

Corporate cash holdings and Shari'ah-compliant corporations: A systematic literature review

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Abstract

Purpose: Corporate cash holdings are a crucial aspect of financial management for any organization, including Shari'ah-compliant corporations globally. This research aimed to explore the dynamics of corporate cash holdings among these corporations through a systematic literature review.

Design/methodology/approach: This study employs a systematic literature review based on PRISMA to synthesize data from the Web of Science and Scopus database to provide insights into the financial strategies of Shari'ah-compliant corporations in the context of emerging trends.

Findings: The study found that Shari'ah-compliant corporations exhibit unique financial behaviors driven by ethical and Shari'ah compliance considerations, which affect their cash holdings and overall financial strategies. These entities prioritize ethical and Shari'ah compliance over profit maximization, leading to higher cash reserves as a precautionary measure. Additionally, the review identified that dividend payments, capital expenditures, and debt financing influence the cash holdings of Shari'ah-compliant corporations. Moreover, integrating environmental, social, and governance factors with traditional financial metrics has emerged as a pivotal area for future exploration, particularly in enhancing the ethical financial trajectory in Islamic finance.

Research limitations/implications: The study emphasizes the importance of incorporating particularly ESG factors in the financial decision-making process of Shari'ah-compliant corporations, which is a relatively underexplored area in the existing literature.

Practical implications: These findings are helpful for corporations, policymakers, and investors interested in understanding the financial strategies of Islamic finance and its impact on corporate cash holdings.

Originality/value: The review offers valuable information on the financial practices of Shari'ah-compliant corporations and their response to the ever-changing business environment.

Keywords: corporate cash holdings, review, Shari'ah-compliant, Scopus, Web of Science

Introduction

Corporate cash holdings refer to the amount of cash and cash equivalents a company holds on its balance sheet (Lessambo, 2018). These holdings can include cash in hand, cash in bank accounts, and short-term investments easily convertible to cash. Regarding Shari'ah compliance, some specific guidelines and principles govern how corporations handle their cash holdings. The level of cash holdings in Shari'ah that are allowed to be placed with the interest-bearing items, conventional accounts and instruments are based on the financial screening guidelines by Shariah screening bodies; for example, [1] Dow Jones Islamic market index limits the cash and interest-bearing items must not exceed 33% of the total 24 months' average market capitalization, [2] Standard and Poor's Shariah index limits the cash and interest-bearing items must not exceed 33% of the total 36 months' average market capitalization, [3] Financial times stock exchange (FTSE) global Islamic index limits the cash and interest-bearing items must not exceed 33% of the total assets, [4] MSCI Islamic indices Series limits the cash and interest-bearing items must not exceed 33.33% of the total assets, and [5] Bursa Malaysia's Shariah index limits cash placed in conventional accounts and instruments must be less than 33% of the total assets (Tanin et al., 2021).

Islamic finance follows ethical and religious principles based on Shari'ah law, which prohibits certain activities such as earning interest (riba), gambling (maysir) and engaging in speculative transactions (gharar) (Uddin, 2015; Cerimagic, 2010). Corporations may invest their excess cash in Shari'ah-compliant financial instruments or utilize Islamic banking services to ensure Shari'ah compliance. These instruments and services are structured in a way that aligns with Islamic principles, avoiding interest-based transactions and adhering to ethical investment practices (Minhat and Dzolkarnaini, 2016; Hakim et al., 2021). By managing their cash holdings in a Shari'ah-compliant manner, corporations can demonstrate their commitment to ethical and responsible financial practices, appealing to investors who prioritize Shari'ah compliance (Lusyana and Sherif 2017).

In addition, Shari'ah-compliant corporations may also consider ethical investment practices when managing their cash holdings. This can involve avoiding investments in industries or corporations deemed unethical or against Islamic principles, such as alcohol, pork, or gambling (Billah, 2019). Furthermore, corporations may allocate their cash holdings towards socially responsible investments that positively impact society and the environment (Sparkes and Cowton, 2004). This can include investments in renewable energy, healthcare, or education. Overall, managing corporate cash holdings in a Shari'ah-compliant and socially responsible manner ensures adherence to Islamic principles and aligns with the increasing demand for ethical and sustainable investments in the global market.

