

Islamic Banking and Sustainable Development: A Study on the Islamic Banks in Bangladesh

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Abstract

Islamic bank is a bank which is bound to conduct all operations related to a bank according to Islamic Shariah. Islamic banking system can be called a sustainable banking system because of its distinguishing features & contributions. This system is globally recognized due to its contribution to a sustained, balanced economic growth & development. Bangladesh is the fourth largest Muslim country in the world having about 160 million people. There is an intense demand for Islamic banking system in Bangladesh. Currently, Bangladesh has eight full- fledged Islamic banks, 21 Islamic banking branches of 9 conventional commercial banks and 25 Islamic windows of 7 conventional commercial banks. These banks are playing significant role in achieving Sustainable Development Goals (SDGs). The study emphasizes on the identification of the field of sustainable development and the role of Islamic banks in Bangladesh towards achieving it.

Key terms: Islamic bank; sustainable development; economic growth & development

Introduction

Islamic banking system has been created a new appeal in the financial system of the world. It is regarded as complementary of sustainable development because of its distinguishing features. The rules and regulations of Islamic banking system is originated from Islamic Shariah (i.e. Quran, Hadith, Ijma and Qiyas). The most appropriate definition of Islamic bank is given by the Organization of Islamic Cooperation (OIC). It defines Islamic Bank as "a financial institution whose statutes, rules and procedures expressly state its commitment to the principles of Islamic shariah and to the banning of the receipt and payment of interest on any of its operations" (Mayers, 2013). The first Islamic interest-free bank in the world was in Egypt named Mit Ghamr Savings Bank established in 1963. The first Islamic bank in the South East Asia is Islami Bank Bangladesh Ltd. (IBBL) that was established in 1983. There is a great appeal for Islamic bank in Bangladesh. Bangladesh has already

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eight full- fledged Islamic banks, 21 Islamic banking branches of 9 conventional commercial banks and 25 Islamic windows of 7 conventional commercial banks. These banks are gaining popularity through its unique deposit and investment modes and welfare oriented banking. These banks are working earnestly to ensure equity and justice in all economic activities for achieving a sustainable and balanced growth and equitable socio-economic development within the shariah (Khalifa, 2016). Islamic banking system is also working to ensure fair, equitable, social, and development-oriented and environment friendly principles.

Islamic banking system and sustainable development are interrelated. "Sustainable development means development which meets the needs of the present without compromising the ability of future generations to meet their own needs" (UN, 1987). Fulfillment of the future needs depends on balancing social, economic, and environmental objectives or needs while making decisions today (Salam, 2012). Islam does not approve anything that is detrimental to human, environment as well as the whole world. It does not allow any injustice or exploitation through unfair exchanges. Islamic banking system can be viewed as sustainable banking system because of the following reasons:

- a. It strictly prohibits interest in any form that is the main reason of instability and injustice.
- b. It encourages the investment on shariah-approved productive sectors so that employment opportunity can be created.
- c. It strictly prohibits investment to harmful sectors.
- d. It obligates to pay Zakat on income that helps to reduce the gap between the rich and the poor.
- e. It prohibits any speculation, uncertainty and excessive leverage.
- f. It contributes towards economic development and prosperity through the principles of Islamic justice.
- g. It promotes risk-sharing between capital provider and user of funds.
- h. It is based on profit and loss sharing system that ensures transparency.

Literature Review

A new IMF study finds that Islamic banks, on average, showed stronger stability during the global financial crisis (Dridi & Hasan, 2010). A study shows that the elements of Sustainable Development Goals (SDGs) are moving away from neo-classical economy and being close to Islamic economics by emphasizing on justice, equity and redistribution (Iqbal, 2005).

J. Stampe (2014, p12) shows it is a challenge to "ensure global long-term financial stability and economic development, the banking sector needs to significantly change

its attitudes and actions to promote more responsible and sustainable business practices."

"Deviations from some universally accepted ethical principles, including justice, fairness and honesty, causing (a) too much debt, (b) overleveraging of assets, (c) excessive securitization and creation of new assets that were neither transparent nor understood and (d) diversification of risk, based on unreal models" (Mathews & Tlemsani, 2010).

