

Internship Report

On

**Analysis of Investment Mechanisms in Islami Bank Bangladesh
PLC**

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Program: BBA

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Letter of Transmittal

November 14, 2024

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Subject: Submission of Internship Report on “Analysis of Investment Mechanisms in Islami Bank Bangladesh PLC”

Dear sir,

With due respect, I am delighted to have the opportunity to submit my internship report. Under your strict supervision, I completed my internship at IBBPLC Gulshan Corporate Branch (Gulshan 2, Dhaka). I believe that this report will help me better understand how to serve the banking sector. I did my best to prepare this paper meticulously. Any weaknesses or flaws may develop because I am inexperienced in this area. I would appreciate any clarification or suggestions you may have regarding any views or concepts presented in my paper.

I hope you would be kind enough to accept my internship report and oblige thereby.

Sincerely,

Nur Mohammad Joy

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Declaration

I am Nur Mohammad Joy, bearing the ID 111 201 004 and this report is an Internship Report on "Analysis of Investment Mechanism in IBBPLC. " completed as part of my internship purpose. Our BBA program requires students to submit internship reports for academic purposes. Please note that this study is solely intended for educational purposes and does not contain confidential information. My supervisor, Muhammad Enamul Haque Sir, inspired and supervised me to create this report.

Sincerely,

Name: Nur Mohammad Joy

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Major: Finance

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Acknowledgment

I am deeply thankful to my parents for their unwavering support and encouragement, which enabled me to pursue my passion for working with organizations. Without their guidance, my aspirations would not have come to fruition.

I express my gratitude to Muhammad Nurul Hoq, AVP, Research EVP and Head of Branch, IBBPLC Gulshan Corporate Branch.

Special thanks to my supervisor, Assistant Professor Muhammad Enamul Haque, for his mentorship and support throughout my internship, and for guiding me to complete my degree.

I am thankful to all the employees of IBBPLC who assisted me during my internship and made me feel at home. Their guidance and encouragement were instrumental in completing my internship report.

Executive Summary

The purpose of this report is to analyze, summarize and focus on the overall strategy and benefits of the investment management industry. This report gives us a better understanding. I used data spanning five years, from 2019 to 2023, to analyze the bank's capital structure. Most of IBBPLC's funds are in Bai-Murabaha and HPSM modes, with average returns over five years of 65.2% and 21.19% respectively. The Bank invests in its projects, with an average value of 41.72%. Investment in departments over five years, the average profitable deposit rates in Chattogram and Dhaka divisions are worth 22.71% and 36.51% respectively. According to the study, the performance of the bank is strong and consistent because its annual mode-wise, sector-wise and department-wise investment performance. Most investments in business, trade and industrial investments, with almost five years of operation is equivalent to that, in bai-murabaha and HPSM methods.

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Chapter 01:
Introduction

1.1 Background

To graduate from the BBA degree, each graduate student must complete an internship program in a related field that will help the student gain practical knowledge and experience. I completed my internship program at Islami Bank Bangladesh PLC Gulshan Corporate Branch. I did a 3 months internship program in general banking. I completed my internship under the guidance of my faculty supervisor Muhammad Enamul Haque, Assistant Professor, Department of BBA, Sobe UIU.

1.2 Objective of the report

The main objective of the report is to analysis the various investment mechanism of IBBPLC.

Others objectives of this report are as follows:

- To make clear the information of the Islamic monetary structures, inclusive of Ijrah, Mudarabah, Musharakah, Bai-Murabaha and Bai-Muazzal.
- To analyze the dynamics of the monetary marketplace of Bangladesh and take a look at the impact of IBBPLC investments at the usa's trade, industry and agriculture.
- To look at IBBPLC's strategic plans and how it efficiently encourages economic expansion.
- To review the performance of IBBPLC investment schemes over the previous few years and compare them with the real achievement of the fund's investment objectives.
- To discover the demanding situations and constraints faced through IBBPLC in imposing the investment method.

1.3 Methodology of the report

Data can be collected from primary sources and secondary sources. For analyzing the bank's investment performance, I mainly used secondary data. The information that I collected was from the bank's previous 5 years' annual report and the official website. I have tried to present this report in written and other graphical format like graphs, charts, tables, etc.

1.4 Scope of the report

The scope of this report is confined to investment management process and practice in Islami Bank Bangladesh Limited (IBBL). It only covered how the bank manages investment process as well as investment mechanism.

1.5 Limitations of the report

I faced some limitations while preparing this report. Sometimes the information needed to write the report was not complete. Every organization has legal and security issues. Only a few specific employees have access to the information. Despite this issue, I have made every effort to complete the report using the data available to me. I also had to deal with issues like lack of time, lack of critical thinking and lack of facts.

Chapter 02:

Company Overview

2.1 Introduction

Islamic Bank Bangladesh Plc. (IBBPLC) is a main employer within the Islamic banking industry, bringing innovative Shariah-compliant monetary services. It is the leading monetary group in Bangladesh, IBBPLC is recognized as one of the main and biggest Islamic banks inside the usa. Islami Bank Bangladesh began its journey on March 30, 1983 with the aid of introducing groundbreaking services and products following Islamic ethics and values. It has become the number one Islamic bank in South Asia. IBBL, the principle Islamic financial institution in Southeast Asia, has set the same old for the place by using the usage of demonstrating an unwavering determination to presenting economic answers that align with the values and ideals of its clients. IBBPLC offers a wide variety of economic services which includes commercial actual property, corporate, monetary and SME banking to cater to the numerous needs of humans, businesses and groups across Bangladesh With the goal of enhancing economic increase whilst pleasurable Shariah laws are violated. Through cautious control, prudent management and purchaser-centric approach, the financial institution has advanced a depended on surroundings, loyalty and top notch customer service IBBPLC, the leading Islamic financial institution in Bangladesh, is doing things new and constantly converting. In order to fulfill the various needs of clients, IBBPLC uses various investment strategies, along with Bai-Murabaha, Bai-Muazzal, Mudarabah, Musharakah and Ijarah These methods guarantee funding as in keeping with Islamic regulation is consistent, and promotes equality and openness in all sectors. There are numerous blessings to investing in IBBPLC, mainly for folks that need to align their monetary services with Islamic values. It uses best practices and the latest technology to improve accessibility, efficiency and transparency in its business operations. IBBL is committed to permitting human beings and companies to achieve their financial goals whilst definitely impacting the overall social and economic development of Bangladesh. It does this via helping sound banking practices and promoting sustainable development.

2.2 Mission

Managing the funds based on decisive research activities as well as long-term investment strategies to deliver superior yields for the investors in line with the Shariah principles. Providing outstanding services to the investors through quality human resources as well as state of the art technology.

2.3 Vision

The goal of IBBPLC is to become Bangladesh's only contemporary Islamic bank. By adhering to Islamic Shariah law, IBBPLC is attempting to significantly impact our nation's economy.

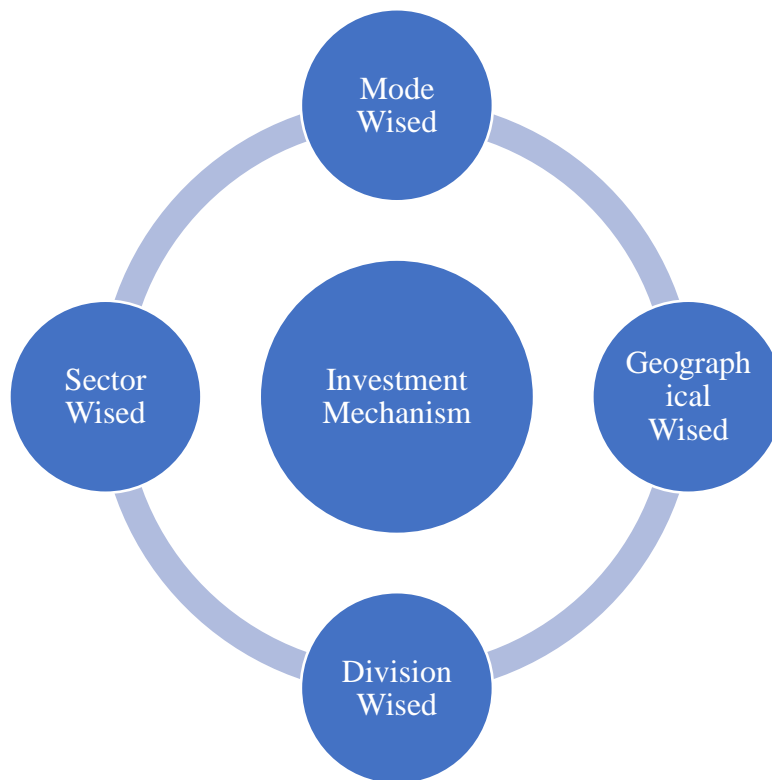
Additionally, they make every effort to increase client confidence and wealth, high-quality investments, and employees' value and quick increases in stockholders' equity. They will attempt to stimulate investment, especially in projects that will contribute to the creation of greater job possibilities, and to encourage savings in the form of direct investment.

2.4 Products and services

IBBL is the first and the largest bank in Bangladesh which follows Islamic laws and principles. The majority of the people in Bangladesh are Muslims who observe and adhere to Shariah laws and values. The many products and services offered by IBBL include Al-Wadia Current Account, Mudaraba Forex Bank, Mudaraba Time Deposit Account, and Mudaraba Bank Account etc. Financial products like HPSM, Mudaraba, Mushraka, Bai-Murabaha, Bai-Muazzal. In addition, the bank offers a range of financing schemes, including those for households, transportation, SMEs, agriculture, real estate, women's entrepreneurship and more.

Chapter 03:
Analysis and Findings

Investment is the allocation of money or resources with the expectation of generating income or profit in the future. It involves committing capital to an asset, project, or venture with the goal of obtaining returns that compensate for the time value of money and the associated risks. The investing process of Islami Bank differs from the other conventional banks. While other banks just provide loans to borrowers, Islami Bank refrain from doing so since doing so entails paying interest, which is against Islamic law. An analysis of IBBPLC’s investment mechanisms, based on data from the company’s annual report. The company’s investment strategy is examined across several dimensions, including mode, geography, division, and sector wise investment. Mode-wised analysis focus on the various investment techniques and tactics used. Regional performance trends and market penetration are highlighted by geographic insights. While sector-wise review evaluates the company's performance across different industry sectors, divisional analysis analyses down performance by internal business units.



3.1 Mode-Wise Investment

3.1.1 Bai – Murabaha

Bai-Murabaha is a Shariah-compliant form of Islamic finance in which the seller transfers the price of the goods to the buyer plus a fixed interest rate. Benefits may be classified as flat, installment, or cash payments. Because it eliminates usury (riba), this method is commonly used in Islamic banking. Islami Bank Bangladesh Plc (IBBPLC) which usually allocates a large percentage of its deposits in this manner has successfully implemented Bai-Murabaha. This shows the bank's strong performance and reliance on Bai-Murabaha to provide ethical benefits.

Mode wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Bai – Murabaha	65.96%	68.00%	66.33%	63.60%	63.71%

Table 1: Bai - Murabaha

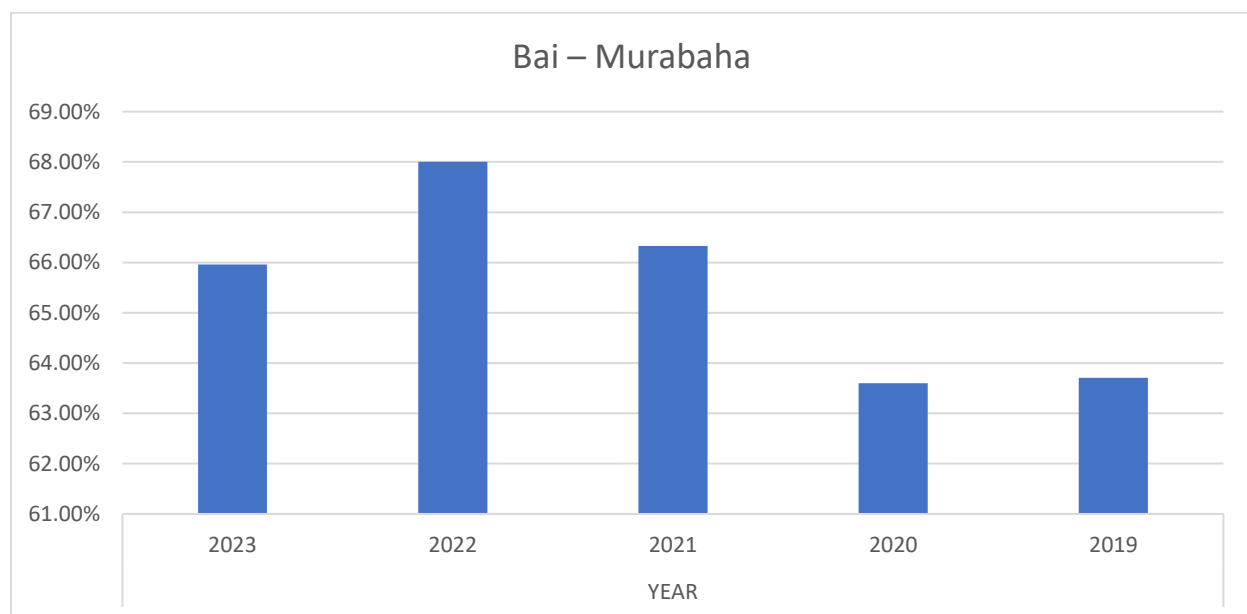


Chart 1: Bai - Murabaha

From 2019 to 2023, Islami Bank Bangladesh Plc (IBBPLC) has continuously allocated 63.60% to 68% of its capital as bai-Murabaha, with a five-year average of 65.96%. This cost is similar or

over the median, and this strong economic coverage strategy signifies that the financial institution is more environmentally conscious while executing the bai-Murabaha technique in compliance with Islamic Shariah standards. Subsidies and blessings have helped banks across the economy.

