




THE ROLE OF ISLAMIC BANKING IN PROMOTING FINANCIAL INCLUSION- A STUDY ON TELANGANA REGION

Ms. C Rani¹, Dr. R S Ch Murthy Chodisetty²

¹Student of MBA (23881E0013), Department of Management Studies, Vardhaman College of Engineering, Shamshabad, Hyderabad. Telangana

²Associate Professor, Department of Management Studies, Vardhaman College of Engineering, Shamshabad, Hyderabad. Telangana

 0000-0001-6222-0373

Article DOI: <https://doi.org/10.36713/epra20488>

DOI No: 10.36713/epra20488

ABSTRACT

Purpose

The main purpose of this article is to explore how Islamic banking can help more people in Telangana access financial services. This study looks at how Islamic banking, with its unique principles like profit-sharing and ethical financing, can provide financial opportunities for those who may not have access to traditional banking systems. It aims to understand how Islamic banks can contribute to improving financial inclusion in Telangana, especially for communities that are underserved or excluded from regular financial services.

Design/Methodology/Approach

Islamic banking is the expansion of financial services in the southwestern Indian state of Telangana using a mixed methods approach. The research will begin with a scoping review of salient works on Islamic banking and financial inclusion, concentrating on materials pertinent to Telangana and the world. The investigation will then entail the collection of primary data from customers, bank officials and financial experts in quantitative a manner through surveys and qualitative interviews in Telangana. This enables the assessment of the risks, advantages, and the overall effect of Islamic banking on the population's financial services penetration. Further, the concentration of unobtrusive data analysis would be used to determine the extent to which Islamic banking is serving the marginalised. The research will use both qualitative and quantitative approaches to give a comprehensive account of how Islamic finance promotes financial inclusion in Telangana region.

Findings

the research shows, Islamic banking is enabling a greater number of people from the Telangana area to reach out for financial services. Such banks do not charge interest, but give interest free loans and share profits. So, for those who have no faith in orthodox banks, or are outside the mainstream banking system, an Islamic bank is a suitable choice. This alleviates the burden of banking for poor households and even for people living in non-urban areas. Also, operational problems in Islamic banking are reduced since every deal that is done is just and honest. This helps to foster confidence between the clients and the banks and encourages people to engage more in the banking business. And, in addition, Islamic aides in increasing saving habits, making investments and distributing profits so as to improve the economic status eventually.

Islamic banking is ensuring wider access to financial services for the people of the economically weaker sections in Telangana and helping them work towards the economic equity.

Originality

Islamic banking can play a key role in making financial services more accessible to people in Telangana. It highlights how the core principles of Islamic banking such as fairness, ethical behaviour, and profit-sharing help create a system that feels more trustworthy and supportive, especially for those who may feel left out of traditional banking. What makes this study unique is how it shows that these principles not only offer financial services to underserved communities but also encourage responsible money habits like saving, investing, and planning for the future. By focusing on Islamic banking's impact in Telangana, the study opens up new ideas on how alternative banking systems can help build a fairer, more inclusive financial world for everyone.

Research Limitations/Implications

The impact of Islamic banking on financial inclusion may differ in other regions, so the findings from Telangana might not apply everywhere. It also doesn't fully explore barriers such as lack of awareness or cultural differences



that could limit access to Islamic banking. The study suggests that Islamic banks could better serve people, especially in rural areas, by offering more tailored services and financial education. Challenges like limited trust in banks or access to branches could still affect the reach of Islamic banking in promoting financial inclusion.

Practical Implications

Islamic banks in Telangana can improve their services by considering the emotional and financial needs of their customers. Understanding how emotions like fear, excitement, or stress affect financial decisions can help banks offer better guidance. For example, during tough financial times or when people make big decisions, Islamic banks can use empathetic approaches to support their clients, helping them stay calm and make more thoughtful choices. Banks could also provide customized financial products that cater to the needs of those who may be new to banking or who are stressed about their finances. In addition, offering financial education and stress-management techniques could help customers make more informed and stable financial decisions, promoting long-term financial health.

Social Implications

The role of Islamic banking in promoting financial inclusion in Telangana has important social implications. By offering ethical and accessible financial services, Islamic banks can help reduce social inequality and give more people, especially in underserved areas, a chance to improve their financial well-being. This approach can lead to a more inclusive society where individuals are empowered to make better financial decisions, fostering community growth and stability. Additionally, by promoting fairness and transparency, Islamic banking encourages responsible financial behaviour, which can help reduce harmful practices like debt traps and exploitation, creating a healthier financial environment for everyone in the region.

KEYWORDS: Islamic Banking, Financial Inclusions.

