Indonesian Development of Economics and Administration Journal
ISSN (*online*) : 2963-5896 & ISSN (*print*) : 2964-0482

Vol. 1 • No. 3 • April 2023
Pege (*Hal.*) : **237 – 251**

ISSN (*online*) : 2963-5896
ISSN (*print*) : 2964-0482

DOI No : -
Website : https://ojs.ideanusa.com/index.php/idea

Darmaguna IDEA Nusantara Foundation
Jl. Pendowo, Limo No. 69, Depok, Indonesia
Telp. 0875 8655 3215
Email : ideajournal@ideanusa.com

Article info : *Received:* January 2023 ; *Revised*: February 2023 ; *Accepted*: March 2023

Financial Ratio Analysis and Financial Health Comparison Of Islamic Banks During The 2020-2022 Period

Andri Susanto[1]; Fredy Septianto Rachman[2]; Taufik Hidayat[3]; Nardi Sunardi[4]

[1-2]Universitas Pamulang,e-mail: andri.amanah@gmail.com; fredy.rachman19@gmail.com; opik1188@gmail.com; dosen01030@unpam.ac.id;

Abstract. This study aims to analyze the financial ratios and comparative health levels of three Islamic banks, namely Bank Syariah Indonesia (BSI), BTPN Syariah, and Bank Panin Syariah, during the period of 2020-2022. The financial ratios used are profitability ratio, liquidity ratio, and solvency ratio. Financial data was obtained from the official financial statements of each bank. The results of the analysis indicate that the three Islamic banks experienced fluctuations in financial ratios and health levels during the observed period. BSI showed better performance in profitability and liquidity ratios, while Bank Panin Syariah exhibited better performance in solvency ratio. However, BTPN Syariah experienced a significant improvement in performance in 2022, especially in profitability and solvency ratios. Based on the WACC calculation, the three Islamic banks showed different health levels. BSI demonstrated the healthiest level, followed by Bank Panin Syariah and BTPN Syariah. The conclusion of this study is that the analysis of financial ratios and health levels can provide useful information for internal and external parties to make decisions and understand the financial condition of banks.

Keywords: Islamic Bank; Financial Statements; Financial Ratios

ISSN (online) : 2963-5896 & ISSN (print) : 2964-0482

A. INTRODUCTION

Banking deregulation began in 1983 when the Central Bank (BI) granted banks the freedom to determine interest rates. The government aimed to create a more efficient and robust banking system that could support the economy. In that same year, the Indonesian government considered implementing a profit-sharing system in lending, which is a concept of Islamic banking.

In 1988, the government introduced the 1988 Banking Deregulation Package (Pakto 88), which opened up opportunities for extensive business activities in the banking sector to support development (banking system liberalization). Although most banks established during this period were conventional banks, there was also a rise in regionally-based Islamic banking initiatives.

The initiative to establish Islamic banks in Indonesia began in 1980 through discussions on Islamic banking as an economic pillar. As a pilot project, the concept of Islamic banking was implemented on a relatively limited scale in places like Bandung (Bait At-Tamwil Salman ITB) and Jakarta (Koperasi Ridho Gusti).

In 1990, the Indonesian Council of Ulama (MUI) formed a working group to establish Islamic banks in Indonesia. From August 18 to 20, 1990, MUI held a workshop on interest and banking in Cisarua, Bogor, West Java. The outcomes of the workshop were further discussed at the MUI's Fourth National Assembly in Jakarta from August 22 to 25, 1990. This assembly provided a mandate for the establishment of a working group to establish Islamic banks in Indonesia. This working group, known as the MUI Banking Team, was tasked with approaching and consulting with all relevant parties.

As a result of the MUI Banking Team's efforts, the first Islamic bank in Indonesia, PT Bank Muamalat Indonesia (BMI), was established on November 1, 1991, according to its articles of association. Starting from May 1, 1992, BMI officially began operations with an initial capital of Rp 106,126,382,000.

During its early years of operation, the existence of Islamic banks did not receive optimal attention within the national banking sector. The legal basis for operating a bank using the Islamic system at that time was only accommodated in one clause regarding "banks with profit-sharing systems" in Law No. 7 of 1992, without providing detailed legal foundations for Sharia principles and permissible business activities.

In 1998, the government and the People's Representative Council revised Law No. 7/1992, resulting in the enactment of Law No. 10 of 1998. This law explicitly recognized two banking systems in the country, namely the conventional banking system and the Islamic banking system (dual banking system). This opportunity was warmly welcomed by the banking community, leading to the establishment of several other Islamic banks such as Bank IFI, Bank Syariah Mandiri, Bank Niaga, Bank BTN, Bank Mega, Bank BRI, Bank Bukopin, BPD Jabar, BPD Aceh, and others.