3.1.2 Bai – Muajjal

Bai - Muajjal is a form of Islamic finance in which the seller offers special products to the buyer at a fixed agreed price, where the payment is carried forward into the future. This finance follows Shariah standards by eliminating interest (riba). One payment can be made in one payment or in multiple payments. Bai-Muajjal is essentially a credit sale in which the bank purchases products based on customer orders and sells them at a profit which is later paid in. This approach promotes transparency and ethical profitability.

Mode wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Bai – Muajjal	7.62%	7.32%	7.32%	6.98%	6.93%

Table 2: Bai-Muajjal

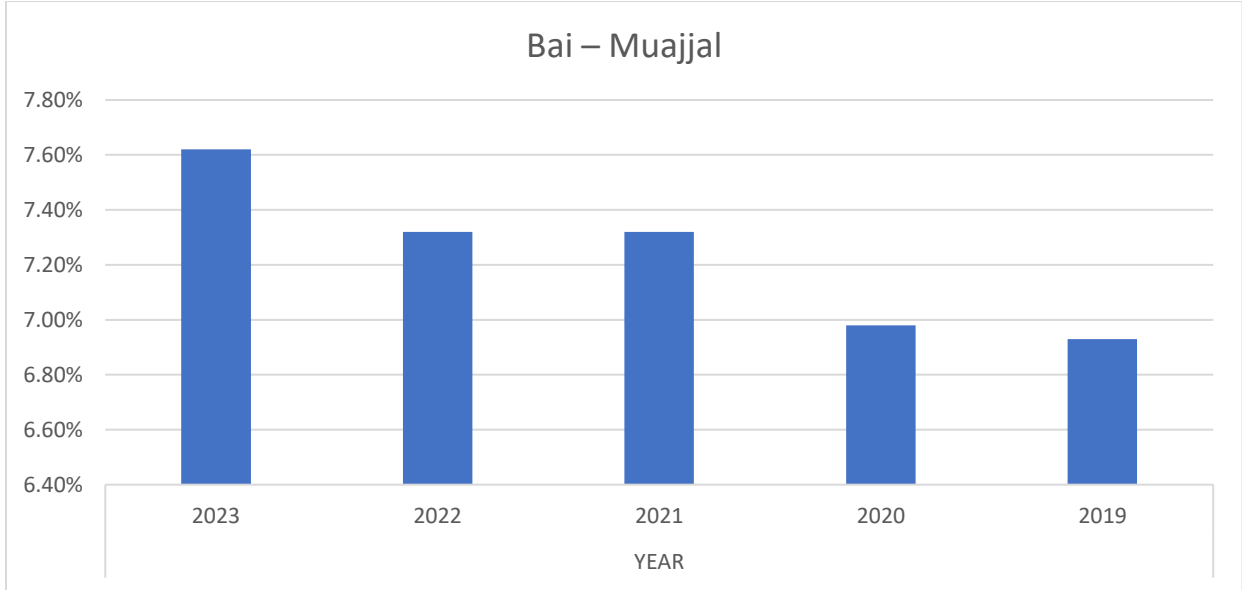


Chart 2: Bai Mujjal

From 2019 to 2023, Islami Bank Bangladesh PLC's (IBBPLC) investment in Bai-Mujjal mode remained very stable, increasing slightly to 0.08% in 2023 from a consistent 0.07% in prior years.

This consistency leads in a cautious yet conservative approach to the Bai Mujjal mode, indicating its dependability, which, when combined with Shariah criteria in 2023, may imply a moderate development plan in reaction to a little adjustment in market conditions.

3.1.3 HPSM

The two parties agreed. Banks are lessors, and customers are lessees. It is a contract under which the lessor leases an asset in return for the lessee's use of its services. The lessee uses the principal to pay the rent and gain full asset ownership.

Mode wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
HPSM	20.21%	19.27%	20.92%	22.28%	23.25%

Table 3: HPSM

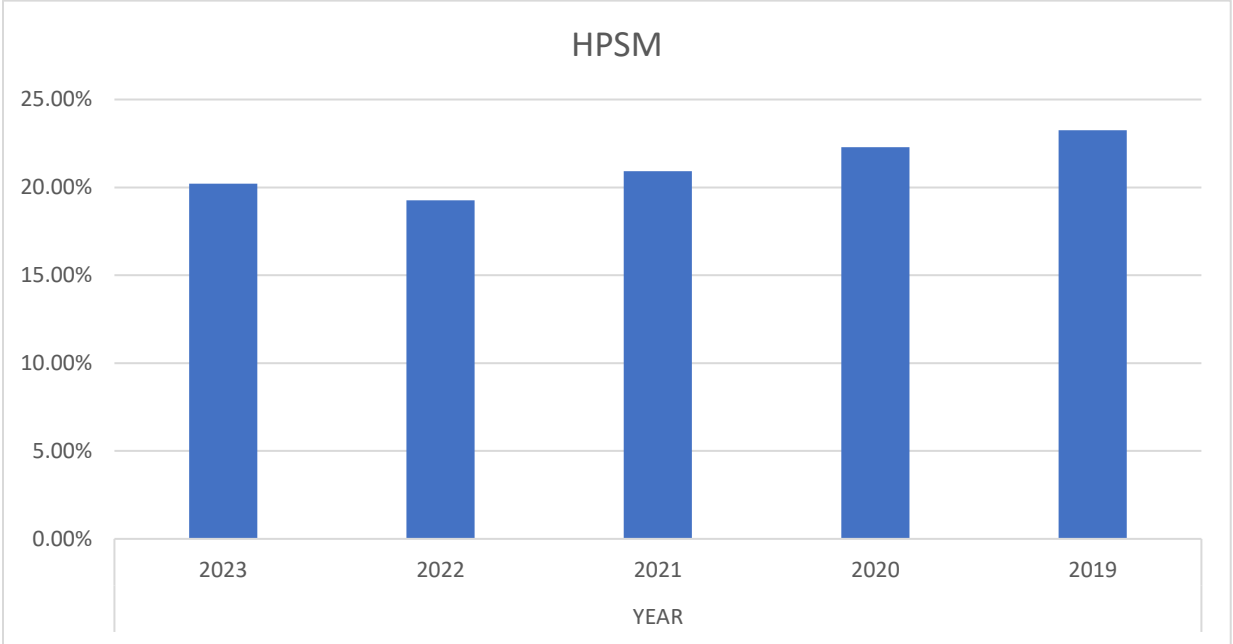


Chart 3: HPSM

Islami Bank Bangladesh PLC (IBBPLC) reduced its investment in the HPSM mode between 2019 and 2023. By 2023, the investment percentage has dropped from 23.25% in 2019 to 20.21%. Over the previous five years, the average figure has been approximately 21.59%. This decrease suggests that the bank's allocation to HPSM was impacted by a change in market conditions or a strategic move.

3.1.4 Musharaka

The method by which business partners divide the profits and losses of the endeavour. In accordance with Shariah, this joint partnership model eliminates interest. Profits and losses are split according to a preset ratio and each partner's capital investment, respectively. Musharaka is commonly used to finance large businesses, real estate, and economic pursuits, ensuring ethical and transparent profit-making.

Mode wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Musharaka	0.02%	0.02%	0.02%	0.04%	0.07%

Table 4: Musharaka

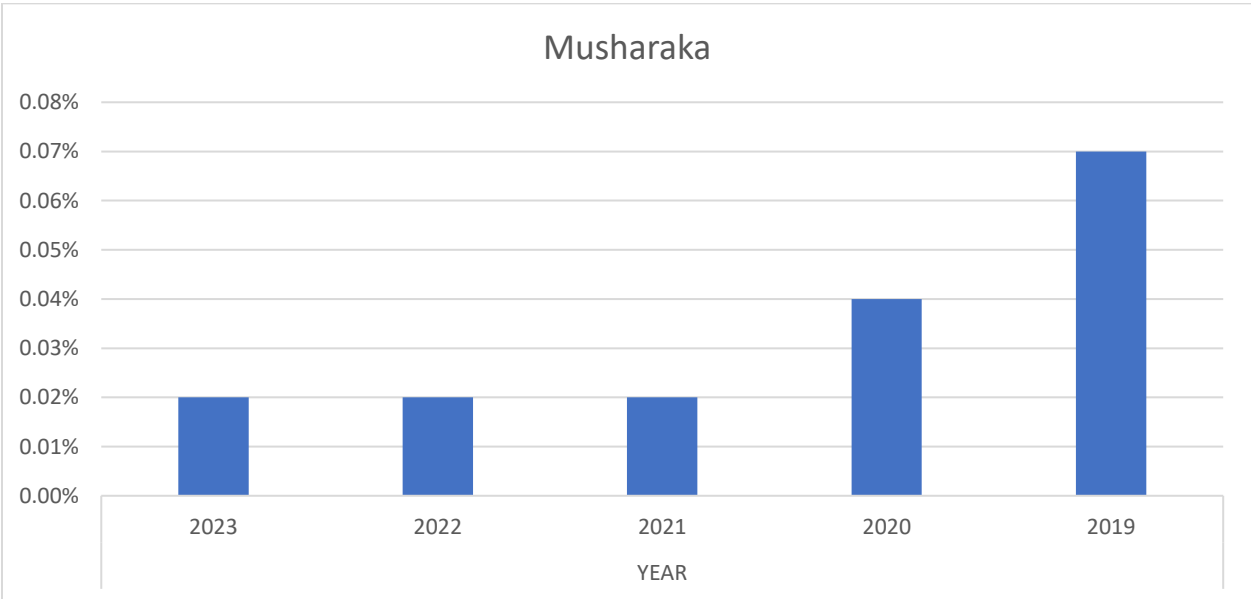


Chart 4: Musharaka

Islami Bank Bangladesh PLC's (IBBPLC) investment in Musharaka mode declined between 2019 and 2023. The investment percentage dropped from 0.07% to 0.02% between 2019 and 2023. This steady drop suggests that the bank's Musharaka allocation is being impacted by a shift in strategy or a shift in the market.

3.1.5 Mudaraba

Rabb-ul-Maal, one of the partners, provides the money, while Mudarib, the other partner, runs the business. Losses, unless they result from Mudarib's incapacity, are covered by the capital provider, while profits are distributed according to a preset ratio.

Mode wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Mudaraba	0.38%	0.40%	0.47%	0.53%	0.57%

Table 5: Mudaraba

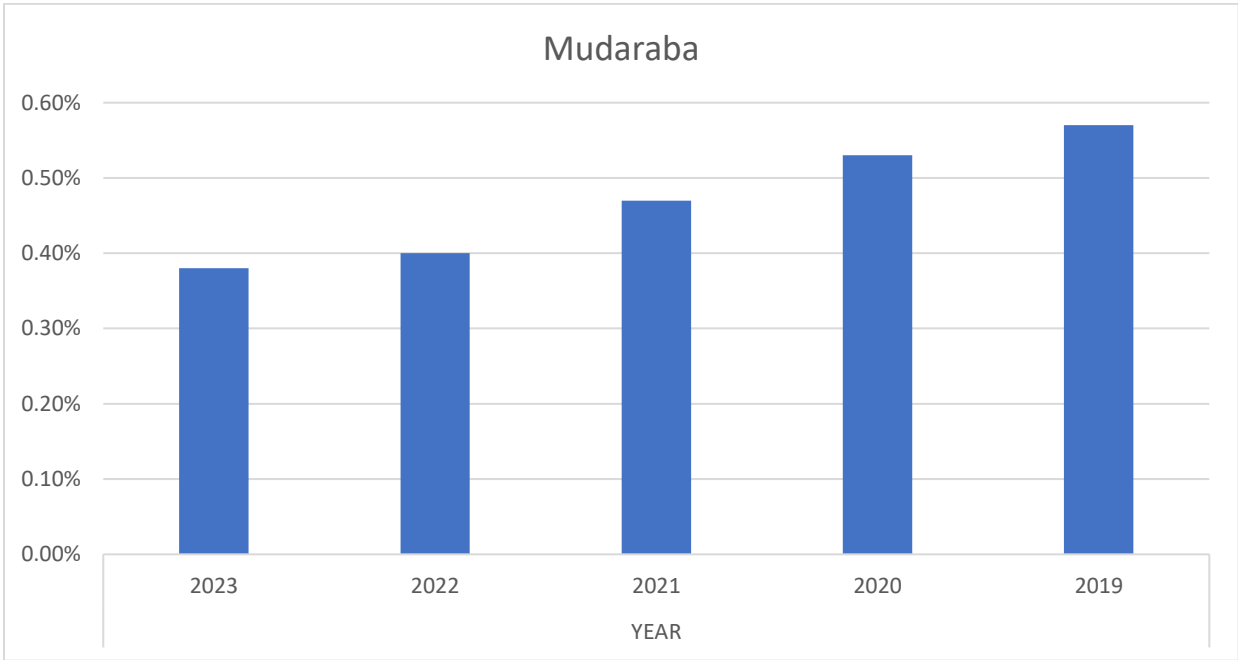


Chart 5: Mudaraba

From 2019 to 2023, Islami Bank Bangladesh Plc (IBBPLC) reduced investments in mudaraba mode. The deposit rate decreased from 0.57% in 2019 to 0.38% in 2023. The average for the last five years is about 0.47%. This decrease reflects structural changes or changing market conditions affecting the bank’s share of Mudaraba. Despite the reduction, Mudaraba remains in IBBPLC’s finances, governing the bank’s investment activities.