JEL Codes: G15, G21, G28, E44, E52, E58

Article classification: Research Paper with Empirical Evidence

INTRODUCTION

Financial inclusion is a critical issue in ensuring that all individuals, regardless of their background or economic status, have access to essential financial services. These services include savings accounts, loans, insurance, and other financial products that are necessary for managing personal finances, improving economic security, and investing in future goals. However, in many parts of the world, including Telangana, a significant portion of the population still struggles to access these basic financial services, especially those living in rural areas or economically disadvantaged communities. This gap in access to financial services leaves many people relying on informal financial systems that are often costly, inefficient, and exploitative. As a result, people in these communities face difficulties in saving money, accessing credit, or managing financial risks.

In Telangana, this problem is even more pronounced among certain communities, particularly the Muslim population. Many people in this group avoid using conventional banks due to religious beliefs, as traditional banking operates on interest-based systems, which is prohibited in Islamic teachings. This creates a barrier for Muslims, who may feel that conventional financial systems are not suitable for them, limiting their access to essential banking services. This exclusion from the formal financial sector not only affects their economic well-being but also contributes to widening the gap between different social groups in terms of access to resources and opportunities.

Islamic banking offers an alternative to the traditional interest-based banking system by adhering to principles of fairness, transparency, and ethical conduct in financial transactions. It operates according to Shariah law, which prohibits the charging of interest (Riba) and encourages profit-sharing, risk-sharing, and ethical investment practices. Instead of lending money with an interest rate, Islamic banks provide financial products based on equity participation, where both the bank and the customer share the risks and rewards of an investment or loan. This model not only ensures that financial transactions are fair and just but also creates an inclusive financial environment that is particularly appealing to those who may feel excluded by traditional banks.

For many people in Telangana, especially Muslims, Islamic banking can serve as an important tool for promoting financial inclusion. By offering financial products that are compliant with Islamic principles, Islamic banks can provide a way for people to access the financial services they need without violating their religious beliefs. This can help individuals in the region manage their savings, make investments, and obtain credit without resorting to interest-based loans, which can lead to financial strain. Islamic banking offers a way to bridge the gap between ethical financial practices and the need for access to financial services, making it a viable solution for those who may feel excluded by conventional financial systems.



Islamic banking is also unique in its focus on ethical finance, which emphasizes social justice and community welfare. The products and services offered by Islamic banks are designed to promote not only individual financial success but also the well-being of society as a whole. For example, Islamic banking avoids investments in industries or businesses that are harmful to society, such as those that profit from alcohol, gambling, or weapons. This ethical approach makes Islamic banking attractive not only to Muslims but also to people from other backgrounds who are interested in responsible and socially conscious banking practices.

However, despite the potential benefits, Islamic banking still faces challenges in promoting financial inclusion in Telangana. One of the main challenges is the lack of awareness and understanding of Islamic banking products among the general population, especially in rural areas. Many people may not be familiar with the concept of Islamic banking or how it operates, which can create reluctance to adopt it. Moreover, the infrastructure for Islamic banking is still developing, and many areas of Telangana, especially in rural regions, may not have easy access to Islamic banking institutions. This can limit the reach of Islamic banking services and hinder their potential to promote financial inclusion on a larger scale.

Despite these challenges, there are significant opportunities for Islamic banking to make a positive impact in Telangana. As more people become aware of Islamic banking and its benefits, there is potential for it to grow and provide essential financial services to underserved communities. With the support of government policies, educational initiatives, and the development of new banking technologies, Islamic banks can expand their reach and help bring financial services to those who need them the most. By focusing on inclusivity, fairness, and ethical financial practices, Islamic banking can play a key role in fostering economic growth, reducing poverty, and promoting greater social equity in Telangana.

This study aims to explore the role of Islamic banking in promoting financial inclusion in Telangana, focusing on its potential to provide a viable and ethical alternative to traditional banking systems. By examining the principles of Islamic banking and its application in the region, this study seeks to understand how Islamic banking can contribute to improving access to financial services for those who are currently excluded from the formal financial system. Through this exploration, the study aims to highlight the opportunities and challenges that Islamic banking faces in Telangana and provide insights into how it can help build a more inclusive and fair financial system in the region.

