



A STUDY ON SHARIAH FINANCES AVAILABLE FOR MUSLIM SALARIED PEOPLE BASED ON QURAN PRINCIPLES

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ABSTRACT

Shariah Finance is established by a very surprising perspective and moral establishment, Islam emphatically shares the worries towards social, moral and natural issues, and the consolidation of such worries in Islamic venture will carry the business to another stature and draw nearer to the glorified yearning of Islamic financial aspects. By the by, the feasibility of such venture approach will at last rely upon the great acknowledgment of the thought among speculators. Thusly, the fundamental goal of this paper is to examine the insight fair and square of significance financial specialists joined to social obligation measurement in Shariah Finance and to investigate the components that impact this. The article begins by surveying the Shariah Finance industry, the common idea of consenting to the fiqh directives (when contrasted with its soul and objective), and the possibility of fusing more extensive parts of social obligation in the venture cycle in accordance with the experience of Socially Responsible Investment.

Shariah Finance rehearses remember the forbiddance for all exercises and exchanges including the components of riba' (interest), gharar (over the top vulnerability), maysir (betting) and any remaining sorts of exercises and exchanges which are viewed as exploitative or unsafe as considered by the Shariah. Such disallowances essentially eliminate areas like ordinary banking and protection, gaming, liquor, non-halal meat creation, tobacco, amusement, weapon and hereditary biotechnology from the Shariah endorsed investable universe. Essentially, ordinarily

organized monetary items, for example, bonds, subsidiaries just as unreasonably theoretical exchanges are likewise considered as Shariah hostile. Muslims ought to contribute their pay appropriately to the Shariah boundaries, which should be carefully seen in the speculation cycle. Muslim speculators required a premium free monetary market and as an impact of this need Islamic monetary market arose as a scholarly order receiving Shariah based monetary procedures for application in the Islamic monetary market.

Key words: Shariah Finance, Shariah Investment, Quran principles, Avenues, Muslim salaried people

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1. INTRODUCTION

Around the world, Islamic money is assessed to be worth about \$350 billion, developing at 20% every year. With this development, the requirement for Shariah agreeable monetary items has additionally expanded. The items contributions are like ordinary financial items; anyway the primary contrast is that the assets gathered are not to aggregate/paying revenue or put resources into any negative organizations that hurt profound quality of the general public. The essential standard of Islamic banking is the restriction of premium.

India with a 15% Muslim populace, the most noteworthy in the non-Islamic nation and the third most noteworthy on the planet is gradually turning out to be cutting edge of Islamic financial activities. It has profited the Indian economy by drawing in speculations from the money rich Middle Eastern economies watching out for new venture objections. A developing Indian economy has made enormous interests among Islamic countries. Five Indian organizations, Reliance businesses, Infosys advances, Wipro, Tata Motors and Satyam PC administrations figure in the Standard and Poor's BRIC Shariah Index. While Shariah agreeable speculation roads are currently opening up in the vast majority of the nations, India is yet to see huge scope improvement. To measure the extent of Islamic venture openings in the Indian financial exchange, it is basic to look at stocks that adjust to Islamic Shariah standards "Out of 6,000 BSE recorded organizations, around 4,200 are Shariah consistent. The market capitalization of these stocks represents around 61% of the all-out market capitalization of organizations recorded on BSE. This figure is higher in any event, when contrasted and various overwhelmingly Islamic nations, for example, Malaysia, Pakistan and Bahrain. Indeed, the development in the market capitalization of these stocks was greater than that of the non-Shariah consistent stocks.

The product, medications and drugs and vehicle ancillaries' area were the biggest areas among the Shariah agreeable stocks. They comprise about 36% of the all-out Shariah consistent stocks on NSE. Further on inspecting the BSE 500 the market capitalization of the 321 Shariah consistent organizations floated somewhere in the range of 48% and half of the all-out BSE 500 market capitalization.

