Investment Operations of Shahjalal Islami Bank Limited

Internship report on

"Investment Operations of Shahjalal Islami Bank Limited"

Submitted to the School of Business & Economics
United International University

Under the supervision of

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Assistant Professor

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Submitted by

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Date of Submission

October 17, 2023

Letter of Transmittal

October 17, 2023

Nusrat Farzana

Assistant Professor,

School of business & Economics

United International University

Subject: Submission of Internship Report

Dear Madam,

With due respect, I would like to inform you that I was assigned by you with an internship report on **“Investment Operations of Shahjalal Islami Bank Limited”** for accomplishing my undergraduate degree of Bachelor of Business Administration (BBA) from the School of Business & Economics, United International University. I have tried my best and applied my best effort to construct this report within your given directions. I have given all my efforts to work on this report and to create a fruitful internship report.

Therefore, I sincerely hope that this report will meet your specifications and gratifications.

Syeda Sarita Zaman

Yours faithfully,

Syeda Sarita Zaman

ID: 111153047

Major: Finance

School of Business & Economics

United International University

Declaration of Statement of Authorship

I am announcing that this internship report named "**Investment Operation of Shahjalal Islami Bank Limited"** is extraordinarily arranged and submitted by me.

I am confirming that I prepared this internship report only for my academic requirement and there are no other purposes other than that. I further guarantee that this report has never been submitted to any other universities or institutions before.

Syeda Sarita Zaman

Sincerely yours,

Syeda Sarita Zaman
ID: 111153047
Major: Finance
School of Business & Economics
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Acknowledgement

First and foremost, I would like to thank Allah for providing me the quality to fulfil my duties as an intern and finish the report on time.

I owe my internship program supervisor **Nusrat Farzana,** Assistant Professor, School of Business & Economics, United International University, a huge debt of gratitude for her unwavering guidance throughout my organizational attachment time.

I am also grateful to Asma khatun, Executive officer, Shahjalal Islami Bank Limited. During my internship tenure at Shahjalal Islami Bank limited she was my supervisor. Without her assistance and direction, it would have been exceedingly impossible to prepare this report.

Additionally, I want to express my gratitude to the entire School of business & Economics department of UIU for setting up an internship program that enables the fusion of theoretical knowledge with real-world circumstances.

I want to express my gratitude to Shahjalal Islami Bank Limited's employees who offered me wise counsel, helpful recommendations and encouragement. I must highlight this organization's positive work culture and devotion to its members for giving me the opportunity to experience the actual flavor of the investment banking industry.

Certificate of Supervision of Research

Certificate

This is to attest that; Syeda Sarita Zaman prepared the internship report labelled **"Investment Operations of Shahjalal Islami Bank Limited"** while working under my direction. This report is being presented in order to meet the requirements for the award of the degree of Bachelor of Business Administration in the School of Business & Economics, United International University. To the best of my knowledge, Syeda Sarita Zaman worked alone to compile this report and she did so with passion and effort.

October 17, 2023

Supervisor

Nusrat Farzana

Assistant Professor

School of Business & Economics

United International University (UIU)

Executive Summery

Shahjalal Islami Bank Limited (SJIBL) is a private commercial bank doing business in Bangladesh. Due to their critical role in the economy, banks are the most significant entity in the financial sector. Mainly, the banking industry keeps the flow of money from depositors to investors going. The purpose of my study is to learn more about how Shahjalal Islami Bank Limited (SJIBL) operates its investments and to compare and analyze the investment operations of Shahjalal Islami Bank Limited (SJIBL) with Social Islami Bank Limited (SIBL). This report will provide a thorough understanding of the performance, operational plans, management, and oversight of the investment department. Gathering data from the published annual report, the report mainly focused on the year wise total investment, investment growth rate, investment to deposit ratio, non performing investment ratio, ROE, ROA and Income from Investment in shares & Securities of both the bank and tried to figure out the significant differences between the banks operation. All the investment related ratios are performed and displayed with the graph for better reflection of the performance or condition of the investment scenario of both the banks.

In chapter one, I have explained the overview of my internship period. In chapter two, there is an overview of banking sector of Shahjalal Islami Bank Limited. In chapter three, the details analysis of investment operations of SJIBL and SIBL are given. In this chapter the full analysis & evaluation of tables and graphs are given. And finally chapter four is the findings of my analysis which portrays year wise investment growth rate of SJIBL has been decreased from 2018 to 2020. Some factors, including as the COVID-19 pandemic and the Russia-Ukraine conflict, were anticipated to have an adverse effect on the rate of investment growth but with the excellency in operating performance the bank was able to increase its investment growth rate. Due to the tightened lending standards and faster recovery process SJIBL is maintaining a good level of NPI ratio even significantly below than the industry average. Despite the negative factors SJIBL were able to maintain a growth overall investment. They focus more on quality investment which enables them to experience a high profitability. As the banking industry becomes more competitive, the bank should consider launching new services and implementing various marketing strategies

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Chapter 1
Introduction

CHAPTER 1
Introduction

1.1 Origin of the study

This internship report has been created as part of the requirements for earning a Bachelor of Business Administration degree in the School of Business & Economics, United International University. Through this internship students can connect their theoretical knowledge to practical application. The Internship program lasts for three months. Under the supervision of teachers who will be monitoring them, students must write an internship report on a particular topic.

I was assigned to Shahjalal Islami Bank Limited (SJIBL), Satmasjid Road Branch for my practical orientation. And in this report, I've done the best I can to convey what I've learned about the practical orientation.

1.2 Research Objectives

Broad Objective:

The study's main goal is to find out the Investment Operation of Shahjalal Islami Bank Limited and a comparison of investment operations with Social Islami Bank Limited.

Specific Objective:

- To learn practical knowledge about the investment activities of SJIBL
- To identify the main issues the bank has with conducting investment operations
- To assess the financial status of SJIBL
- To comprehend the various investment strategies of SJIBL

1.3 Limitation of the study

I did my best to create a thorough and ordered report on the investment operations of SJIBL. But I have faced some limitations while doing this report. And the limitations are:

- Shortage of time: Since the internship program is only for three months, so I had a brief window of time in which to write this report. So, it was really challenging for me to gather all the necessary data in such a short amount of time.
- Problems of data collection: It was challenging to extract the desired information and data in accordance with the requirements because the precise data is somewhat sensitive for the bank.
- Insufficient information: It was less likely to access that section for the purposes of preparing an internship report since there were some limits on access to the information that the relevant authorities deemed sensitive.

Chapter 2
Organizational Overview

CHAPTER 2
Organizational overview

2.1 Shahjalal Islami Bank Limited

When a bank enables financial transactions and economic policies, a nation's economy is heavily dependent on the banking industry. A rapidly expanding private bank, Shahjalal Islami Bank is already at the top of the list for offering consumers high-quality services and adding value for the shareholders. On May 10,2001, Shahjalal Islami Bank was established in Bangladesh under the Banking Companies Act 1991 as Shahjalal Bank Limited to conduct banking operations. With 132 branches in the country, the bank employs banking activists. The bank's commercial banking operations, which are based on Islami Shariah, cover a wide range of services, including accepting deposits, making investments, discounting bills, conducting money transfers and foreign exchange transactions, as well as providing other related services like safekeeping, collecting debts, issuing guarantees, accepting payments, and writing letters of credit. Shariah-based Islamic banking was a cornerstone of Shahjalal Islami Bank Limited's operations from the beginning.

