

AL-FARABI KAZAKH NATIONAL UNIVERSITY

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Al-Farabi KazNU

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Vice-rector on academic affairs

_____ **A.K.Khikmetov**

**THE PROGRAM OF ENTRANCE EXAMINATION FOR PHD IN
ISLAMIC FINANCE SPECILAITY - 8D04109**

ALMATY 2020

The program is designed for Islamic Finance - 8D04109 specialty
Designed by c.e.s, associate professor Syrlybayeva N.

The program is reviewed on meeting of the Department
Protocol № 35 from « 26. 05 » 2020

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Approved by methodical bureau of the Higher School of Economics and Business
Protocol № 9 from « 27. 05 » 2020

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Protocol № 11 from « 29.05 » 2020

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CONTENT

1. Objectives and purposes of the entrance exam in the specialty

Purpose

The purpose of the entrance exam to the specialty "8D04109-Islamic Finance" for persons entering the doctoral program is the definition of the corresponding level of preparation for the basic obligatory and specialized major disciplines.

Objectives

- to determine the level of knowledge and mastery of methodology and modern concepts of research in the field of Islamic finance;
- to assign the scientific way of thought, especially in relation to the complex problems of Islamic finance management and the most important economic methods of research;
- to determine the skills of self-constructed using of research methods in of Islamic finance.

2. Application requirements for the level of preparation of persons to PhD doctoral program

1. To PhD program are accepted persons who have completed professional higher education curricula of Master degree in economics.
2. Applicants for the PhD in "8D04109- Islamic Finance" are required:
 - have in-depth systemic knowledge in finance and be able to critically assess problems, approaches and trends that reflect the current state of the economy, research and professional practice;
 - understand the methods and methodology that are applicable to their own scientific research and contemporary scientific research;
 - be able to find original application of existing knowledge, with a practical understanding of how existing methods of research and analysis are used in relevant science to create and interpret new knowledge;
 - have a systematic understanding that allows critically assessing contemporary scientific research and theories;
 - be able to evaluate methodological approaches, to do their critical analysis and, if necessary, propose new hypotheses;
 - demonstrate a systematic approach to solving complex financial and economic problems, be able to draw informed conclusions in the absence of complete data and clearly state their conclusions, both for specialists and for audiences that do not have the appropriate professional training;
 - demonstrate independence and original approach in solving financial and economic problems, independently plan and solve problems at a professional level;
 - know the current legislation in financial and economic relations;
 - have deep knowledge and a systemic understanding of the features of managing the financial system in the context of financial globalization and the global economic crisis.

3. Prerequisites of the educational program for persons with education in unrelated specialties

Application of persons with education in non-related specialties is not provided.

4. The list of titles for preparing for the exam: Discipline "Theory of Finance"

1. The cotemporary interpretation of finance, its modifications in a market environment. The essence and functions of finance organizations. The role of finance in the development of the real sector of the economy. Financial incentive measures for the development of business structures. The role of finance in the development of international economic relations.
2. The dynamism of the financial mechanism, the dialectic of forms and methods of managing the financial system and financial planning in a sustainable development. Measures to restructure the financial mechanism of economic management. Financial planning as the most important subsystem of the financial mechanism.
3. Actualization of financial policy in state target and budget programs. Government Loan and Government Debt Policies. Financing of innovation and industrial development of the Republic of Kazakhstan.
4. The financial system of the Republic of Kazakhstan and the problems of its improvement in the development of a competitive economy. The financial system as a form of functioning of the mechanism of the economic category "finance". The main features of the finance of business entities. Development of integrated corporate structures and their finances
5. Using of money and finance in macroeconomic regulation: harmonization of monetary and fiscal policies. Monetary relations and monetary policy. Monetary theory and contemporary economics. Aspects of coordination of monetary and fiscal policies. Financial markets and financial institutions.
6. Current trends in the development of different views, interpretations of the nature of finance and new forms of development of financial institutions in the real sector of the economy. Development of supervision of the activities of financial and credit institutions in the Republic of Kazakhstan.
7. Contemporary economic theories and new forms, methods of manifestation of financial theoretical propositions. Theoretical foundations and forms of organization of financial relations in a market economy. Organization of financial management as an organic subsystem of the financial mechanism.
8. The interaction of economic categories in the reproduction processes (for example, finance, price, labor and insurance, credit). Finance and social reproduction. Reproduction of financial resources as an integral part of the economic resources of society.
9. Money and finance in macroeconomic regulation. Public finance in the mechanism of macroeconomic regulation. Macroeconomic regulation of the financial sector. Financial and monetary methods of economic regulation.

Strategies and a modern management model in the sphere of monetary relations.