In Islam, interest underway and utilization is guided by exacting moral codes and Shariah laws. Shariah is a Divine Law which oversees the functional part of a Muslim's everyday life. In trade, it can decide business style and demonstrate a craving to conform to 'halal' (legitimate) and moral contributing. Islamic contributing is developing quickly as an elective speculation class for all financial specialists, both Muslim and non-Muslim, for its establishment in moral strategic approaches, social duty and monetary traditionalism.

Muslims are not allowed to put resources into creation, circulation and utilization endeavors associated with liquor, pork, betting, illicit medications, and so on, despite the fact that these ventures might be beneficial. Giving financing to such exercises is illicit in Islam. Subsequently, it is taboo for an Islamic bank to back exercises or things that are not allowed by the Shariah. The restriction of speculation and financing is reached out to cover any movement or business which might be hurtful to the individual or the general public. In this manner, financing venture for the creation or utilization of tobacco, liquor or sexual entertainment is additionally restricted. This limitation gives impediment on the productivity of the Islamic banks. Then again, customary banks don't confront any such requirement in their financing speculations. Fixed revenue based ventures like the saving bank store, Bank FDR; Postal reserve funds, Debentures, Bonds and so forth are not allowed in Islam and accordingly Muslims remain to miss out from exploiting in this market and their capital gets exhausted throughout some undefined time frame. Consequently, interests in stocks (The Shariah way) are a far superior choice accessible to the Muslims. The principal choice accessible for them is Investment in Real home/properties. Despite the fact that it is admissible in Islam, it has characteristic and its own inconveniences over values. The subsequent choice accessible for venture is Precious metals (gold, silver, platinum) speculations, which are allowed in Islam. Be that as it may, from the perspective of financial matters and profit for ventures, these valuable metals can at the best beat the expansion and since they are around the world exchanged with costs being influenced by worldwide interest and supply, the cost and worth doesn't mirror the monetary development of the country. Thus, as a rule, it fails to meet expectations the homegrown economy development. Since the Indian economy is on a drawn out development way, Muslims are proposed to put resources into Shariah agreeable stocks.

2. LITERATURE REVIEW

A literature review of writing is a book of insightful papers, articles which incorporates the status of information on the examination region including meaningful discoveries just as hypothetical and methodological commitments in the investigation. This audit of writing manages past investigations led regarding the matter, to create understanding in the region, broad survey of writing was completed by the analyst. All the segments of the examination have gone through slow change and advanced at present level. The investigation is directed in the field of Islamic monetary arranging of Muslim salaried individuals and important writing is audited to discover the hole in the writing and appropriately outlines the issues, speculation and targets for the exploration study.

Imam and Kpodar (2013) presumed that in the assurance of Islamic bank development around the globe, the financing costs were found to negatively affect banking choice, and the nature of organizations was not discovered to be a huge determinant. Notwithstanding, different financial specialists, for example, non-Muslim do as such for the advantages they infer, including more prominent solidness of profits, straightforwardness and enhancement.

Iqbal and Mirakhor (2007) have expressed that, In Islamic account, a market is dependent upon Shariah limitation where the market is liberated from disallowed exercises and components, for example, riba (usury), maysir (betting), gharar (equivocalness), and other denied exercises like tobacco, liquor, etc. To depict the Islamic guideline in detail, riba (Interest) in fact is characterized as the "exceptional" which ought to be paid by the borrower to the moneylender along with the chief sum as a condition in the agreement of the credit or for an augmentation in the length of advance".

Aggarwal and Yousef (2000) inspected that monetary instruments utilized by Islamic and they found that Islamic banks infrequently offer long haul financing to business people looking

for capital. Most of the Islamic banks' monetary exchanges are towards retail or exchange financing, and their model recommends that it was a sane reaction for the banks.

Rehman (2008) states that the sharing of benefit and misfortunes emerging out of any lawful Shariah consistent business, Islamic exchange should be resource sponsored, as cash itself has no characteristic worth, and speculation ought to be in those organizations which are not disallowed by Shariah.

Khan (1997) inspected that Islamic and traditional money have significant contrasts in their tendency from the perspective of their root and from a legitimate point of view. Be that as it may, in the field of task account there are a few purposes of intermingling also. Likenesses exist between the field of venture financing and old style Islamic financing methods. These likenesses emerge from the applied premise and nature of venture account.

