



Akhuwat Islamic Microfinance and Beneficiaries' Standard of Living: A Qualitative Study

Muhammad Sajjad Babar¹ & Farhan Navid Yousaf²

¹PhD Scholar at Institute of Social and Cultural Studies (ISCS), University of the Punjab

²Professor Doctor at Institute of Social and Cultural Studies (ISCS), University of the Punjab

ABSTRACT

Article History:

Received:	Aug	18, 2023
Revised:	Sep	12, 2023
Accepted:	Sept	29, 2023
Available Online:	Dec	30, 2023

Keywords: Islamic Microfinance, Poverty Reduction, Standard of Living.

Funding:

This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

Islamic Microfinance is considered to be an effective tool for poverty reduction as well as financial inclusion for impoverished. This research analyzes the role of interest free loan on standard of living of beneficiaries of Akhuwat Islamic microfinance. The qualitative research design was employed in order to conduct the present research. Total 60 respondents from three regions (North, Central, and South Punjab) were selected for the current study by using purposive sampling. The in-depth interviews were conducted on the sampled beneficiaries for the purpose of collection of data by using semi-structured interview guide. The data were analyzed by using thematic analysis. The results showed that beneficiaries' overall standard of living was improved due to utilization of interest free loan in purposeful income generating activity. Moreover, the originality of this study may contribute to the body of knowledge that has implications for academicians, practitioners, and policy makers. The findings underscore the practical significance of interest-free financing in uplifting livelihoods, offering valuable implications for academia, practitioners, and policy formulation within the microfinance landscape.

© 2022 The Authors, Published by CISSMP. This is an Open Access article under the Creative Common Attribution Non-Commercial 4.0

Corresponding Author's Email: msbabar75@gmail.com

DOI: <https://doi.org/10.61503/ciissmp.v2i4.84>

Citation: Muhammad Sajjad Babar¹ & Farhan Navid Yousaf (2023). Akhuwat Islamic Microfinance and Beneficiaries' Standard of Living: A Qualitative Study. *Contemporary Issues of Social Sciences and Management Practices*, 2(4), 70-86. <https://doi.org/10.61503/ciissmp.v2i4.84>

Introduction

Poverty is a devastating problem that affects many people around the world (Maouloud, 2023). Pakistan is one of the developing nations in the world, where poverty issues have existed since independence in 1947. Its struggle with poverty, which obstructs its progress, has not been resolved in spite of the government's measures to eradicate it.

Poverty is described as the condition in which individuals or people are deficient of financial means to fulfill their living standard (Tita & Aziakpono, 2017). Sen (1981) defined poverty as a condition in which person experiences scarcity and low income along with lack of basic needs that one should have to survive living. Similarly Cuenca-García, Sánchez, and Navarro-Pabsdorf (2019), define the poor who experiences shortage of food and drinking water, lacks in education, has less social inclusion and life expectancy. Correspondingly, those submerged in poverty are frequently categorized by minimal earnings in addition to levels of consumption, besides, every so often, deprived of clean water, balanced diet, suitable housing, appropriate medical facilities, along with improved education facilities among others (Tita & Aziakpono, 2017).

Poverty is a principal challenge to the economic growth in developing countries today that needs to be addressed. The basic idea of microfinance is the expansion of financial services to poor households to alleviate poverty (Raid, et al., 2023). Therefore, microfinance is being recognized as an effective tool for poverty mitigation in these countries. Institutions of microfinance contribute progressively in paving the ways for the poor to improve their standard of living in developing countries (Hermes et al., 2011). The developing countries need to provide better access to financial services to the poor because widening and deepening the outreach of financial services accelerate economic growth in the light of Millennium Development Goals (Haq, 2008). Similarly, United Nations (UN) set Sustainable development goals (SDGs) in 2015. Among seventeen SDGs set by UN, the first goal is zero poverty and the second goal is zero hunger. These global goals are aimed to achieve by the year of 2030 in order to achieve sustainable and better future for all (Nawai, et al., 2023). In this scenario, the efforts of different institutions to eradicate poverty become significant as well as desirable. Gatto (2022) emphasized the positive role of microfinance as a resilience policy to meet the SDGs and UN Agenda 2030.