Exploring cash holdings in Shari'ah-compliant corporations is vital for various reasons, each reflecting these corporations' unique financial landscape. The following are the reasons:

Unique financial principles: Shari'ah-compliant corporations follow Islamic laws prohibiting interest (riba) and emphasizing ethical and social responsibilities (Uddin, 2015; Cerimagic, 2010). This unique framework can lead to different financial practices compared to non-Shari'ah-compliant corporations, particularly regarding liquidity management, investment, and financing decisions. Understanding how these principles affect cash holdings can provide insights into the financial behavior of these corporations.

Risk management: Due to the restrictions on speculative behavior and the emphasis on asset-backing in transactions, Shari'ah-compliant corporations might adopt different strategies for managing financial risks, which can influence their liquidity buffers (Jedidia, 2020). Studying cash holdings can shed light on these risk management practices.

Corporate governance and transparency: Shari'ah compliance requires adherence to specific governance practices, including higher transparency and stakeholder responsibility (Alkhamees, 2013). How these requirements impact cash management and holdings can be an essential study area, potentially highlighting the effects of strong governance and ethical mandates on financial practices.

Global financial stability: The Islamic finance industry has grown globally, with Shari'ah-compliant financial assets increasing significantly (Khattak and Khan, 2023). Understanding cash holdings in this sector is crucial because it can have implications for financial stability, especially during economic downturns, given these firms' distinct operating models.

Economic growth and development: Many Shari'ah-compliant corporations operate within emerging markets, and their approach to finance can have broader implications for economic development. Studying their cash holdings practices can provide insights into how these corporations contribute to economic growth, especially in Muslim-majority countries.

While the past studies focused more on empirical studies on corporate cash holdings and Shari'ah compliance, no systematic literature review has been conducted. This study aims to fill that gap by providing a comprehensive review from quality sources and highlighting the current research trends in Shari'ah-compliant corporate cash holdings.

Assessing cash holdings in Shari'ah-compliant corporations contributes to a deeper understanding of these corporations' financial management practices and provides valuable insights to investors, regulators, and the broader economy. It bridges the gap between Islamic finance principles and conventional financial theory, contributing to more inclusive and comprehensive financial knowledge and practice.

The objectives of the study are outlined below to allow for a comprehensive examination of the topic. The objectives are as follows:

1. To synthesize existing literature on cash holdings in Shari'ah-compliant corporations and summarize key findings from existing research, highlighting common themes, methodologies, and outcomes.
2. To review and discuss the fundamental principles of Shari'ah compliance that influence corporate financial practices, specifically focusing on how they apply to decisions regarding cash holdings.
3. To analyze existing literature that compares Shari'ah-compliant corporations with their conventional counterparts, highlighting any significant differences or similarities in cash-holding strategies and the underlying reasons for these approaches.
4. To assess the existing literature, identifying gaps in research, methodological limitations, or areas where conflicting findings suggest the need for further study.

Based on the identified gaps and emerging trends in the literature, potential areas for future research that could contribute to a deeper understanding of cash management within the context of Shari'ah compliance are suggested.

This paper is structured as follows. The second section covers the development of theories regarding cash holdings and provides an overview of the relevant literature. The third section explains the review method utilized in this study. The fourth section includes the analysis and findings of the research on cash holdings, along with a discussion of the topic. Finally, the fifth section provides conclusions, limitations, and suggestions for future research.

Literature Review

In the 1930s, John Maynard Keynes pioneered the exploration of factors like income, interest rates, and economic expectations affecting money demand. His "liquidity preference" concept

emphasized holding liquid assets for transactions and precautionary needs (Keynes, 1936). These ideas shaped macroeconomics and modern models (Almeida et al., 2014).