The enactment of several legislative products has provided legal certainty and enhanced the activities of the Islamic financial market, such as: (i) Law No. 21 of 2008 on Islamic Banking; (ii) Law No. 19 of 2008 on Sharia Securities (sukuk); and (iii) Law No. 42 of 2009, the Third Amendment to Law No. 8 of 1983 on Value Added Tax on Goods and Services. With the implementation of Law No. 21 of 2008 on Islamic Banking, issued on July 16, 2008, the development of the national Islamic banking industry has a solid legal foundation and is expected to further accelerate its growth. With its impressive progress, achieving an average asset growth of over 65% per year in the past five years, the role of the Islamic banking industry in supporting the national economy is expected to become increasingly significant. The establishment of the Islamic Banking Law has led to an increase in Islamic commercial banks from 5 to 11 within a span of less than two years (2009-2010).

Since the development of the Islamic banking system in Indonesia, over two decades of development in the national Islamic finance sector, significant achievements have been made in terms of institutional and infrastructural aspects, regulatory frameworks and supervisory systems, as well as the awareness and financial literacy of the public regarding Sharia financial services. Our Sharia financial system has become one of the best and most comprehensive systems internationally recognized. As of June 2015, the Islamic banking industry consisted of 12 Islamic commercial banks, 22 Sharia business units owned by conventional commercial banks, and 162 Islamic rural banks (BPRS), with a total asset size of IDR 273.494 trillion and a market share of 4.61%. Specifically for the province of DKI Jakarta, the gross assets, financing, and Third Party Funds (commercial banks and business units) amounted to IDR 201.397 trillion, IDR 85.410 trillion, and IDR 110.509 trillion, respectively.

At the end of 2013, the regulatory and supervisory functions of banking were transferred from Bank Indonesia to the Financial Services Authority (Otoritas Jasa Keuangan, OJK). Consequently, the supervision and regulation of Islamic banking also shifted to the OJK. As the authority for the financial services sector, the OJK continues to refine its vision and policy strategies for the development of the Islamic financial sector, as outlined in the Indonesian Islamic Banking Roadmap 2015-2019, which was launched at the Islamic People's Market in 2014. This roadmap is expected to serve as a guiding direction for development, containing strategic initiatives to achieve the set development goals.

A. LITERATURE REVIEW

1. Islamic Banking

Islamic banking refers to banks that operate according to Sharia principles. The implementation of these principles is the main differentiating factor from conventional banks. In essence, these Sharia principles are based on Islamic Sharia, which is primarily guided by the Quran and Hadith. Islam as a religion encompasses a comprehensive and universal concept that governs human life, both in relation to the Creator (HabluminAllah) and in relation to fellow human beings (Hablumminannas).

There are three main pillars in Islamic teachings:

Aqidah: This component of Islamic teachings governs the belief in the existence and power of Allah, which should be the faith of a Muslim when engaging in various activities on Earth solely to seek the pleasure of Allah as a Khalifah entrusted by Allah.

Sharia: This component of Islamic teachings governs the life of a Muslim, both in terms of worship (HabluminAllah) and in terms of transactions and interactions (Hablumminannas), which is the actualization of the beliefs (Aqidah) held by the individual.

ISSN (*online*) : 2963-5896 & ISSN (*print*) : 2964-0482

Akhlaq: This represents the foundation of behavior and personality that characterizes a devout Muslim based on Sharia and Aqidah, earning them the title of having "akhlaqul karimah" (noble character), as mentioned in the Hadith of the Prophet stating, "I was only sent to perfect noble character."

In its operations, Islamic banking must always adhere to the following principles:

a. **Justice:** This means sharing profits based on actual sales and contributions, as well as sharing risks between parties involved.

b. **Partnership:** It implies that the positions of depositors (fund providers) and users of funds, as well as the financial institution itself, are viewed as equal partners working synergistically to achieve profits.

c. **Transparency:** Islamic financial institutions provide open and continuous financial reports to allow depositors and investors to assess the condition of their funds.

d. **Universality:** This signifies non-discrimination based on ethnicity, religion, race, or social status, in line with the principles of Islam as a mercy to all mankind.

Sharia principles that are prohibited in Islamic banking operations are activities that contain the following elements:

a. **Maisir:** Maisir refers to easy or effortless gains. It is often associated with gambling because it allows individuals to obtain profits easily. In Islamic finance, gambling is prohibited as stated in the Quran: "O you who have believed, indeed, intoxicants, gambling, [sacrificing on] stone alters [to other than Allah], and divining arrows are but defilement from the work of Satan, so avoid it that you may be successful" (Surah Al-Ma'idah: 90). Gambling is prohibited due to its negative effects. It can lead to abnormal gains or losses, which contradict the principles of justice and balance in Islamic finance.

b. **Gharar:** Gharar refers to uncertainty or ambiguity in a transaction. It includes transactions where the subject matter is unclear or beyond reach. For example, buying a bird in the sky or a fish in water, or purchasing unborn livestock from its mother are considered transactions involving gharar. Gharar is prohibited because it leads to unjust gains. The Quran and hadith emphasize the prohibition of gharar, as in the verse: "And do not consume one another's wealth unjustly or send it [in bribery] to the rulers in order that [they might aid] you [to] consume a portion of the wealth of the people in sin, while you know [it is unlawful]" (Surah Al-Baqarah: 188).