3.1.6 Bai-Salam

Where an order is placed and full payment is made before delivery at later date. This method follows Shariah rules and avoids interest (riba). It is commonly used for things like detailed agricultural products and quality, quantity and delivery date.

Mode wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Bai – Salam	1.47%	1.54%	1.56%	1.70%	1.37%

Table 6: Bai- Salam

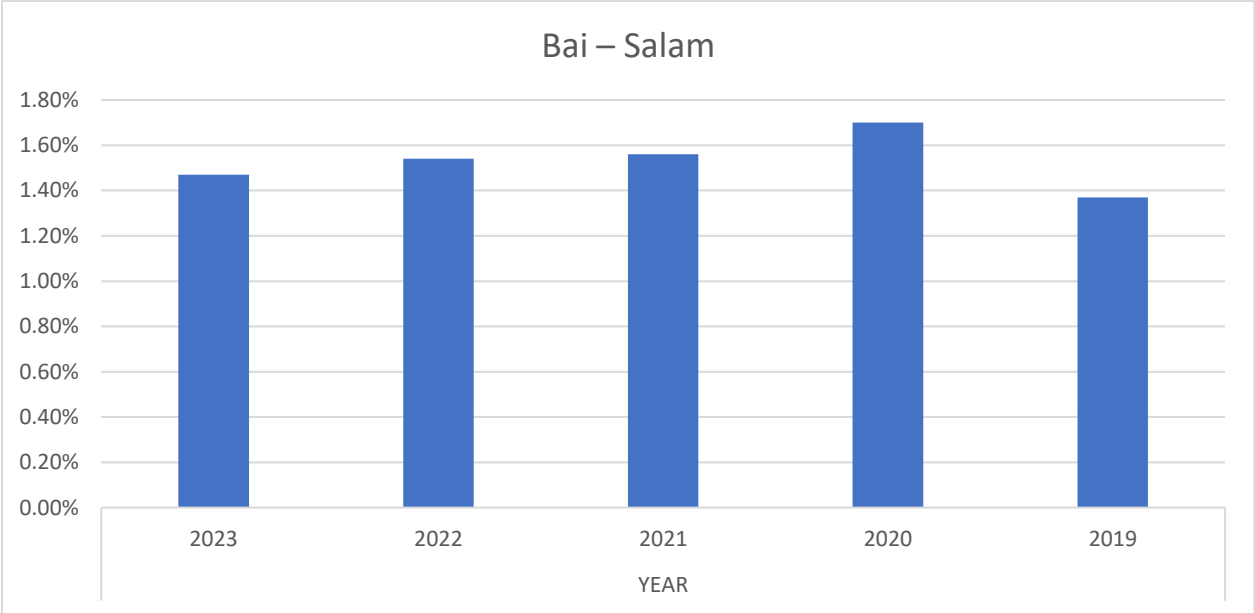


Chart 6: Bai-Salam

The amount that Islami Bank Bangladesh Plc (IBBPLC) invests in Bai-Salam Mode has fluctuated between 2019 and 2023. The investment percentage increased from 1.37% in 2019 to 1.47% in

2023, reaching a peak of 1.70% in 2020. The average over the last five years has been about 1.53%. This suggests that market conditions or bank strategy have influenced the allocation to Bai-Salam.

3.1.7 Quard

The Islamic finance approach, in which a loan is given without any profit or interest. Only the principle must be repaid by the borrower.

Mode wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Quard	4.35%	3.45%	3.38%	4.88%	4.10%

Table 7: Quard

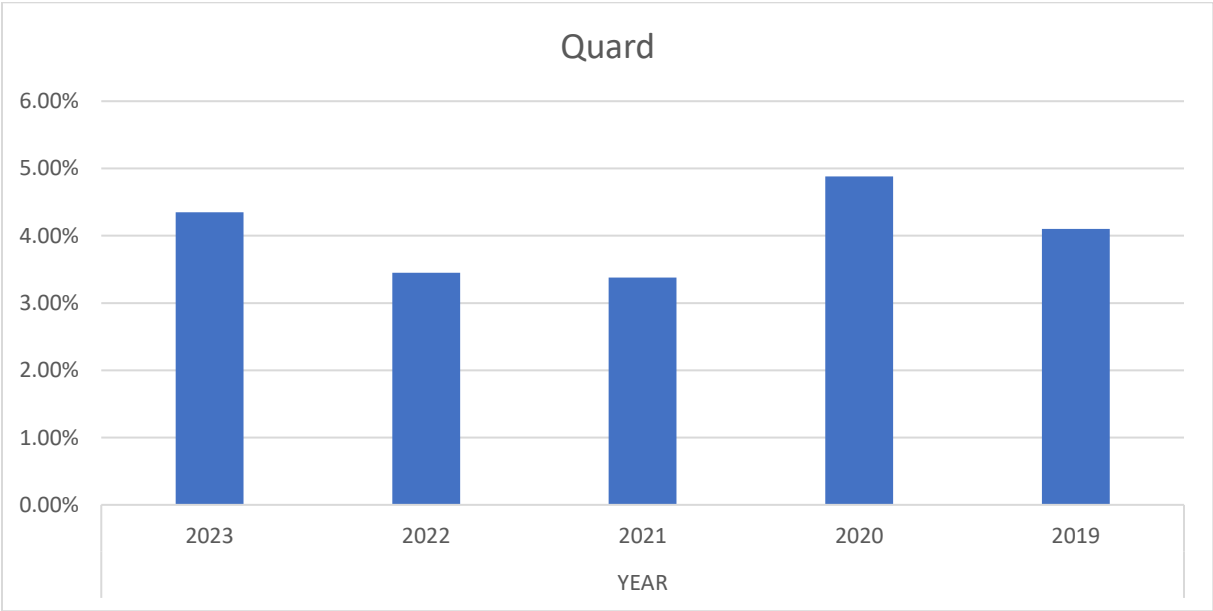


Chart 7: Quard

From 2019 to 2023, Islami Bank Bangladesh PLC (IBBPLC) fluctuated in its investment in the Quard method. The investment percentage ranged from 4.10% in 2019 to 4.35% in 2023, reaching a high of 4.88% in 2020. The average figure during the past five years has been around 4.23%. This fluctuation implies that the bank's strategy or market conditions have influenced the allocation in Quard. Despite the changes, Quard remains a component of IBBPLC's investment portfolio, demonstrating its commitment to social welfare and ethical financing.

3.2 Geographical location-wise Investment

3.2.1 In Rural Areas

Geographical location-wise Investment (%)	Year				
	2023	2022	2021	2020	2019
In rural areas	6.01%	5.65%	6.56%	7.38%	7.08%

Table 8: Rural Areas

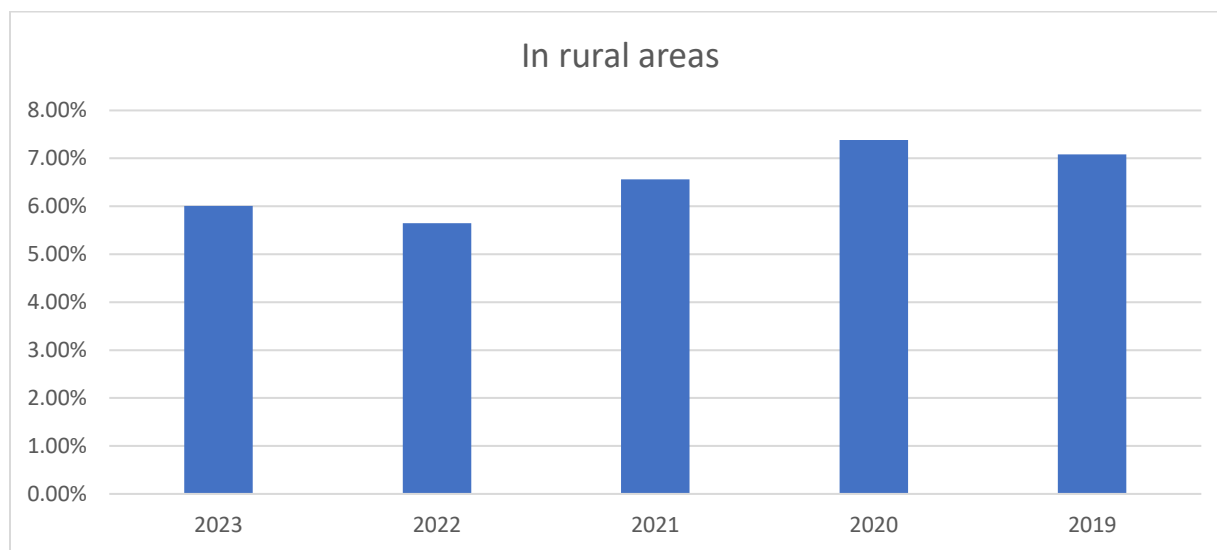


Chart 8: Rural Areas

From 2019 to 2023, Islami Bank Bangladesh PLC (IBBPLC)'s rural investment fluctuated. The investment percentage ranged from 7.08% in 2019 to 6.01% in 2023, peaking at 7.38% in 2020. Over the past five years, the average value has been around 6.34%. This difference indicates that the bank's strategy or market factors are influencing allocation in rural areas.

3.2.2 In Urban areas

Geographical location-wise Investment (%)	Year				
	2023	2022	2021	2020	2019
In urban areas	93.99%	94.35%	93.44%	92.62%	92.92%

Table 9: In Urban Areas

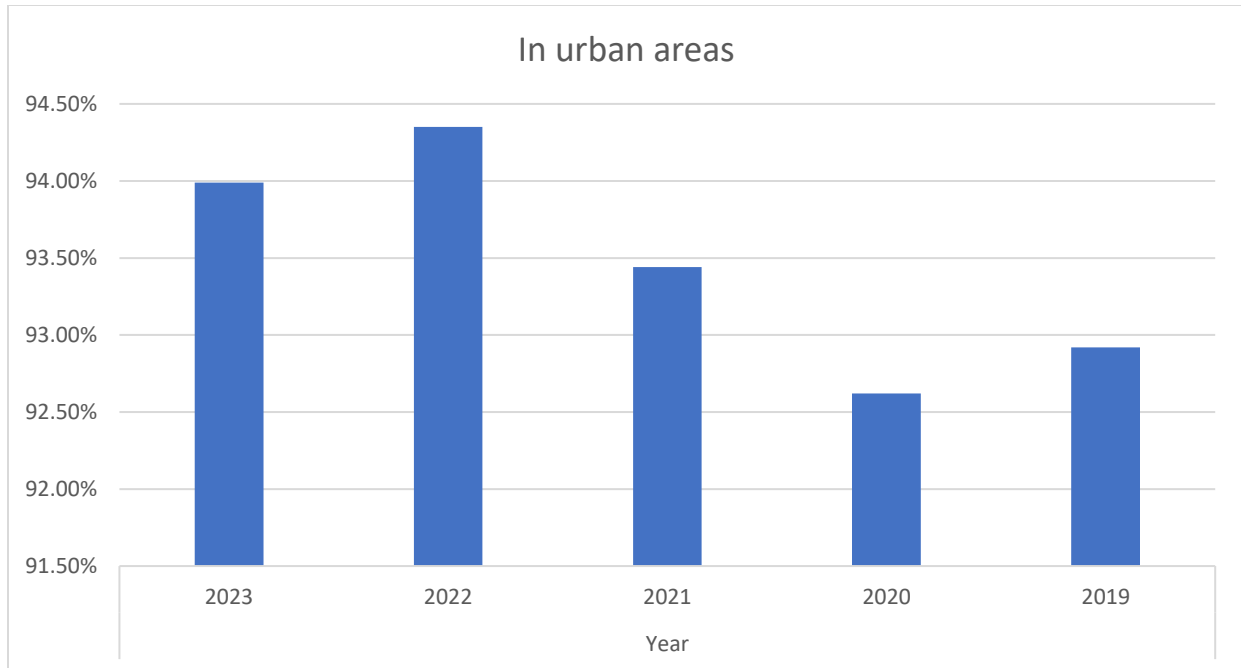


Chart 9: In Urban Areas

This stable and high level of investment in urban areas indicates IBBPLC’s strong commitment to urban development and growth. The investment percentage ranged from 92.92% in 2019 to 93.99% in 2023, peaking at 94.35% in 2022. Over the past five years, the average value has been around 93.34%. This stable and high level of investment in urban areas indicates IBBPLC’s strong commitment to urban development and growth.

