

B. COM. PART – II
(Optional (e))

PAPER – VI: BANKING AND FINANCE

BANKING:

Definitions and kinds of Bank. Importance and functions of a commercial Bank, sources of Funds, Features of current, Saving and Fixed accounts credit instruments.

BANK LOANS ADVANCES:

Loans, cash credit, overdraft, discounting of Bills. Loans at call and short notice Letter of credit, mortgage, principles of lending.

ISLAMIC BANKING:

Nature of Riba, usury and interest, prohibition of Riba, rationale of current Saving and investment accounts, Distinction between Islamic and international based Banks.

CENTRAL BANKING:

Nature objects and functions of a central Bank. The constitutions and functions of STATE BANK OF PAKISTAN as Government Banking Agent and Controller of Credit.

FINANCE:

Definition, kind and importance of Finance, sources of business funds creditor's funds and owner's funds, their characteristics, advantages and disadvantages, Short, Intermediate and Long term finance and specialized financial institutions (PICIC, ICP, NIT, ADBP).

ISLAMIC MODES OF FINANCING:

Consumer finance: Qarz-e-Hasna, trade Finance, Markup, Musharika, Purchase of Trade Bills, Bal Salam, Leasing, Hire purchases, investment Finance, Masharika, Mudaraba and Rent Sharing.

WORKING CAPITAL:

Definition, importance, kinds, factors governing the working capital and sources of working capital.

RECOMMENDED BOOKS:

1. Israr H. Siddiqi **Practice and Law of Banking in Pakistan**, 6th edition Royal Book Co. Karachi, 1998
2. Samuelson P.A. **Economics**, Mc-Graw Hill 16th Ed. N.Y. 1998.
3. Saeed Nasir **Money Banking and Credit**, Intiaz Publishers Lahore. (latest year)
4. Shahid Siddiqui **Islamic Banking**, Royal Book, Karachi 1994.
5. Khurshid H. Siddiqi, **An Introduction to Banking and Finance**, Ghanzafar Academy Karachi year 2004.
6. Roger LeRoy Miller **Modern Money and Banking** 3rd Ed. (Relevant Part) Mc David D. Vanhoose Graw Hill.1985
7. Ziauddin Ahmed **Money and Banking in Islam**, International Centre for Research in Islamic Economics, King

Abdul Aziz University, Jeddah.
(latest year)

8. M. Najatullah
Siddiqi

Issues in Islamic Banking, The
Islamic Foundation London Road
Leicester, U.K, 1983.

9. Muhammad Amin
Khalid,

Banking and Finance, K-Be
Book Bank Karachi.2004