This review traces the evolution of the cash holding theory, spotlighting key theories as showcased in Figure 1. Early theories, like the "transactions motive," proposed by Baumol (1952) and expanded by Miller and Orr (1966), suggest firms hold cash for daily needs. According to Baumol (1952), firms face a trade-off between the opportunity cost of holding cash, which is the foregone interest that could have been earned if the funds were invested elsewhere.

Next, Jensen and Meckling (1976) incorporated the agency theory, highlighting conflicts between managers and shareholders. Robust corporate governance may drive cash holdings as protection against agency problems because managers might hoard cash for control, necessitating its distribution to align interests (Hillman & Dalziel, 2003).

Other than that, Myers (1984) and Myers and Majluf (1984) formed the pecking order theory, which argued that firms have a natural hierarchy of financing sources and prefer using internal funds first (such as cash) before turning to external financing.

Then, Jensen (1986), through the free cash flow theory, contends that excess cash can fuel non-value-maximizing pursuits. This theory explains that conflicts can arise between shareholders and managers when managers decide to invest excess cash at a rate lower than the cost of capital or when they inefficiently manage the excess cash rather than distribute it for the benefit of the shareholders (Cleary, 2006).

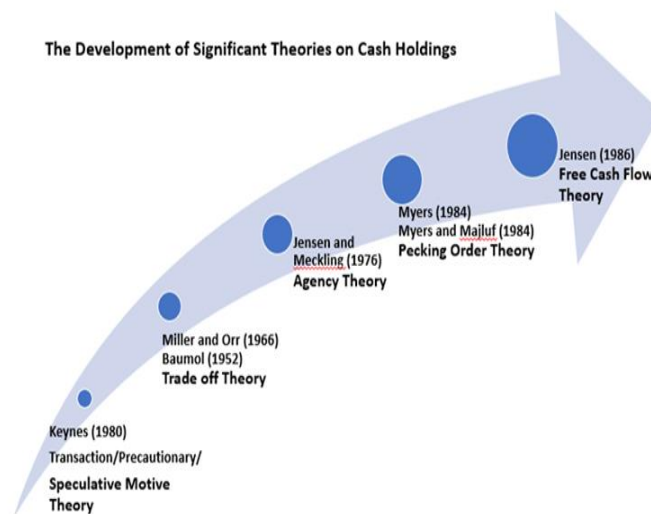


Figure 1: The development of significant theories on cash holdings

Source: Authors' contribution

Understanding cash-holding theories rationales remains crucial for policymakers, investors, and scholars. It informs macroeconomic policies investment decisions, and addresses agency conflicts. As cash holdings remain integral to corporate finance, further research is vital for comprehensive insights. These theories continue to shape economics, guiding policy and investment strategies. Recognizing the trade-offs, like lower returns from cash holdings, informs better decision-making.

Methods

This study utilized pertinent keywords to extract relevant literature. Specifically, the keywords string includes a Boolean search using the keywords “cash* holding*” AND “Shariah,” which used the wildcard (*) to broaden the search (Figure 2). Consequently, we search them in the (All Fields) menu (Searches all the searchable fields using one query). This allows the researchers to easily find the search terms in any field in the WoS database. The “All Fields” menu was chosen to provide a more comprehensive without a missing view of cash holding and Shariah concerns. This exercise yields a total of 12 documents published from the year 2020 to the year 2023.

