset management companies, insurance companies, non-banking financial companies (NBFCs), microfinance institutions, real estate players, venture capital funds, mutual funds, private equity, stock exchanges, universities and academic institutions, trading houses, manufacturers, companies in services such as logistics and exports.

■ **Shariah Stock Screening and Monitoring**

TASIS screens stocks that are listed on the major Indian stock exchanges on an ongoing basis and provides the list of Shariah compliant stocks to fund managers, stock brokers and other interested parties. Its norms for Shariah screening of stocks are conservative and are based on empirical research on the Indian stock markets over many years. It also regularly publishes research reports based on its Shariah screening. In the past TASIS reports have been published in highly reputed local and international journals and magazines.

■ **Purging (Calculation of Purging amounts for Shariah Compliant Stocks)**

TASIS methodology for purging (cleansing of impure income) is unique and based on rigorous empirical research which is continuously updated. Purging involves calculation of that pro-rata share of the impure (interest) income earned by a company which is the responsibility of an investor of that company. The amount thus calculated has to be donated to charity either by the investor himself or his investment agent. Purging service of TASIS is a unique and extremely valuable contribution to ensuring greater Shariah compliance by the common investor.





Services

■ Shariah Auditing & Supervision

Shariah auditing and supervision services bring complete transparency and enhanced credibility. It helps management in rectifying any Shariah inconsistency which may appear at any stage due to external factors. This leads to increased customer satisfaction and improved company reputation. Thus, Shariah auditing & supervision ensures continuous compliance of financial products and services with precepts and principles.

■ Islamic Finance Education

Islamic finance has a niche hold on the market, and is growing at a tremendous rate. The Islamic financial services market demands specialized expertise that combines financial knowledge of both its theory and practices. A deeper understanding of Islamic finance helps practitioners, academicians, professionals and students to shape and lead this emerging industry to a higher level of success. Keeping this vision in view, TESIS has started its Islamic Finance Education services.

The primary objective of Islamic Finance Education services is to train practitioners and professionals so as to enable them to contribute to this industry positively and create awareness among the general public. Under this service TESIS aims to provide regular certification courses, organize national and international seminars and conferences. And specialized training courses for different domain and conventional finance experts.



Who can avail of TASIS services

Organizations and Institutions in the following areas can avail of TASIS services:

- Banks
- Stock Broking Firms
- Financial Service Companies
- Asset Management Companies
- Non-Banking Finance Companies
- Microfinance Institutions
- Insurance Companies
- Private Equity Funds
- Venture Capital Funds
- Real Estate Developers
- Legal, Auditing and Consultancy Firms
- Wakfs & Trusts
- Educational Institutions
- Government and Semi-Government Bodies and Institutions



ASSOCIATES



Accounting & Auditing Organization of Islamic
Financial Institutions (AAOIFI)



National Stock Exchange (NSE)



Bombay Stock Exchange Institute Ltd.(BSE)



Indo Arab Chambers of Commerce and Industries, India



Centre for Monitoring Indian Economy



Futuresoft Technologies



Sahulat MicroFinance Society

OUR ESTEEMED CUSTOMERS

Some prestigious clients to whom TESIS is providing / has provided Shariah advisory services include



Vision:

To become the leading provider in India of Shariah advice and Shariah investment solutions in terms of :

- compliance with Shariah,
- innovativeness in product structuring,
- responsiveness to client needs, and
- range of clientele

Mission:

To establish in India an institutional framework which will provide the general public, professional investors, academicians, industrial units, commercial establishments, service industries, government and quasi government authorities authentic Shariah guidance and assist them in operationalising the same.

By setting practicable Shariah compliance standards and elaborating Shariah compliant financial structures in different business spheres, enable prevailing commercial transactions and schemes to be independently and objectively evaluated, monitored and rated and thereby provide a regime to differentiate between schemes of varying levels of Shariah compliance.

To educate society of the benefits of Islamic Finance or Shariah based finance principles and practices and work towards the general acceptance of such principles and practices by Muslims specifically and the public at large generally.



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Regd. Office: 5, Natalwala Building, 110, S.V.S. Road, Mahim, Mumbai - 400 016 | Tel: +91-22-24454610

Corp. Office: 1st Floor, 44 Bank Street, Khatau Bldgs, Fort, Mumbai - 400 001 | Tel: +91-22-40035305 / 22690147

E-mail: info@tasis.in | Website: www.tasis.in