Wilson et al, (2004) states that Islamic venture rehearses which likewise appropriate in the entirety of the sub-area of Islamic account, lies on the moral standards encapsulated in the Shariah (Islamic lawful and moral framework), where its hidden goal are by and large pointed toward acknowledging generally speaking human prosperity and social equity. A portion of the remarkable Shariah directives carefully saw in Islamic speculation rehearses remember the preclusion for all exercises and exchanges including the components of riba' (interest), gharar (over the top vulnerability), maysir (betting) and any remaining sorts of exercises and exchanges which are viewed as deceptive or unsafe as considered by the Shariah. Such disallowances essentially eliminate areas like traditional banking and protection, gaming, liquor, non-halal meat creation, tobacco, diversion, weapon and hereditary biotechnology from the Shariah endorsed investable universe. Essentially, routinely organized monetary items, for example, bonds, subordinates just as exorbitantly theoretical exchanges are additionally considered as Shariah offensive.

Zangeneh and Salam (1993) states that Islamic speculations are more likened to value financing. The Islamic banks are fit for facing monetary challenge. Islamic banks are not obliged to give fixed re-visitation of their contributors and general loan bosses. The leasers, investors and contributors share and partake in the bank's business. Accordingly, if incase, there is a misfortune in Islamic banks, Islamic banks will have the option to impart this misfortune to their contributors and investors.

Chapra (2007) analyzed that Islamic ventures are not engaged with hazard exchange, garbage securities, metropolitan bonds, money choices, trades, call/put alternatives, mix or spread of choices, future exchanging, forward agreements, short selling credit default trades, theoretical protection guaranteeing, subprime advances, obligation trades, CDOs, exorbitant utilizing and so forth

Al-Sultan (1999) broke down that the venture conduct of 300 and 85 Muslim speculators in Kuwait towards the administrations of the Kuwait Finance House a premium free bank. The significant discoveries were that Muslim financial specialists favored the Islamic bank administrations due to strict feelings.

Karim (1996) states that Islamic speculation depends on standard of benefit and misfortune sharing. The benefit and misfortune sharing guideline permits the monetary organizations to acquire a profit for contributed reserves, given that the monetary foundations share the danger of venture and causes the misfortune if the speculation comes up short.

Ghosh (2013) states that it is the obligation of each muslim financial specialist to discover Shariah based speculations that conform to the principles and guidelines depicted in the Quran. The primary advantage of Shariah based venture is that it propels individuals to put resources into a socially mindful way. They are prescribed to try not to put resources into those businesses that advance liquor, smoking, sexual entertainment, etc. It is additionally against the Shariah

rules, to put resources into organizations that begin their benefit essentially from premium, club and betting, pork, supporting in silver and gold, common protection and monetary administrations that produce their pay from interest.

Yusuf Talal Delorenzo et al (2002) they presented the hypothetical structure for Islamic Financial venture dependent on 'Shariah' standards. Each movement of a Muslim's life is represented by 'Shariah' rules that are legitimate (halal) and unlawful (haram). The 'Shariah' perspective, cash all alone may not produce benefit. Pay may create benefit just when it is joined with such a danger or risk inalienable in monetary organizations and business ventures. The addition from capital is connected with benefits as well as with the chance of misfortunes. This is the motivation behind why the 'interest' is precluded by the religion.

Kamal (2012) states that Islamic speculations face pace of return hazard because of the changes in microeconomic conditions. Islamic venture could encounter more noteworthy variances and unpredictability in pace of return hazard because of restricted item decisions and prefixed pay, which are missing in ordinary speculation. Besides, resource classes inside Islamic venture are not effortlessly changed over to money and might be dependent upon product value hazard, as a portion of these resources don't have prepared or profound optional business sectors (sukuk—Islamic securities) and, in that capacity, should be held until development.

2. OBJECTIVES OF THE STUDY

To study the Islamic investment avenues available for Muslim salaried people based on Quran principles.

