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"The comparative financial analysis of conventional and non-conventional banks in Pakistan"

By:

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Dedicated to………...

I would like to dedicate to my great parents!

It would not have been possible without them to bring me in this stage.

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Ahtisham Hussain

ABSTRACT

The purpose of study was to evaluate the comparative performance of Islamic Banks in contrast with Conventional Banks in Pakistan on the basis of profitability. The data was collected from 2011 to 2016 in order to evaluate the profitability of Conventional and Islamic Banks in Pakistan. Different statistics tools were used for assessment. The chosen sample size were three Islamic Banks including Meezan, Alfalah , and Askari and three Conventional Banks including Habib Banks Limited , Allied Bank Limited and United Bank Limited. Following are the variables used to measure the performance of Islamic and Conventional Banks: Net Investment, Operating Fixed Assets, Profit, Administrative Expenses, Borrowing from other Financial Institutions, Number of Employees and Deposits and other Accounts . Regression and Correlation were used to evaluate the performance of Islamic and Conventional Banks. Time series graphs were also used to show the graphical representation of performance of Islamic and Conventional Banks for the time period of 2011 to 2016 . There was found a positive significant impact of Islamic Banks. It is concluded that Islamic banks are less profitable in contrast with Conventional Banks.