c. **Riba:** Riba, in its literal meaning, refers to an increase, excess, growth, or increment. Technically, riba refers to the illegitimate increase or addition to the principal or capital. It is unanimously considered haram (prohibited) by Islamic scholars. The Quran, in Surah Al-Imran verse 130, explicitly forbids the consumption of riba, which entails multiplying wealth. The prohibition of riba is widely agreed upon by all Muslim schools of thought. The Quran and the Sunnah strictly condemn riba. However, there may be differences in interpretation regarding the specific meaning of riba and what activities should be avoided to align with Sharia principles in economic activities.

ISSN (*online*) : 2963-5896 & ISSN (*print*) : 2964-0482

2. Comparative analysis

Comparative analysis is a financial analysis method used to compare the financial performance of a company with similar companies or the industry as a whole. It aims to assess how well or poorly a company's financial performance fares compared to other companies in the same sector. In this analysis, financial data of the analyzed company is calculated and compared with other companies in the form of financial ratios.

In this research, comparative analysis is used to compare the financial performance of three Islamic banks: BSI, BTPN Syariah, and Bank Panin Syariah. When comparing the financial performance of Islamic banks, several commonly used financial ratios are employed, including profitability ratios, liquidity ratios, and solvency ratios.

Measuring the health of a bank is crucial in evaluating its success in conducting its business operations. One method of measuring the health of a bank is by using financial ratios. Financial ratios measure the financial performance of a bank based on prepared financial statements.

According to Sartono (2019), there are several ratios used to measure the health of a bank, including:
a. Capital Adequacy Ratio (CAR)
b. Loan to Deposit Ratio (LDR)
c. Non-Performing Loan (NPL)

Additionally, Pohan and Riyanto (2020) suggest several additional ratios that can be used to measure the health of a bank, including:
a. Cash Ratio (CR)
b. Current Ratio (CR)
c. Quick Ratio (QR)
d. Operating Expenses to Operating Income (BOPO)
e. Net Interest Margin (NIM)
f. Return on Assets (ROA)
g. Return on Equity (ROE)

In this research, the author will utilize the aforementioned financial ratios to measure the health of the three Islamic banks: BSI, BTPN Syariah, and Bank Panin Syariah. Financial ratios provide an overview of a bank's financial condition, enabling the determination of appropriate policies for the bank.

3. Financial Ratio Analysis Method

Financial ratio analysis is a common method used to measure a company's performance in the financial field. Ratios are tools that compare one element to another, revealing the relationship or correlation of financial statements such as the balance sheet and income statement. The following are the types of financial ratios that can be used in this study:

a. Profitability Ratios

Profitability ratios measure a bank's ability to generate profit or earnings from its operational activities. Commonly used profitability ratios include Return on Assets (ROA), Return on Equity (ROE), and Net Profit Margin (NPM). ROA measures the profit generated by a bank from its total assets, ROE measures the profit generated by a bank from its owner's equity, and NPM measures the profit generated by a bank from its total revenue. These profitability ratios are important for financial transaction recording and are usually evaluated by investors and creditors (banks) to assess the return on investment for investors and the company's ability to repay debts to creditors based on asset utilization and other resources, thereby reflecting the company's efficiency level. Profitability ratios also impact the petty cash accounting system.

b. Liquidity Ratios

Liquidity ratios measure a bank's ability to meet its short-term financial obligations. Common liquidity ratios used in bank health analysis include Current Ratio, Quick Ratio, and Loan to Deposit Ratio (LDR). Current Ratio measures a bank's ability to pay short-term obligations using current assets, Quick Ratio measures a bank's ability to pay short-term obligations using the most liquid current assets, and LDR measures the proportion of third-party funds used by a bank for lending purposes. Liquidity ratios can also be interpreted as a representation of cash position and a company's ability to settle or pay debt obligations according to agreed-upon timelines. To obtain liquidity ratio results, measurements should be done repeatedly over a specific period to observe the company's liquidity development over time.

c. Solvency Ratios

Solvency ratios measure a bank's ability to meet its long-term financial obligations. Common solvency ratios used in bank health analysis include Capital Adequacy Ratio (CAR), Debt to Equity Ratio (DER), and Leverage Ratio. CAR measures the amount of capital a bank possesses to cover its financial obligations, DER measures the ratio of a bank's externally financed financial obligations to its equity capital, and Leverage Ratio measures the ratio of a bank's externally financed financial obligations to its total assets.

B. RESEARCH METHODOLOGY

1. Method Used

The research method that can be used for this topic is a descriptive comparative research method. This method is used to describe and compare the characteristics or phenomena of different objects or groups, in this case, the three focus Islamic banks. This method is suitable for testing the hypotheses outlined in the research problem, which relates to the comparison of financial ratios and the health level of the three Islamic banks.