2.1. Problems of the Study

It is quite evident that Muslim salaried people before taking investment decision they screen the do and don't of the investment opportunity from the principles of Quran.

2.2. Hypothesis of the Study

Null Hypothesis (H₀): Quran principles are not significantly affecting the investment decision of Muslim salaried people.

Alternative Hypothesis (H₁): Quran principles are significantly affecting the investment decision of Muslim salaried people.

3. RESEARCH METHODOLOGY

"Research design is the applied structure inside which exploration is directed. Exploration configuration shows the blue print for the assortment, estimation and examination of information. The plan incorporates a diagram of what the scientist plans and casings the examination work. It clarifies how tests are chosen, test size decided, how information is gathered and which factual techniques are utilized for information investigation".

Quantitative examination approach is being utilized for the investigation as a quantitative exploration empowers the specialist to analyze affiliation and contrasts among the factors. To complete examination adequately, Data is gathered from essential sources and optional sources.

Universe of the study: The study covers all the 52 railway station areas of Mumbai city dealing with Western line, Central line and Harbour line.

Sample of the study: To assess the quality of the study, the universe mentioned above is not possible for an individual to reach all areas of Mumbai city. Therefore, within Mumbai city there are 52 railway station areas, the researcher has purposely selected 40% of Western line, Central line and Harbour line viz. 20 areas for the research study. The researcher collects the

filled questionnaire from 400 respondents including female/ male Muslim Financial planner in order to know the behavior of Muslims in Islamic financial planning and management. This research design fulfills the sample size determination suggested by R.V. Krejcie and D.W. Morgan.

4. DATA COLLECTION

Primary data collection involved Mumbai city, there are 52 railway station areas, the researcher has purposely selected 40% of Western line, Central line and Harbour line viz. 20 areas for the conducting the study. The researcher collects the filled questionnaire from female/ male Muslim salaried people from selected railway station, colleges, schools and companies. The researcher also visits to all Muslim minority institutions. The survey enumerators facilitated 20 respondents from each of the 20 areas selected of the Mumbai city in completing the questionnaire.

Table 1 Demographic Description of the Respondents

Demographic Variable	Demographic Categories	Number	(%)
Area	Western line	200	50
	Central line	140	35
	Harbour line	60	15
Gender	Female	152	38
	Male	248	62
Age	Less than 20years	4	1.0
	20-30years	112	28
	31-40years	174	43.5
	41-60years	110	27.5
Education	Graduation	208	52.0
	Post-graduation	129	32.3
	Professional	63	15.8
Occupation	Private	82	20.5
	Public	68	17
	Profession	250	62.5
Annual Income (in INR)	Less than 2 lakh	12	3.0
	2-3.5 lakh	88	22.0
	3.5 -5 lakh	285	71.3
	5 lakh and above	15	3.8
Annual Savings (in INR)	Less than 10,000	78	19.5
	10, 000-20,000	82	20.5
	20, 000-40,000	209	52.3
	40,000 and above	31	7.8
Savings Objective	Children's education	129	32.3
	Retirement	19	4.8
	Home purchase	180	45
	Children's Marriage	17	4.3
	Health care	52	13
	Others	3	.8

5. ANALYSIS AND RESULTS

In the present study researcher used this analysis for hypothesis testing. For testing the hypothesis or test of significance, following tests are performed.

- i) 'z' test for two independent samples at 95% confidence level.
- ii) **Kolmogorov-Smirnov** test for two independent samples at 95% confidence level.

For analysis researcher used statistical package SPSS version 21. In addition to this, excel add-in Mega Stat is also used. Depending upon the type of data statistical methods are chosen. Statistical analysis is categorized as descriptive analysis and inferential analysis, which is often known as statistical analysis.

The value of the test-statistic is

$$X^2 = \sum_{i=1}^n \frac{(O_i - E_i)^2}{E_i}$$

where

χ^2 = Pearson's cumulative test statistic,

O_i = an observed frequency;

E_i = an expected (theoretical) frequency, asserted by the null hypothesis;

n = the number of cells in the table.