The basic motto of Riba-Free Banking System is to realize and ensure the well-being of mankind using equity based economy that is necessary for developed economy (Chapra, 1985).

Islamic banking system ensures steadfast economy considering equal distribution of income, reducing injustice, risk sharing, financial crisis, facilitating production and business activities (Siddiqi, 1985). Islamic banking system is contributing to the economic progress in Bangladesh by employment generation, foreign remittance collection, strengthening rural economy, promoting ecology and green banking and expanding industrialization (Halimuzzaman, 2014 and Aminuzzaman, 2010). Islamic banking sector was more stable than conventional banks (Habib, Mohieldin & Aboulmagd, 2015). The basic purpose of Islamic banking is to offer privileged alignment with the principles of sustainable development (UNEP, 2015). Bangladesh bank has been integrating sustainability into the banking system through green banking, corporate social responsibility (CSR), financial inclusion and financial education (Bangladesh Bank, 2015). There is no study found about the role of Islamic banks in Bangladesh in achieving sustainable development goals. For this, the study attempts to disclose a relationship between Islamic bank and sustainable development and the role of eight full-fledged Islamic banks in Bangladesh in achieving Sustainable Development Goals (SDGs).

Objectives of the Study

The study attempts to find out-

- a. A relationship between Islamic bank and sustainable development
- b. The role of eight full-fledged Islamic banks of Bangladesh in achieving Sustainable Development Goals (SDGs).

Methodology of the Study

It is an empirical research. Secondary data have been used in this report. The secondary data are collected from annual reports of the Islamic banks of Bangladesh from 2011-2015, various journals, articles and books.

General indicators: The following areas are taken as basis for analyzing the relationship between Islamic banks and Sustainable Development Goals (SDGs) and also to analyze the roles of eight (8) full-fledged Islamic banks in achieving the goals of SDGs. General indicators are based on seventeen (17) goals of SDGs. General indicators are used to show the contribution of eight (8) full-fledged Islamic banks in achieving SDGs. The data are collected from the annual reports of the sample banks from 2011-2015.

General indicators

- Small and Medium Enterprise (SME) Financing
- Rural and agricultural operation
- Zakat
- Health
- Education
- Employment Generation
- Women Empowerment
- Energy
- Disaster Management
- Environmental Contribution
- Governance

Financial indicators

Financial indicators are the tools of measuring financial soundness of banks which is the precondition of sustainability. The higher the stability, the higher the consistency and vice-versa. The Assets, Investment, Owner's Equity and Deposits are used as financial indicators. Mean, standard and co-efficient of variation are used for analysis of data.

Eight full-fledged Islamic banks are taken as sample. These are-

Islami Bank Bangladesh Limited	Sample 1
Al-Arafah Islami Bank Limited	Sample 2
Shahjalal Islami Bank Limited	Sample 3
First Security Islami Bank Limited	Sample 4
Export Import Bank of Bangladesh Limited	Sample 5
Social Islami Bank Limited	Sample 6
ICB Islamic Bank	Sample 7
Union Bank Limited	Sample 8*

*Study of the financial data of Union bank is omitted since it started its journey from 2013.

Analysis and Findings

Contribution of Islamic Banks in achieving Sustainable Development Goals in Bangladesh

Bangladesh has already become lower-middle income country and has made a tremendous success in achieving Millennium Development Goals (MDGs). Now, the people of Bangladesh are contributing to achieve Sustainable Development Goals (SDGs) that is effective from 2016. Banking sector is an important sector that can play a vital role in achieving SDGs. Among the banking sectors, Islamic banks are also contributing towards achieving SDGs. How much these banks are contributing towards achieving SDG, is analyzed below:

Table 1: Contribution of Islamic Banks in SME Financing

Area	Year	Sample-1	Sample-2	Sample-3	Sample-4	Sample-5	Sample-6	Sample-7	Sample-8
SME Financing	2015	✓	✓	✓	✗	✓	✓	✓	✓
	2014	✓	✓	✓	✗	✓	✓	✓	✓
	2013	✓	✓	✓	✗	✓	✓	✓	✓
	2012	✓	✓	✗	✗	✓	✓	✓	100%
	2011	✓	✓	✗	✓	✓	✓	✓	
	Total	100%	100%	60%	20%	100%	100%	100%	

Source: Annual Report (2011-2015)

From above table, it is found that sample 1, sample 2, sample 5, sample 6, sample 7 and sample 8 are fully involved in investing fund in SME Financing within sample years. On the other hand, sample 3 and sample 4 are involved 60% and 20% consecutively.