3.3 Division-Wise Investment

3.3.1 Dhaka division

Division wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Dhaka division	43.86%	42.22%	34.49%	33.18%	28.82%

Table 10: Dhaka Division



Chart 10: Dhaka Division

From 2019 to 2023, the Dhaka division investment has significantly increased. Starting at 28.82% in 2019, it increased to 33.18% in 2020, 34.49% in 2021, 42.22% in 2022, and 43.86% in 2023. This steady growth highlights Dhaka’s importance as a major investment hub for IBBPLC.

3.3.2 Chattogram Division

Division wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Chattogram division	30.24%	26.73%	23.68%	18.15%	14.76%

Table 11: Chattogram Division

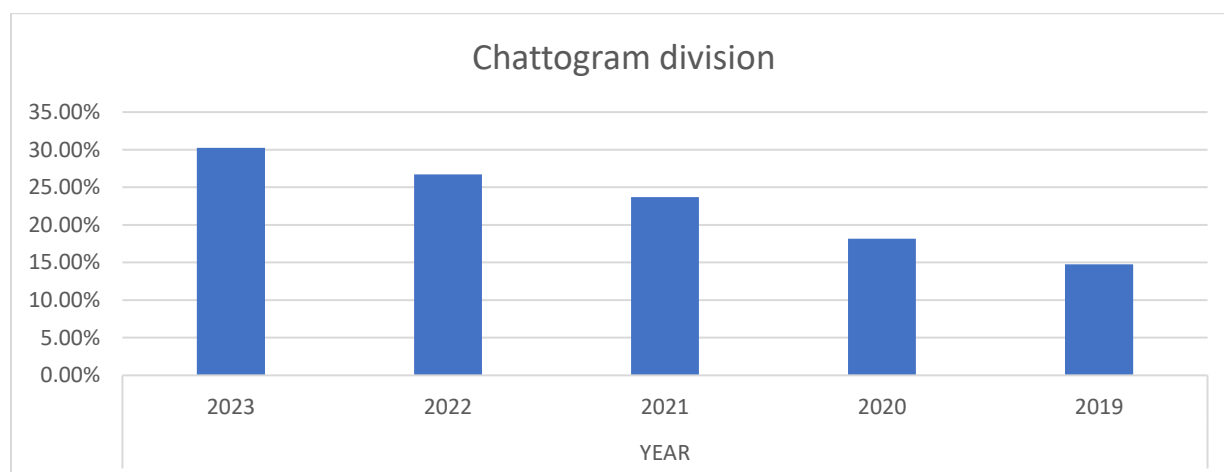


Chart 11: Chattogram Division

The investment in Chattogram division of IBBL (PLC) is also growing massively in recent years. The investment growth was 14.76% in 2019, which increased to 18.15% in 2020. In 2021, it was 23.68%, 26.73% in 2022 and 30.24% in 2023. These all are indicated the upward growing investment focus on Chattogram division.

3.3.3 Khulna Division

Division wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Khulna division	5.68%	5.32%	4.10%	3.75%	3.83%

Table 12: Khulna Division

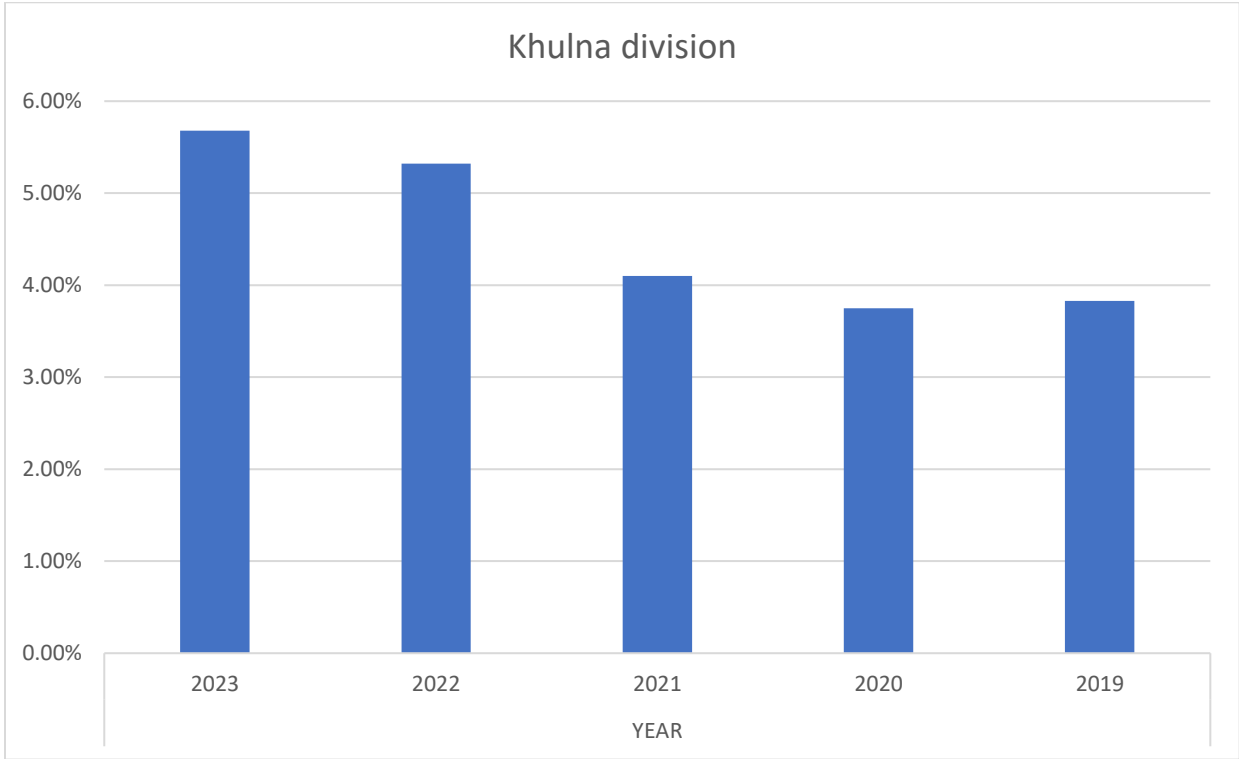


Chart 12: Khulna Division

Investments in Khulna division have been relatively stable but show a gradual increase. Starting at 3.83% in 2019, the investment increased to 3.75% in 2020, 4.10% in 2021, 5.32% in 2022, and 5.68% in 2023.

3.3.4 Rajshahi Division

Division wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Rajshahi division	13.27%	10.51%	6.86%	5.10%	4.47%

Table 13: Rajshahi Division

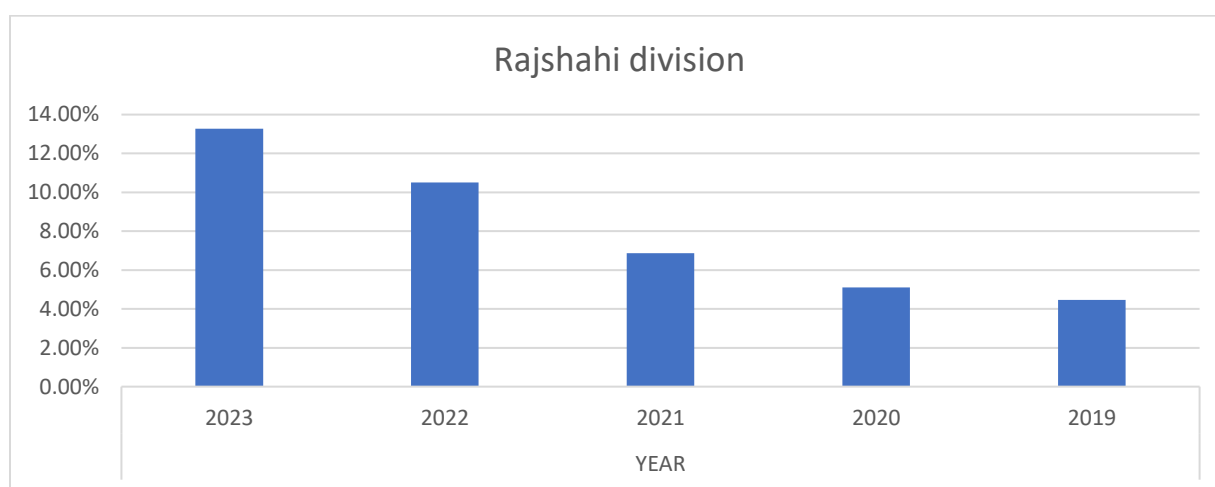


Chart 13: Rajshahi Division

The Rajshahi division has experienced a significant increase in investments over time. From 4.47% in 2019, the rate increased to 5.10% in 2020, 6.86% in 2021, 10.51% in 2022, and 13.27% in 2023. This expansion demonstrates rising interest in the region.

3.3.5 Barisal Division

Division wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Barisal division	1.26%	1.21%	0.98%	0.87%	0.76%

Table 14: Barisal Division

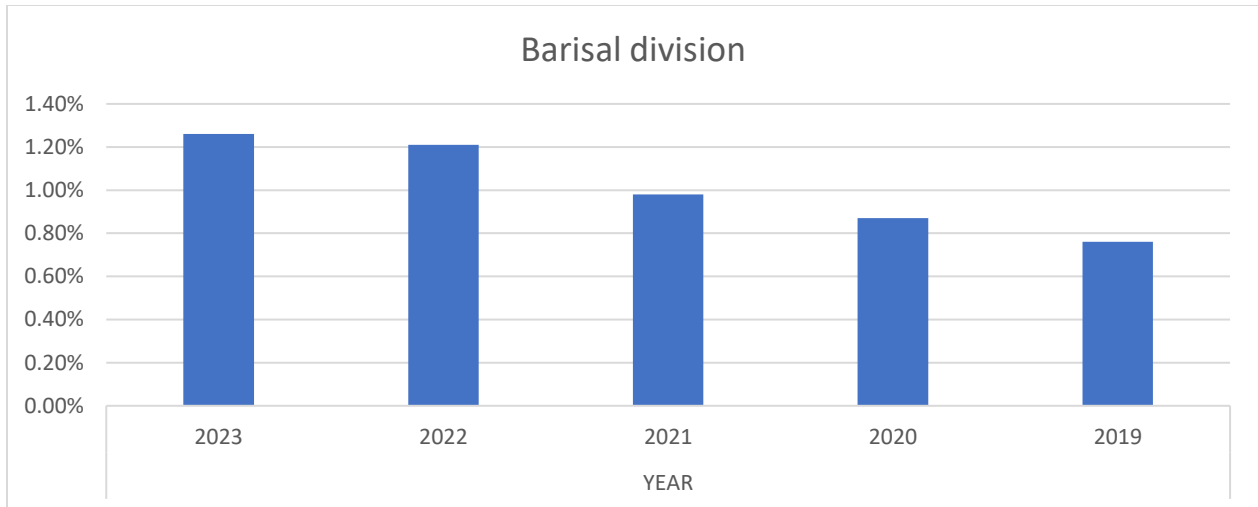


Chart 14: Barisal Divisios

Investments in Barisal division have been modest but show a slight upward trend. Starting at 0.76% in 2019, the investment increased to 0.87% in 2020, 0.98% in 2021, 1.21% in 2022, and 1.26% in 2023.

3.3.6 Sylhet Division

Division wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Sylhet division	1.23%	1.17%	1.00%	0.96%	0.95%

Table 15: Sylhet Division

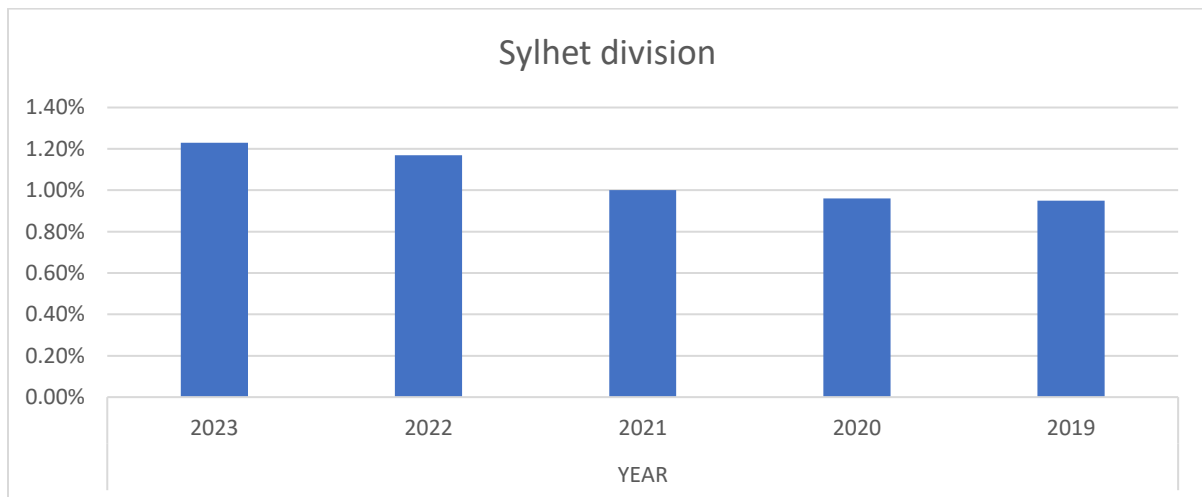


Chart 15: Sylhet Division

Sylhet division’s investment percentages have been relatively stable. In 2019, the investment was 0.95%, which slightly increased to 0.96% in 2020, 1.00% in 2021, 1.17% in 2022, and 1.23% in 2023.