REVIEW OF LITARATURE

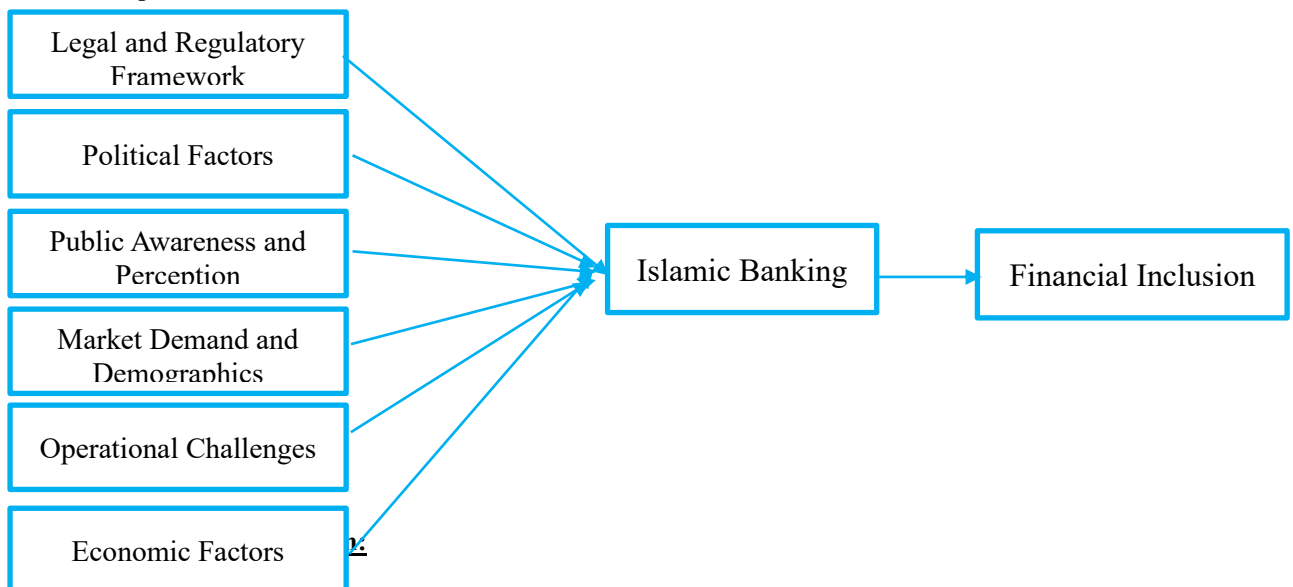
- **Khodijah Ishak STIE, Syariah Bengkalis, Dosen Perbankan Syariah, (January 1994 to May 2007):** This paper aims to determine Islamic finance refers to investments that are permissible in accordance with Sharia, the Islamic law. Sharia law views money as a measuring tool for value and not an “asset” itself. “It does not permit receipt and payment of riba (interest), gharar (excessive uncertainty), maysir (gambling), short sales or financing activities that it considers harmful to society”.
- **Vladimir Novikov, Elena Britikova, Elena Yarushkina, Lydia Kovalenko, (2019):** Islamic banks, the main characteristic feature of which is not charging interest on bank operations, have become an important part of the financial systems of Arab oil-exporting countries. Having certain influence on the way the regional financial systems function, they still play a secondary role, when it comes to the world’s banking practice. It can be well explained by several reasons.
- **Komijani, A and F Taghizadeh-Hesary, 2018:** The Islamic finance industry has grown substantially in Asia over the last 2 decades. The Muslim populations in different Asian countries, especially in Southeast Asia, are increasing. Rapid Muslim population growth and improving living standards may enhance the popularity of Islamic finance as a keen alternative to conventional financing mechanisms. In addition, investors from the Middle East and Asia are increasingly seeking to invest in products that are in line with their religious beliefs.
- **Dr Natalie Schoon, April 2007:** One of the areas of the financial industry that appears to be the least harmed by the current market turmoil is the Islamic finance industry. Generally, it is accepted that the history of Islamic finance started in the early 1960s, but is that really where it all began? This article shows that Islamic finance has a much longer history than expected and is applying similar principles as debated by the Greek philosophers as well as early theologians.
- **Muhammad ridhwan ab. Aziz (Jan 28, 2021):** The Islamic financial system has evolved into a viable and vibrant component of the overall financial system, complementing the conventional financial system. The philosophical foundation of an Islamic financial system goes beyond the interaction of factors of production and economic behavior. The Islamic financial system can be fully appreciated only in the context of Islam’s teachings on the business ethic, wealth distribution, social and economic justice, and the role of the state.