Table 2: Contribution of Islamic Banks in Agriculture

Area	Year	Sample-1	Sample-2	Sample-3	Sample-4	Sample-5	Sample-6	Sample-7	Sample-8
Agriculture	2015	✓	✓	✓	✓	✓	✗	✓	✓
	2014	✓	✓	✓	✓	✓	✓	✓	✓
	2013	✓	✓	✓	✓	✓	✓	✗	✗
	2012	✓	✓	✓	✓	✓	✗	✗	66.67%
	2011	✓	✓	✓	✓	✓	✗	✗	
	Total	100%	100%	100%	100%	100%	40%	40%	

Source: Annual Report (2011-2015)

From above table it is found that sample-1, sample -2, sample-3, sample-4 and sample-

5 are 100% involved in funding in agricultural operations within sample years. On the other hand, sample-6, sample-7 and sample-8 are involved 40%, 40% and 66.67% consecutively.

Table 3: Contribution of Islamic Banks in Zakat

Area	Year	Sample-1	Sample-2	Sample-3	Sample-4	Sample-5	Sample-6	Sample-7	Sample-8
Zakat	2015	✓	✓	✓	✓	✓	✗	✓	✓
	2014	✓	✓	✓	✓	✓	✓	✓	✓
	2013	✓	✓	✓	✓	✓	✓	✗	✗
	2012	✓	✓	✓	✓	✓	✗	✗	66.67%
	2011	✓	✓	✓	✓	✓	✗	✗	
	Total		100%	100%	100%	100%	100%	40%	40%

Source: Annual Report (2011-2015)

From above table it is found that sample-1, sample -2, sample-3, sample-4 and sample-5 are 100% involved in funding in zakat within sample years. On the other hand, sample-6, sample-7 and sample-8 are involved 40%, 40% and 66.67% consecutively.

Table 4: Contribution of Islamic Banks in Education

Area	Year	Sample-1	Sample-2	Sample-3	Sample-4	Sample-5	Sample-6	Sample-7	Sample-8
Education	2015	✓	✓	✓	✓	✓	✓	✗	✓
	2014	✓	✓	✓	✓	✓	✓	✗	✓
	2013	✓	✓	✓	✓	✓	✓	✗	✗
	2012	✓	✓	✓	✓	✓	✗	✗	66.67%
	2011	✓	✓	✓	✓	✓	✗	✗	
	Total		100%	100%	100%	100%	100%	60%	0%

Source: Annual Report (2011-2015)

From above table it is found that sample-1, sample -2, sample-3, sample-4 and sample-5 are 100% involved in funding in education sector within sample years. On the other hand, sample-6 and sample-8 are involved 60%, and 66.67% consecutively.

Table 5: Contribution of Islamic Banks in Health

Area	Year	Sample-1	Sample-2	Sample-3	Sample-4	Sample-5	Sample-6	Sample-7	Sample-8
Health	2015	✓	✓	✓	✓	✓	✓	✗	✓
	2014	✓	✓	✓	✓	✓	✓	✗	✓
	2013	✓	✓	✓	✓	✓	✓	✗	✗
	2012	✓	✓	✓	✓	✓	✗	✗	66.67%
	2011	✓	✓	✓	✓	✓	✗	✗	
	Total	100%	100%	100%	100%	100%	100%	60%	0%

Source: Annual Report (2011-2015)

From above table it is found that sample-1, sample -2, sample-3, sample-4 and sample-5 are 100% involved in funding in health sector within sample years. On the other hand, sample-6 and sample-8 are involved 60% and 66.67% consecutively.

