ISSN 2580-5576

GENERAL REGULATORY FRAMEWORK IN RASTIN PROFIT AND LOSS SHARING BANKING (PART I-OPERATIONAL CONTEXT)

Bijan Bidabad
Islamic Azad University, Iran

DOI:

https://doi.org/10.32770/jbfem.vol111-26

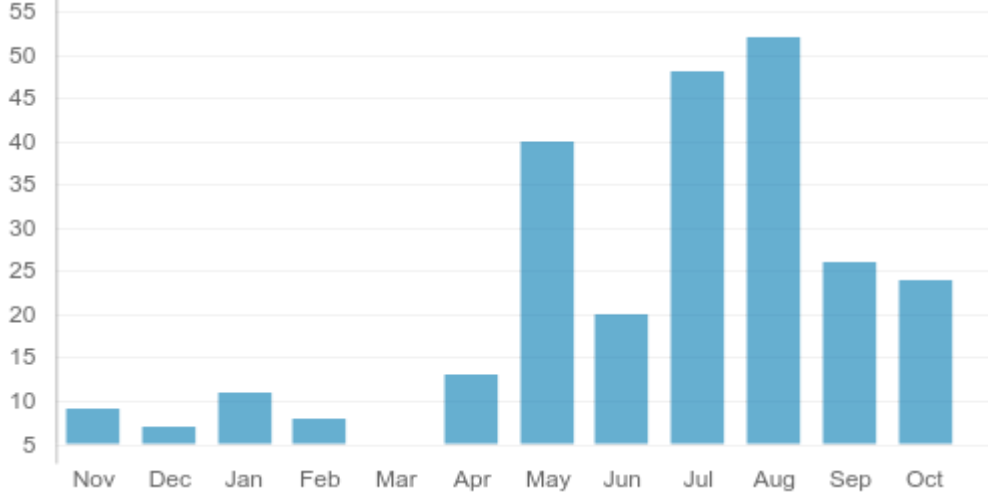
Keywords:

rastin banking, profit and loss sharing (PLS), partnership, rastin profit and loss sharing (PLS) banking, islamic banking, musharakah

Abstract

This paper aims to explain the operational and legal infrastructure of Rastin Profit and Loss Sharing (PLS) Banking. To handle Rastin Banking, the particular theoretical and operational regulatory frameworks and legal context of the contracts should be defined to fulfil the participation operations. We will have a look at the necessary legal environment to setup Rastin Banking. This system requires more elaborations for further practical development and adjustment. In this system, the investment return of the participation is distributed to the parties of financial partnership (depositor, entrepreneur and bank), and it is done by eliminating fixed interest rate, and it is based on the real economy profit (return) of the activity. Rastin Banking can lead to important positive effects on growth and economic welfare through money and capital markets. Interest rate as an essential factor in conventional banking is not usable in Islamic banking and other similar institutions that work based on partnership, such as mutual funds and saving and loan associations. Approach of this system is entirely different from the conventional banking. In addition to removing usury in banking activities, Rastin Banking uses the best practical ethic finance to creating safe and public confidence environment for banking operations.

Downloads



References

Bidabad, Bijan, Mahmoud Allahyarifard. (2010). IT Based Usury Free Financial Innovations. Proceeding of ECDC 2010, 5th International Conference on e-Commerce in Developing Countries: with focus on e-Banking & e-Insurance. 15-16 September.

Bidabad, Bijan, Abul Hassan, Ben Ali Mohamed Sami, Mahmoud Allahyarifard. (2011). Interest-Free Bonds and Central Banking Monetary Instruments. International Journal of Economics and Finance. Vol. 3, no. 3, Aug, pp.234-241.

Bidabad, Bijan, Abul Hassan, Ben Ali Mohamed Sami, Mahmoud Allahyarifard. (2011). Interest-Free Bonds Financial Innovation, A Monetary Instrument for Economy at Crisis. Journal of Economic Cooperation and Development (JECD). 32, 1, 55-70.

Bidabad, Bijan; Azarang Amirostovar, Saeed Abdollahi, Mahmoud Allahyarifard, Eskandar Pordel, Maryam Heidari, Alireza Shafiei, Mohammad Ali Pourbehrouz. (2012). Draft of Rastin Banking Bill, Bank Melli Iran.

Bidabad, Bijan, Azarang Amirostovar, Saeed Abdollahi, Mahmoud Allahyarifard, Eskandar Pordel, Maryam Heidari, Alireza Shafiei, Mohammad Ali Pourbehrouz. (2012). Draft of Rastin Banking Executive Regulation, Bank Melli Iran.

Bidabad, Bijan. (2013). Rastin Certificate Market (RCM), Complementary System of Rastin Banking.

Bidabad, Bijan, Mahmoud Allahyarifard. (2013). Interbank Withdrawal Protocol (IWP), Complementary System of Rastin Banking.