- **Jean-yves Moisseron, Frederic Teulon (August 2015):** The history of Islamic thought is an ocean, which has produced many interpretations, many theories, debates, and controversies. Islamic thought is very rich and was able to address the problems met by Islamic societies. We want to insist on one point in particular. Islamic thought always mirrored the challenges Islamic societies had to face. Islamic thought has been clearly connected to the contemporary problems Muslims intellectuals had to deal with. This point is important because it shapes the possibilities for present-day Islamic thought to address the Crisis of Capitalism.
- **Julius B. Bertillo, Eva B. Bertillo (2006):** The Islamic financial system is explored in this research. The banking system, money market, insurance (takaful), and capital markets are included. Muslims throughout the GCC countries and North Africa have used Islamic finance to lend money for business start-ups and other personal goals. According to Shariah, the core idea of Islamic finance prohibits the establishing or taking of specified interest or fees, often known as Riba or usury. Haram, which means "forbidden" in Arabic, is a Muslim principle that has been accepted by Islamic banks, financial institutions, and non-profit organizations.
- **Mumtaz Hussain, Asghar Shahmoradi, and Rima Turk, Zeine Zeidane, (June 2015):** Islamic finance has started to grow in international finance across the globe, with some concentration in few countries. Nearly 20 percent annual growth of Islamic finance in recent years seems to point to its resilience and broad appeal, partly owing to principles that govern Islamic financial activities, including equity, participation, and ownership. In theory, Islamic finance is resilient to shocks because of its emphasis on risk sharing, limits on excessive risk taking, and strong link to real activities.
- **SOAGE, Ana Belén (2020):** This paper presents an overview of Islamic finance. We start with a historical survey of the phenomenon, tracing it back to the prohibition of usury in Judaism and to the early days of Islam, then jumping to its appearance in modern times, back in the 1960s.
- **AB. AZIZ, MUHAMMAD RIDHWAN (2021):** The Islamic financial system has evolved into a viable and vibrant component of the overall financial system, complementing the conventional financial system. The philosophical foundation of an Islamic financial system goes beyond the interaction of factors of production and economic behavior. The Islamic financial system can be fully appreciated only in the context of Islam's teachings on the business ethic, wealth distribution, social and economic justice, and the role of the state.
- **Osman Sayid Hassan Musse, Abdelghani Echchabi and Hassanuddeen Abdul Aziz (July 2015):** The purpose of this study is to critically analyze existing literature on behavioral finance and to draw conclusions and recommendations for future studies in this area. The study is based on a critical review of the literature of Islamic and conventional behavioral finance.
- **Russell Krueger (November 2019):** Islamic finance in some countries is large enough to affect the quality of their national accounts, monetary and financial statistics, and indicators of the structure and soundness of national financial systems.
- **Akbar Komijani and Farhad Taghizadeh-Hesary (July 2018):** The governments and financial authorities in several Asian countries have played active roles in promoting the development of Islamic financial markets in line with the efforts to boost investments and achieve sustainable funding to enhance economic growth by tapping the huge liquidity from oil- and commodity-producing countries.

RESEARCH METHODOLOGY

- **Conceptual Model**





In rural areas, face difficulties in accessing basic financial services like savings accounts, loans, and insurance. Barriers such as high fees, complicated processes, and cultural or religious differences often prevent them from using conventional banks. For Muslims, especially, traditional banks are not an option because their interest-based systems conflict with their religious beliefs. Islamic banking, however, offers a solution based on fairness, transparency, and interest-free transactions, which can be more inclusive. Despite this, there is limited research on how Islamic banking can help improve financial inclusion in Telangana. This study aims to explore how Islamic banking can provide access to much-needed financial services for these communities, while respecting their cultural and religious values.

- **Research Gap**

While there is growing research on financial inclusion and the role of Islamic banking, there is still a significant gap in understanding how Islamic banking specifically contributes to improving financial access for underserved communities, particularly in regions like Telangana. While much has been written about the general benefits of Islamic banking, there is limited research that looks at its impact in specific contexts or regions.

- Not enough research focuses on how Islamic banking promotes financial inclusion in Telangana, which has unique challenges.
- There's limited understanding of the barriers people face in accessing Islamic banking, including lack of awareness and cultural or infrastructure issues.
- There's a lack of research on how Islamic banking affects people's saving, spending, and borrowing behaviors in underserved communities.
- More research is needed to understand the public's awareness of Islamic banking in Telangana and how education can encourage its use.

- **Objectives of the Study**

- To Study the perception of Indian Muslims regarding the Islamic Banking Practices through Financial Inclusions
- To Study the factors affecting Islamic Banking in Financial Inclusions.
- To study the Role and Impact of Islamic Banking in India.

- **Hypothesis of the Study**

H0: There are no factors affecting financial inclusion through Islamic banking in the Telangana region.

H1: There are factors affecting financial inclusion through Islamic banking in the Telangana region.

H0: There is no impact of cultural and religious beliefs on the adoption of Islamic banking in the Telangana region.

H1: There is an impact of cultural and religious beliefs on the adoption of Islamic banking in the Telangana region.

- **Limitations of the Study**

It focuses on the impact of Islamic banking in Telangana, so the findings may not apply to other regions with different cultures or economies. While the study highlights the benefits, it doesn't fully explore challenges like lack of awareness or infrastructure in rural areas, which can affect access to services. Additionally, the research mainly looks at Islamic banking without considering other financial systems or government efforts to improve financial inclusion. The study also faces limitations due to the availability of reliable data, especially in remote areas. Lastly, it focuses on the current impact, not future changes as more people adopt Islamic banking.

ANALYSIS & INTERPRETATION

Cronbach's alpha is a prevalent metric for assessing reliability within the social and organizational sciences. It is standard practice to report the sample value of Cronbach's alpha reliability; however, it is also essential to report a confidence interval for the population reliability value. The conventional confidence interval for the population value of Cronbach's alpha imposes a restrictive assumption that the multiple measurements possess equal variances and covariances (Bonett & Wright, 2015).



