



**THE DETERMINANTS OF FINANCIAL  
PERFORMANCE OF ISLAMIC BANKS IN  
PAKISTAN**

A Thesis submitted to Department of Management Sciences in  
partial fulfillment of the requirement for the MBA degree

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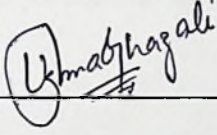
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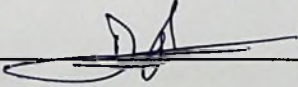
The Determinants of Financial Performance of Islamic Banks  
in Pakistan in the management science department as part of fulfillment of the  
MBA degree requirement.

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## **Abstract**

In this study I attempt at investigating the impact of how the bank-specific factors affect the performance of Islamic banks. This study uses sample that is composed of Islamic banks of Pakistan from period 2009 to 2013. It is evident from both statistical linear regression models that the relationship of gearing ratio, bank size and operating efficiency ratio found to have a positive relation and are statistically insignificant, whereas the asset management is statistically significant at the 5% significance level in equation I and II with positive relation. Moreover capital ratio found to have negative insignificant relation in equation 1 but it is significant at 10% level of significance in equation 2. However, NPLs ratio is negatively significant at 10% level of significance in both equations. This research offers researchers and practitioners both with insights to enhance the financial and economic literature as regards the financial performance of Islamic banks.

## Table of Contents

### **1. RESEACH OVERVIEW**

1	Introduction.....	2
1.1	Research Background/Introduction To Islamic Banking .....	2
1.2	International Growth In Islamic Banking.....	4
1.2.1	International Asset Contribution To Islamic Banking .....	7
1.3	Statement of the Problem .....	8
1.4	Research Objectives .....	9
1.4.1	General Objectives.....	9
1.4.2	Specific Objectives .....	9
1.5	Significance Of The Study .....	10
1.6	Assumption & Limitations .....	10
1.7	Organization Of Study.....	10

### **2. LITERATURE REVIEW**

2	Introduction.....	11
2.1	Reviewing the Literature .....	11
2.2	Islamic Banking In Pakistan .....	18
2.3	Hindrance In Islamic Banking .....	18

### **3. RESEARCH METHODOLOGY & PROCEDURES**

3	Introduction.....	20
3.1	Research Design.....	20
3.2	Data Source .....	21
3.3	Treatment of Data .....	21
3.4	Sample Data/ Target Population .....	21
3.5	Variable Measurement.....	21
3.6	Development of Research Models .....	22
3.7	Data Analysis .....	23
3.8	Theoretical Frame Work.....	23
3.8.1	Explanation of Dependent Variable.....	23
3.8.2	Explanation of Independent Variables.....	24

3.8.3	Diagrammatical representation of framework.....	28
3.9	Hypothesis .....	29

#### **4. DATA PRESENTATION & ANALYSIS**

4	INTRODUCTION .....	30
4.1	REGRESSION ANALYSIS.....	30
4.1.1	DISCUSSION OF MAJOR FINDINGS: .....	31
4.1.1.1	Capital Ratio.....	31
4.1.1.2	Gearing Ratio.....	31
4.1.1.3	Bank Size.....	32
4.1.1.4	Asset Management.....	32
4.1.1.5	Operating Efficiency.....	32
4.1.1.6	NPLs Ratio.....	33

#### **5. CONCLUSION**

5	Conclusion .....	34
5.1	Direction For Further Research .....	35
5.2	Recommendations.....	35

#### *References*