

Course Code: ECON-435**Title: Islamic Banking and Finance****Credit Hours: 03****Prerequisite: Principles of Microeconomics and Principles of Macroeconomics****Course Objectives:**

Islamic banking course provides an opportunity to explore, investigate and become professionally competent. According to an estimate upto 20% of the world population utilizes or actively seeks Islamic banking services. With no previous financial experience of knowledge of banking required, students will be introduced to the concept of Islamic banking and the way in which it differs from traditional banking. It covers the primary and unique characteristics of Islamic finance, along with how Islamic law applies to and affects the financial dealings. It is based on the principles of socio-economic justice.

Learning Outcomes:

By the completion of the course, students should be able to learn:

- Various tools used in Islamic Economics to provide banking services keeping in view the Islamic rulings.
- Financial products offered under Islamic Banking

Course Contents:

Introduction of Islamic Banking	Provision of a comprehensive introduction to Islamic banking. Discovering the financial instruments offered by Islamic banks. Awareness of the theory behind Islamic banking practices
Basics of Islamic Banking and Finance	Exploring the philosophy of Islamic banking and financing alongwith the series of key alternative financing principles. Knowledge about Mudarabah, Musharkah, Murabaha-Mu'ajjal and Salam
Islamic Banking and Conventional Banking	Highlighting the key differences between Islamic banking and conventional banking. Islamic banking model and its comprehensive definition and overview of how the model work in a contemporary business setting. Exploration of the difference between Islamic banking and others and magnitude of difference from conventional western banking
Islamic Law of Contract	Contract laws under the rules of Islamic banking and representation of balancing situation. Explanation of the key elements of Islamic contracts, the various types of contracts relevant to Islamic banking and their framework
Islamic Financial Products	Deeper insight into specific Islamic financial products, touching upon Islamic financial institutions, investment banking, and introduction to Islamic principles in relation to stock and sukuk (Islamic bonds for the generation of returns to investors)
Islamic Business Ethics	Analyzing the Islamic business ethics, incorporating essential teachings on gentleness, honesty, legitimate earnings and justice
Globalization of Islamic Banking	Islamic banking and finance on a global basis and representation of the contemporary international Islamic financial institutions including the Islamic Financial Services Board and the International Islamic Rating Agency

Teaching Methodology:

- To deliver lectures on topics included in course outline
- To require each student to solve independent assignments on topics included in the course.

Evaluation Criteria:

Evaluation Method	
Quizzes/Assignments	
Mid-Term Exam	
Final-Term Exam	

Recommended Books:

- Ahmad, K. (1976). Islami Nazriya Hayat. Karachi: Institute of policy studies.
- Chapra, M. U. (1992). Islam and the economic challenge. Lahore: The Islamic foundation.
- Dar, A. H., & Akram, M. M. (2007). Islamic Economics. Lahore: Ilmi Kitab Khana.
- Mannan, M. A. (2006). Islamic Economics : theory and practice. Lahore: Sh. Muhammad Ashraf.
- Mulathawi, M. H. (1995). Muashiyat Islam. Karachi: Manghu Peer Sharif.
- Naqvi, S. N. H.(2003). Perspectives on Morality and Human Well-Being: A Contribution to Islamic Economics. UK: The Islamic Foundation.
- Naqshbandi, Q. M. A. Islamic Economics. Lahore: Iqra Books