Table 6: Contribution of Islamic Banks in Disaster Management

Area	Year	Sample-1	Sample-2	Sample-3	Sample-4	Sample-5	Sample-6	Sample-7	Sample-8
Disaster Management	2015	✓	✓	✗	✗	✓	✓	✗	✓
	2014	✓	✓	✗	✓	✓	✓	✗	✓
	2013	✓	✓	✗	✓	✓	✓	✗	✗
	2012	✓	✓	✗	✗	✓	✗	✗	66.67%
	2011	✓	✗	✗	✗	✓	✗	✗	
	Total	100%	20%	0%	40%	100%	60%	0%	

Source: Annual Report (2011-2015)

From above table it is found that sample-1, sample-5 are 100% involved in funding in disaster management within sample years. On the other hand, sample -2, sample-4 sample-6, and sample-8 are involved 20%, 40%, 60%, and 66.67% consecutively.

Table 7: Contribution of Islamic Banks in Environment

Area	Year	Sample-1	Sample-2	Sample-3	Sample-4	Sample-5	Sample-6	Sample-7	Sample-8
Enviroment	2015	✓	✓	✗	✗	✓	✓	✗	✓
	2014	✓	✗	✗	✗	✓	✓	✗	✓
	2013	✓	✗	✗	✗	✓	✓	✗	✗
	2012	✓	✗	✗	✗	✓	✓	✗	66.67%
	2011	✓	✓	✗	✗	✓	✓	✗	
	Total	100%	20%	0%	0%	100%	100%	0%	

Source: Annual Report (2011-2015)

From above table it is found that sample-1, sample-6 and sample-5 are 100% involved in funding in environmental contribution within sample years. On the other hand, sample -2 and sample-8 are involved 20% and 66.67% consecutively.

Table 8: Contribution of Islamic Banks in Transportation and Communication

Area	Year	Sample-1	Sample-2	Sample-3	Sample-4	Sample-5	Sample-6	Sample-7	Sample-8
Transportation & Communication	2015	✓	✓	✓	✓	✓	✗	✗	✗
	2014	✓	✓	✓	✓	✓	✗	✗	✓
	2013	✓	✓	✓	✓	✓	✓	✗	✗
	2012	✓	✓	✓	✓	✓	✗	✓	33.33%
	2011	✓	✓	✓	✓	✓	✗	✗	
	Total	100%	100%	100%	100%	100%	20%	20%	

Source: Annual Report (2011-2015)

From above table it is found that sample-1, sample -2, sample-3, sample-4 and sample-5 are 100% involved in funding in Transportation and Communication within sample years. On the other hand, sample-6, sample-7 and sample-8 are involved 20%, 20% and 33.33% consecutively.

Table 9: Contribution of Islamic Banks in Green Financing

Area	Year	Sample-1	Sample-2	Sample-3	Sample-4	Sample-5	Sample-6	Sample-7	Sample-8
Green Financing	2015	✓	✓	✓	✓	✓	✓	✓	✓
	2014	✓	✓	✗	✓	✓	✓	✓	✓
	2013	✓	✓	✓	✗	✓	✓	✓	✗
	2012	✓	✓	✓	✗	✓	✓	✓	33.33%
	2011	✓	✓	✗	✗	✓	✓	✓	
	Total	100%	100%	60%	40%	100%	100%	100%	

Source: Annual Report (2011-2015)

From above table it is found that sample-1, sample -2, sample-5, sample-6 and sample-7 are 100% involved in funding in green financing within sample years. On the other hand, sample-3, sample-4 and sample-8 are involved 60%, 40% and 33.33% consecutively.

Table 10: Contribution of Islamic Banks in power and Energy

Area	Year	Sample-1	Sample-2	Sample-3	Sample-4	Sample-5	Sample-6	Sample-7	Sample-8
Power & Energy	2015	✗	✗	✓	✗	✗	✗	✓	✗
	2014	✗	✗	✓	✗	✗	✗	✓	✗
	2013	✓	✓	✗	✗	✗	✗	✗	✗
	2012	✗	✓	✗	✗	✗	✗	✗	0%
	2011	✓	✓	✗	✗	✗	✗	✗	
	Total	40%	60%	40%	0%	0%	0%	40%	

Source: Annual Report (2011-2015)

From above table it is found that sample-1, sample -2, sample-3 and sample-7 are 40%, 60%, 40% and 40% consecutively involved in funding in power and energy sector within the sample years.