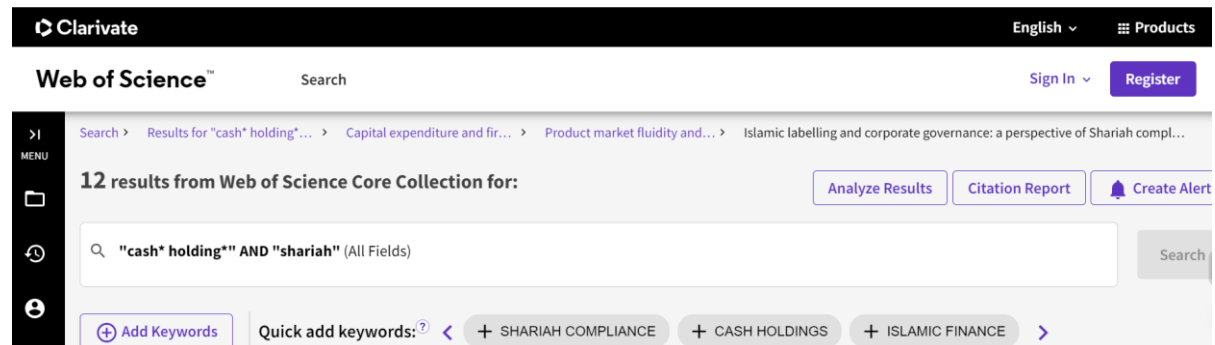


Figure 2: Keyword search of Cash Holding and Shari’ah
Source: Authors’ contribution from Web of Science Database

The WoS database was selected as the search engine for its comprehensive collection of high-quality, peer-reviewed articles and its reputation as a trusted resource for analyzing scientific publications (Khan et al., 2022; Merigó et al., 2015; Yan & Zhiping, 2023). Its outstanding track record for producing papers of the highest caliber is well-supported (Caputo et al., 2023), and it is widely recognized as one of the most dependable resources for indexing prestigious journals (Arezoo et al., 2013). Furthermore, it is no wonder that it is one of the most frequently used databases (Li et al., 2018; Zhu and Liu, 2020).

Scopus is a comprehensive bibliographic multidisciplinary database known for its extensive coverage of academic journals, prioritizing the inclusivity of scholarly content (Visser et al., 2021). This study used the keywords string including Boolean operator (search using the keywords “cash* holding*” AND “Shariah,” which used the wildcard (*) to broaden the search. This study searches within the Article title, Abstract, and Keywords (Figure 3) to provide a more relevant and comprehensive view of cash holding and Shari’ah concerns. This exercise yields a total of 10 documents published from the year 2020 to the year 2023.

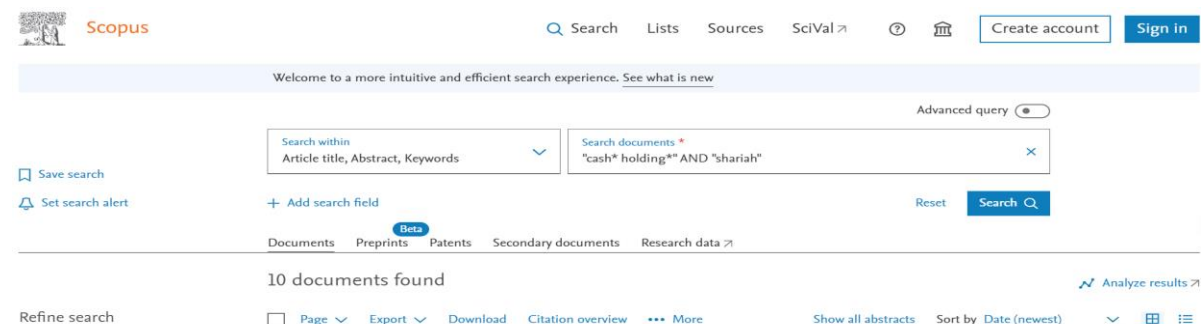


Figure 3: Keyword search of Cash Holding and Shari’ah
Source: Source: Authors’ contribution from Scopus Database

Sánchez et al. (2017) proposed merging databases of WOS and Scopus for more complete research due to their complementary features, as WOS provides greater coverage in years while Scopus includes a broader base of academic journals. Several researchers endorse the use of combined datasets from both databases to attain a thorough and credible outcome (Echchakoui, 2020). Therefore, this study utilized the two prestige databases, WOS and Scopus, to produce high-quality results.