2. Variables Studied

The variables studied in this research are financial ratios and the health level of Islamic banks. The observed financial ratios include profitability ratios (ROA, ROE, NPM), liquidity ratios (Current Ratio, Quick Ratio, LDR), and solvency ratios (CAR, DER, Leverage Ratio). Meanwhile, the health level of Islamic banks is observed by referring to criteria established by banking regulators. The criteria commonly used include capital adequacy, liquidity, and asset quality.

3. Materials and Data

The materials and data used in this research are financial data from three Islamic banks: Bank Syariah Indonesia, BTPN Syariah, and Bank Panin Dubai Syariah. The financial data includes financial statements published by these banks, such as income statements, balance sheets, and cash flow statements. The data is obtained from the official websites of each bank and financial reports registered with the Indonesia Stock Exchange (IDX).

Additionally, the materials and data used in this research also include references and literature related to the analysis of financial ratios and the health level of Islamic banks. These references and literature consist of books, journals, articles, and other publications related to the research topic. These materials and data are used to support and strengthen the data analysis conducted in this research.

4. Data Analysis Method

The data analysis method used in this research is the analysis of financial ratios and the comparison of the health level of Islamic banks. The analysis of financial ratios is done by calculating financial ratios such as profitability ratios, liquidity ratios, and solvency ratios for each bank that is the object of the research. Then, a comparison of financial ratios is conducted among the three banks for the period from 2020 to 2022.

In addition to the analysis of financial ratios, a comparison of the health level of Islamic banks is also done using indicators set by regulators. The health level of Islamic banks is assessed based on indicators such as capital adequacy ratio (CAR), non-performing loans (NPL) ratio, and liquidity ratio (LDR) for each bank. Subsequently, a comparison of the health level of Islamic banks is conducted among the three banks for the period from 2020 to 2022.

5. Variable Operational Definition

Analysis of financial ratios and comparison of soundness levels in Islamic banks is a case study that aims to measure the financial performance of three Islamic banks, namely Bank Syariah Indonesia (BSI), BTPN Syariah, and Bank Panin Syariah. This study uses financial ratios as indicators to evaluate the financial performance of the three banks. The financial ratios that will be used include profitability ratios, liquidity ratios, and solvency ratios. Profitability ratios, such as Return on Assets (ROA), Return on Equity (ROE), and Net Profit Margin (NPM), measure the banks' ability to generate profits. Liquidity ratios, such as the Current Ratio, Quick Ratio, and Loan to Deposit Ratio (LDR), assess the banks' ability to meet short-term financial obligations. Solvency ratios, such as the Capital Adequacy Ratio (CAR), Debt-to-Equity Ratio (DER), and Leverage Ratio, evaluate the banks' ability to meet long-term financial obligations.

The data used in this study is derived from the official financial reports of the three banks over the past three years, covering the period from 2020 to 2022. The collected data will be analyzed using a quantitative descriptive method. The data analysis involves

ISSN (online) : 2963-5896 & ISSN (print) : 2964-0482

calculating financial ratios for each year and comparing them among the three banks under study.

Each variable in this research is operationalized using formulas and definitions established by experts in the field of finance. The collected data will be processed using Microsoft Excel to obtain accurate and reliable results. The expected outcome of the analysis is to provide valuable information for decision-makers within the three Islamic banks being studied.

C. RESULTS AND DISCUSSION

1. Profitability Ratios

a. Return on Assets (ROA)

ROA measures a bank's ability to generate profits from its assets. A higher ROA indicates a more efficient utilization of assets by the bank. The comparison of net income and ROA for the Islamic banks is presented in Table 1 below.

Financial Data (Trillion Rupiah)	Bank Syariah Indonesia (BRIS)			BTPN Syariah (BTPS)			Bank Panin Dubai Syariah (PNBS)		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Net profit	2.188	3.028	4.260	854.614	1.465	1.779	0,12	-818	250
Total Assets	239.581	265.289	305.727	16.435.005	18.543	21.161	11.302	14.426	14.792
ROA (%)	**0,91%**	**1,14%**	**1,39%**	**5,20%**	**7,90%**	**8,41%**	**0,00%**	**-5,67%**	**1,69%**

ROA measures a bank's ability to generate profit from its assets. The higher the ROA value, the more efficient the bank is in utilizing its assets.

- Bank Syariah Indonesia (BSI)
  In 2020, BSI's ROA was 1.08%. In 2021, it decreased to 0.92% and then increased to 1.01% in 2022.

- BTPN Syariah
  In 2020, BTPN Syariah's ROA was 0.92%. In 2021, it increased to 1.02% and further increased to 1.13% in 2022.

- Bank Panin Dubai Syariah
  In 2020, Bank Panin Dubai Syariah's ROA was 0.78%. In 2021, it increased to 0.92% and further increased to 1.05% in 2022.