Variables	Numbers of Items	Cronbach Alpha
Legal and Regulatory Framework	5	0.935
Political Factors	5	0.804
Public Awareness and Perception	5	0.957
Market Demand and Demographics	5	0.896
Operational Challenges	5	0.941
Economic Factors	5	0.903
Islamic Banking	5	0.789

Interpretation

All variables reach or above the criteria of 0.7, signifying that the items within each variable exhibit internal consistency and reliability for assessing the construct. Factors including Legal and Regulatory Framework, Public Awareness and Perception, and Operational Challenges demonstrate exceptional dependability (exceeding 0.9), indicating a high degree of consistency among items. Variables like Political Factors, Market Demand, and Demographics exhibit high dependability (0.8–0.9), signifying robust internal consistency, albeit marginally lower than the highest-performing variables. Islamic Banking exhibits the lowest reliability (0.789) among the variables; yet, it remains over the acceptable threshold, signifying adequate internal consistency.

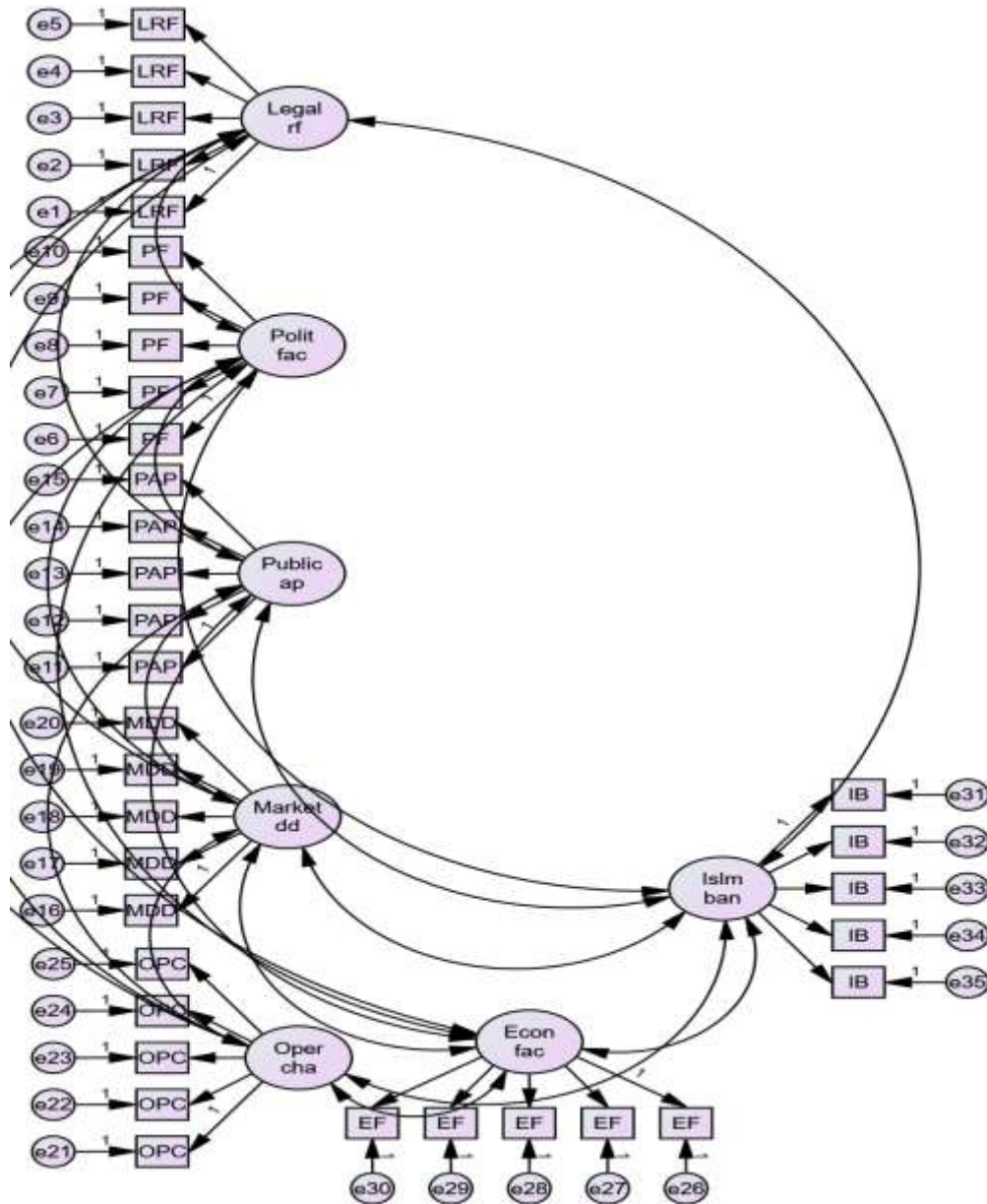
Confirmatory Factor Analysis

Confirmatory factor analysis (CFA) is a statistical method employed to validate the factor structure of a collection of observed data. Confirmatory Factor Analysis (CFA) enables the researcher to evaluate the hypothesis that a relationship exists between observed variables and their underlying latent constructs. The researcher uses theoretical knowledge, empirical research, or a combination of both, formulates the relationship pattern a priori, and subsequently tests the hypothesis statistically (Suhr, 2006).