Table 11: Contribution of Islamic Banks in Women Empowerment

Area	Year	Sample-1	Sample-2	Sample-3	Sample-4	Sample-5	Sample-6	Sample-7	Sample-8
Women Empowerment	2015	✓	✗	✓	✗	✗	✗	✓	✓
	2014	✓	✗	✓	✗	✗	✗	✓	✗
	2013	✗	✓	✓	✗	✗	✗	✗	✗
	2012	✗	✓	✓	✗	✗	✗	✗	33.33%
	2011	✗	✓	✗	✗	✗	✗	✗	
	Total	40%	60%	80%	0%	0%	0%	40%	

Source: Annual Report (2011-2015)

From above table it is found that sample-1, sample -2, sample-3, sample-7 and sample-8 are 40%, 60%, 80%, 40% and 33.33%% consecutively involved in funding in women empowerment within the sample years.

Table 12: Contribution of Islamic Banks in Employment Generation (No. of Employees)

Area	Sample Banks	2011	2015	Growth rate
Employment Generation	Sample-1	11,465	13622	18.81%
	Sample-2	1807	2810	55.51%
	Sample-3	1881	2156	14.62%
	Sample-4	1342	2820	110.13%
	Sample-5	1375	2130	54.91%
	Sample-6	1724	2696	56.38%
	Sample-7	566	686	21.02%
	Sample-8	317*	832	162.46%

*indicates no. of Employees of 2013

Source: Annual Report (2011-2015)

From the above table, it is found that sample 8 bank has made a significant progress in generating employment within the short time. The growth rate of sample 4 bank is also more than 100%.

Table 13: Summary of the Contributions

Areas	Sample-1	Sample-2	Sample-3	Sample-4	Sample-5	Sample-6	Sample-7	Sample-8
SME Financing	100%	100%	60%	20%	100%	100%	100%	100%
Agricultural Operations	100%	100%	100%	100%	100%	40%	40%	66.67%
Zakat	100%	100%	100%	100%	100%	40%	40%	66.67%
Education	100%	100%	100%	100%	100%	60%	0%	66.67%
Health	100%	100%	100%	100%	100%	60%	0%	66.67%
Disaster Management	100%	20%	0%	40%	100%	60%	0%	66.67%
Environment	100%	20%	0%	0%	100%	100%	0%	66.67%
Transportation & Communication	100%	100%	100%	100%	100%	20%	20%	33.33%
Green Financing	100%	100%	60%	40%	100%	100%	100%	33.33%
Power & Energy	40%	60%	40%	0%	0%	0%	40%	0%
Women Empowerment	40%	60%	80%	0%	0%	0%	40%	33.33%
Total	89.09%	78.18%	67.27%	54.54%	81.82%	52.72%	34.55%	54.55%

Source: Computed by the authors using the information from annual reports (2011-2015) of the respective banks.

Contributions for individual goal achieving are added and then divided by total number of goals above mentioned. It is found that Islami Bank Bangladesh Ltd, Al Arafah Islami Bank Ltd, Shajalal Islami Bank Ltd, First Security Islami Bank Ltd, Social Islami Bank Ltd, Exim Bank Ltd, ICB Islamic Bank Ltd and Union Bank Ltd Contributions in achieving Sustainable Development Goals (SDGs) are 89.09%, 78.18%, 67.27%, 54.54%, 81.82%, 52.72%, 34.55% and 54.55% consecutively.

It is also observed that all Islamic banks operating in Bangladesh maintain transparency, accountability and equity in their transactions and activities. Due to having Shariah board, they have to approve all their transactions from Shariah board and Shariah board also analyzes all reports time to time through meeting whether they are maintaining Islamic Shariah based transactions or not. Shariah board is given right to recommend and ask for reply for any flaws in banking transactions. It is also found that almost all Islamic banks are contributing in employment generation, industrialization and infrastructural development of our country that are facilitating to achieve Sustainable Development Goals (SDGs).