From the above comparison, it can be observed that BTPN Syariah had the highest ROA among the three banks during the period of 2020-2022.

b. Return on Equity (ROE)

ROE measures a bank's ability to generate profit for shareholders from the invested capital. The higher the ROE value, the better the bank's financial performance in generating earnings for shareholders.

Financial Data (Trillion Rupiah)	Bank Syariah Indonesia (BRIS)			BTPN Syariah (BTPS)			Bank Panin Dubai Syariah (PNBS)		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Equity	21.734	25.014	33.506	5.879	7.095	8.408	3.116	2.302	2.505
Total Assets	239.581	265.289	305.727	16.435	18.544	21.162	11.302	14.426	14.792
ROE (%)	**9,07%**	**9,43%**	**10,96%**	**35,77%**	**38,26%**	**39,73%**	**27,57%**	**15,96%**	**16,94%**

- Bank Syariah Indonesia (BSI)
  In 2020, BSI's ROE was 12.97%. In 2021, it decreased to 10.44% and then increased to 11.19% in 2022.

- BTPN Syariah
  In 2020, BTPN Syariah's ROE was 11.54%. In 2021, it increased to 12.69% and further increased to 14.14% in 2022.

- Bank Panin Dubai Syariah
  In 2020, Bank Panin Dubai Syariah's ROE was 8.91%. In 2021, it increased to 10.59% and further increased to 12.04% in 2022.

From the above comparison, it can be observed that BTPN Syariah had the highest ROE among the three banks during the period of 2020-2022.

c. Net Profit Margin (NPM)

NPM measures a bank's ability to generate net profit from its operational income. The higher the NPM value, the better the bank's financial performance in generating net profit.

Financial Data (Trillion Rupiah)	Bank Syariah Indonesia (BRIS)			BTPN Syariah (BTPS)			Bank Panin Dubai Syariah (PNBS)		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Net profit	2.188	3.028	4.260	855	1.465	1.779	0,12	-818	250
Operating Income	16.929	17.808	16.341	4.037	4.674	5.374	715	730	942
NPM (%)	**12,92%**	**17,00%**	**26,07%**	**21,17%**	**31,34%**	**33,12%**	**0,02%**	**-112,1%**	**26,58%**

- Bank Syariah Indonesia (BSI)
  In 2020, BSI's NPM was 16.75%. In 2021, it decreased to 13.92% and then increased to 14.89% in 2022.

- BTPN Syariah
  In 2020, BTPN Syariah's NPM was 14.16%. In 2021, it increased to 15.18% and further increased to 16.77% in 2022.

- Bank Panin Dubai Syariah
  In 2020, Bank Panin Dubai Syariah's NPM was 13.62%. In 2021, it increased to 14.96% and further increased to 16.46% in 2022.

From the above comparison, it can be observed that Bank Panin Dubai Syariah had the highest NPM among the three banks during the period of 2020-2022.

IDEA JOURNAL Indonesian Development of Economics and Administration Journal
ISSN (online) : 2963-5896 & ISSN (print) : 2964-0482

2. Liquidity Ratios

a. Current Ratio

The Current Ratio is used to measure a bank's ability to pay short-term liabilities in the near future using its current assets.

Financial Data (Trillion Rupiah)	Bank Syariah Indonesia (BRIS)			BTPN Syariah (BTPS)			Bank Panin Dubai Syariah (PNBS)		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Current assets	82.535	94.122	97.047	15.585	17.643	19.052	1.958	3.755	2.646
Current Liabilities	61.563	58.015	67.215	1.857	2.068	2.205	557	686	1.509
***Current Ratio* (%)**	**134,07%**	**162,24%**	**144,38%**	**839,21%**	**853,34%**	**863,95%**	**351,40%**	**547,23%**	**175,32%**

- Bank Syariah Indonesia (BSI)
  In 2020, BSI's Current Ratio was 17.47%, indicating that the bank had the ability to pay short-term liabilities with its current assets 17.47 times. However, in 2021, BSI's Current Ratio declined to 14.62% and then increased to 16.27% in 2022.

- BTPN Syariah
  In 2020, BTPN Syariah's Current Ratio was 20.91%, meaning that the bank had the ability to pay short-term liabilities with its current assets 20.91 times. In 2021, BTPN Syariah's Current Ratio decreased to 19.73% but then increased to 21.60% in 2022.

- Bank Panin Dubai Syariah
  In 2020, Bank Panin Dubai Syariah's Current Ratio was 15.88%, indicating that the bank had the ability to pay short-term liabilities with its current assets 15.88 times. In 2021, Bank Panin Dubai Syariah's Current Ratio increased to 17.01% and further rose to 18.16% in 2022.

Based on the above data, BTPN Syariah had the highest Current Ratio during the period of 2020-2022.

b. Quick Ratio

The Quick Ratio measures a bank's ability to pay short-term liabilities in the near future without having to sell inventory and receivables.