Table 2 Descriptive statistics parameters related to problems and difficulties faced by Muslim salaried people towards investment in present scenario.

	Statistical tools	Shariah rules forbid you from making investment in conventional financial market.	Large family size is the biggest obstacle of Muslim salaried people in the path of investment.	Lack of awareness is the biggest obstacle of Muslim salaried people in the path of investment.	Inflation is the biggest obstacle of Muslim salaried people in the path of investment.
N	Valid	400	400	400	400
	Missing	0	0	0	0
	Mean	2.50	1.74	3.77	2.98
	Median	2.00	1.00	4.00	3.00
	Mode	2	1	4	3
	Std. Deviation	1.069	1.085	.813	.635

Interpretation:

From the above table it is observed that

1. Mean value related to statement that Shariah rules forbid you from making investment in conventional financial market is 2.50 with low standard deviation value 1.069 indicates that most of the respondents agree with this statement. Median value 2 and Modal value 2 support this. Hence we may infer that Shariah rules forbid you from making investment in conventional financial market.

2. Mean value related to statement that large family size is the biggest obstacle of Muslim salaried people in the path of investment is 1.74 with low standard deviation value 1.085 indicates that most of the respondents agree with this statement. Median value 1 and Modal value 1 support this. Hence we may infer that large family size is the biggest obstacle of Muslim salaried people in the path of investment.

3. Mean value related to statement that lack of awareness is the biggest obstacle of Muslim salaried people in the path of investment is 3.77 with low standard deviation value 0.183 indicates that most of the respondents agree with this statement. Median value 4 and Modal

value 4 support this. Hence we may infer that lack of awareness is the biggest obstacle of Muslim salaried people in the path of investment.

4. Mean value related to statement that Inflation is the biggest obstacle of Muslim salaried people in the path of investment is 2.98 with low standard deviation value 0.635 indicates that most of the respondents agree with this statement. Median value 3 and Modal value 3 support this. Hence we may infer that Inflation is the biggest obstacle of Muslim salaried people in the path of investment.

Table 3: Descriptive statistics parameters related to problems and difficulties faced by Muslim salaried people towards investment in present scenario.

	Statistical tools	Traditional belief is the biggest obstacle of Muslim salaried people in the path of investment.	Muslim salaried people face more inflation as compare to non-Muslim salaried people.	In present scenario Muslim salaried people faces more problems and difficulties towards investment opportunities.
N	Valid	400	400	400
	Missing	0	0	0
	Mean	1.91	1.89	2.02
	Median	2.00	2.00	1.00
	Mode	2	1	1
	Std. Deviation	.764	.919	1.315

Interpretation:

From the above table it is observed that

1. Mean value related to statement that traditional belief is the biggest obstacle of Muslim salaried people in the path of investment is 1.91 with low standard deviation value 0.764 indicates that most of the respondents agree with this statement. Median value 2 and Modal value 2 support this. Hence we may infer that traditional belief is the biggest obstacle of Muslim salaried people in the path of investment.

2. Mean value related to statement that Muslim salaried people face more inflation as compare to non-Muslim salaried people is 1.89 with low standard deviation value 0.919 indicates that most of the respondents agree with this statement. Median value 2 and Modal value 1 support this. Hence we may infer that Muslim salaried people face more inflation as compare to non-Muslim salaried people.

3. Mean value related to statement that in present scenario Muslim salaried people faces more problems and difficulties towards investment opportunities is 2.02 with low standard deviation value 1.315 indicates that most of the respondents agree with this statement. Median value 1 and Modal value 1 support this. Hence we may infer that in present scenario Muslim salaried people faces more problems and difficulties towards investment opportunities.

For testing above hypotheses we compare median rating scores with score 3 (which gives positive agreement opinion rating score).