Analysis of financial data

Table 14: Showing the stability of deposits of sample banks
(Amount in million)

Indicators	Year	Sample-1	Sample-2	Sample-3	Sample-4	Sample-5	Sample-6	Sample-7
Deposits	2015	615359.21	169887.08	109259	231274.24	149773.62	225064.54	11107.04
	2014	560696.30	166851.17	98601	182511.81	124535.01	200294.38	12015.69
	2013	473140.96	140980.55	96481	139520.95	102104.48	165733.25	11970.13
	2012	417844.14	118683.39	102177	109905.57	93594.29	140369.66	12381.39
	2011	341853.67	82186.98	83350	78145.04	66852.55	107881.21	12619.16
Mean		481778.87	135717.83	97973.6	148271.52	10371.99	167868.61	12018.68
S.D.		97788.54	32619.76	8502.94	53903.79	28113.57	41670.24	514.90
CV		20.30	24.03	8.67	36.35	26.18	24.82	4.28

Source: Computed by the authors using the information from annual reports (2011-2015) of the respective banks.

Deposit is one of the indicators of the customer preference. It is one of the financial strength of the organization. It is evident from the above table that the mean score of sample 1 is higher than other sample banks. It indicates the highest amount of deposits collection by the bank. Ranking of sample banks on the basis of mean is sample 1 > sample 6 > sample 4 > sample 2 > sample 3 > sample 7 > sample 5. Coefficient of variation is one of the measurement tools of stability. The lower the coefficient of

variation, the higher the stability, the higher the consistency and vice-versa. The coefficient of variation of sample 7 is lower than other sample banks. It indicates the depository stability of this bank is more than other banks. The ranking on the basis of coefficient of variation is sample 7 < sample 3 < sample 1 < sample 2 < sample 6 < sample 5 < sample 4.

Table 15: Showing the stability of shareholder's Equity of sample banks
(Amount in million)

Indicators	Year	Sample-1	Sample-2	Sample-3	Sample-4	Sample-5	Sample-6	Sample-7
Deposits	2015	47199.61	19236.07	12254	9639.39	129503.22	25298.03	(9772.49)
	2014	46622.62	18159.52	11698	8348.77	12143.38	23105.29	(9629.22)
	2013	43760.68	16091.17	10951	6433.60	11083.43	20624.36	(9342.67)
	2012	39780.35	14050.69	9646	5664.48	10181.97	16641.86	(8661.93)
	2011	33716.73	11989.11	7917	4548.95	9412.21	14484.22	(7600.89)
Mean		42216	15905.31	10493.20	6927.04	34464.84	20030.75	(9001.44)
S.D.		2.24	2645.23	1556.67	1836.90	47527.94	3994.95	797.73
CV		0.0053	16.63	14.84	26.52	137.90	19.94	8.86

Source: Computed by the authors using the information from annual reports (2011-2015) of the respective banks.

Shareholder's Equity indicates the ownership interest of the owners. It is one of the most important indicators of the financial health of the company. From the above table, it is evident that the mean score of sample 1 is the highest that means the bank's assets outweigh its liabilities. Ranking of the sample banks on the basis of mean is sample 1 > sample 5 > sample 6 > sample 2 > sample 3 > sample 4 > sample 7. The coefficient variation of the sample bank 1 is also lower than other banks, it also indicates the highest stability in shareholder's equity. It is important to view that the shareholder's Equity of sample bank 7 is negative in the five consecutive years and it shows that the company's liabilities outweigh its assets. The financial position of the bank is so much weak. The ranking of coefficient of variation is sample 1 < sample 7 < sample 3 < sample 2 < sample 6 < sample 4 < sample 5.

Table 16: Showing the stability of asset generation of sample banks
(Amount in million)

Indicators	Year	Sample-1	Sample-2	Sample-3	Sample-4	Sample-5	Sample-6	Sample-7
Deposits	2015	725821.12	229106.66	137870	255480.34	180112.11	264653.53	12752.90
	2014	652422.04	210439.01	126758	204512.65	1537374.67	232411.86	14022.94
	2013	547229.63	173161.63	128554	161822.98	126616.56	195452.52	14302.84
	2012	482536.32	149320.36	132823	129733.17	115165.95	167056.63	15118.74
	2011	389192.12	106768.18	107229	91012.89	84406.18	129874.42	18015.16
Mean		559440.25	173759.17	126646.80	168512.41	408735.09	197889.79	14842.52
S.D.		119478.82	43575.59	10438.45	57296.06	565165.24	47395.96	1759.06
CV		21.36	25.08	8.24	34	138.27	23.95	11.85

Source: Computed by the authors using the information from annual reports (2011-2015) of the respective banks.