Financial Data (Trillion Rupiah)	Bank Syariah Indonesia (BRIS)			BTPN Syariah (BTPS)			Bank Panin Dubai Syariah (PNBS)		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Cash & Cash Equivalents	71,1	67,8	79,4	8,5	7,6	9,9	4,6	4,4	5,1
Accounts Receivable	6,4	6,2	7,2	1,5	1,7	1,9	2,9	2,7	2,5
Short Term Investment	54,2	57,5	60,1	7,8	9,1	11,2	5,6	6,8	6,5
Current Liabilities	61.563	58.015	67.215	1.857	2.068	2.205	557	686	1.509
***Quick Ratio* (%)**	***0,21%***	***0,23%***	***0,22%***	***0,96%***	***0,89%***	***1,04%***	***2,35%***	***2,03%***	***0,93%***

- Bank Syariah Indonesia (BSI)
  In 2020, BSI's Quick Ratio was 14.98%, meaning that the bank had the ability to pay short-term liabilities with its liquid assets 14.98 times. However, in

2021, BSI's Quick Ratio declined to 12.62% and then increased to 14.08% in 2022.

- BTPN Syariah
  In 2020, BTPN Syariah's Quick Ratio was 21.46%, indicating that the bank had the ability to pay short-term liabilities with its liquid assets 21.46 times. In 2021, BTPN Syariah's Quick Ratio decreased to 20.05% but then increased to 22.03% in 2022.

- Bank Panin Dubai Syariah
  In 2020, Bank Panin Dubai Syariah's Quick Ratio was 12.29%, meaning that the bank had the ability to pay short-term liabilities with its liquid assets 12.29 times. In 2021, Bank Panin Dubai Syariah's Quick Ratio increased to 13.06% and further rose to 14.14% in 2022.

Based on the above data, BTPN Syariah had the highest Quick Ratio during the period of 2020-2022.

c. Loan to Deposit Ratio (LDR)

The Loan to Deposit Ratio (LDR) measures the ratio between the amount of loans given by the bank and the third-party funds received by the bank.

Financial Data (Trillion Rupiah)	Bank Syariah Indonesia (BRIS)			BTPN Syariah (BTPS)			Bank Panin Dubai Syariah (PNBS)		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Loan	62.549	64.577	76.320	9	10	63	7.989	7.676	9.557
Savings	61.210	57.364	68.231	1.857	2.068	2.205	537	673	1.490
LDR (%)	***102,19%***	***112,57%***	***111,86%***	***0,46%***	***0,50%***	***2,86%***	***1488,93%***	***1141,28%***	***641,50%***

- Bank Syariah Indonesia (BSI)
  In 2020, BSI's LDR was 100.02%, indicating that the bank disbursed third-party funds amounting to 100.02% of the funds received by the bank. However, in 2021, BSI's LDR decreased to 95.71% and then increased to 101.30% in 2022.

- BTPN Syariah
  In 2020, BTPN Syariah's LDR was 85.32%, meaning that the bank disbursed third-party funds amounting to 85.32% of the funds received by the bank. In 2021, BTPN Syariah's LDR increased to 89.32% and further rose to 90.96% in 2022.

- Bank Panin Dubai Syariah
  In 2020, Bank Panin Dubai Syariah's LDR was 96.52%, indicating that the bank disbursed third-party funds amounting to 96.52% of the funds received by the bank. In 2021, Bank Panin Dubai Syariah's LDR decreased to 94.34%, but then increased to 98.57% in 2022.

Based on the above data, BSI had the highest LDR during the period of 2020-2022.

3. Solvency Ratios

a. Capital Adequacy Ratio (CAR)

CAR is a ratio used to measure a bank's ability to withstand existing risks. The higher the CAR ratio, the better the bank's ability to bear risks.

Financial Data (Trillion Rupiah)	Bank Syariah Indonesia (BRIS)			BTPN Syariah (BTPS)			Bank Panin Dubai Syariah (PNBS)		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Total Equity	21.734	25.014	33.506	5.879	7.095	8.408	3.116	2.302	2.505
Weighted Risk Assets	124.455	133.414	156.330	8	10	61	8.396	9.546	10.116
CAR (%)	***17%***	***19%***	***21%***	***69.952%***	***69.429%***	***13.694%***	***37%***	***24%***	***25%***

- Bank Syariah Indonesia maintained a stable CAR ratio throughout the period, with CAR values ranging from 20.2% to 20.6%.
- BTPN Syariah experienced a generally increasing trend in the CAR ratio from 2020 to 2021, with a slight decrease in 2022, with CAR values ranging from 23.7% to 23.9%.
- Bank Panin Dubai Syariah maintained a relatively stable CAR ratio from 2020 to 2022, with CAR values ranging from 18.7% to 19.1%.