3.3.7 Rangpur Division

Division wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Rangpur division	3.11%	2.87%	2.31%	1.94%	1.88%

Table 16: Rangpur Division

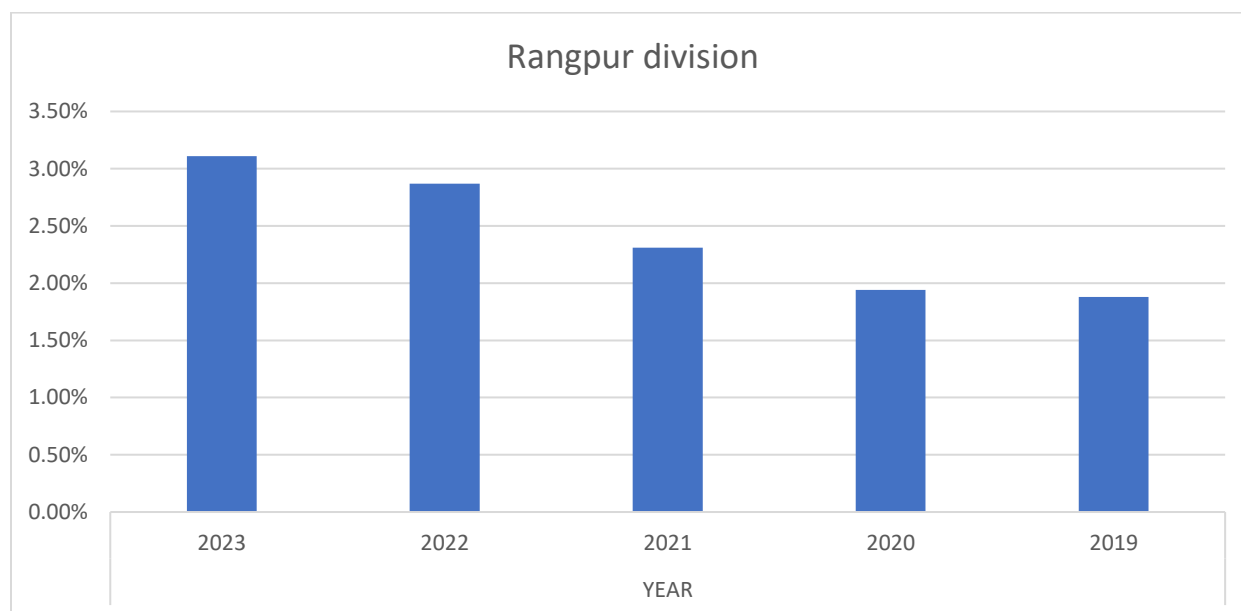


Chart 16: Rangpur Division

Rangpur division saw a gradual increase in investments. Starting at 1.88% in 2019, the investment increased to 1.94% in 2020, 2.31% in 2021, 2.87% in 2022, and 3.11% in 2023.

3.3.8 Mymensingh Division

Division wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Mymensingh division	1.35%	1.30%	1.01%	0.75%	0.72%

Table 17: Mymensingh Division

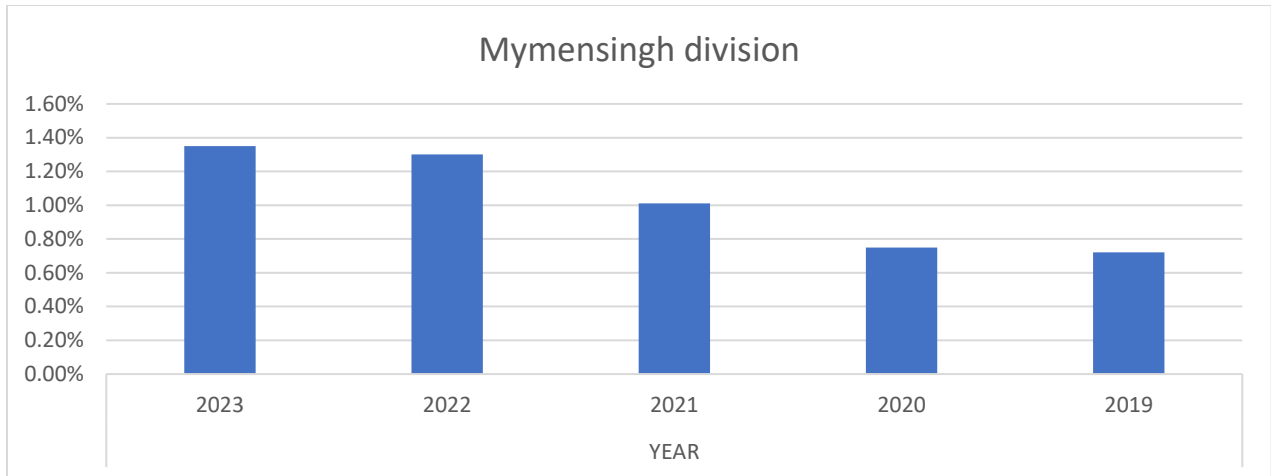


Chart 17: Mymensingh Division

Investments in the Mymensingh division have also increased over time. From 0.72% in 2019, the investment increased to 0.75% in 2020, 1.01% in 2021, 1.30% in 2022, and 1.35% in 2023.

3.4 Sector-Wise Investment

3.4.1 Textile-Spinning, Weaving & Dyeing

Sector wise - Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Textile- spinning,weaving & dyeing	22.41%	17.95%	15.68%	15.56%	14.26%

Table 18: Textile- spinning,weaving & dyeing

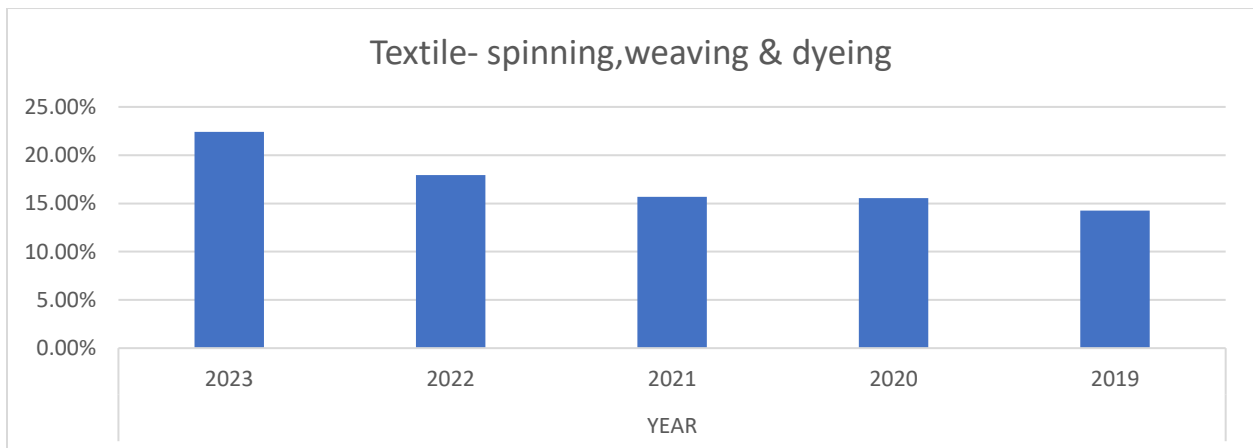


Chart 18: Textile- spinning,weaving & dyeing

From 2019 to 2023, the bank’s investment in the textile-spinning, weaving, and dyeing sector has shown a consistent upward trend. Starting at 14.26% in 2019, it gradually increased to 22.41% in 2023. This steady growth indicates a strong and growing focus on the textile industry, reflecting its importance in the bank’s investment strategy.

3.4.2 Garments & Garments Accessories

Sector wise - Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Garments & garments accessories	11.17%	8.51%	6.42%	6.07%	4.93%

Table 19: Garments & garments accessories

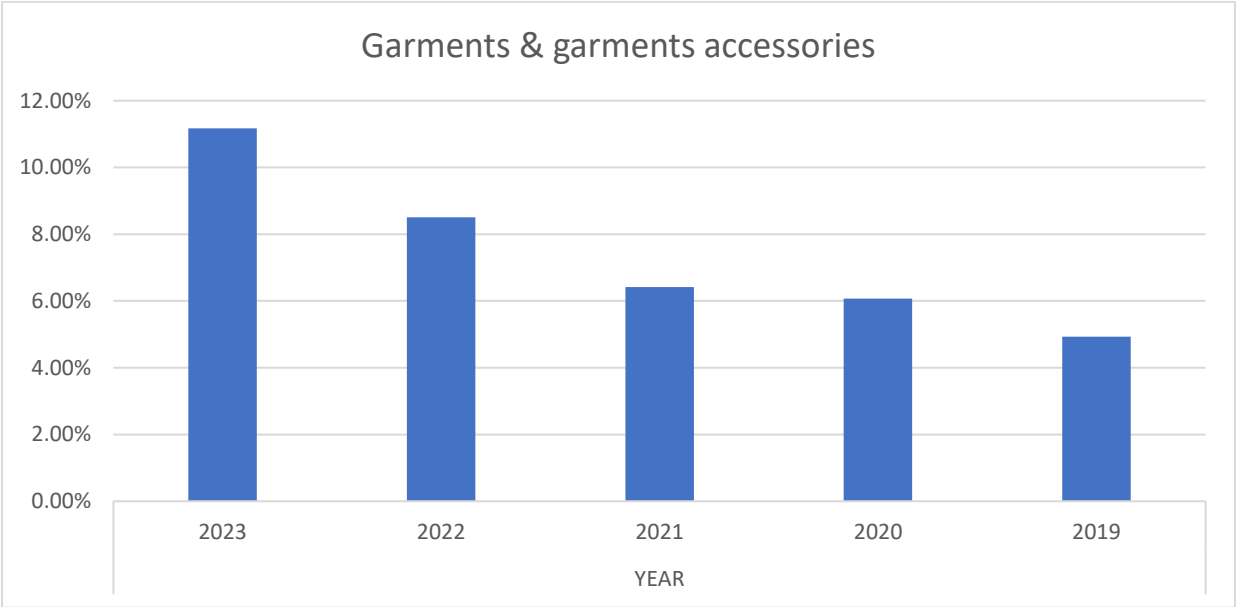


Chart 19: Garments & garments accessories

The garments and garment accessories sector also seen a significant rise in investment over the years. In 2019, the investment was at 4.93%, which increased to 11.17% by 2023. This substantial growth highlights the bank’s increasing emphasis on the apparel sector, likely due to its potential for high returns.

3.4.3 Steel, Re-rolling & Engineering

Sector wise - Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Steel, re-rolling & engineering	12.85%	12.31%	7.64%	5.37%	3.67%

Table 20: Steel, re-rolling & engineering

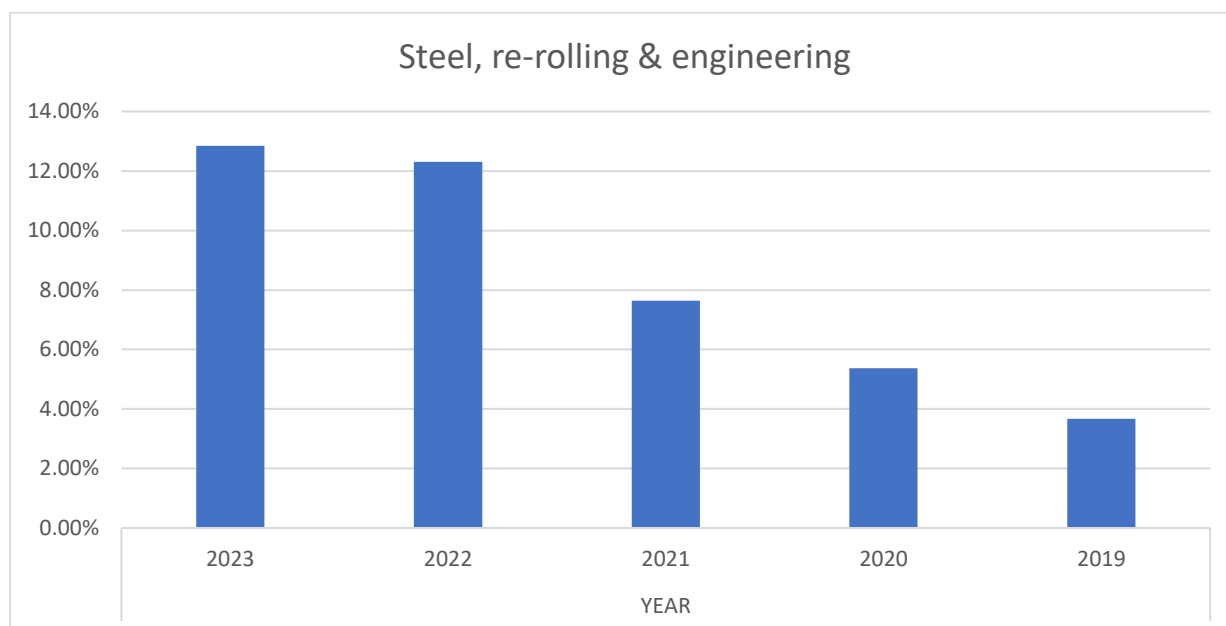


Chart 20: Steel, re-rolling & engineering

Investments in the steel, re-rolling, and engineering sectors increased dramatically from 3.67% in 2019 to 12.85% in 2023. This suggests a strategy shift towards the engineering and steel industries, implying that the bank sees enormous development potential in these sectors.