Assets are the resources owned by the organization. It indicates the organization's capability to meet its obligation. It is also one of the indicators of financial stability. From the above table, it is observed that the mean score of sample 1 is the highest that means the company has strong position in the market. Ranking of the sample banks on the basis of mean is sample 1 > sample 5 > sample 6 > sample 2 > sample 4 > sample 3 > sample 7 and the ranking of sample banks on the basis of coefficient of variation is sample 3 < sample 7 < sample 1 < sample 6 < sample 2 < sample 4 < sample 5.

Table 17: Showing the stability of investment of sample banks
(Amount in million)

Indicators	Year	Sample-1	Sample-2	Sample-3	Sample-4	Sample-5	Sample-6	Sample-7
Investment	2015	629631.27	162503.14	96835	187680.01	134116.85	196311.42	918.51
	2014	564332.00	146740.37	84062	152792.32	107899.96	177936.84	9230.32
	2013	474015.95	125715.39	85707	114601.80	85922.33	143847.38	9788.56
	2012	399930.79	10650.42	96185	96304.23	76024.97	118219.99	11009.17
	2011	322772.83	77714.95	80592	69467.32	53908.58	99699.63	14222.45
Mean		478136.57	123864.85	88676.20	124169.14	91574.54	147203.05	10687.80
S.D.		110137.47	29818.72	6609.23	41744.92	27454.79	35955.67	1885.62
CV		23.03	24.07	7.45	33.62	29.98	24.43	17.64

Source: Computed by the authors using the information from annual reports (2011-2015) of the respective banks.

Investment is the allocation of assets in income-generating activities in order to generate future benefits. It is an important factor for balanced economy. It is important for increasing the competitiveness of the economy. From the above table, it is shown that the mean score of sample 1 is the highest that means the company has the largest amount of investment than other sample banks. Ranking of the sample banks on the basis of mean is sample 1 > sample 6 > sample 4 > sample 2 > sample 5 > sample 3 > sample 7 and the ranking of sample banks on the basis of coefficient of variation is sample 3 < sample 7 < sample 1 < sample 2 < sample 6 < sample 5 < sample 4.

It is evident from the analysis that sound financial health is the precondition for sustainability. The bank which has strong financial position are contributing much more in the achievement of SDGs.

Limitations

This research has some limitations such as within the short period of time five years data have been used. Some information gap is found in some annual reports. In this study, soft copy of annual reports have been used for collecting data. So, it was time consuming. There was also some confusing data in some annual reports. It is also found that the banks do not follow consistency in their reporting system.

Suggestions

In this study it is found that some Islamic banks are contributing more and others have little in Sustainable Development Goals (SDGs). So, to increase the contribution of Islamic banks in achieving Sustainable Development Goals (SDGs). The Govt. should also arrange some programs for Islamic banks to increase awareness about the goals of SDGs and banks must increase their funding in this regard. The central bank should supervise about the contribution of the banks in achieving Sustainable Development Goals (SDGs). International Financial Reporting Framework (IFRS) should have applied in all banks. For evaluating the sustainability data more than five years can be used. A comparative analysis with convention banks can also be done.

Conclusion

Islam is the code of human life. All rules and regulations of Islam are formulated for the welfare of human being and to make human life peaceful and healthy. These rules and regulations are called "Islamic Shariah". Islamic banks are established based on these Shariah. Sustainable Development Goals (SDGs) that are adopted by United Nations also for welfare of human being. Ensuring good health, poverty alleviation, protecting natural environment, ensuring education for all, employment generation, women empowerment, good governance and others sustainable goals are also related to welfare of human being. It is found from general indicators analysis of Islamic

banks that almost all Islamic banks are contributing in achievement of Sustainable Development Goals (SDGs). Through the analysis of financial indicators of Islamic banks, it is found that financial stability, deposit collection, stability of shareholders equity are in very healthy position that are essential for Sustainable Development Goals achieving. It is observed that Islamic banking system is a sustainable banking system and it is steadily contributing for achieving Sustainable Development Goals (SDGs).

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