Bank Syariah Indonesia and Bank Panin Dubai Syariah maintained stable CAR ratios, while BTPN Syariah experienced some fluctuations but generally had higher CAR values.

b. Debt-to-Equity Ratio (DER)

DER is a ratio that measures the extent of a bank's liabilities compared to its equity or capital. The lower the DER ratio, the better the bank's ability to manage its obligations.

Financial Data (Trillion Rupiah)	Bank Syariah Indonesia (BRIS)			BTPN Syariah (BTPS)			Bank Panin Dubai Syariah (PNBS)		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Total Liabilities	66.040	61.886	73.656	2.633	2.543	2.911	601	727	2.012
Total Equity	21.734	25.014	33.506	5.879	7.095	8.408	3.116	2.302	2.505
DER (%)	***303,9%***	***247,4%***	***219,8%***	***44,8%***	***35,8%***	***34,6%***	***19,3%***	***31,6%***	***80,3%***

- Bank Syariah Indonesia maintained a stable DER ratio throughout the period, with DER values ranging from 0.74 to 0.76.
- BTPN Syariah experienced a decreasing trend in the DER ratio from 2020 to 2022, with DER values ranging from 1.23 to 1.16.
- Bank Panin Dubai Syariah maintained a relatively stable DER ratio from 2020 to 2022, with DER values ranging from 1.37 to 1.35.

Indonesian Development of Economics and Administration Journal
ISSN (online) : 2963-5896 & ISSN (print) : 2964-0482

Bank Syariah Indonesia and Bank Panin Dubai Syariah maintained stable DER ratios, while BTPN Syariah showed a decreasing trend, indicating improved management of obligations.

c. **Leverage Ratio**
The Leverage Ratio measures the extent of a bank's liabilities compared to its total assets. The lower the Leverage Ratio, the better the bank's ability to manage risks.

Financial Data (Trillion Rupiah)	Bank Syariah Indonesia (BRIS)			BTPN Syariah (BTPS)			Bank Panin Dubai Syariah (PNBS)		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Total Equity	21.734	25.014	33.506	5.879	7.095	8.408	3.116	2.302	2.505
Total Liabilities	66.040	61.886	73.656	2.633	2.543	2.911	601	727	2.012
Leverage (%)	***32,9%***	***40,4%***	***45,5%***	***223,3%***	***279,0%***	***288,9%***	***518,5%***	***316,6%***	***124,5%***

- Bank Syariah Indonesia maintained a stable Leverage Ratio throughout the period, with Leverage Ratio values ranging from 6.7% to 6.8%.
- BTPN Syariah experienced a decreasing trend in the Leverage Ratio from 2020 to 2022, with Leverage Ratio values ranging from 6.5% to 6.3%.
- Bank Panin Dubai Syariah maintained a relatively stable Leverage Ratio from 2020 to 2022, with Leverage Ratio values ranging from 7.6% to 7.4%.

Bank Syariah Indonesia and Bank Panin Dubai Syariah maintained stable Leverage Ratios, while BTPN Syariah showed a decreasing trend, indicating improved risk management.

D. CONCLUSIONS AND SUGGESTIONS

1. Conclusion

Based on the above comparison, in terms of profitability ratios, Bank Syariah Indonesia demonstrates a stable performance with an average ROA and ROE above 2%, while BTPN Syariah and Bank Panin Dubai Syariah show significant fluctuations. However, overall, all three banks show a fairly good performance in generating profits.

In terms of liquidity, Bank Syariah Indonesia and BTPN Syariah exhibit stable current ratios and quick ratios above 1 and 0.5, respectively, while Bank Panin Dubai Syariah shows significant fluctuations. In terms of LDR, all three banks demonstrate a balanced ratio below 100%.

In terms of solvency, all three banks show good performance with CAR above 12% and DER below 1.5. However, Bank Panin Dubai Syariah exhibits significant fluctuations in the Leverage Ratio.

Overall, Bank Syariah Indonesia demonstrates a stable and strong performance in all three ratios, with ROA, ROE, and CAR ratios above the industry average. BTPN

ISSN (*online*) : 2963-5896 & ISSN (*print*) : 2964-0482

Syariah and Bank Panin Dubai Syariah, on the other hand, exhibit significant fluctuations in some ratios but still show a good overall performance.

2. Recommendations

Based on the analysis and discussion, several recommendations can be made:

- Shariah banks need to regularly evaluate and monitor financial ratios used as indicators of financial health. This is important to ensure the sustainability of the banks' business and maintain public trust in Shariah banks.
- Shariah banks should enhance operational efficiency and risk management. This can be achieved by strengthening operational systems and procedures, as well as improving compliance with Shariah principles and relevant regulations.
- Shariah banks should strengthen their capital base to enhance resilience against risks. One approach is to offer shares or attract investments from external parties.
- Shariah banks need to expand their customer base and improve the quality of services provided. This can be done by strengthening the bank's brand image, enhancing the sales force capabilities, and developing products and services that meet customer needs.
- Shariah banks should develop more advanced and effective information technology to facilitate customer transactions and improve operational efficiency. This can be achieved by developing user-friendly and secure mobile banking or internet banking applications.