(Table – 2 Fit Indices of Confirmatory Factor Analysis)

Fit Indices	Recommended	Observed	Result
CMIN/df (minimum discrepancy as indexed chi-square)	>5 Terrible, >3 Acceptable, >1 Excellent	2.008	Acceptable fit
GFI	>0.80	0.850	Acceptable fit
CFI (Comparative Fit Index)	<0.90 Terrible, <0.95 Acceptable, >0.95 Excellent	0.956	Excellent fit
TLI (Tucker–Lewis index)	> 0.9	0.918	Excellent fit
PNFI (Parsimony-Adjusted Measures)	> 0.5	0.782	Excellent fit
RMSEA (Root mean square error of approximation)	>0.08 Terrible, >0.06 Acceptable, >0.05 Excellent	.063	Good fit

The observed CMIN/df value is 2.008, which is within the acceptable range of 1 to 3. This suggests a satisfactory alignment of the model with the data. The observed GFI value of 0.850 surpasses the recommended threshold of 0.80, signifying an acceptable model fit. The CFI value of 0.956 indicates an excellent fit, exceeding the threshold of 0.95. The observed value of 0.918 exceeds the threshold of 0.9, indicating an excellent fit. PNFI: The value of 0.782 significantly exceeds the recommended threshold of 0.5, demonstrating an excellent parsimonious fit. RMSEA: The observed value is 0.063, which is within the acceptable range of 0.05 to 0.08, indicating a good fit.