2.2 Vision

"Most admirable brand of shariah banking & investment in Bangladesh ensuring sustainable value for all our stakeholders embodied with human development based on morality and ethics." This is Shahjalal Islami Bank's vision.

Shahjalal Islami Bank Limited made every choice and taken every action to realize their vision from the very beginning of their journey.

2.3 Mission

Every organization runs according to its mission, and SJIBL are -

- To deliver excellent service and care for customers
- Set a goal to maintain good moral standards
- Banking that is inclusive and innovative
- Sustainable benefit for all parties involved
- Upgrading systems and continuing professional growth to meet challenges and pursue excellence
- To provide quick and accurate customer service, system automation and digitization are adopted, together with the most advanced security measures
- To ensure the moral and ethical development of human resources

2.4 Functions of SJIBL

These are the functions that SJIBL carries out -

- Maintain all forms of deposit accounts
- Making an investment
- Take care of the foreign exchange business
- Expand additional financial services
- Social welfare advocates will be led by the Islami Bank Foundation

2.5 Features of SJIBL

SJIBL conducts all of its business in accordance with Islamic law. It’s steady progress and continues success has earned the reputation of being one of the leading private sector banks of the country. The features of SJIBL are as follow:

- Its activities support the Islamic Shariah’s interest-free banking system.

- Establishment Of participatory banking rather than relying on debtor-creditor relationships for financial stability.
- To provide a fair and appropriate rate of return on their depositors money, the bank divides its investment revenue with the Mudarabah depositors according to a ratio.
- In addition to establishing equity and justice across all economic activity, it seeks to develop a financial system that is welfare-oriented.
- For the poor, helpless and low-income people's economic growth in the rural areas, it provides socio economic and financial services.
- For their economic growth, it offers cooperation to the underprivileged, the defenseless, and the low-income group.

2.6 Modes of Investments

A. Bai- Modes

- Bai- Murabaha
- Bai-Istijar
- Bai-Muajjal
- Bai-Salam
- Istisna'a
- Bai-As-Sarf

B. Shares-Modes

- Mudaraba
- Musharaka

C. Ijara-Modes

Under consumer financing, the bank lends money to people so they can fulfil their personal, family and household needs.

2.7 Investment Scheme

There are 25 Investment Schemes in SJIBL and they are:

- Small Business Investment Scheme
- Micro Industries Investment Scheme
- Agricultural Implement Investment Scheme
- Transport Investment Scheme
- Household Durable Scheme
- Investment Scheme for Doctors
- Car Investment Scheme
- Staff Household Durable Scheme
- Solar panal Investment Scheme
- Khidma Credit Card
- Housing Investment Scheme
- Real Estate Investment
- Staff House Building Investment Scheme
- Rural Development Scheme
- Micro Enterprise Investment Scheme
- Urban Poor Development Scheme
- SME Women Entrepreneurs Investment Scheme
- Palli Griho Nirman Biniog Prokolpo
- NRB Entrepreneurs Investment Scheme
- Rural Transport Investment Scheme
- Work Order Financing Scheme
- Frelancer Investment Scheme
- Cluster Investment Scheme
- Light Engineering Investment Scheme

2.8 SWOT Analysis of SJIBL

Every company has internal strengths and weaknesses as well as external opportunities and threats during its entire life cycle.

Strengths:

- Solid capital base with CRAR of 15.04%
- Strong complaint culture in all operational areas
- Comfortable liquidity position
- Strong adherence to corporate governance.
- Equipped with state of art technology.
- High quality credit rating over the year.

Weakness:

- Limited experience in the rapidly expanding retail investing market.
- Significant concentration of investments in the Dhaka Zone.
- Not so extensive branch network.
- Non availability of Islami treasury products.
- Limited scope of diversification of products.
- High concentration in textile and garments sectors.

Opportunities:

- In Bangladesh, the third-largest Muslim nation in the world, the Islami Banking sector's market share is expanding.
- There are opportunities to explore new avenues Turn around.
- The extent of the digital transition and cutting operating costs.
- A mutually beneficial partnership with fintech startups to expand banking services.
- A chance to capitalize on the substantial unbanked and underbanked population in the nation.

- Demand for shariah-compliant goods and services is rising along with awareness of Islamic financial services.

Threats:

- Economic uncertainty due to the prolonged Covid-19 Pandemic.
- An unstable exchange rate could be dangerous for the foreign exchange industry
- The market for Islamic banking is seeing more competition.
- Intense competition from Fin-tech companies.