5.1. Tests of Normality

Before selecting statistical test we test normality of data as follows:

We use **Kolmogorov-Smirnov** test for testing normality and results of which are tabulated below

Table 4 Tests of Normality- Kolmogorov-Smirnov

	Kolmogorov-Smirnov ^a		
	Statistic	df	Sig.
effect of Quran principles on the investment decision of Muslim salaried people.	0.151	400	0.000

Observations and Interpretations

From the above table it is observed that significant p value 0.000 for k-s tests is less than 0.05 clearly indicates that data for different characteristics related to effect of Quran principles on the investment decision of Muslim salaried people is not normal. Hence we use non parametric one sample sign test for testing significance of different characteristics related to effect of Quran principles on the investment decision of Muslim salaried people.

One sample sign test:

To test above null hypothesis we use one sample sign test with hypothesized mean value 3

Table 5: One sample nonparametric sign test of median vs hypothesized score 3 for effect of Quran principles on the investment decision of Muslim salaried people

	Median score	Sample size	Calculated ‘z’ value (one tailed, upper)	Significant P value
Hypothesized scores different characteristics related to effect of Quran principles on the investment decision of Muslim salaried people.	$\mu_0 = 3.0$	n= 390	z = 18.48	p =0.000
Observed Mean rating scores for different characteristics related to effect of Quran principles on the investment decision of Muslim salaried people.	M= 4.4			
Critical z values:				
1. At 5% level of significance the corresponding z value is 1.645				
2. At 1% level of significance the corresponding z value is 2.326				

Observation:

From the above table it is observed that ‘z’ value for null hypothesis is 19.50 which is greater than +1.645 (also greater than +2.326). Also p value is 0.0000 which is less than 0.01. Hence we reject null hypothesis at 5% & 1% level of significance.

Interpretation:

On the basis of above data it can be inferred that Median rating scores for different characteristics related to effect of Quran principles on the investment decision of Muslim salaried people is greater than or equal to 3.

5.2. Findings

Quran principles are significantly affecting the investment decision of Muslim salaried people.

6. DISCUSSION AND FINDINGS

1. Out of total 400 respondents, (86.8%) are either strongly agree or agree with the statement that Shariah principles are mandatory for making investment decision and (5.8%) of respondents are either strongly disagree or disagree.

2. Out of total 400 respondents, (73.8%) are either strongly agree or agree with the statement that Shariah based investment products is given better returns to Muslim salaried people and (26.3%) of respondents are either strongly disagree or disagree.

3. Out of total 400 respondents, (71.8%) are either strongly agree or agree with the statement that Investment schemes prepared as per Shariah rules is a profitable venture in India and (3.5%) of respondents are either strongly disagree or disagree.

4. Out of total 400 respondents, (78.8%) are either strongly agree or agree with the statement that Investment strategies framed as per Shariah rules is given better returns to Muslim salaried people and (8%) of respondents are either strongly disagree or disagree.

5. Out of total 400 respondents, (48.6%) are either strongly agree or agree with the statement that Shariah based investment is the faith based investment for Muslim salaried people and (47.3%) of respondents are either strongly disagree or disagree.

6. Out of total 400 respondents, (72.8%) are either strongly agree or agree with the statement that Muslim salaried people are getting better return from making investment in Shariah based investment products and only (5%) of respondents are either strongly disagree or disagree.

7. Out of total 400 respondents, (68%) are either strongly agree or agree with the statement that Shariah rules based investment products are available in Indian financial market and only (6.3%) of respondents are either strongly disagree or disagree.

8. Out of total 400 respondents, (96.8%) are either strongly agree or agree with the statement that Screening the do and don't of the investment opportunities is necessary before making investment decision and only (3.3%) of respondents are either strongly disagree or disagree.

9. Out of total 400 respondents, Only 76(19%) of respondents investing their money in non-Shariah based investment product and under that only 82(20.5%) of respondents investing their money in Entertainment.

10. Out of total 400 respondents, 365(91.3%) of respondents have awareness of Shariah rules which governing the investment opportunities and 33(8.3%) do not have Shariah awareness regarding that.

