Ijtihad has played a vital role to bring compatibility between society and Islamic law, its expansion, development, and changing needs of society. This Principle has provided solution to various political, social, economical and other problems during the times of The Holy Prophet Muhammad (SAW) and his Pious Caliphs. Significance of ljtihad cannot be denied. Change and evolution are the basic to human life and problems and solutions all come with it. The existence of nations lies in their response to the emerging problems while stagnancy brings an end to them. Islam doesn't keep narrow view regarding human life, rather removes obstacles in its way to development. The Quran says, this day, I have perfected your religion for you, completed My Favour upon you and have chosen for you Islama as your religion.(5:3) ljtihad is the alternate method in case if no clear instructions and guidance are mentioned in basic sources of Shariah, Quran, and Sunnah, to find solutions to the problems. It keeps the stream of life flowing, repels stagnancy and provides other ways to maintain evolution i.e. Qiyaas, Istedlal and Istihsan etc. All these are the indirect offshoots of ljtihad.

The Holy Prophet Muhammad (SAW) himself, many times practiced ljtihad regarding matters rising in newly established Islamic State & the Ummah. Many of his decisions were ratified and corrected by revelation to him as well. This research - work has been focused on the decisions and Judgments delivered by the Holy Prophet (SAW) and his Pious Caliphs on the basis of ljtihad. Moreover, I have tried to deduce and infer the principles for an Up-dated ljthad which is need of the hour for the Muslim Ummah in Particular. The practice of ljtihad continued since time of Mohammad (SAW) till date. In contemporary times the shape is different but the spirit is same either by an individual or by institutions in 20th century. It proves the flexibility and compatibility of Islamic laws with ever-changing world. It is the sphere which proves Islam as a religion for every caste, creed, and nation and for all the times.