10. The concept of fixed capital, its structure and performance indicators. The principles of organization of finance of business entities, their development in modern conditions. The concept of financial methods and financial leverage used in financial management of organizations;
11. Financial aspects of the investment business plan. Financial incentives for the development of the real sector of the economy of Kazakhstan. The essence and need for finance in terms of commodity-money relations. Functions of finance in a market economy. The financial mechanism and its elements. The problem of stabilization of finances in the Republic of Kazakhstan and possible solutions.
12. The structure of the financial system of the state and the characteristics of its links. Calculation and evaluation of indicators of working capital turnover. The impact of turnover on the financial condition of the organization;
13. Characteristics of financial relations that make up the essence of finance, and their corresponding to cash flows. The content and directions of the financial policy of the state. The economic science of the financial policy types. The financial policy of the Republic of Kazakhstan for the current years;
14. Government credit as an economic category, similarities and differences with bank loans and taxes. Government credit as a tool for regulating the economy. Forms of state credit and the mechanism for their implementation. Classification of government loans;
15. The role of finance in the implementation of programs of socio-economic development of the Republic of Kazakhstan. The role of non-state funds in the socio-economic development of Kazakhstan. National Fund of the Republic of Kazakhstan: problems of effective formation and using. Indicators of financial condition and financial stability of business entities.

Discipline "World financial markets"

1. International and national financial markets. Participants in international financial markets. The structure of the global financial market. Instruments of the global financial market. International financial centers in the structure of the global financial market.
2. International markets for Eurobonds. Terms and features of the issue of Eurobonds. The activities of professional participants in international markets for Eurobonds. Investors and issuers of Eurobonds.
3. Global government securities markets. Goals and objectives of placing government securities on international markets. Conditions and procedure for placing government securities on international capital markets.
4. The global stock market. Trends and dynamics of development of international stock markets. The concept and indicators of capitalization of international stock markets. The impact of financial crises on the dynamics of IPOs and the capitalization of international stock markets.

5. The structure of the contemporary global securities market. International debt securities markets. International equity markets. Prospects for the development of international securities markets.
6. International financial corporations. The influence of international financial corporations on the development of national financial markets. Transnational banks. The influence of transnational banks on the development of international, regional and national financial markets.
7. International money and stock markets. Instruments and participants in the money and stock markets. Money and stock markets in the development of global investment processes.
8. Issue and circulation of financial instruments in international capital markets. Infrastructure of international capital markets. Prospects for the development of international capital markets.
9. International investment. Portfolio and direct investment. Import of capital: forms, goals, socio-economic consequences. Export of capital: advantages and disadvantages.
10. Features of the regional development of financial markets. International financial organizations in the global financial market, their impact on the development of regional financial markets.
11. International centers of Islamic finance. Islamic finance development trends. Islamic finance instruments used by international financial organizations for funding their activities.
12. International currency markets. Exchange trading in currency instruments. The impact of financial crises on the development of foreign exchange markets. Features of the circulation of world currencies. The interaction of international and national currency markets.
13. Institutional investors in international financial markets. Portfolio investment by institutional investors.
14. Stock indices. The formation and development of stock indices. Methods for calculating stock indices. Methodology for calculating stock indices. Dow Jones indices: views and representative list. The main indices characterizing the development trends of international exchange markets.
15. Fundamental and technical analysis in assessing the dynamics of the development of international stock markets. Methodology for conducting fundamental analysis. Methodology for conducting technical analysis.
16. Financial markets of developed countries. Features of the development of financial markets in the USA, Canada, EU countries. Features of the development of financial markets of the eurozone countries. The impact of international financial crises on the development of financial markets in developed countries.
17. Financial markets of developing countries. Financial markets of Southeast Asia. The financial markets of South America. The impact of international financial crises on the development of financial markets in developing countries.

18. Financial markets of the CIS countries. Development of financial markets of the Russian Federation, the Republic of Belarus, the Republic of Kyrgyzstan. Integration processes in the financial markets of the CIS countries. The interaction of the financial markets of Kazakhstan and Russia.
19. The international market for derivatives. Risks in international financial markets. Types and forms of derivative financial instruments. Methods of risk assessment and hedging in international financial markets. Problems of minimizing risks in international capital markets.
20. International payment systems. Forms and methods of international financial transactions. The main forms of international payments. International financial organizations in the development of international payments and payment systems, the global financial market.