3.4.4 Agro-based Industry

Sector wise - Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Agro-based industry	26.58%	25.84%	24.16%	19.37%	17.53%

Table 21: Agro-based industry

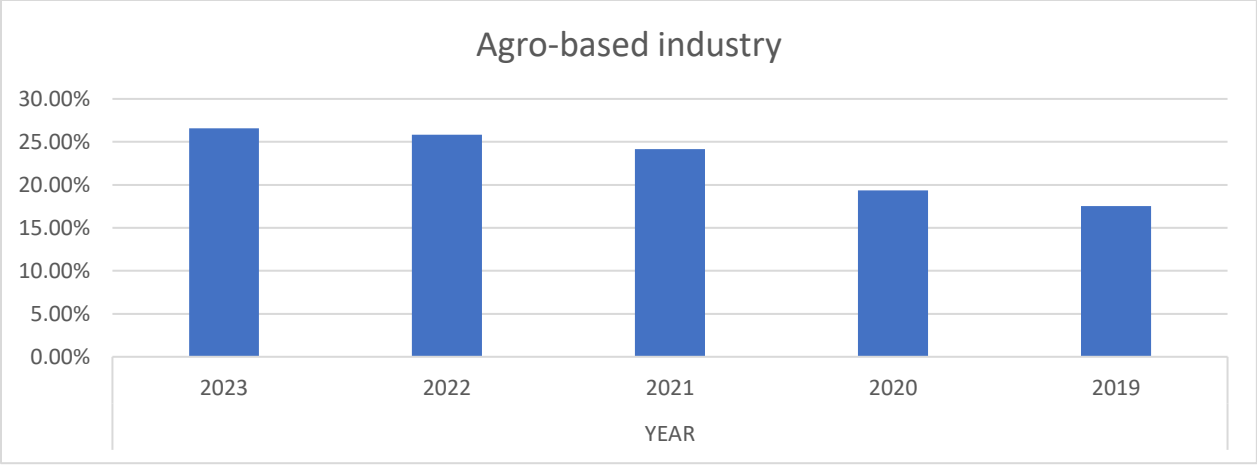


Chart 21: Agro-based industry

The agro-based industry has consistently attracted a significant portion of the bank’s investments. Starting at 17.53% in 2019, the investment increased to 26.58% in 2023. This steady rise underscores the sector.

3.4.5 Food & Beverage

Sector wise - Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Food & beverage	2.24%	1.82%	1.91%	1.46%	1.29%

Table 22: Food & beverage

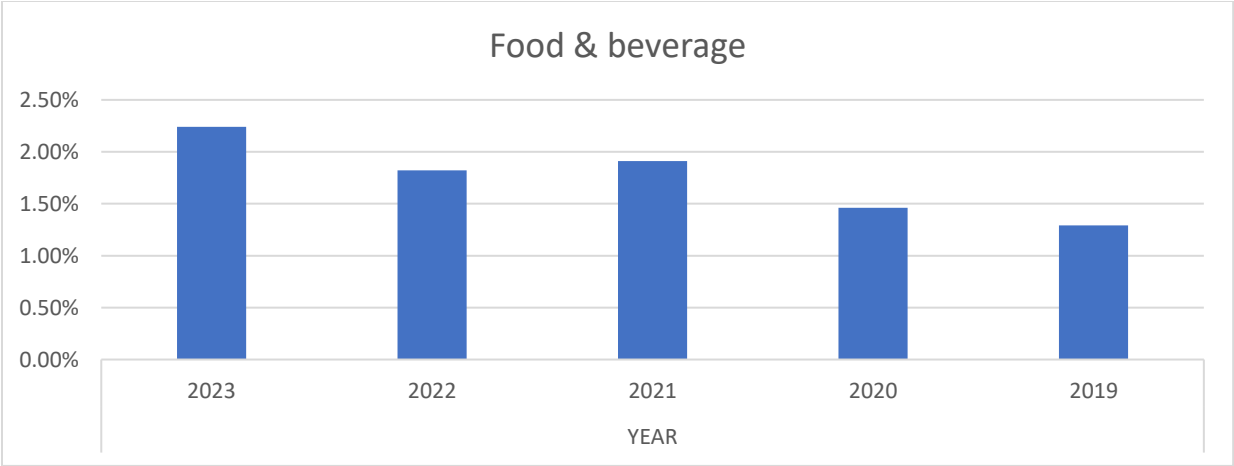


Chart 22: Food & beverage

The investment percentage for the food and beverage industry has risen marginally from 1.29% in 2019 to 2.24% in 2023, albeit remaining relatively low. This modest increase suggests a cautious but steady interest in this area.

3.4.6 Cement Industry

Sector wise -Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Cements industry	2.13%	1.90%	1.47%	1.61%	1.75%

Table 23: Cements industry

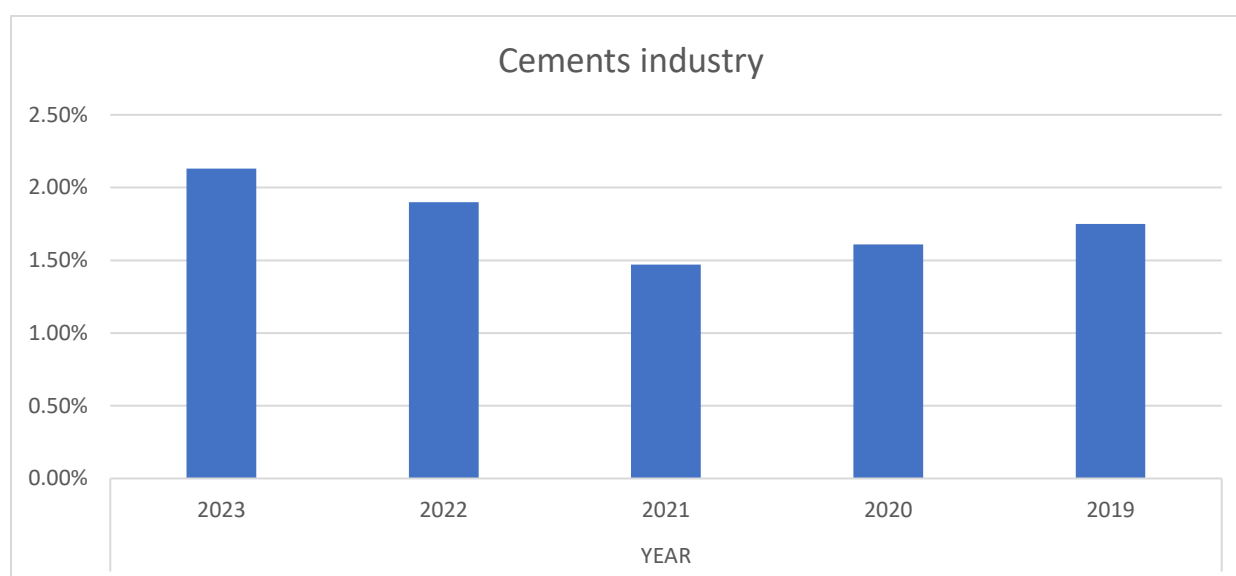


Chart 23: Cements industry

The cement industry has experienced minor fluctuations in investment percentages, with a small increase from 1.75% in 2019 to 2.13% in 2023. This indicates a stable yet growing interest in the cement sector.

3.4.7 Pharmaceuticals

Sector wise - Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Pharmaceuticals	0.56%	0.51%	0.43%	0.61%	0.71%

Table 24: Pharmaceuticals

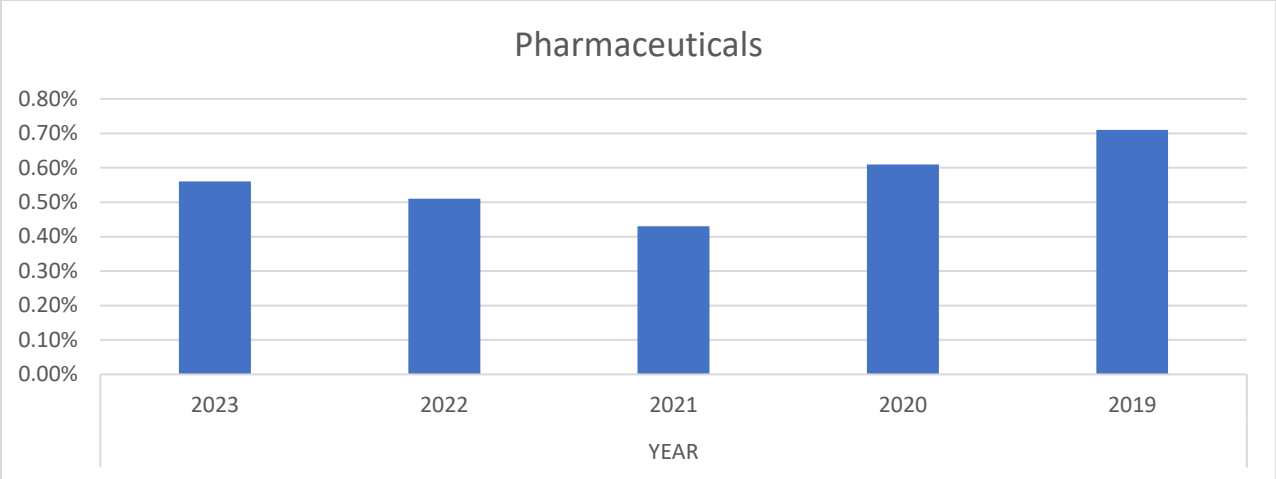


Chart 24: Pharmaceuticals

Pharmaceutical investments have remained low, falling just slightly between 2019 and 2023 (from 0.71% to 0.56%). This suggests that the bank is trading more carefully in this sector.

3.4.8 Poultry, Poultry Feed & Hatchery

Sector wise - Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Poultry, poultry feed & hatchery	0.39%	0.39%	0.24%	1.00%	0.19%

Table 25: Poultry, poultry feed & hatchery

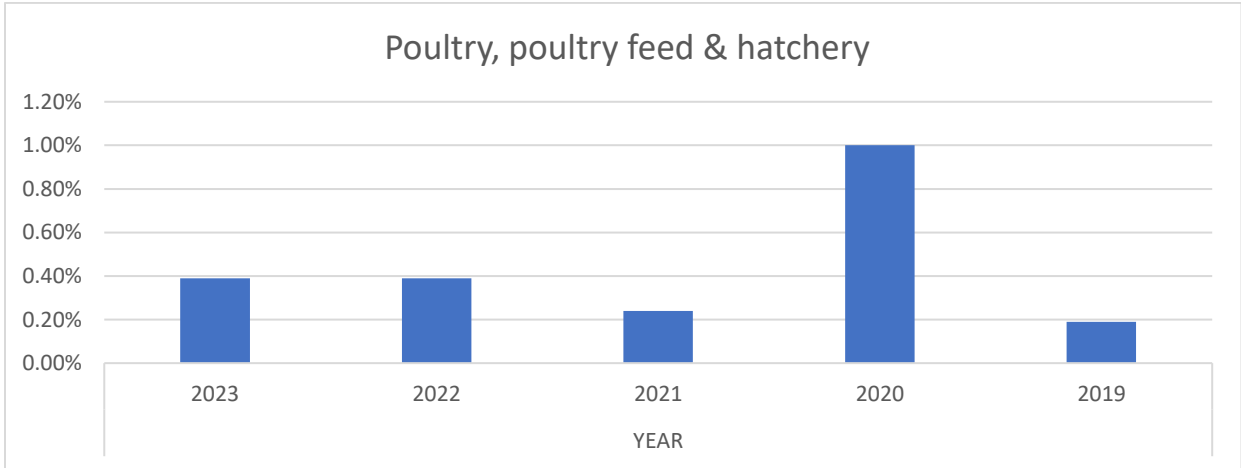


Chart 25: Poultry, poultry feed & hatchery

The poultry, poultry feed, and hatchery sector has seen minimal investment, with a slight increase from 0.19% in 2019 to 0.39% in 2023. This indicates a relatively low priority for the bank in this area.