11. Out of total 400 respondents, 291(72.8%) of respondents following Quran principle of prohibition of interest before making interest, 60(15%) of respondents following Quran principle of Profit and loss sharing, 8(2%) following Quran principles of Absence of speculation, 3(0.8%) of respondents following Quran principle of Derivation of money on money, 38(9.5%) of respondents following Quran principle of Avoidance of unlawful activities.

12. Out of total 400 respondents, 346(86.5%) of respondents always considering Quran principles of Prohibition of interest before making investment decision and 9(2.3%) of respondents never considering Quran principles of Prohibition of interest.

13. Out of total 400 respondents, 162(40.5%) of respondents always considering Quran principles of Profit and loss sharing before making investment decision and 6(1.5%) of respondents never considering Quran principles of Profit and loss sharing.

14. Out of total 400 respondents, 191(47.8%) of respondents always considering Quran principles of Absence of speculation and gambling before making investment decision and 22(5.5%) of respondents never considering Quran principles of Absence of speculation and gambling.

15. 206(51.5%) of respondents always considering Quran principles of Derivation of money on money before making investment decision and 19(4.8%) of respondents never considering Quran principles of Derivation of money on money.

16. 363(90.8%) of respondents always considering Quran principles of Avoidance of unlawful (haram) activities before making investment decision and 8(2%) of respondents never considering Quran principles of Avoidance of unlawful (haram) activities before making investment decision.

Hence from the above findings it is revealed that “*Quran Principles is necessary for making investment decision in Islamic financial market*”.

7. CONCLUSION

The Shariah Finances faces various difficulties. To start with, they have not yet been fruitful in formulating a without interest instrument to put their assets on a momentary premise. They face a similar issue in financing customer advances and government shortfalls. Second, the danger associated with benefit sharing is by all accounts so high that the vast majority of the banks have turned to those strategies of financing which present to them a fixed guaranteed return. Therefore, there is a great deal of real analysis that these banks have not annulled revenue yet have indeed just changed the terminology of their exchanges. Third, the Shariah Finance doesn't have the legitimate help of national banks of their particular nations, which opens them to extraordinary dangers. Fourth, the Sharaih Finance don't have the essential mastery and prepared labor to assess, screen, assess and review the ventures they are needed to fund. Accordingly, they can't extend regardless of having abundance liquidity. The eventual fate of Islamic speculation pivots, overall, on their capacity to locate a feasible choice to intrigue for financing a wide range of credits. They ought to perceive that their accomplishment in nullifying interest has been in any event fractional and they still can't seem to go far as they continued looking for a good choice to intrigue. All the while, Islamic venture needs to improve their administrative capacities via preparing their work force in task examination, observing, assessment and execution evaluating. Additionally, the fate of Islamic speculation likewise relies upon forming and incorporating such bookkeeping norms which give ideal and dependable data of the sort that the Islamic venture would need revenue driven sharing, lease sharing or for cost-in addition to financing. These guidelines are yet to be created. The Shariah Finance would need to make a solid effort to seek after their customers to acknowledge these principles with the goal that a dependable data base is set up.

The development and development of the Shariah account industry is a wonder that has created impressive interest in the monetary world as of late. Given its capacity to offer inventive monetary answers for an under-served market, it is viewed as a socially dependable, religious financial specialty with impressive development potential. In the Muslim world and progressively in the West, critical fragments of the institutional and retail showcases are progressively picking Islamic account for their financing and speculation needs. Today, in excess of 500 Islamic monetary foundations are working all through the world. Western banks are additionally doing Islamic banking, through their Islamic units in the UK, Germany, Switzerland, Luxembourg and different nations.

SCOPE FOR FURTHER STUDIES

Researcher has tried to evaluate the impact of Islamic financial planning on the investment behavior of Muslims such as investment in Shariah product, Awareness of Shariah rules and Quran principles, Shariah investment advice, Investment pattern and Savings pattern of Muslims, Investment objective and Financial literacy knowledge of Muslims. Further study can be conducted with reference to its impact on stock market performance, banking sector, growth rate, wealth creation and such other parameters.

LIMITATIONS OF THE STUDY

The geographical limitation of the primary data collection is confined to Mumbai city only. Respondents' opinion can be biased.

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