Chapter 3
Analysis and findings

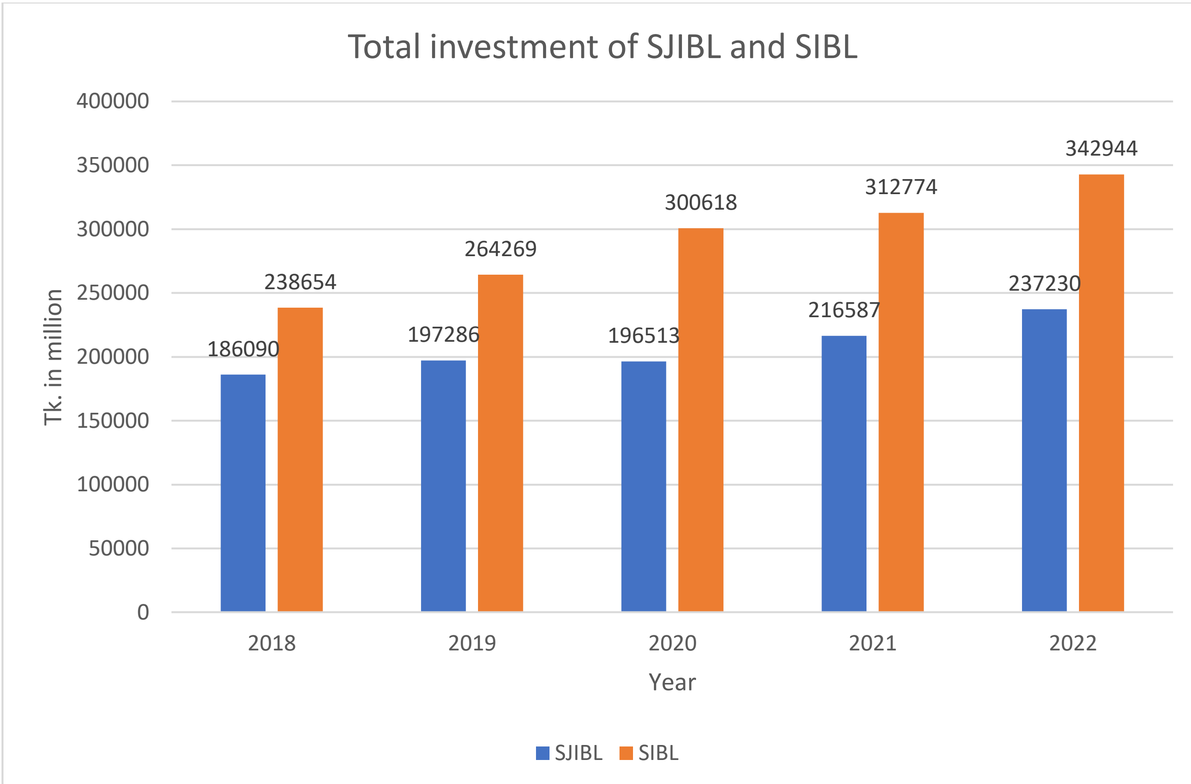
CHAPTER 3
Analysis and Findings

3.1 Year Wise Total Investment

Table 1: Comparison of Total Investment

Year	SJIBL (Tk. In million)	SIBL (Tk. In million)
2018	186,090	238,654
2019	197,286	264,269
2020	196,513	300,618
2021	216,587	312,774
2022	237,230	342,944

Figure 01: Comparison of Total Investment



Shahjalal Islami bank Limited:

In comparison to December 31, 2021, when SJIBL's total investment was Tk. 216,587 million, it was Tk. 237,230 million as of December 31, 2022, representing an increase of TK. 20,643 million or 9.52% from 2021. There was less interest in investing in the market because of the ongoing Russia-Ukraine conflict, foreign exchange market instability, the highest rate of inflation in ten years and the long-lasting effects of the COVID-19 pandemic. SJIBL was more careful while disbursing the investment, which led to a slower overall increase in investment throughout 2022. A balanced portfolio of corporate, retail, small and medium enterprise, and agricultural investments has been created by the bank as part of its goal to diversify. We can see from the graph that the overall investment of SJIBL is increasing every year.

Social Islami Bank Limited:

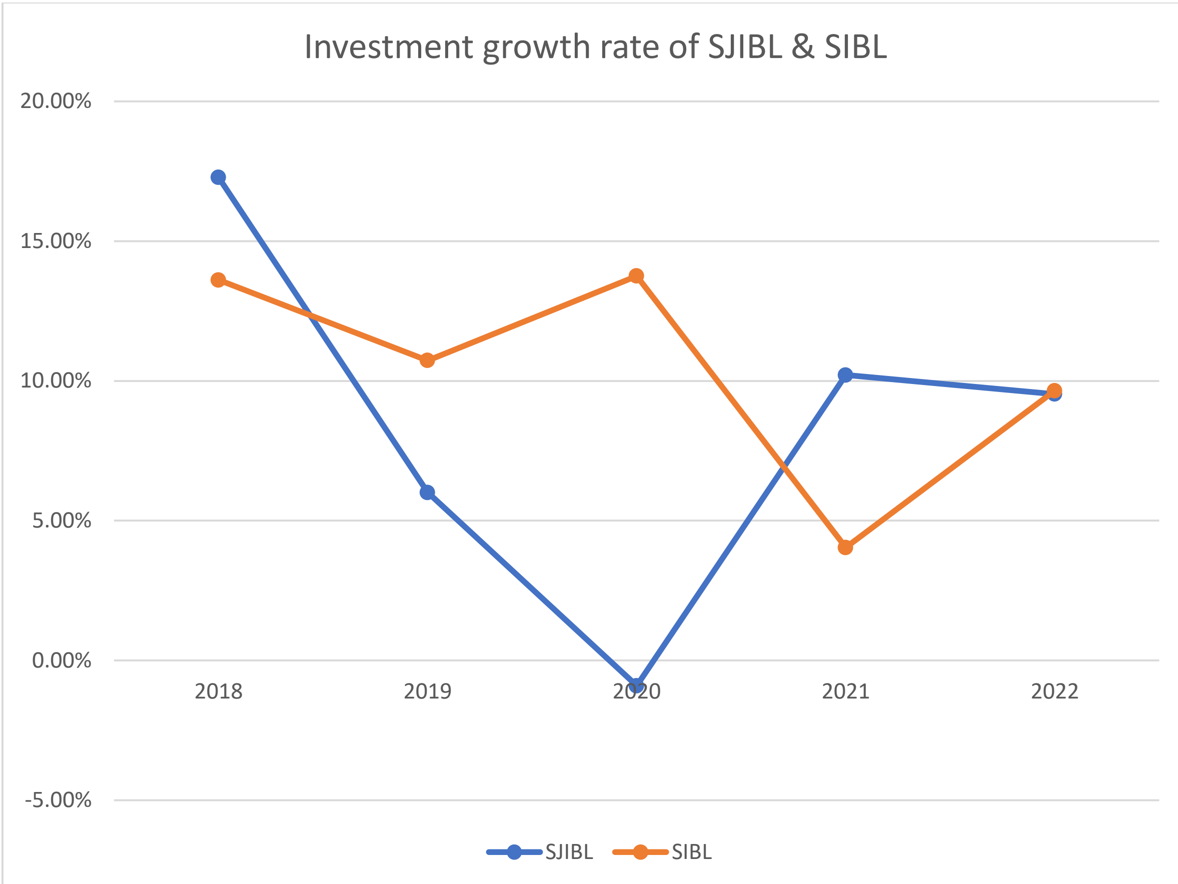
On the other hand, SIBL's Investment yielded a positive growth rate in 2022. As of December 31, 2022, the bank had invested a total of Tk.342,944 million in various industries, up from Tk.312,774 million at the end of the previous year. This represents a rise of 9.65%, net increase of Tk.30,170 million from 2021. To boost quality investments and boost investment returns, SIBL is now focusing its efforts on this area. As like Shahjalal Islami Bank Limited, The Social Islami Bank is also maintaining an increase in Total Investment every year, in fact the Investment amount of SIBL in various sector is higher than the amount of SJIBL.

3.2 Year Wise Investment Growth Rate

Table 2: Comparison of Investment Growth Rate

Year	SJIBL	SIBL
2018	17.28%	13.61%
2019	6.01%	10.73%
2020	-0.91%	13.75%
2021	10.21%	4.04%
2022	9.53%	9.65%

Figure 02: Comparison of Investment Growth Rate



Shahjalal Islami Bank Limited:

Long-lasting internal and global uncertainty are anticipated to exert pressure on Bangladesh's investment growth rate. A difficult year for the financial industry in 2022 was brought on by the continuous conflict between Russia and Ukraine and the lingering effects of the COVID-19 epidemic. SJIBL succeeds in achieving advancements in investment growth in 2022, demonstrating the bank's superiority in operational performance. SJIBL focuses on quality investment, following the COVID-19 outbreak they experience investment boom. The graph illustrates that, the investment growth rate of SJIBL exhibits a falling tendency from the years 2018 to 2020 but then it displays an upward trend from that point on. As of 31st December, 2021 the investment growth rate was 10.21% compared to -0.91% in 2020, which shows a significant increase in investment growth rate.