3.4.9 Sanitary Wares

Sector wise - Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Sanitary wares	0.01%	0.01%	0.00%	0.01%	0.02%

Table 26: Sanitary wares

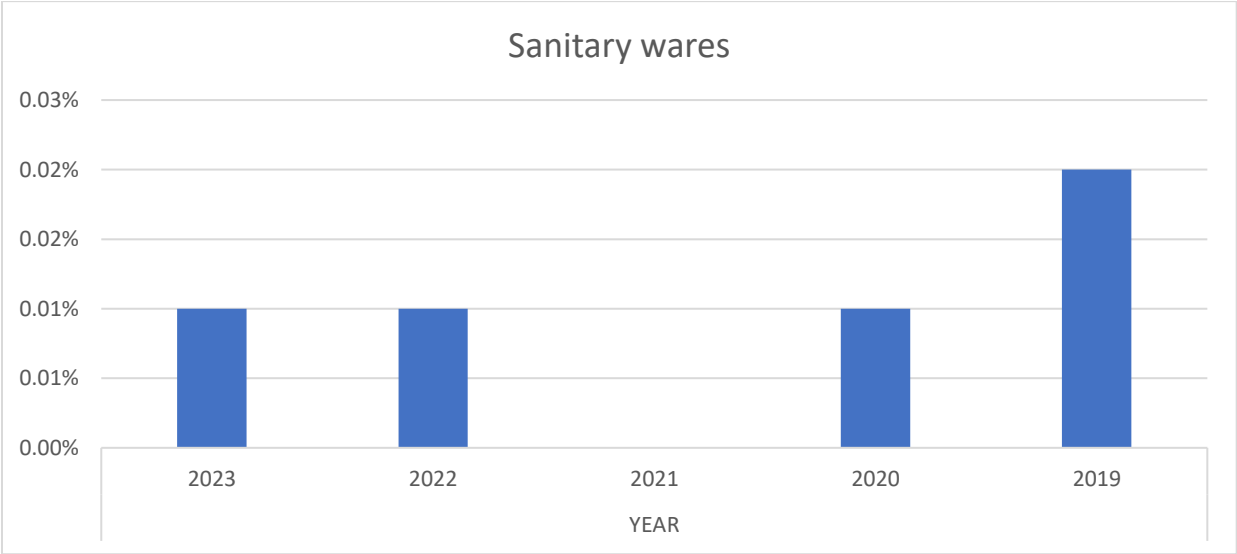


Chart 26: Sanitary wares

Over the years, investment in sanitary products has remained quite low, hovering around 0%. This implies that the bank does not believe this industry has a lot of placed to develop.

3.4.10 Chemicals, Toiletries & Petroleum

Sector wise - Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Chemicals, toiletries & petroleum	2.06%	1.82%	1.48%	1.06%	0.84%

Table 27: Chemicals, toiletries & petroleum

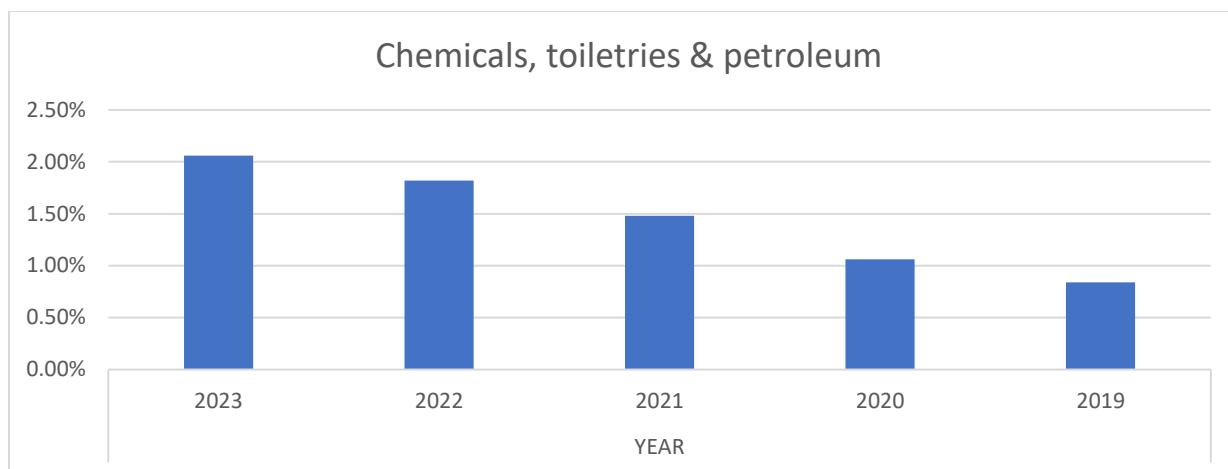


Chart 27: Chemicals, toiletries & petroleum

The investment in chemicals, toiletries, and petroleum has increased from 0.84% in 2019 to 2.06% in 2023. This growth indicates a rising interest in these industries, possibly due to their essential nature and potential for steady returns.

3.4.11 Printing & Packaging

Sector-wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Printing & packaging	2.05%	1.71%	1.56%	1.55%	1.25%

Table 28: Printing & packaging

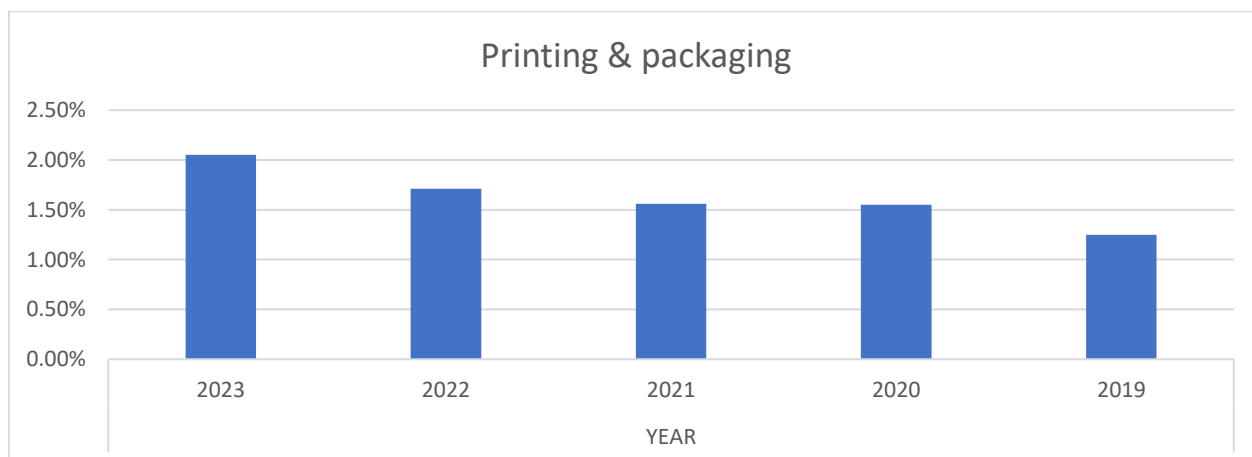


Chart 28: Printing & packaging

Investment in the printing and packaging sector has steadily increased, from 1.25% in 2019 to 2.05% in 2023. Its indicates that interest in this field is increasing.

3.4.12 Power (Electricity)

Sector -wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Power (electricity)	1.69%	1.40%	0.62%	0.84%	0.51%

Table 29: Power (electricity)

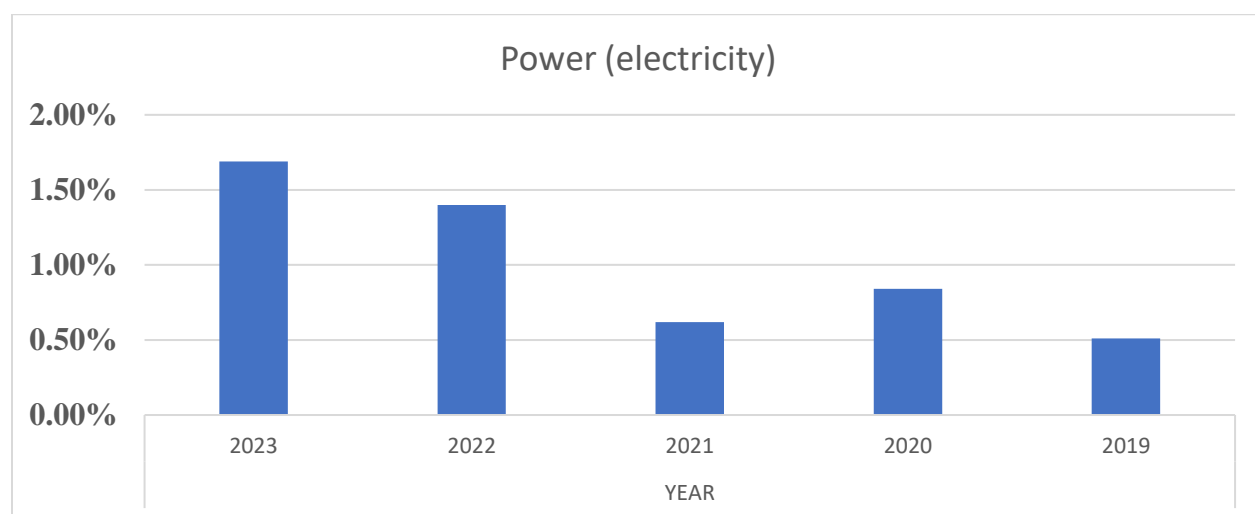


Chart 29: Power (electricity)

Investment in the power sector has risen from 0.51% in 2019 to 1.69% by 2023. This expansion indicates the bank's acknowledgement of the importance of energy in sustaining industrial and economic activity.

3.4.13 Ceramic & Bricks

Sector-wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Ceramic & bricks	2.13%	1.57%	1.36%	1.46%	1.22%

Table 30: Ceramic & bricks

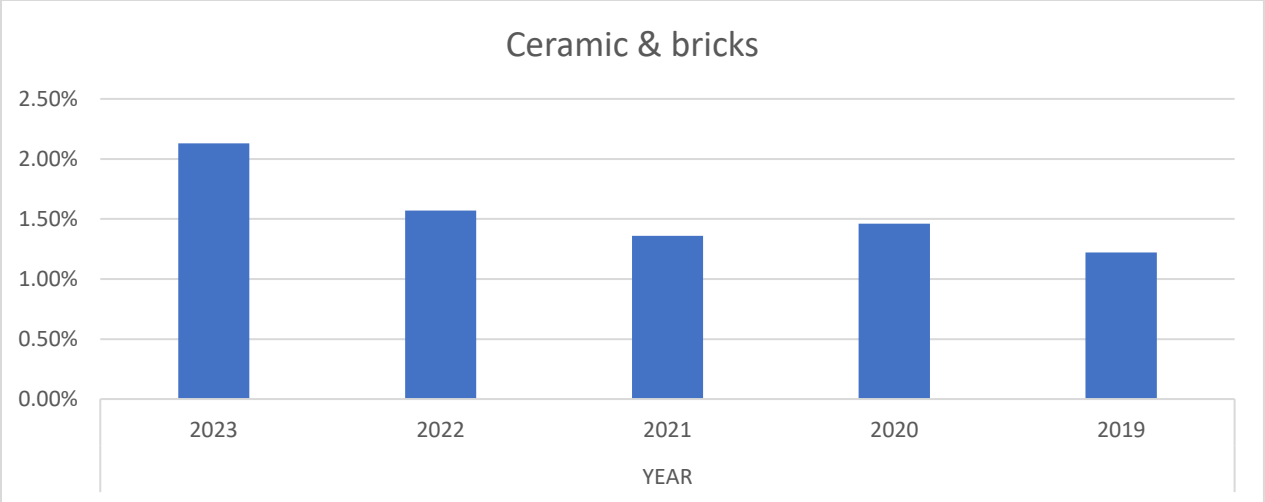


Chart 30: Ceramic & bricks

Investments in the ceramic and bricks sector have risen from 1.22% in 2019 to 2.13% in 2023. This indicates a growing interest in this sector, possibly due to its relevance in construction and infrastructure development.

3.4.14 Health Care (Hospital & Others)

Sector-wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Health care (hospital & others)	1.01%	0.89%	0.86%	0.87%	0.73%

Table 31: Health Care (Hospital & Others)

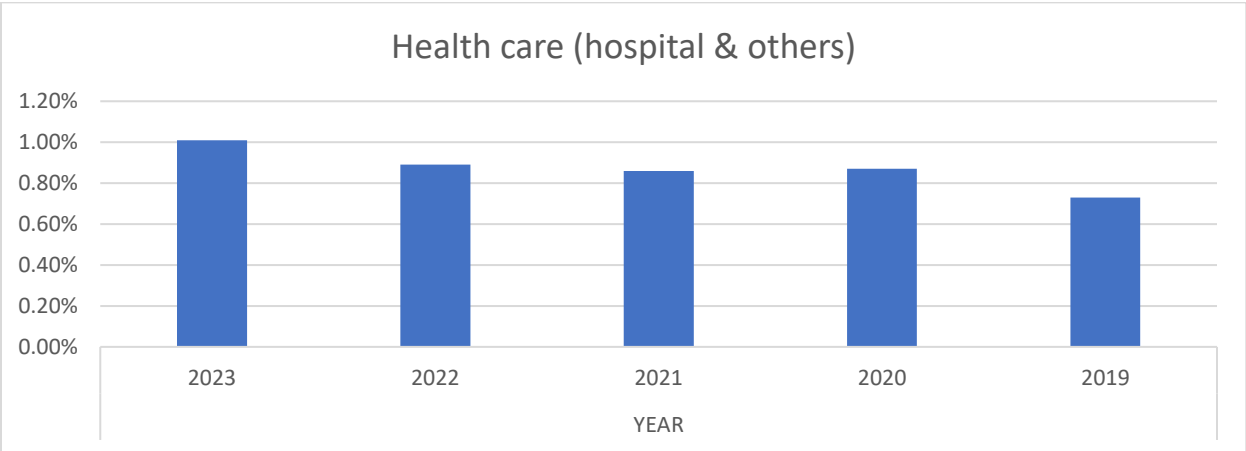


Chart 31: Health Care (Hospital & Others)

The healthcare sector has seen a slight increase in investment, from 0.73% in 2019 to 1.01% in 2023. This suggests a stable but growing interest in supporting healthcare facilities and services.