Four methodology steps were identified in the study to synthesize the relevant articles related to cash holdings and Shari'ah-compliant corporations after applying exclusion and inclusion criteria. Figure 4 illustrates these steps.

Methodology Steps

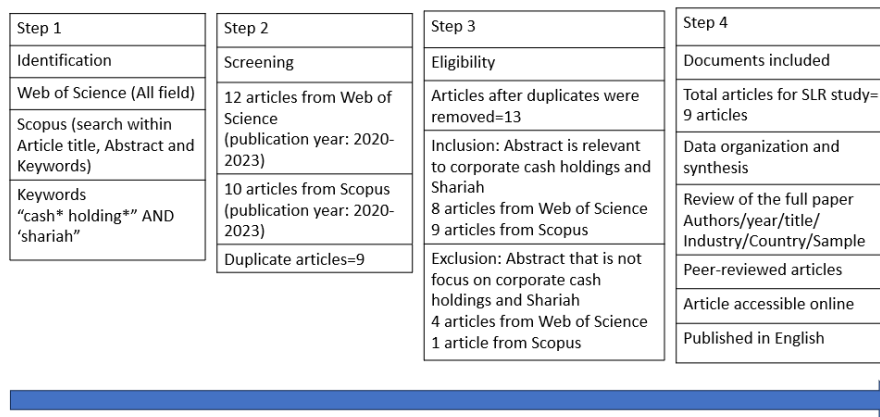


Figure 4: The steps of PRISMA for SLR studies on searching and synthesizing the articles
(Adapted from Moher et al., 2009; Shafril et al., 2019)

Findings

According to Table 1, as of October 31, 2023, a search was conducted in the Web of Science and Scopus database after removing the duplicate, which yielded 13 results related to the publication of cash holdings and Shari'ah-related corporations. The results indicate that Alnori began publishing on this topic in 2020, and other authors have continued to publish each year up until 2023. Most of the journals published were from Emerald publishers (10 out of 13) (77%), indicating it might be a leading publisher in this niche, and the most popular journal published under this topic is the Journal of Islamic Accounting and Business Research.

Table 1: Search results as of 31 October 2023

No.	Author(s)	Title	Journal	Publisher
1.	Alnori (2020)	Cash holdings: Do they boost or hurt firms' performance? Evidence from listed non-financial firms in Saudi Arabia	International Journal of Islamic and Middle Eastern Finance and Management	Emerald
2.	Farooq and Pashayev (2020)	Shari'ah compliance and information transmission:	Journal of Islamic Accounting and Business Research	Emerald

		evidence from an emerging market		
3.	Bugshan et al. (2021)	Shari'ah compliance and corporate cash holdings	Research in International Business and Finance	Elsevier
4.	Guizani and Abdalkarim (2021)	Does Shari'ah compliance affect corporate cash holdings and cash adjustment dynamics? Evidence from Malaysia	Pacific Accounting Review	Emerald
5.	Alnori et al.(2022)	The determinants of corporate cash holdings: evidence from Shari'ah-compliant and non-Shari'ah-compliant corporations	Managerial Finance	Emerald
6.	Talbi and Menchaoui (2023)	Impact of board attributes and managerial ownership on cash holdings: empirical evidence using GMM and quantile regressions	Corporate Governance-The International Journal of Business in Society	Emerald
7.	Tawfik and Elmaasrawy (2023)	Effect of Shari'ah compliance on financing decisions: empirical evidence from GCC	Journal of Islamic Accounting and Business Research	Emerald
8.	Alnori and Bugshan (2023)	Cash holdings and firm performance: empirical analysis from Shari'ah-compliant and conventional corporations	International Journal of Islamic and Middle Eastern Finance and Management	Emerald
9.	Ariff et al. (2023)	Corporate ESG performance, Shari'ah-compliant status and cash holdings	Journal of Islamic Accounting and Business Research	Emerald
10.	Guizani et al. (2023)	Economic policy uncertainty, geopolitical risk and cash holdings: evidence from Saudi Arabia	Arab Gulf Journal of Scientific Research	Emerald
11	Anwer et al. (2022)	Product market fluidity and religious constraints: evidence from the US market	Accounting and Finance	Wiley
12	Satt et al. (2022)	Capital expenditure and firm value in the MENA region: the role of market	Macroeconomics and Finance in Emerging Market Economies	Taylor & Francis