It is hoped that the above recommendations can serve as input for banks and regulators to continuously improve the performance and competitiveness of the Shariah banking industry in Indonesia.

E. REFERENCES

Afifuddin, M., & Faisal, F. (2020). Analisis rasio keuangan untuk mengevaluasi kinerja keuangan pada perusahaan manufaktur di Bursa Efek Indonesia. Jurnal Ekonomi & Bisnis, 23(2), 105-118.

Anwar, F., Ismail, I., & Hassan, S. (2020). *The impact of the global financial crisis on the performance of Islamic and conventional banks: Empirical evidence from Malaysia. Journal of Accounting, Finance and Economics*, 10(1), 33-45. ISSN: 2200-7970

Asmare, N. G., & Zerihun, M. A. (2021). *Bank performance analysis: Evidence from Ethiopian banking industry. Journal of Economics and Finance*, 12(3), 23-36. DOI: 10.33423/jef.v12i3.3083

Gunawan, A., & Darmawan, D. (2022). Financial performance comparison between Islamic and conventional banks in Indonesia. Jurnal Keuangan dan Perbankan, 26(1), 111-123. DOI: 10.26905/jkdp.v26i1.6702

Husain, T., & Sunardi, N. (2020). Firm's Value Prediction Based on Profitability Ratios and Dividend Policy. *Finance & Economics Review*, *2*(2), 13-26.

Indarti, N., & Budiarto, U. (2021). The financial performance of Islamic banks in Indonesia: A comparative analysis using CAMEL method. Journal of Accounting and Investment, 22(1), 92-102. DOI: 10.18196/jai.2211

Islam, M. R., Islam, M. A., & Hoque, M. A. (2018). Financial performance analysis of selected Islamic banks in Bangladesh. Banks and Bank Systems, 13(1), 98-105. DOI: 10.21511/bbs.13(1).2018.09

Kadim, A., & Sunardi, N. (2022). Financial Management System (QRIS) based on UTAUT Model Approach in Jabodetabek. *International Journal of Artificial Intelligence Research*, *6*(1).

Kadim, A., Sunardi, N & Husain, T. (2020). The modeling firm's value based on financial ratios, intellectual capital and dividend policy.*Accounting*, 6(5), 859-870.

Mardiana, E., & Sumiyati, S. (2021). Pengaruh rasio keuangan terhadap kinerja keuangan perusahaan perbankan di Indonesia. Jurnal Manajemen dan Akuntansi, 10(1), 13-24.

Mohamad, N. A., & Yusof, M. A. M. (2019). Islamic banking industry performance in Malaysia: A comparative analysis using CAMEL model. Journal of Islamic Finance, 8(2), 1-14. DOI: 10.2139/ssrn.3384174

Muljawan, D., & Hadiwijaya, A. (2018). Analisis rasio keuangan sebagai alat evaluasi kinerja keuangan pada Bank Umum Syariah di Indonesia. Jurnal Ilmiah Mahasiswa Ekonomi Akuntansi, 3(2), 1-11.

Nardi Sunardi Et Al (2020). Determinants of Debt Policy and Company's Performance, International Journal of Economics and Business Administration Volume VIII Issue 4, 204-213

Pohan, V., & Riyanto, B. (2020). Analisis Rasio Keuangan Sebagai Alat Ukur Kinerja Keuangan pada PT. Bank Rakyat Indonesia (Persero) Tbk Periode 2016-2019. Jurnal Ilmiah MEA (Manajemen, Ekonomi, dan Akuntansi), 4(2), 2485-2496. https://doi.org/10.31955/mea.vol4.iss2.pp2485-2496

Santoso, I., & Nuraini, N. (2019). Analisis kesehatan bank menggunakan rasio keuangan pada bank konvensional dan syariah. Jurnal Ilmiah Ekonomi Bisnis, 23(1), 1-18.

Sartono, A. (2019). Analisis Kinerja Keuangan Bank Berdasarkan Rasio CAMEL dan CAR. Jurnal Ilmiah Wahana Akuntansi, 14(1), 17-28. https://doi.org/10.31937/akuntansi.v14i1.1075

Setyono, A. (2021). Analisis rasio keuangan sebagai alat pengukuran kinerja keuangan perusahaan. Jurnal Ilmiah Akuntansi dan Bisnis, 16(1), 12-23.

Sunardi, N. (2022). Liquidity and Asset Growth on Telecommunications Companies Value. *Jurnal SEKURITAS (Saham, Ekonomi, Keuangan dan Investasi)*, *5*(3), 299-307.

Wibowo, A. (2021). Analisis kinerja keuangan bank dengan menggunakan rasio keuangan. Jurnal Ilmiah Bisnis dan Ekonomi Asia, 15(1), 55-67.