Discipline "Introduction to the Islamic Finance"

1. The mechanisms of capital formation of the Islamic bank. Features of determining the capital adequacy of Islamic banks. Monetary policy in the Islamic financial system.
2. The principles of Islamic debt financing. Mandatory linking financing to the sale of real goods.
3. Sukuk. World market of sukuk. Differences between sukuk and traditional bonds.
4. The main types of Islamic banking products (Murabaha, Mudaraba, Musharaka, diminishing Musharaka, Ijara, Wakala, Kard Hassan, Salam, Istisna). Rights and obligations of parties to the transactions.
5. Islamic bank cards: functioning mechanisms and differences from traditional bank cards. The problem of the presence of hidden loan interest in Islamic banking products.
6. Risks in Islamic banking. Takaful (Islamic insurance). Legal and organizational basis of takaful. Participant Fund Management Models in Takaful. Differences between takaful and traditional insurance products. Ways to invest for Islamic insurers.
7. The spread of Islamic products in the world. The functioning of Islamic banks in non-Muslim countries. The reasons for the growing interest in Islamic finance.
8. Division of Islamic and conventional foundations. Islamic financial organizations in the post-Soviet space.
9. Prospects for the development of Islamic banking in Kazakhstan.
10. Stages of implementation of Islamic banking products (from the offer of individual financial products to the creation of full-fledged Islamic banks).
11. The functioning of Islamic finance in the global economic system.
12. The role and share of the Islamic financial sector in the contemporary global economy. Opportunities for economic integration of Muslim countries. Informal markets for Islamic financial services.

13. The global market for Islamic financial services. the mechanism of functioning of Islamic finance in the modern world. The spread of Islamic financial products in the world.
14. The main difference between the capitalist and Islamic economies
15. The legislative framework for the regulation of Islamic finance in Kazakhstan.
16. Debt financing in Islamic finance
17. Islamic financial infrastructure. Development of ethical (Islamic) financial infrastructure
18. Organizational structure and governing bodies of IDB, problems and prospects of development of the Islamic Banking in the Republic of Kazakhstan. The experience of developed countries.
19. Organization of the activities of the Islamic Bank as an integral part of the financial market of the country.
20. Islamic banking and its development in different countries.

5. List of recommended literature

Main literature:

1. Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code) (as amended and supplemented as of 2017)
2. The Law of the Republic of Kazakhstan "On Currency Regulation" (as amended and supplemented as of November 24, 2015)
3. The Budget Code of the Republic of Kazakhstan, (as amended and supplemented as of April 9, 2016)
4. The Law of the Republic of Kazakhstan dated August 31, 1995 No. 2444 "On banks and banking activities in the Republic of Kazakhstan" (as amended and supplemented as of April 19, 2016)
5. The Law of the Republic of Kazakhstan dated January 8, 2003 No. 373-II "On Investments" (as amended on December 1, 2015)
6. Law of the Republic of Kazakhstan "On the Securities Market" dated 02.07.2003 No. 461-II (as amended on 10/31/2015)
7. Law of the Republic of Kazakhstan "On Licensing" dated May 16, 2014 No. 202-V
8. The Law of the Republic of Kazakhstan "On Microfinance Organizations" (as amended by the amendments as of March 29, 2016)
9. The Law of the Republic of Kazakhstan "On Pension Insurance in the Republic of Kazakhstan" dated 11.24.15, No. 422-V (as amended on March 29, 2016)
10. Law of the Republic of Kazakhstan "On the National Bank of the Republic of Kazakhstan dated March 30, 1995 N 2155 (amendments and additions were made as of March 29, 2016.)

11. The Law of the Republic of Kazakhstan “On Amendments and Additions to Some Legislative Acts of the Republic of Kazakhstan on the Organization of Islamic Finance” dated July 22, 2016.
12. The instructions of the Head of State on the development of Islamic finance No. 61-17.307 dated 10.20.2016.

Additional literature:

1. Ross, S. Fundamentals of Corporate Finance. BINOM. 2000.
2. P.L. Vilensky, V.N. Livshits, S.A. Smolyak. Evaluation of the effectiveness of investment projects: theory and practice, M., Delo 2013.
3. Damodaran A. Investment Assessment, Alpina Business Books, M. 2014
4. Business evaluation. Edited by Gryaznova A.G., Fedotova M.A. Moscow: Finance and Statistics, 2nd edition, 2014
5. Chirkova EV “How to evaluate a business by analogy: a handbook on the use of comparative market ratios in evaluating a business and securities. M. : Alpina Business Books, 2015.
6. Banking. Textbook / ed. G.N. Beloglazova, L.P. Krolivetskaya, - 5th ed. Recycled and add. - M.: Finance and Statistics, 2013.
7. Henny Van Grüning, Sonia Brajovic, Bratanovich. Bank risk analysis. The system of corporate financial risk management / Per. from English K.R. Tagirbekova, - M. : Publishing house "The whole world", 2003.
8. The stock market. Ed. Berzon N.I. - M. : VITA-PRESS, 2009.
9. Cottle S., Murray R., Block F. Analysis of Graham and Dodd Securities .- M.: Olymp-Business ZAO, 2012.
10. A.Yu. Zhuravlev Islamic banking Textbook 2017.
11. Book: Islamic Banking and Development of Kazakhstan M.T. Yerimbetov, 2016
12. Burenin A.N. “Market of derivative financial instruments” - M. : “INFRA-M”, 2014.
13. Bekkin R. I. Islamic economic model and modernity. M. : Marjani, 2009.
14. Bekkin R. I. Islamic economics. Short course. M. : AST, East-West, 2008.
15. Bekkin RI Insurance in Muslim law. Theory and practice. M. : 2001.
16. Islamic financial institutions in the global financial architecture. Ed. K.V. Kochmola. Rostov-on-Don: Rostov State Economic University, 2008.
17. Islamic finance in the contemporary world. Economic and legal aspects. Ed. R.I. Bekkina. M. : UMMA, 2004.