Social Islami Bank Limited:

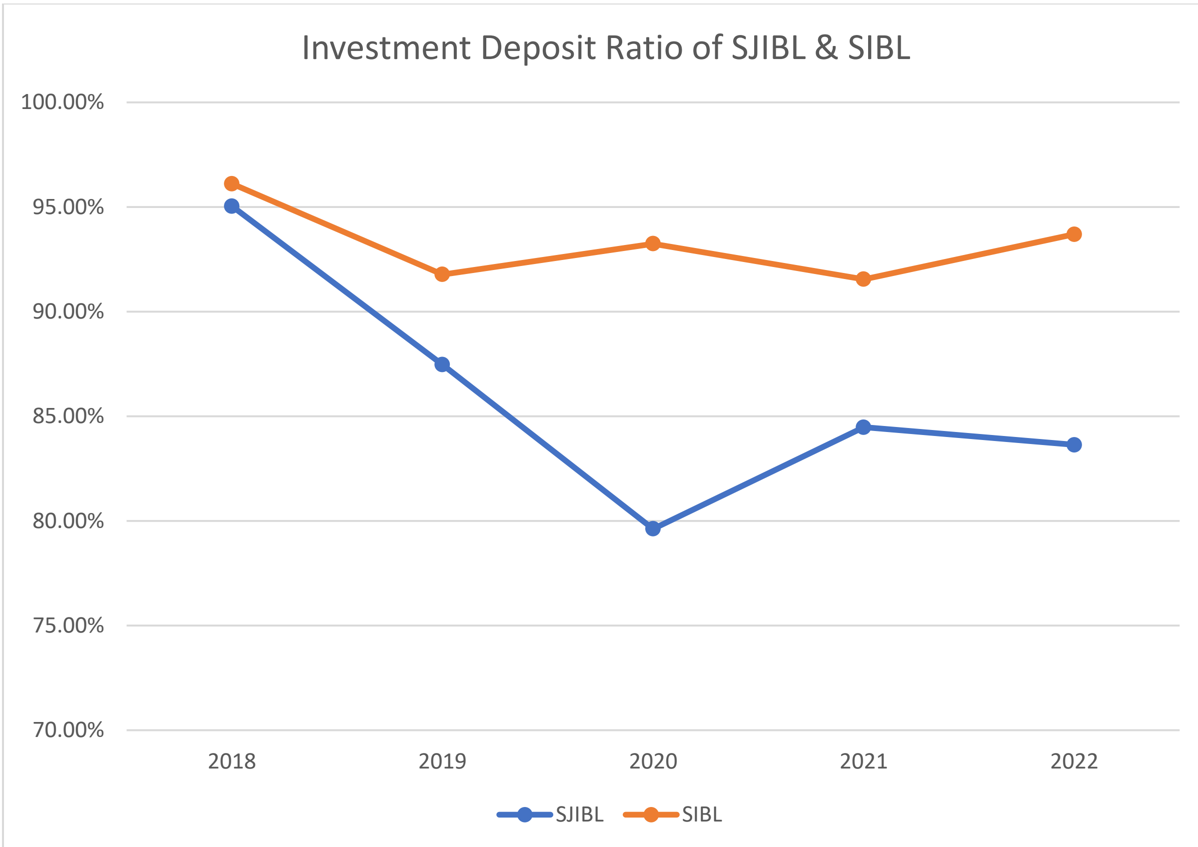
SIBL provided financial assistance to some of the biggest corporate empires in the nation. Through a variety of micro-investment mechanisms, SIBL is assisting several small and medium sized businesses with the financing they need to operate. By those means SIBL maintains a good investment growth rate in 2022. As we all know, 2021 and 2022 was a crucial year for banking sector due to the effect of COVID-19 pandemic and Russia- Ukraine war, SIBL also sees a downfall in their investment growth rate in 2021. The investment growth rate fallen down dramatically from 13.75% in 2020 to 4.40% in 2021. Due to the commitment of authority and Excellency in operating performance the bank's investment growth rate increased significantly to 9.65% from 4.04% in 2022.

3.3 Investment Deposit Ratio

Table 3: Comparison of Investment Deposit Ratio

Year	SJIBL	SIBL
2018	95.04%	96.11%
2019	87.47%	91.78%
2020	79.62%	93.25%
2021	84.48%	91.55%
2022	83.64%	93.70%

Figure 03: Comparison of Investment Deposit Ratio



Shahjalal Islami Bank Limited:

With an investment deposit ratio of 83.64% for the year 2022, SJIBL has the capacity to make additional investments in the project. They examine their portfolio on a regular basis to increase possible returns and to manage and reduce associated risks. Retail, corporate and institutional deposits make up the diverse and steady financial base that SJIBL maintains. If investment is high and deposit is low there will be a chance of liquidity risk, that's why SJIBL focuses more on quality investment in order to avoid liquidity risk. We can see the investment deposit ratio has been successfully maintained over the last five years.

Social Islami Bank Limited:

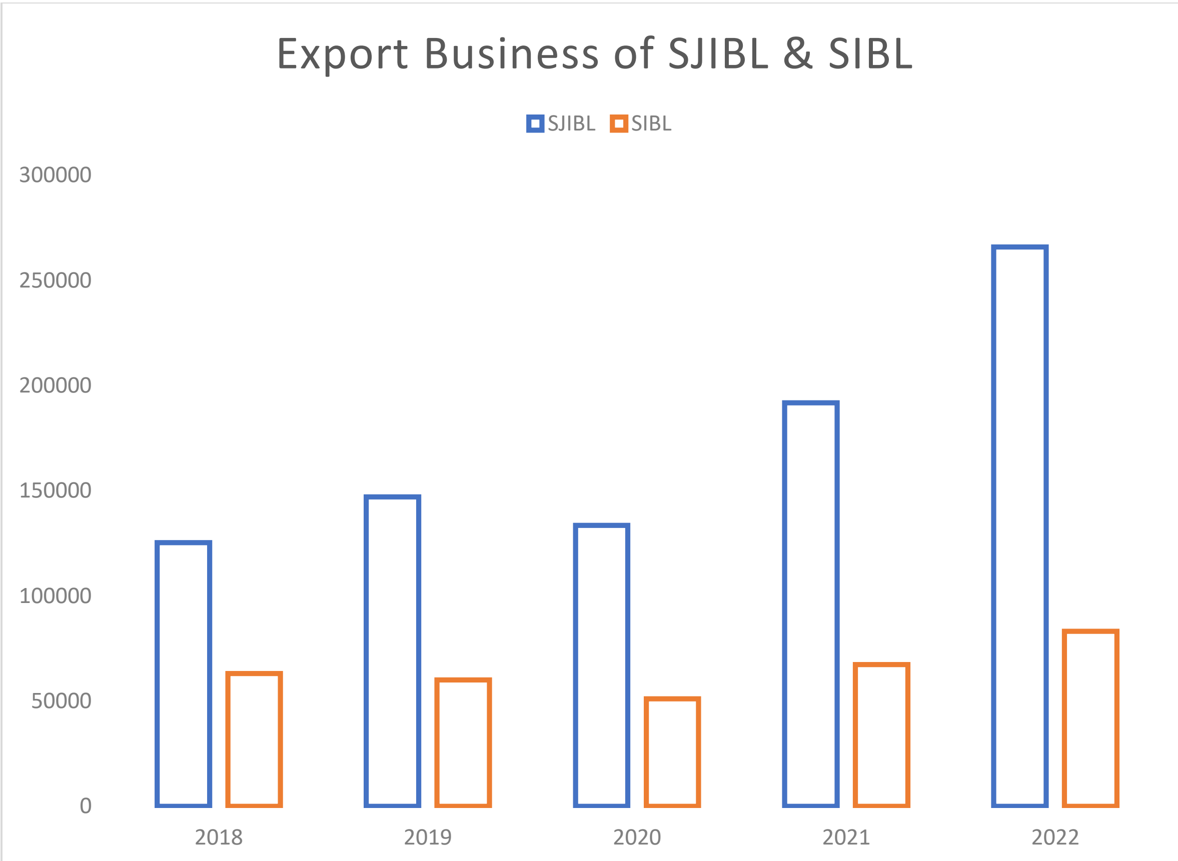
Investment deposit ratio of SIBL for the year2022 was 93.70% which shows that they are eligible for further investment SIBL always maintain an approved limit for investment deposit ratio, to avoid liquidity risk. To safeguard the dangers associated with the market, the limits are routinely checked and enforced. The investment deposit ratio of SIBL has been successfully maintained over the last five years. If we compare between SJIBL and SIBL it is seen that the investment deposit ratio of SIBL is higher than SJIBL.

3.4 Export Business

Table 4: Comparison of Export Business

Year	SJIBL (Tk. In million)	SIBL (Tk. In million)
2018	125,402	63,065
2019	147,052	60,079
2020	133,580	51,145
2021	191,899	67,347
2022	265,942	83,213

Figure 04: Comparison of Export Business



Shahjalal Islami Bank Limited:

The export operations of SJIBL functioned effectively, with export growth by 38.58%, despite the instability in the foreign exchange market in 2022, the ongoing Russia-Ukraine war and the lingering effects of the COVID-19 epidemic. When compared to 2021, when SJIBL's exports totaled BDT191,899 million, the banks export business increased by 38.58% to BDT 265,942 million in 2022. SJIBL has a dedicated export investment division (EID) and this section assists branches in streamlining their export operations, boosting productivity and assuring effectiveness and compliance. In order to improve the export business and provide better outcomes, this division also offers continuing counselling and proactive support. Export Business of SJIBL has been increasing over the last five years. We can see from the graph that the export businesses of SJIBL increased significantly during the year 2022, which indicates that the bank is going towards the economic betterment of the Country. The amount of export business in 2018 was 125,402 million, in 2022 the amount stood at 265,942.

Social Islami Bank Limited:

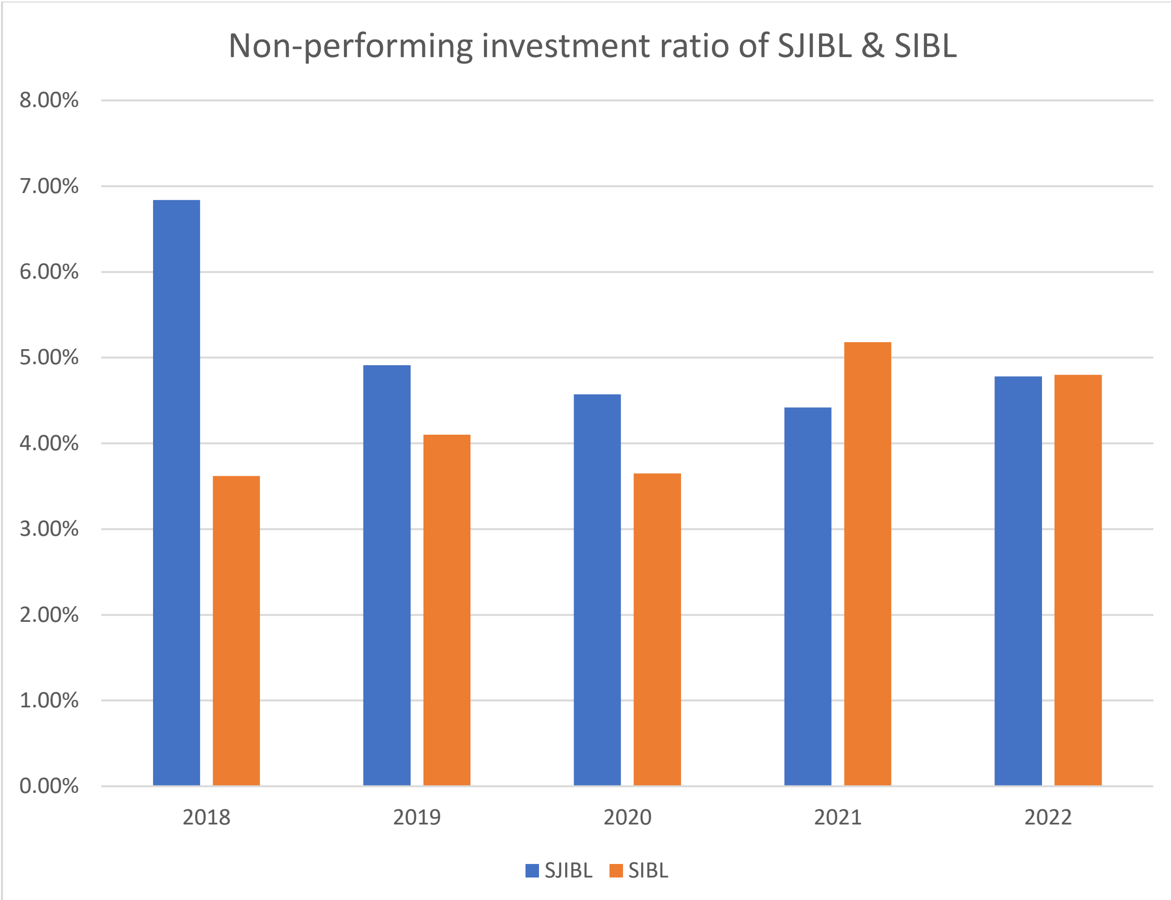
Compared to 2021, when SIBL had BDT67,347 million in export business, that numbered increased by 24% to BDT 83,213 million in 2022. The expansion of SIBL's export business has kept pace with that of the nation, which had a stellar year in 2022. Given a slow year in 2021 that saw a fall in global trade, 2022 saw a rebound in trade that led to an increase in Bangladesh's exports as well as SIBL. Over the previous three years, SIBL has kept its market share stable at 1.6%. SIBL focuses on the stimulation of diversified export businesses. The bank's operating profit is also maximized by growing its export, import and remittance businesses. The volume of export business in 2018 was 63,065 million, in 2022 the volume stood at 83,213.