Bidabad, Bijan. (2013). Rastin Profit and Loss Sharing (PLS) Base System. Journal of Islamic Economics, Banking and Finance, pp. 32-57, Vol. 9 No. 4, Oct - Dec.

Bidabad, Bijan. (2014). New Operational Islamic Banking System, Volume One, Theoretical Foundations, LAP Lambert Academic Publishing, OmniScriptum GmbH & Co. KG, ISBN: 978-3-659-54463-7.

Bidabad, Bijan. (2014). New Operational Islamic Banking System, Volume Two, Applicational Issues, LAP Lambert Academic Publishing, OmniScriptum GmbH & Co. KG, ISBN: 978-3-659-55210-6.

Bidabad, Bijan. (2014). Instalment Financial Sharing (IFS). Journal of Islamic Economics, Banking and Finance.

Bidabad, Bijan. (2014). Rent Financial Sharing (RFS). Journal of Islamic Economics, Banking and Finance.

Bidabad, Bijan. (2014). Joint Stock Company with Variable Capital (JSCVC), International Journal of Law and Management, Vol. 56, Iss: 4, pp.302 â€“ 310.

Bidabad, Bijan. (2014). Bail Financial Sharing (BFS). Journal of Islamic Economics, Banking and Finance.

Bidabad, Bijan. (2014). Rastin Crowd Funding.

Bidabad, Bijan. (2014). Mudarebah Financial Sharing (MFS). Journal of Islamic Economics, Banking and Finance, JIEBF, Volume - 10, Number - 1, January - April, pp. 56-68.

Bidabad, Bijan. (2014). Rastin Group Funding (RGF). Bank Melli Iran, Tehran.

Bidabad, Bijan. (2015). Rastin Personal Security (RPS). Journal of Islamic Economics, Banking and Finance, JIEBF, Volume - 11, Number - 2, April - June, pp. 47-61.

Bidabad, Bijan. (2015). Rastin Social Takaful (RST). Journal of Islamic Economics, Banking and Finance, JIEBF, Volume - 11, Number - 1, January - March, pp.: 13-23.

Bidabad, Bijan. (2015). Rastin Swap Deposit. Tehran.

Bidabad, Bijan. (2015). Rastin Swap Card. Tehran.

Bidabad, Bijan. (2015). Serial Commitments Clearance (SCC) in Rastin Banking. International Journal of Law and Management, Vol. 57, Iss: 6, pp. 600-609.

Bidabad, Bijan. and Mahshid Sherafati. (2016). Operational Ethical Banking in Rastin Banking (Professional Ethic, Audit, Inspection, Control, Monitoring and Preservation). International Journal of Law and Management, Vol:58, Iss:4, pp. 416-443.

Bidabad, Bijan. (2016). Joalah Financial Sharing (JFS). Journal of Islamic Economics, Banking and Finance, Volume-12, No. 1, January-March, pp. 33-48.

Bidabad, Bijan, M. Allahyarifard, M. Sherafati. (2016). Rastin Partnership Accounting.

Bidabad, Bijan, A Amirostovar, M. Sherafati. (2017). Financial Transparency, Corporate Governance and Information Disclosure of the Entrepreneurâ€™s Corporation in Rastin Banking. International Journal of Law and Management, Vol:59, Iss:5.

Bidabad, Bijan, S, Abdollahi, M. Sherafati. (2017). Enforcement of the Purports of Binding Banking Documents in Rastin Banking â€“ Part I. International Journal of Law and Management, Vol:59, Iss:1.

Bidabad, Bijan, S. Abdollahi, M. Sherafati. (2017). Enforcement of the Purports of Binding Banking Documents in Rastin Banking â€“ Part II. International Journal of Law and Management, Vol:59, Iss:2.

Bidabad, Bijan. (2017). Mortgage Securitization System (MSS), A Complementary System of Rastin Banking. International Journal of Law and Management, Vol. 59 Iss: 6.

Bidabad, Bijan. (2017). Money Laundering Detection System (MLD), Complementary System of Rastin Banking. Journal of Money Laundering Control.

Bidabad, Bijan, M. Sherafati. (2018). Sustainable Financing and Anti-Squandering Measures in Rastin Banking. International Journal of Law and Management (IJLMA), Vol: 60, Iss: 1.