3.4.15 Plastic Industries

Sector-wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Plastic Industries	1.12%	0.77%	0.73%	0.66%	0.53%

Table 32: Plastic Industries

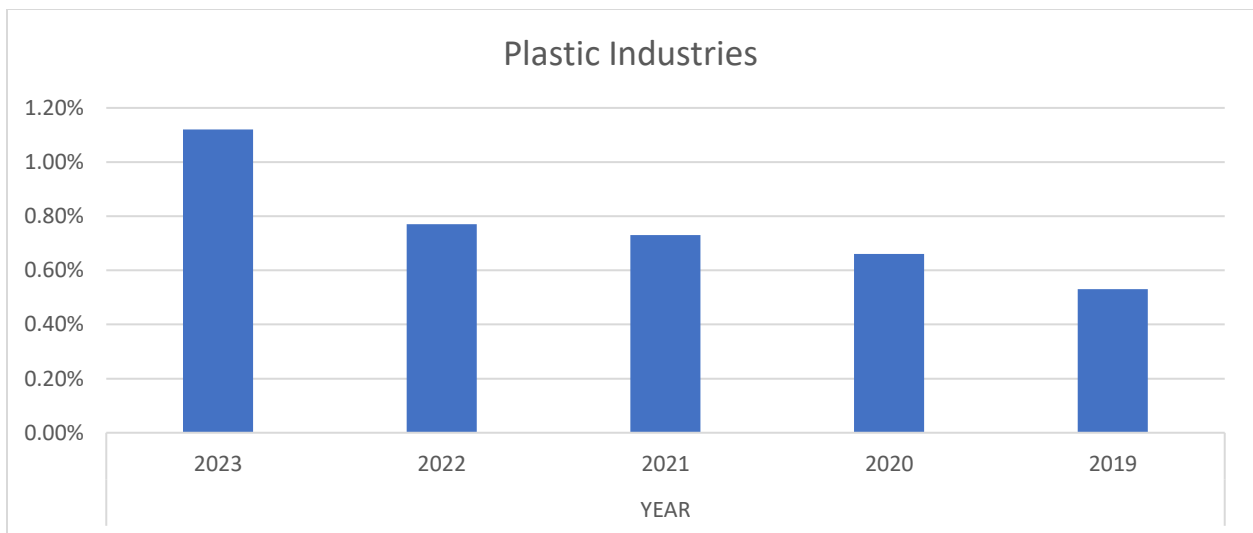


Chart 32: Plastic Industries

Investment in plastic industries has increased from 0.53% in 2019 to 1.12% in 2023. This growth indicates a rising focus on this sector, likely due to its widespread applications and growth potential.

3.4.16 Petrol Pump & CNG Filling Station

Sector-wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Petrol pump & CNG filling station	0.33%	0.31%	0.24%	0.19%	0.12%

Table 33: Petrol pump & CNG filling station

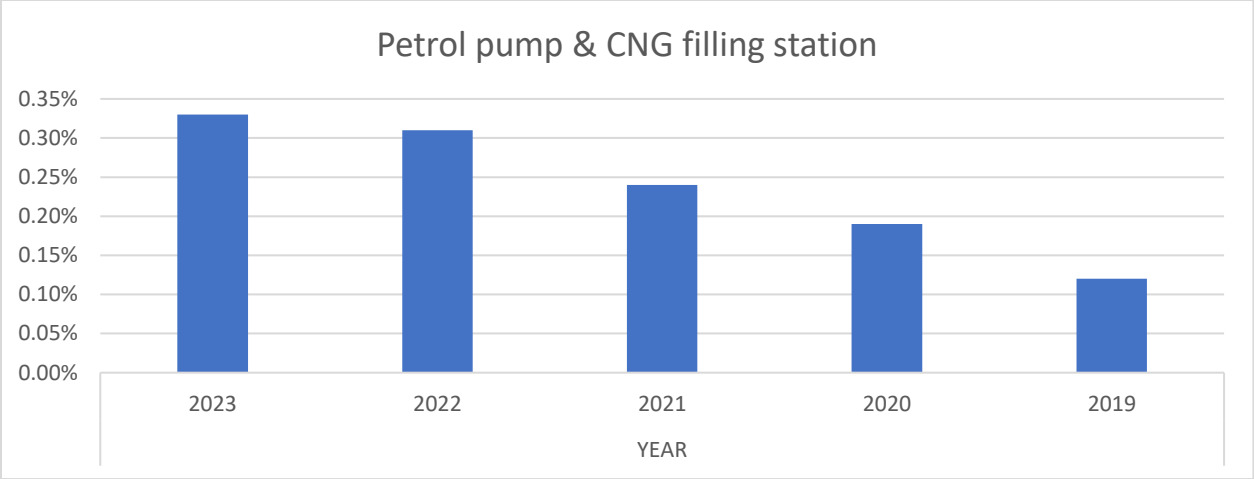


Chart 33: Petrol pump & CNG filling station

Investments in petrol pumps and CNG filling stations have remained low, rising slightly from 0.12% in 2019 to 0.33% in 2023. This implies a cautious but consistent interest in the sector.

3.4.17 Information Technology

Sector-wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Information technology	0.03%	0.02%	0.04%	0.03%	0.02%

Table 34: Information technology

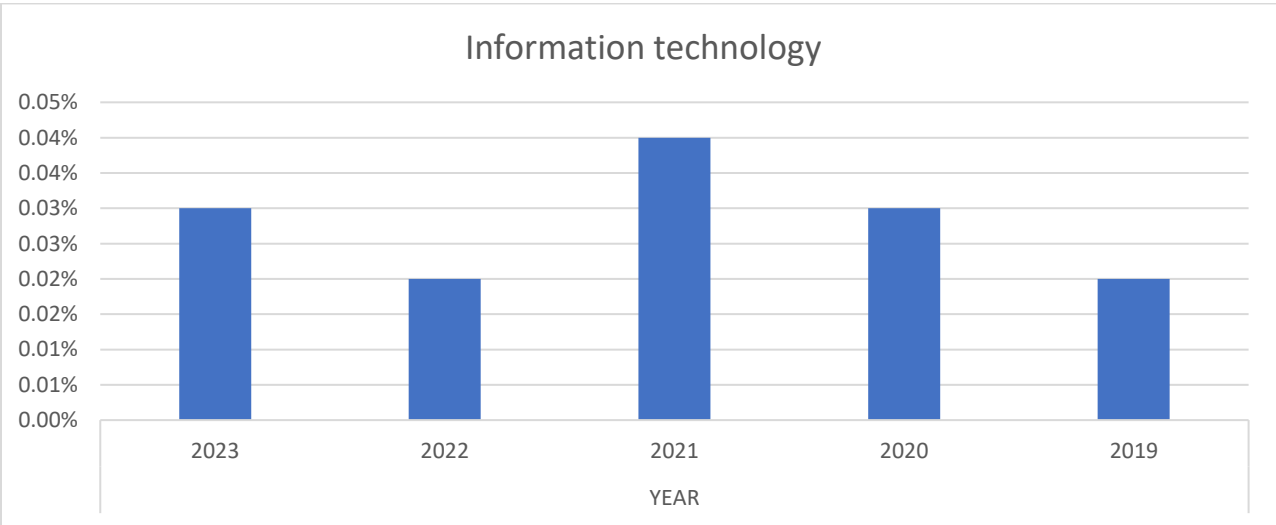


Chart 34: Information technology

Investment in the IT sector has remained low, with percentages approaching 0% over the years. This shows that the bank does not place a strong priority on this sector in its investment strategy.

3.4.18 Hotel & Restaurant

Sector-wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Hotel & restaurant	0.22%	0.18%	0.16%	0.18%	0.13%

Table 35: Hotel & restaurant



Chart 35: Hotel & Restaurant

Investment in the hotel and restaurant sector has increased somewhat, rising from 0.13% in 2019 to 0.22% in 2023. This indicates a growing but cautious interest in the sector.

3.4.19 Others Industries

Sector-wise Investment (%)	YEAR				
	2023	2022	2021	2020	2019
Others industries	11.01%	9.14%	6.50%	0.18%	5.87%

Table 36: Other industries

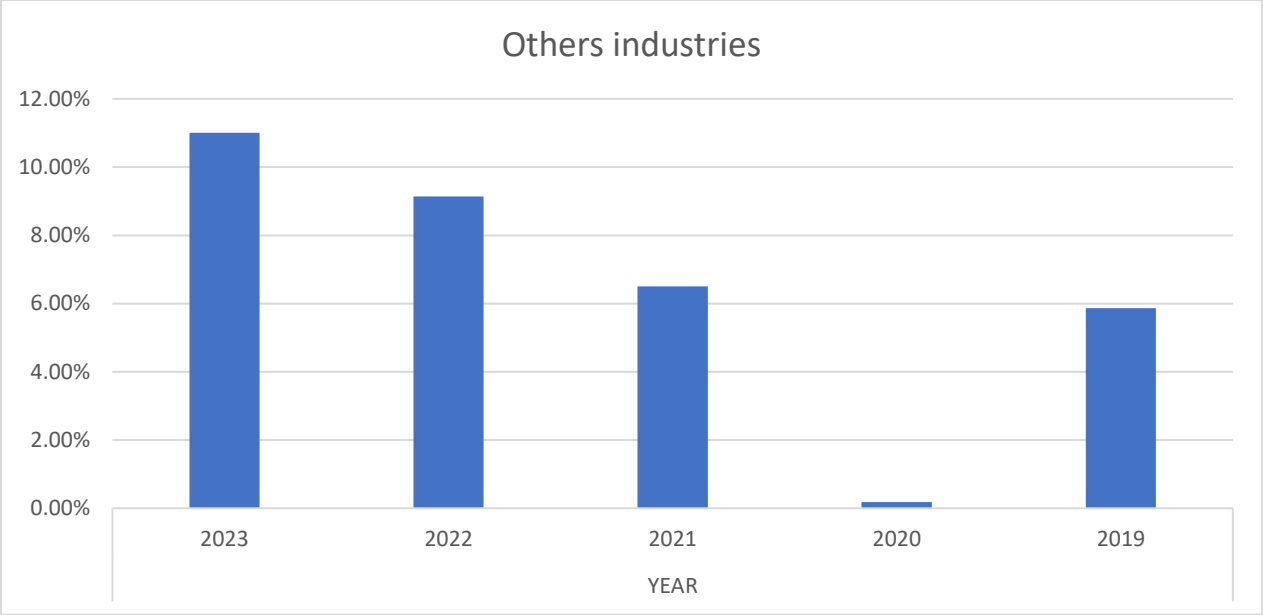


Chart 36: Others industries

Investment in other industries increased from 5.87% in 2019 to 11.01% in 2023. This demonstrates a diversification of the bank's investment portfolio, indicating its risk-spreading policy across multiple sectors.

Chapter 04:

Conclusion

4.1 Conclusion

In conclusion, IBBL started as a pioneer organization in the field of Islamic banking in Bangladesh. The bank has had a lasting impact on the country's economy. The bank has always maintained the principles of Islamic finance since its inception, offering a competitive alternative to conventional banking and contributing significantly to the economic development of Bangladesh. Following Shariah-compliant procedures is one of the most important aspects of the Islamic Bank's operations. Apart from meeting the economic needs of consumers, the move away from profit-based transactions and profit-sharing arrangements has complied with the moral and ethical standards established by Islamic law and principles. The main objective of the Report is to explore investment strategies and profitability funds. To analyze the bank's financial performance, we look at the data of the last five years. This represents five years of intensive and continuous work. The bank invests its capital in various forms including HPSM, Mushraka, Bai-Murabaha and Bai-Muazzal. According to the data analysis, most of the investments are in bai-murabaha mode. The mode's average percentage is 65.2%, and it remained relatively constant between 2019 and 2023, indicating a stable performance that is positive for the bank. The second-largest mode is HPSM, with an average percentage of 21.19% that has been relatively constant for five years, indicating strong bank performance. Again a massive percentage of the general investment quantity is allotted to the change and business and industrial investment sectors. The implied component for developed investing is 41.72% and the investing part changed into around the like between 2019 and 2023. The majority of the investment amount turned into allotted to the Dhaka and Chattogram divisions with common opportunities of approximately 36.51% and 22.71% respectively in step with the division-wise funding information. Appearance of the detail from 2019 to 2023, we are able to see that it appears nearly consistent, constant and solid for the stock marketplace. From the above statistics analysis, we are able to effectively finish that IBBL has loved good and constant monetary achievement over the last 5 years. Due to its adherence to Islamic law and Shariah, and the truth that almost all of Bangladeshis are Muslims, the financial group has superior beyond non-Islamic banking and is basically prohibited in Islam and based on riba.

Reference

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