3.5 Non-performing Investment Ratio

Table 5: Comparison of Non-performing Investment Ratio

Year	SJIBL	SIBL
2018	6.84%	3.62%
2019	4.91%	4.10%
2020	4.57%	3.65%
2021	4.42%	5.18%
2022	4.78%	4.80%

Figure 05: Comparison of Non-performing Investment Ratio



Shahjalal Islami Bank Limited:

The Non-performing investment rate in Bangladesh's banking industry as of December 31, 2022 was 8.16%, whereas SJIBL's NPI rate was substantially lower at 4.78%. This reflects the bank's tightened lending standards and quicker recovery procedures. To actualize and regularize NPI's and further decrease NPI's, SJIBL is continuing to take actions. In the midst of the current economic crisis, risk management is of utmost importance. Because most businesses are not profitable, the authorities of SJIBL are forced to prioritize risk appetite and asset quality over additional investments. Asset quality is very important to SJIBL, and as a result, they obtained a NPI ratio of 4.78% at the end of 2022, which is much lower than the industry average. They concentrate on recovering speculative investments. To standardize and reduce NPI, the relationship management and investment monitoring have been streamlined. To improve the financial stability of the bank, SJIBL has established provisions against investments that are not classified. The graph indicates a decreasing trend in NPI, which is a positive sign for SJIBL.

<u>Social Islami Bank Limited:</u>

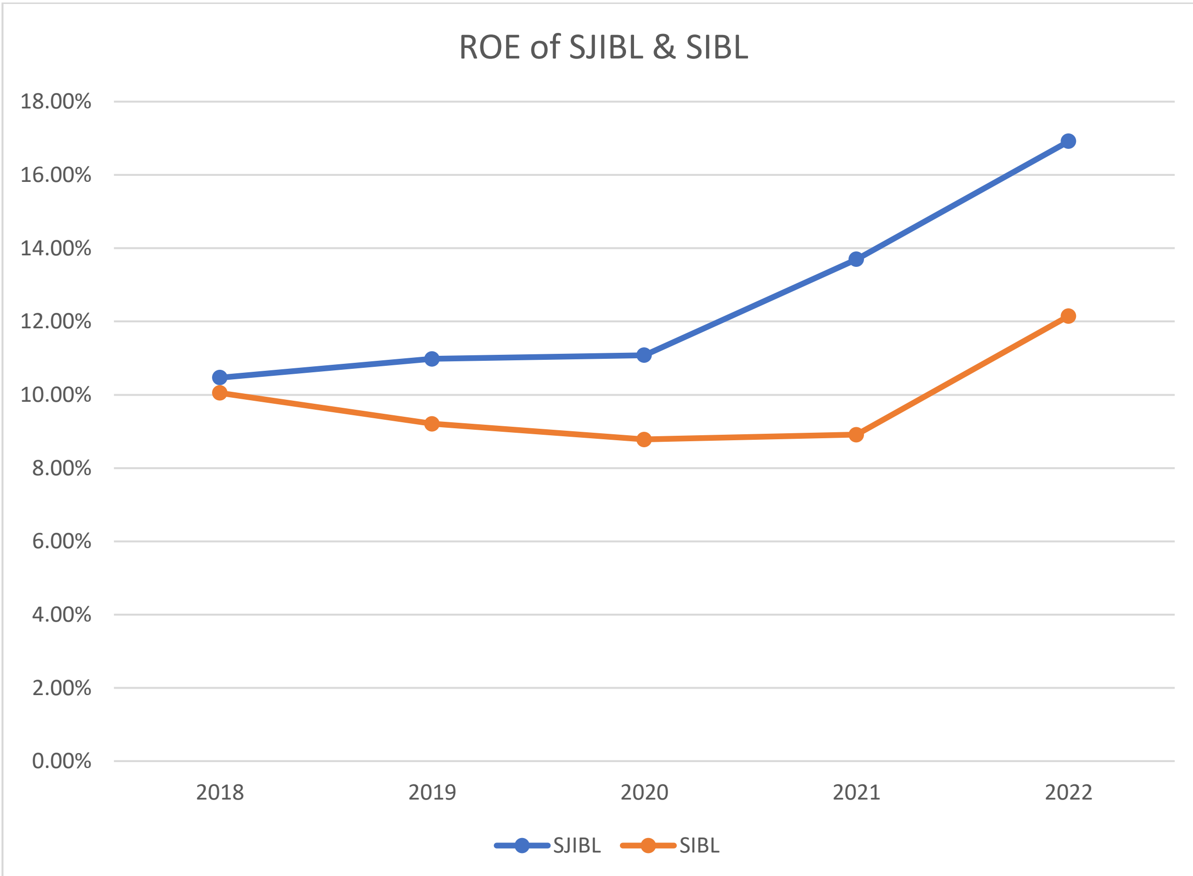
SIBL keeps a wide range of investments in its portfolio. The combination of this variety in investments and rigorous monitoring has guaranteed that NPI stays within bounds. The bank’s non-performing investment rate decreased by 0.38% from 5.18% in 2021 to 4.80% in 2022, which is a fantastic performance. The management always exercises caution when allocating investments and ensures a secure return. The bank has made every effort to put basic risk management into practice. In accordance with the instructions of Bangladesh bank and GoB, SIBL are being extra cautious while applying various risk mitigation variables. It is seen from the graph that in 2021 due to the prolonged effort of COVID-19 pandemic the non-performing invest ratio increased significantly from 3.65% to 5.18%. But in 2022 with strong monitoring and diversified investments the bank successfully reduced NPI.

3.6 Return on Equity (ROE)

Table 6: Comparison of ROE

Year	SJIBL	SIBL
2018	10.47%	10.05%
2019	10.98%	9.21%
2020	11.08%	8.78%
2021	13.70%	8.91%
2022	16.92%	12.15%

Figure 06: Comparison of ROE



Shahjalal Islami Bank Limited:

The large growth in net investment income and other operating revenue has led to an improvement in return on equity. From the graph we can see that ROE of SJIBL is continuously increasing over the last five years and it shows an increasing trend. It is also noticeable that the ROE has been increased significantly over last two years. In 2020 the ROE was 11.08% but in 2021 it rose significantly to 13.70%. The return on equity was highest in 2022 which was 16.92%. when shareholder's equity increases financial leverage shows decreasing trends. Despite the bank's slower rise in loan disbursement, their profitability increased in 2022 compared to 2021, as seen by an increase in ROE. Shahjalal Islami Bank Limited is doing comparatively well in terms of ROE than Social Islami Bank Limited.