		competition and information asymmetry		
13	Ullah et al. (2023)	Islamic labelling and corporate governance: a perspective of Shari'ah compliance firms	Journal of Islamic Accounting and Business Research	Emerald

After extracting results from the Web of Science and Scopus database, the articles were filtered based on inclusion and exclusion criteria to obtain relevant abstracts related to corporate cash holdings and Shari'ah compliance. Then, the synthesis process was carried out as presented in Table 2. Synthesizing and systematizing previous research findings are vital tasks for research progress (Zupic and Cater, 2015). Nine articles have been synthesized, covering the years 2020 to 2023. These articles analyze samples from various databases, periods, and countries and employ multiple methods to arrive at their findings as shown in Table 2.

Table 2: Synthesize the literature related to corporate cash holdings and Shari'ah compliance

Author(s)	Sample	Period	Countries	Method	Findings
Alnori (2020)	129 listed non-financial firms	2005-2016 (12 years)	Saudi Arabia	Ordinary least squares(OLS) and generalized method of moments (GMM)	The findings show that higher cash reserves positively impact firm performance.
Bugshan et al. (2021)	Non-financial listed firms in six Gulf Cooperation	2005-2016 (12 years)	1) Kuwait 2) Saudi Arabia 3) United Arab Emirates 4) Oman 5) Bahrain 6) Qatar	OLS and GMM	Shari'ah-compliant firms have higher cash holdings than non-Shari'ah-compliant firms and adjust more quickly to their target cash holdings compared to conventional firms.
Guizani and Abdalkrim (2021)	178 Malaysian listed firm	2008–2017 (10 years)	Malaysia	OLS and GMM	The study reveals that Shariah compliance firms positively affect firms' cash reserves.
Alnori et al. (2022)	Non-financial listed firms in six Gulf Cooperation Council	2005-2019 (15 years)	1) Kuwait 2) Saudi Arabia, 3) United Arab Emirates 4) Oman	OLS	For Shari'ah-compliant firms, the key factors influencing cash holdings are leverage,

					5) Bahrain 6) Qatar		profitability, capital expenditure, net working capital, and operating cash flow. In contrast, for non-Shari'ah-compliant firms, the factors are leverage, networking capital, and operating cash flow.
Tawfik Elmaasrawy (2023)	and	206 financial corporations	non-	2012- 2019 (8 years)	1) Kuwait 2) Saudi Arabia 3) United Arab Emirates 4) Oman 5) Bahrain 6) Qatar	OLS, FEM, REM	The study found a negative effect of Shari'ah compliance on debt financing decisions.
Alnori Bugshan (2022)	and	Non-financial firms listed Cooperation Council (GCC) market		2005-2019 (15 years)	1) Kuwait 2) Saudi Arabia 3) United Arab Emirates 4) Oman 5) Bahrain 6) Qatar	FEM, REM and GMM	Cash holdings are positively related to Shari'ah-compliant firms' performance, indicating that these firms rely more on their cash reserves for financing, meeting business needs, and investing in profitable projects.
Ariff et al. (2023)		9,244 firms from 25 countries		2016-2020 (5 years)	1)Australia 2) Austria 3) Belgium 4) Canada 5) Hong Kong 6)Germany 7) Greece 8) India 9) Indonesia 10) Israel 11) Italy 12) Japan	FEM	Firms with better ESG performance tend to hold more cash, indicating a strategic link between higher ESG commitments and increased cash holding.