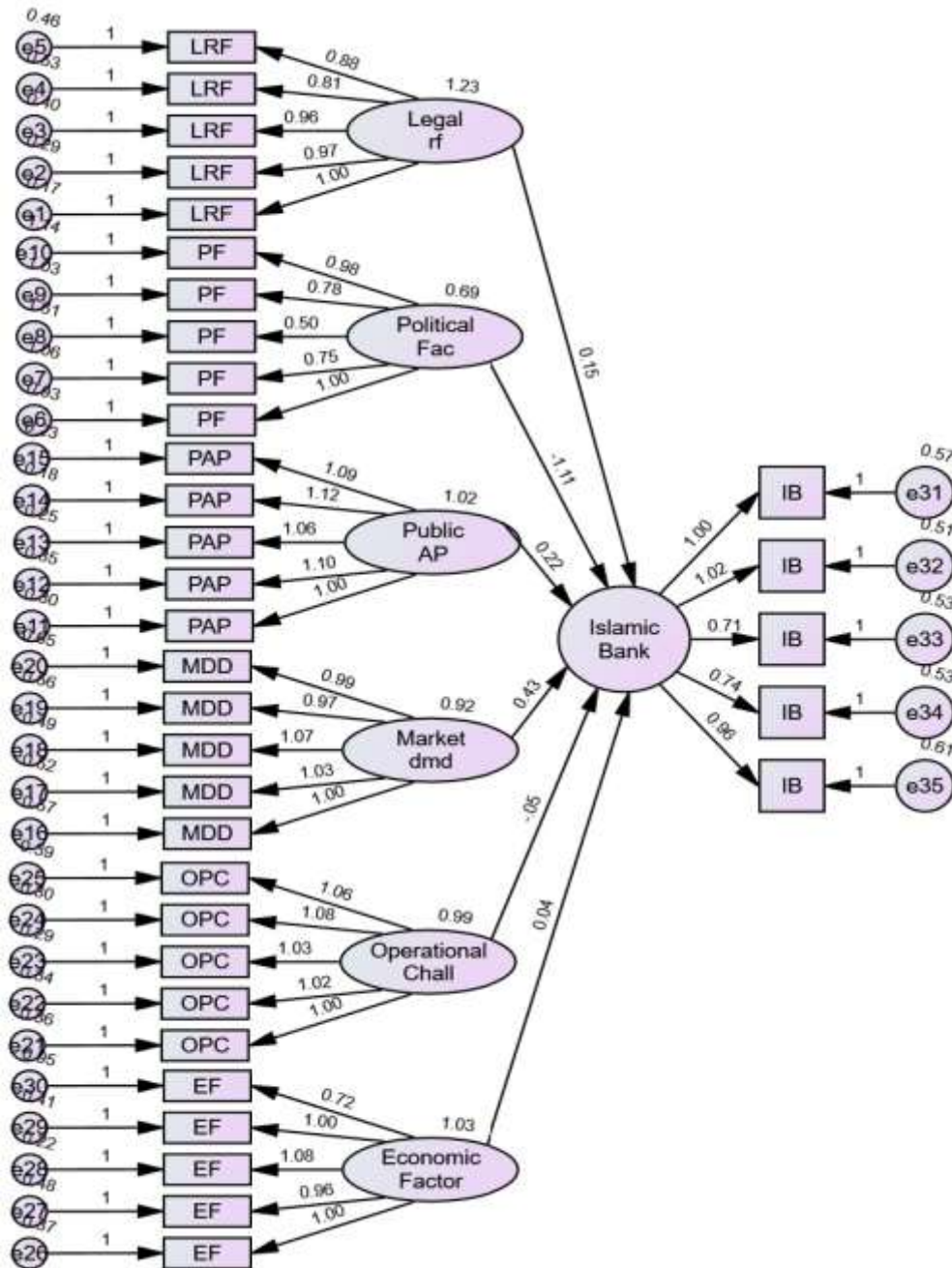
Structure Equation Model

Structural equation modeling is a type of methodology that attempts to describe hypotheses about the means, variances, and covariances of observable data in terms of a smaller number of 'structural' parameters determined by an underlying conceptual or theoretical model. Historically, structural equation modeling evolved from a fusion of two distinct statistical traditions. The first tradition is factor analysis, which originated in the sciences of psychology and psychometrics. The second tradition is simultaneous equation modeling, which originated in econometrics but has a history in genetics and was introduced to sociology as route analysis (Kaplan, 2001).

(Table – 3 Fit Indices of Structure Equation Modelling)

Fit Indices	Recommended	Observed	Result
CMIN/df (minimum discrepancy as indexed chi-square)	>5 Terrible, >3 Acceptable, >1 Excellent	2.288	Acceptable
GFI	>0.80	0.811	Acceptable
CFI (Comparative Fit Index)	<0.90 Terrible, <0.95 Acceptable, >0.95 Excellent	0.951	Excellent
TLI (Tucker–Lewis’s index)	> 0.9	0.953	Excellent
PNFI (Parsimony-Adjusted Measures)	> 0.5	0.652	Excellent
RMSEA (Root mean square error of approximation)	>0.08 Terrible, >0.06 Acceptable, >0.05 Excellent	0.024	Excellent

CMIN/df: The observed value is 2.288, falling within the allowed range of 1 to 3. This signifies an acceptable model fit. The GFI value of 0.811 surpasses the suggested threshold of 0.80, signifying an acceptable fit. The CFI, with a value of 0.951, indicates an excellent fit, surpassing the 0.95 criterion. The TLI observed value of 0.953 exceeds the threshold of 0.9, signifying an exceptional model fit. PNFI observed value of 0.652 significantly exceeds the criterion of 0.5, indicating an excellent fit. RMSEA value of 0.024 is beneath the threshold of 0.05, signifying an excellent fit.





Hypothesis Testing

(Table -4 Hypothesis Testing)

Hypothesis	P-Value	Result
H1: Legal and Regulatory Framework & Islamic Banking	0.00	Significant
H2: Political Factors & Islamic Banking	0.00	Significant
H3: Public Awareness and Perception & Islamic Banking	0.00	Significant
H4: Market Demand and Demographics & Islamic Banking	0.00	Significant
H5: Operational Challenges & Islamic Banking	0.216	Not Significant
H6: Economic Factors & Islamic Banking	0.317	Not Significant

Interpretation

The hypotheses H1, H2, H3, and H4 exhibit a p-value of 0.00, indicating that they fall below the widely accepted significance threshold of 0.05. This suggests a statistically significant correlation exists between these variables and Islamic Banking.

The influence of the legal and regulatory framework, political factors, public awareness and perception, as well as market demand and demographics on Islamic banking is substantial.

The p-values for hypotheses H5 and H6 are 0.216 and 0.317, respectively, both exceeding the significance threshold of 0.05. This suggests that the connections between variables (Operational Challenges and Economic Factors) and Islamic Banking lack statistical significance.

Discussion

Legal and Regulatory Framework: Shows that a strong legal and regulatory system is essential for promoting Islamic banking. Policies and frameworks based on Islamic financial principles are anticipated to be key drivers of success.

Political Factors: Shows that political stability and government support are critical for the growth of Islamic banking. This could involve political endorsements, tax breaks, or advantageous policies.

Public Awareness and Perception: Emphasizes the importance of consumer awareness and acceptance in advancing Islamic banking. Efforts to educate the public about its ideas and benefits may increase its adoption.

Market Demand and Demographics: Illustrates that demand dynamics, including population size, tastes, and cultural influences, substantially affect Islamic Banking.

Operational challenges: This finding implies that, while operational obstacles exist, they may not significantly restrict the growth of Islamic banking, or their impacts may be reduced by effective management.