<u>Social Islami Bank Limited:</u>

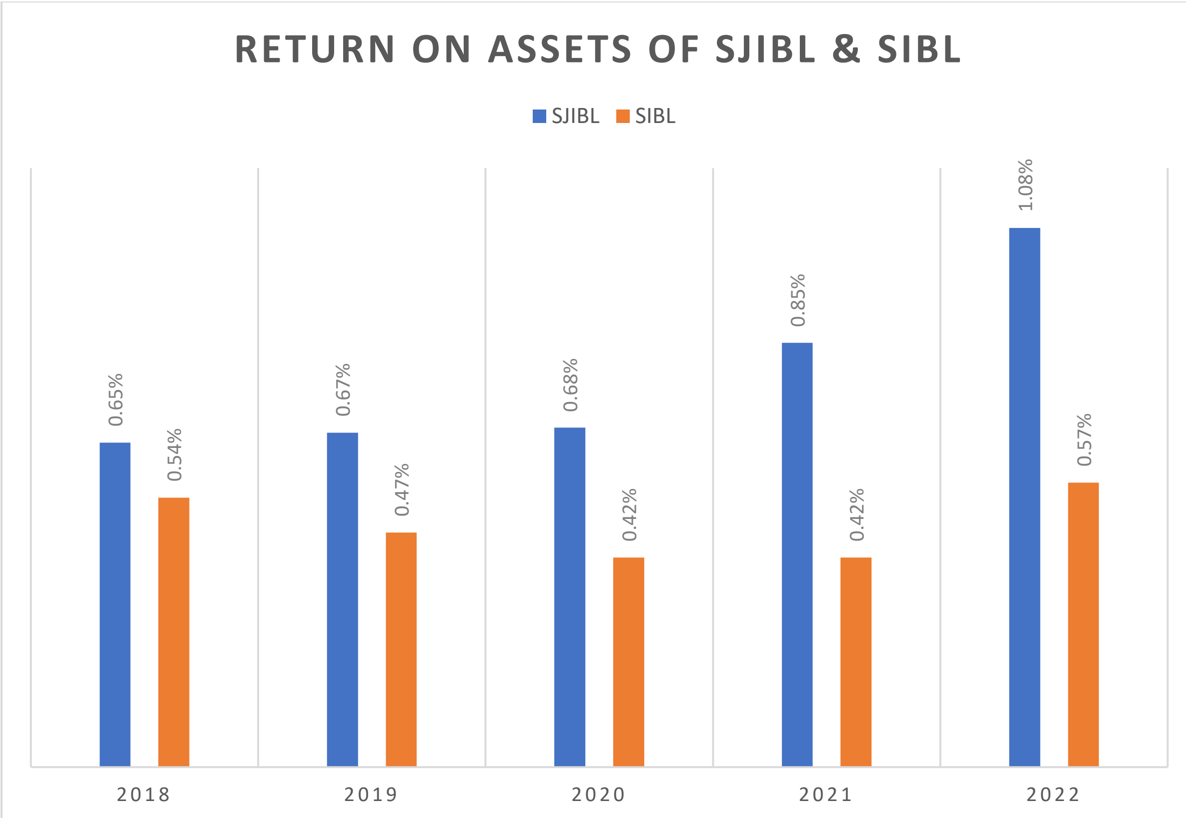
On the other hand, SIBL's net profit after tax increased by 46.40% to BDT 2,429.78 million, which was the main factor in the bank's improved ROE. We can see the ROE of SIBL has experienced a huge growth from 2021 to 2022 with 8.91% to 12.15%. In 2022, due to the sharp rise in net investment income and other operational revenue, return on equity has improved dramatically. From 2018 to 2020 the Return on Equity shows a decreasing trend. ROE decreased from 10.05% to 8.78% during the year 2018 to 2020. After that their profitability improved and as a result ROE increased during the last two years. They were focused to improve ROE and they are successful in it.

3.7 Return on Assets (ROA)

Table 7: Comparison of ROA

Year	SJIBL	SIBL
2018	0.65%	0.54%
2019	0.67%	0.47%
2020	0.68%	0.42%
2021	0.85%	0.42%
2022	1.08%	0.57%

Figure 07: Comparison of ROA



Shahjalal Islami Bank Limited:

The bank's total assets as of December 31, 2022 were BDT 339,819 million, a rise of 8.32% from the previous year. ROA increased to 1.08% in 2022 from 0.85% in 2021, showing an increase of 0.23% over the previous year. The banks return on Assets were 1.08% as of year-end 2022. The bank's net profit margin increased during the year 2022 on the back of increase in operating income and a moderate decline in operating expenses. Because of the close monitoring efforts and quality investments the Return on Assets of SJIBL throughout the past five years shows an upward tendency & this indicates that the bank is doing well in recovering loan from its customers. It rises from 0.65% to 1.08% in 2022.

Social Islami Bank Limited:

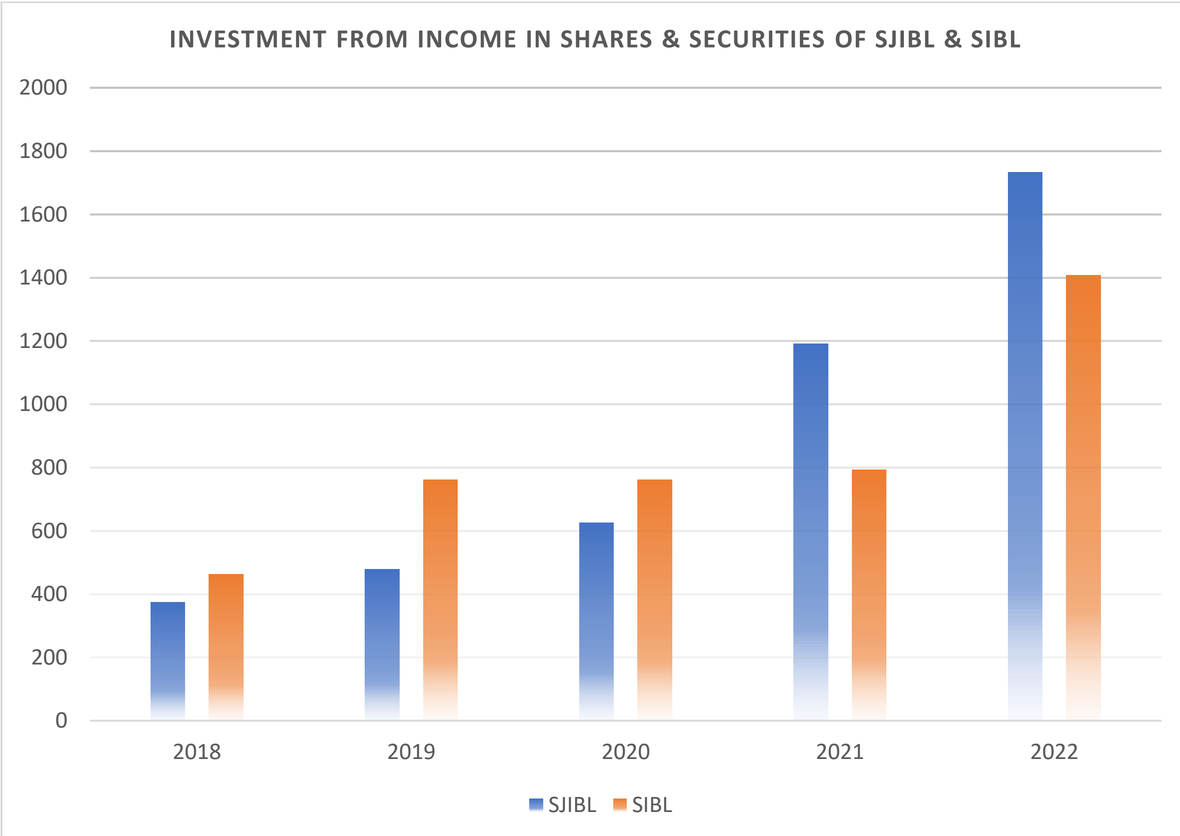
The significant increase in non-interest income from exchange gain was principally responsible for the improvement in ROA. In an effort to speed up the banking process, management is concentrating more on recovering distressed assets by ramping up monitoring activities. In 2022 the net income after tax increased significantly. We can see from the graph that the ROA shows a decreasing trend between the years 2018 to 2020. From 2021 with strong monitoring efforts, quality investment and recovering process the bank's ROA begins to improve. It is mentionable that the bank's ROA increased with a good effect in 2022. To protect bank investments and assets from any potential dangers, the management has developed a distinct strategy.