6. Scale of assessment of the results of the entrance examination

Letter Grade	The number equivalent of points	%	Traditional assessment system
A	4,0	95-100	Excellent
A-	3,67	90-94	
B+	3,33	85-89	Good
B	3,0	80-84	

B-	2,67	75-79	Satisfactorily
C+	2,33	70-74	
C	2,0	65-69	
C-	1,67	60-64	
D+	1,33	55-59	
D	1,0	50-54	
F	0	0-49	Unsatisfactorily
I (Incomplete)	-	-	«Incomplete» (не учитывается при вычислении GPA)
P (Pass)	-	0-60 65-100	«Зачтено» (не учитывается при вычислении GPA)
NP (No Pass)	-	0-29 0-64	«Не зачтено» (не учитывается при вычислении GPA)
W (Withdrawal)	-	-	«Отказ от дисциплины» (не учитывается при вычислении GPA)
AW (Academic Withdrawal)			Снятие с дисциплины по академическим причинам (не учитывается при вычислении GPA)
AU (Audit)	-	-	«Дисциплина прослушана» (не учитывается при вычислении GPA)

Assessment of the results of the entrance exam is produced on a 100-point scale, taking into account the degree of completeness of the answers:

Assessment	Criteria	Scale, points
A Excellent	1. A systematic understanding of the features of financial management and the skill to critically analyze, evaluate and synthesize new and complex ideas in finance are demonstrated. 2. The skills of effectively solving problems arising in the financial system are shown; 3. The ability to use the acquired theoretical knowledge, methods, techniques in real practical situations and to independently solve certain scientific problems based on a creative approach.	95-100
A- Excellent	1. Fully demonstrated competence in finance, financial activities of corporations, financial management, risk management in the banking system; 2. The material is presented correctly in a logical sequence; 3. Demonstrated ability to successfully carry out research and activities in finance	90-94
B+ Good	1. The ability to solve financial problems at a good level is shown, however, a minor error was made in solving them; 2. Demonstrated skills and abilities to integrate existing and new social knowledge for setting scientific tasks and solving problems arising in the financial activities of corporations;	85-89
B Good	1. The ability to solve management problems at a good level is shown, however, a minor error was made in solving them; 2. The material is presented correctly in a logical sequence, but with minor errors.	80-84

B- Good	<ol style="list-style-type: none"> 1. The ability to solve financial problems at a good level is shown, however, a minor error was made in solving them; 2. The material is presented correctly in a logical sequence, but with errors. 	75-89
C+ Good	<ol style="list-style-type: none"> 2. The material is incomplete, but for the most part it is completed and demonstrated competence in finance. 3. The material is presented correctly, but the logical sequence is broken. 	70-74
C Satisfactorily	<ol style="list-style-type: none"> 1. The material is not complete, there are logical errors; 2. The practical task is not fully completed; 3. The material is presented, but the logical sequence is broken. 	65-69
C- Satisfactorily	<ol style="list-style-type: none"> 1. The ability to solve financial problems at a low level is shown; a significant mistake was made in solving them; 2. Material not completed; 3. The material is presented inconsistently. 	60-64
D+ Satisfactorily	<ol style="list-style-type: none"> 1. The ability to solve financial tasks at a low level is shown; a significant mistake was made in solving them; 2. The presentation of the material made significant grammatical, terminological errors, violated the logical sequence. 	55-59
D Satisfactorily	<ol style="list-style-type: none"> 1. The ability to solve financial problems at a very low level was showed; a significant mistake was made in solving them; 2. Material not completed; 3. The material is presented inconsistently. 	50-54
F Unsatisfactorily	<ol style="list-style-type: none"> 1. The ability to solve problems of a financial nature at a very low level is shown; a significant mistake was made in solving them; 2. The material is not completed, the inability to process information was revealed. 	0-49