Economic Factors: This suggests that general economic conditions may not be a major predictor of Islamic banking. Instead, sector-specific issues or niche markets may be more relevant.

CONCLUSION

The findings indicate that the growth and adoption of Islamic banking are significantly affected by a combination of institutional, political, and market-driven factors. A robust legal and regulatory framework that aligns with Islamic financial principles is essential for promoting trust, ensuring compliance, and achieving long-term success. Political stability and proactive government support via policies, tax incentives, and endorsements enhance the development of Islamic banking.

Public awareness and perception significantly influence the acceptance and adoption of Islamic banking, underscoring the necessity for targeted education and awareness campaigns to inform consumers about its principles and benefits. Market demand and demographic dynamics, including cultural preferences, population characteristics, and consumer tastes, significantly influence the growth trajectory of Islamic banking services.



Conversely, operational challenges and overall economic conditions seem to exert a minimal impact. This indicates that although operational challenges are present, effective management strategies can reduce their effects, and broader economic conditions may be less significant than sector-specific or niche factors in determining success.

The study highlights that the sustainable growth of Islamic banking depends on strong institutional frameworks, favorable political conditions, active public participation, and strategic alignment with market needs and cultural factors. Stakeholders must concentrate on these critical areas to fully realize the potential of Islamic banking.

REFERENCES

1. Khodijah Ishak STIE Syariah Bengkalis Dosen Perbankan Syariah, (January 1994 to May 2007), Alexander, A. J. (2011). *Shifting title and risk: Islamic project finance with western partners*.
2. Vladimir Novikov, Elena Britikova, Elena Yarushkina, Lydia Kovalenko, (2019), Vagizova V.I., Igonina A.S. *Mathematical and statistical forecasting of Islamic banking assets*. 2014. Pp. 120-124.
3. Komijani, A and F Taghizadeh-Hesary, 2018, ADB-IFSB. 2015. *Islamic Finance for Asia: Development, Prospects, and Inclusive Growth*. Manila: Asian Development Bank.
4. Dr Natalie Schoon, April 2007, DiVanna, Joseph A., *Understanding Islamic Banking: The Value Proposition That Transcends Cultures* (Cambridge, Leonardo and Francis Press 2006).
5. Muhammad ridhwan ab. Aziz (Jan 28, 2021), Ab. Aziz, Muhammad Ridhwan; Nooh, Mohammad Noorizzuddin; Khairi, Khairil Faizal; Johari, Fuadah; Iskandar Mirza, Azrul Azlan; And Nordin, Nurul Izzati, "A Review On Literatures In Planning And Managing Of Islamic Wealth Distribution (2001-2013)" (2014). *Library Philosophy and Practice*.
6. Jean-yves Moisseron, Frederic Teulon (August 2015), Abdul-Rauf Muhammad, 1979, *The Islamic Doctrine of Economics and Contemporary Economic Thought*, American Enterprise Institute for Public Policy Research, Washington, DC, 1-21.
7. Julius B. Bertillo, Eva B. Bertillo (2006), Archer, S., Rifaat, A.A.K., and Volker, N. (2009). *Takaful Islamic Insurance: Concepts and Regulatory Issues*. Singapore: John Wiley & Sons.
8. Mumtaz Hussain, Asghar Shahmoradi, and Rima Turk, Zeine Zeidane, (June 2015), Abedifar, P., P. Molyneux, and A. Tarazi. 2013, "Risk in Islamic Banking." *Review of Finance*, No. 6 Vol. 17, pp. 2035-2096.
9. SOAGE, Ana Belén (2020), Ahmed, Adel. 2010. "Global financial crisis: an Islamic finance perspective," *International Journal of Islamic and Middle Eastern Finance and Management* 3/4, pp. 306-320.
10. AB. AZIZ, MUHAMMAD RIDHWAN (2021), Adebayo, R. I., & Hassan, M. K. (2013). *Ethical Principles of Islamic Financial Institutions*. *Journal of Economic Cooperation and Development*, 34(1), 63-90.
11. Osman Sayid Hassan Musse, Abdelghani Echchabi and Hassanuddeen Abdul Aziz (July 2015), Adam, A.A. and Shauki, E.R. (2014) *Socially responsible investment in Malaysia: behavioral framework in evaluating investors' decision-making process*. *Journal of Cleaner Production*, 1(17), 3-45.
12. Russell Krueger (November 2019), International Monetary Fund. Statistics Department. *Compilation Guide for Financial Soundness Indicators - FSIs*. 2019.
13. Akbar Komijani and Farhad Taghizadeh-Hesary (July 2018), ADB-IFSB. 2015. *Islamic Finance for Asia: Development, Prospects, and Inclusive Growth*. Manila: Asian Development Bank.
14. Bonett, D. G., & Wright, T. A. (2015). *Cronbach's alpha reliability: Interval estimation, hypothesis testing, and sample size planning*. *Journal of organizational behavior*, 36(1), 3-15.