3.8 Income from Investment (ROI) in Shares & Securities

Table 8: Comparison of Income from investment in shares and securities

Year	SJIBL (Tk. In million)	SIBL (Tk. In million)
2018	374	463
2019	479	761
2020	625	762
2021	1,192	793
2022	1,733	1,408

Figure 07: Comparison of Income from investment in shares and securities



<u>Shahjalal Islami Bank Limited:</u>

With a gain of 45.31% over the last year, income from investments in shares and securities grew to Tk. 1,733 million in 2022 from Tk. 1,192 million in 2021. The excess liquidity is used to invest in the stock market, The Mudaraba Subordinated Bond and The Bangladesh Government investment Sukuk as part of SJIBL's liquidity management strategy, which contributed to a notable rise in income for the year under review. SJIBL maintains a diversity in investments which help them to gain a healthy return from those investments. The graph clearly shows an increasing trend over the last five years. Because of the close monitoring on capital market and diversified investments SJIBL maintains an appropriate level of Income from investment in shares and securities.

Social Islami Bank Limited:

Compared to Tk. 29,157.53 million in 2021, SIBL has Tk.23,667.26 million in outstanding investments in Bonds, Government Securities, Listed and unlisted shares and preference shares. Earnings from this division increased by 77.49%, from Tk. 793 million in 2021 to Tk. 1,408 million this year. The bar chart above clearly shows an upward trend over the last five years. When the investments are diversified there will be less risk and more return and SIBL do the same, they do investment in various sectors and were able to earn good profit from investments. They also focus closely on the volatility of share market and do the investments accordingly. Both SJIBL and SIBL are doing well in terms of getting return on investment in shares and securities.

CHAPTER 4
Summary of Findings

CHAPTER 4
Summary of Findings

4.1 Findings

Not all actions are carried out in Bangladesh in conformity with Islamic Law because Bangladesh is not a country that practices only Islam. However, SJIBL is making every effort to carry out its operations in conformity with Islamic law. The following are the study's key findings:

- The amount of Total Investment of SJIBL has been gradually increasing from 2018 to 2022 amounting BDT 186,090 million to 237,230 million, an encouraging indicator for the bank.
- Year wise investment growth rate of SJIBL has been decreased from 2018 to 2020. Some factors, including as the COVID-19 pandemic and the Russia-Ukraine conflict, were anticipated to have an adverse effect on the rate of investment growth but with the Excellency in operating performance the bank was able to increase its investment growth rate.
- SJIBL maintains a good level of investment deposit ratio and in2022 it was 83.64% which enables them to invest further in the upcoming project.
- Despite the fluctuation in the foreign exchange market in 2022, SJIBL's export operations succeeded well, with exports increasing by 38.58%
- At the end of 2022, SJIBL had an NPI rate of 4.78%, which was much lower than the sector average because of higher prioritize on asset quality and streamlining investment monitoring and relationship management.
- Due to the large growth in net investment income and other operating revenue during 2022, SJIBL's Return on Equity and Return on Assets has grown.
- SJIBL invests excess cash in the capital market, the Mudaraba subordinated bond, and government investment sukuk. The bank is generating a high return on investment, as evidenced by the fact that revenue from investments in shares and securities climbed by 44.31% between 2021 and 2022, from 1192 million to 1733 million.

CHAPTER 5
Conclusion and Recommendations

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5.1 Conclusion

From a learning and experience perspective, I have really liked my internship. I am certain that the SJIBL internship program will unquestionably aid me in realizing my long-term professional goals.

SJIBL is a modern bank. To support the expansion of Bangladesh's GDP, it is devoted to offering high-quality financial services and products. SJIBL is growing export enterprises and providing work opportunities for educated youth as a way to strengthen the economy. Additionally, the bank supports overall sustainable social-economic growth of the nation, poverty reduction, and boosting lower income groups' standards of living. Despite being a new bank, SJIBL establishes a solid position through its many activities. Day by day, it saw a surge in the number of clients, deposits and investments. Investing performance of this bank has already been remarkable. Despite the negative factors SJIBL were able to maintain a growth overall investment. They focus more on quality investment which enables them to experience a high profitability. In 2022, because of instability in the foreign exchange market the moving economy of Bangladesh were in trouble but with the help of dedicated export investment division the bank experiences a significant growth in export business. Due to the tightened lending standards and faster recovery process SJIBL is maintaining a good level of NPI ratio even significantly below than the industry average.

As the banking industry becomes more competitive, the bank should consider launching new services and implementing various marketing strategies.

5.2 Recommendations

The following recommendations are made in light of the findings.

- SJIBL is a new bank that's why the total amount of investment is lower than other banks, so they should focus on increasing Total Investment amount with lower non-performing investment ratio otherwise the bank will fall behind and will experience a liquidity crisis.
- SJIBL should increase their overall investment in various sectors and the growth rate of investment to keep pace with other banks.
- They should treat all division equally to improve their banking connectivity.
- SJIBL should focuses on the rural area besides the urban area and they should open branches in rural to capture more engagement of customers.
- SJIBL should focus on quality investment supported by Sharia'h to make sure that their strategies and policies are working effectively.
- They should be more serious about their customer's need and demand. In order to get higher deposit ratio, they should do campaign in rural and urban areas.
- They should introduce some attractive packages for customers in order to get more customers by which the bank and the customers both will be benefited.
- They are doing well extremely well in export businesses; they should take initiatives to retain this success. It will ultimately help the economy of Bangladesh.

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