JBF Journal of Business and Finance
JEM in Emerging Markets
Volume 1 No 1 May 2018

Bidabad (2018)

Published

2018-05-10

How to Cite

Bidabad, B. (2018). GENERAL REGULATORY FRAMEWORK IN RASTIN PROFIT AND LOSS SHARING BANKING (PART I-OPERATIONAL CONTEXT). *JBFEM*, *1*(1), 11-26. https://doi.org/10.32770/jbfem.vol111-26

More Citation Formats

Issue

Vol. 1 No. 1 (2018): Regular Issue

Section

Articles

Copyright (c) 2018 Bijan Bidabad

This work is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

Retained Rights/Terms and Conditions of Publication

1. As an author you (or your employer or institution) may do the following:

- make copies (print or electronic) of the article for your own personal use, including for your own classroom teaching use;
- make copies and distribute such copies (including through e-mail) of the article to research colleagues, for the personal use by such colleagues (but not commercially or systematically, e.g. via an e-mail list or list server);
- present the article at a meeting or conference and to distribute copies of the article to the delegates attending such meeting;
- for your employer, if the article is a â€˜work for hireâ€™, made within the scope of your employment, your employer may use all or part of the information in the article for other intra-company use (e.g. training);
- retain patent and trademark rights and rights to any process, procedure, or article of manufacture described in the article;
- include the article in full or in part in a thesis or dissertation (provided that this is not to be published commercially);
- use the article or any part thereof in a printed compilation of your works, such as collected writings or lecture notes (subsequent to publication of the article in the journal); and prepare other derivative works, to extend the article into book-length form, or to otherwise re-use portions or excerpts in other works, with full acknowledgement of its original publication in the journal;
- may reproduce or authorize others to reproduce the article, material extracted from the article, or derivative works for the authorâ€™s personal use or for company use, provided that the source and the copyright notice are indicated, the copies are not used in any way that implies JBFEM endorsement of a product or service of any employer, and the copies themselves are not offered for sale.
- All copies, print or electronic, or other use of the paper or article must include the appropriate bibliographic citation for the articleâ€™s publication in the journal.

2. Requests from third parties

Although authors are permitted to re-use all or portions of the article in other works, this does not include granting third-party requests for reprinting, republishing, or other types of re-use. Requests for all uses not included above, including the authorization of third parties to reproduce or otherwise use all or part of the article (including figures and tables), should be referred to JBFEM.

3. Author Online Use

- Personal Servers. Authors and/or their employers shall have the right to post the accepted version of articles pre-print version of the article, or revised personal version of the final text of the article (to reflect changes made in the peer review and editing process) on their own personal servers or the servers of their institutions or employers without permission from JBFEM, provided that the posted version includes a prominently displayed JBFEM copyright notice and, when published, a full citation to the original publication, including a link to the article abstract in the journal homepage. Authors shall not post the final, published versions of their papers;
- Classroom or Internal Training Use. An author is expressly permitted to post any portion of the accepted version of his/her own articles on the authorâ€™s personal web site or the servers of the authorâ€™s institution or company in connection with the authorâ€™s teaching, training, or work responsibilities, provided that the appropriate copyright, credit, and reuse notices appear prominently with the posted material. Examples of permitted uses are lecture materials, course packs, e-reserves, conference presentations, or in-house training courses;
- Electronic Preprints. Before submitting an article to an JBFEM, authors frequently post their manuscripts to their own web site, their employerâ€™s site, or to another server that invites constructive comment from colleagues. Upon submission of an article to JBFEM, an author is required to transfer copyright in the article to JBFEM, and the author must update any previously posted version of the article with a prominently displayed JBFEM copyright notice. Upon publication of an article by the JBFEM, the author must replace any previously posted electronic versions of the article with either (1) the full citation to the work with a Digital Object Identifier (DOI) or link to the article abstract in JBFEM homepage, or (2) the accepted version only (not the final, published version), including the JBFEM copyright notice and full citation, with a link to the final, published article in journal homepage.

4. Articles in Press (AiP) service

JBFEM may choose to publish an abstract or portions of the paper before publishing it in the journal. Please contact our secretariat@ssbrj.org immediately if you do not want us to make any such prior publication for any reason, including disclosure of a patentable invention.

5. Author/Employer Rights

If you are employed and prepared the article on a subject within the scope of your employment, the copyright in the article belongs to your employer as a work-for-hire. In that case, JBFEM assumes that when you sign this Form, you are authorized to do so by your employer and that your employer has consented to the transfer of copyright, to the representation and warranty of publication rights, and to all other terms and conditions of this Form. If such authorization and consent has not been given to you, an authorized representative of your employer should sign this Form as the Author.

6. SSBRN Copyright Ownership

It is the formal policy of JBFEM to own the copyrights to all copyrightable material in its technical publications and to the individual contributions contained therein, in order to protect the interests of the JBFEM, its authors and their employers, and, at the same time, to facilitate the appropriate re-use of this material by others. JBFEM distributes its technical publications throughout the world and does so by various means such as hard copy, microfiche, microfilm, and electronic media. It also abstracts and may translate its publications, and articles contained therein, for inclusion in various compendiums, collective works, databases and similar publications.

Focus and Scope
Peer Review Policy
Publication Frequency
Article Processing & Submission Charge
Open Access Policy
Author Guidelines
Ensuring a Blind Peer Review
Publication Ethics

Make a Submission

Article Template



Tools





Information

For Readers

Indexed by



Crossref

Google Scholar

ResearchGate

Current Issue

ATOM 1.0

RSS 2.0

RSS 1.0

Copyrights of Social Science & Business Research Network (SSBRN)