				13) Malaysia 14) Netherland 15)New Zealand 16) Norway 17)Philippines 18) Poland 19) Singapore 20) Sweden 21) Switzerland 22) Thailand 23) Turkey 24) UK 25) USA		
Talbi Menchauui (2023)	and	70 listed Saudi Arabia financial market	2006 - 2016 (11 years)	Saudi Arabia	GMM and quantile regression	The study revealed that corporate governance mechanisms in Saudi Arabia is inefficient, as factors like board size, board independence, duality, and managerial ownership positively influences cash holdings.
Guizani et al. (2023)		140 non-financial firms in Saudi stock market	2002–2019 (18 years)	Saudi Arabia	GMM	The study finds that the positive effect of economic policy uncertainty and geopolitical risk on cash holding is weaker in Shariah-compliant firms but stronger in financially constrained firms.

Discussion and Conclusion

The papers span from 2020 to 2023, indicating an ongoing interest in Shari'ah compliance, cash holdings, and corporate governance. The recent dates suggest that these issues are of contemporary relevance, possibly due to evolving financial markets, regulatory changes, or increased global interest in Islamic finance.

A common thread across most studies is the impact of Shari'ah compliance on financial decisions and performance. Shari'ah-compliant firms appear to have distinct behaviors and challenges, especially regarding cash management and financing options. A significant portion of these papers, which includes Ariff et al. (2023), Bugshan et al. (2021), Guizani and Abdalkrim (2021) and Tawfik and Elmaasrawy (2023), analyze the effects of Shari'ah compliance on various aspects of corporate financial management, particularly cash holdings.

Shari'ah-compliant firms follow Islamic law, which has specific guidelines on transactions and interests, influencing their financial strategies.

All studies analyze the aspect of cash holdings in corporations, particularly in the context of Shari'ah compliance. The level of cash reserves and their management is a central theme, indicating its importance in corporate finance and performance. Alnori et al. (2022) examine the determinants of corporate cash holdings and how these might differ between Shari'ah-compliant and non-compliant firms. Cash holdings are a vital aspect of corporate finance, affecting a firm's liquidity, risk, and investment capabilities.

Several studies examine how cash holdings or Shari'ah compliance influences corporate performance (Alnori, 2020; Alnori and Bugshan, 2023). Additionally, some papers delve into corporate governance, examining board attributes and ownership structures in the context of cash holdings (Talbi and Menchaoui, 2023; Ullah et al., 2023).

Geographical scope: The research predominantly focuses on regions with significant Muslim populations or Islamic finance sectors, such as the Middle East (Saudi Arabia, GCC countries), North Africa, Malaysia, and emerging markets. However, there is also a reference to the US market, indicating a growing interest in Islamic finance practices globally. Most studies focus on the GCC countries and Malaysia, regions known for their Islamic finance sectors. However, the study by Ariff et al. (2023) significantly broadens the geographical scope, including 25 countries from various continents, indicating a global interest in the intersection between ESG (Environmental, Social, and Governance) performance, Shari'ah compliance, and corporate finance.

Methodological approaches: Quantitative analyses dominate, with frequent use of regression models (OLS, GMM), fixed and random effects models, and t-tests. The use of dynamic models, particularly the generalized method of moments (GMM), is notable, as it accounts for potential endogeneity and works well with panel data. Data sources include stock market reports, company financial reports, and global databases like Thomson Reuters, indicating comprehensive and diverse data collection methods.

Here are the main discoveries we made during our research and some specific subthemes that we found particularly noteworthy. These key findings represent the most important takeaways from our investigation, and we believe they offer valuable insights into the subject matter. The key findings with subthemes are as follows:

Higher cash holdings in Shari'ah-compliant firms: Multiple studies (Alnori et al., 2022; Bugshan et al. 2021; Guizani and Abdalkrim, 2021) found that Shari'ah-compliant firms hold more cash than non-compliant firms. This may be due to the restrictions faced by Shari'ah-compliant firms, particularly regarding interest-bearing transactions, leading them to rely more on internal financing.

Quick adjustment to cash holding targets: Shari'ah-compliant firms appear to adjust their cash holdings more rapidly to reach target levels, suggesting efficient cash management dynamics within the constraints of Shari'ah compliance (Guizani and Abdalkrim, 2021; Bugshan et al., 2021).

Influence of corporate governance: Talbi and Menchaoui (2023) found that certain corporate governance factors (board size, independence, duality, managerial ownership) are positively associated with cash holdings in Saudi firms, suggesting governance structures may influence financial strategies.

ESG performance: Ariff et al. (2023) discovered a positive relationship between firms' ESG performance and cash holdings, stronger in Shari'ah-compliant firms. This suggests that corporations with higher commitments to environmental, social, and governance factors prefer to maintain higher levels of liquidity.

External financing constraints: Tawfik and Elmaasrawy (2023) observed that Shari'ah compliance negatively affects debt financing and dividend policies, confirming that Shari'ah-compliant firms face unique challenges in accessing external funds, thus relying more on internal funds like cash holdings and retained earnings.

Implications and trends: The consistent finding across multiple studies that Shari'ah-compliant firms hold more cash and adjust their holdings efficiently suggests a fundamental difference in how these firms operate financially, driven by the principles of Islamic finance.

Several gaps in the existing literature are evident, including a lack of studies examining the impact of specific Shari'ah compliance criteria on cash holdings and the need for incorporating ESG factors in the financial decision making of Shariah compliant firms. Furthermore, conflicting results in the literature on cash holdings underscore the necessity for further investigation to reconcile these differences and understand underlying causes. The impact of ESG performance on cash holdings, especially in Shari'ah-compliant firms, points to an intersection between sustainable business practices and Islamic finance principles. This could be an area of growing interest and importance globally.

Theoretical Implications

Examining cash holdings in Shari'ah-compliant corporations can enrich the existing body of knowledge by integrating Islamic finance principles with compatible contemporary financial theories. This can lead to developing new approaches or adapting existing ones, contributing to academic scholarship and financial management standards.

Practical and Social Implications

Investors looking to diversify their portfolios might be interested in Shari'ah-compliant corporations due to their ethical stance and different risk profiles (Lusyana and Sherif 2017). Knowledge about cash holdings in these corporations can inform investment decisions, especially for investors seeking socially responsible or ethical investment opportunities.

Limitations and Suggestions for Future Research

The studies span four years, from 2020 to 2023, the most recent being from 2023, indicating that these topics are of ongoing interest and relevance in finance. The evolving nature of global finance, including aspects of sustainability and compliance with religious guidelines, seems to be shaping corporate strategies.

While this study has endeavored to provide a review examination of the topic, it is important to acknowledge its limitations. A primary constraint pertains to the exclusive reliance on the Web of Science and Scopus database for data collection. As a result, some relevant studies and literature that might be available in other databases could have been overlooked, potentially limiting the breadth and depth of our analysis. Future research would benefit from expanding the scope by incorporating multiple databases, offering a more holistic view and ensuring the inclusivity of diverse research contributions from various sources.

This analysis synthesizes the key themes, methodologies, findings, and implications of the studies listed in the table. However, a more exhaustive review would involve a thorough reading of each paper to understand each study's nuances and specific contexts. While the table provides a robust list of literature on the subject, it would be essential to identify any research gaps left unaddressed by these papers. For instance, could other geographical regions or different sectors (beyond non-financial firms) be studied? How do these principles apply during economic downturns or booms? Could a comparative study exist between different religions' financial guidelines and corporate management?

Additionally, exploring the impact of global trends, such as digitalization, cryptocurrency, and market shifts, on Shari'ah-compliant financial practices and cash holdings could be an interesting direction for future research. Integrating ESG factors with traditional financial performance metrics is another potential area for deeper exploration.

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