Microfinance is generally termed as financial services for low-income individuals having no access to proper banking services (Raid, et al., 2023). It is the provision of wide-ranging financial services to low-income and poor households and their micro-enterprises who are expelled from the formal financial systems (Ledgerwood, 2002). The primary purpose of microfinance is to grant loans to the poor so that they come out of poverty by investing that loan amount into a small business or starting a new income generating activity (Karlan & Zinman, 2009). Primarily the aim behind provision of small amount of loans to poor is for entrepreneurial activities (Bateman, 2010). This Entrepreneurship encouragement made the clients to pursue for earnings by starting or reestablishing small business (Hussain et al., 2014). So, entrepreneur development is necessary for poverty reduction in the long run that creates sense of possession and self-confidence that leads the clients to be financially self-independent (Maouloud, 2023).

Although millions of poor people have been benefitted through microfinance institutions as claimed by those institutions (Das & Guha, 2019; Gravesteyn et al., 2015), still the effectiveness of these programs for poverty reduction is debatable. According to many microfinance has positive role in encouraging the recipient to develop small business that generate income and reduce poverty. However, some argue that microfinance has minimal impact as far as poverty reduction

is concerned (Lacalle-Calderon, 2019 & Robinson, 2001). According to research conducted by Coleman (1999) in Thailand where he found that microfinance has little impact on income improvement and there is further need of research to establish the notion of significant role of microfinance for poverty eradication. Moreover, microfinance institutions similar to the conventional banking system, also relies on interest charged on loans to run its operation (El-Komi & Croson, 2013). Because of the interest-bearing loans, microfinance loans may be unattractive for Muslims in Muslim-dominated countries as Quran and Sunnah, strongly condemn and prohibit the charging of interest (Begum et al., 2019).

Development of Islamic Microfinance

Islamic microfinance emerged as an alternative to conventional microfinance because Islamic microfinance has more to offer than its conventional counterpart because of its unique operational strategies and agenda (Tamanni & Besar, 2019). First, Islamic microfinance provides Shariah-compliant financial services (Mia, 2023). Second, Islamic microfinance has the potential to reduce poverty because it provides interest free services to those who lack collateral to access the conventional microfinance institutions which provide services on interest basis (Azmi & Thaker, 2020), whereas institutions of Islamic microfinance do not focus on profit rather they perform functions of social inclusions for the poor (Begum et al., 2015). Furthermore, according to Kaleem and Ahmed (2010), Islamic microfinance tends to be more socially oriented and has superior financial performance than conventional one because its ideology is built on brotherhood, local philanthropy and volunteer activities. The growth of Islamic microfinance institutions is increasing in many countries of the world due to its potential for poverty reduction. So, there is dire need that the studies must be conducted on the performance of Islamic microfinance to support its development in different countries of the world (Rifa'I & Ayu, 2019).

Akhuwat Microfinancing

The present study has been conducted on the beneficiaries of Akhuwat Islamic microfinance. Officially, Akhuwat was registered in 2003. The first branch of Akhuwat was established in Lahore city. It started its operation with the help of first donation of amount of 10,000 and it later on it received 1.5 million rupees in the same year of 2003(Khan, 2011). Akhuwat being based on philosophy of brotherhood and philanthropy provided financial services to the poor that were donated by other people as charity. Now, Akhuwat is providing multiple services to marginalized people including giving loans for house renovation, marriage loans and educational scholarships for the children of poor families.

Akhuwat is a pioneer Islamic microfinance institution in Pakistan. Following Sharia compliant principle it has applied Qard al-Hassan model for provision of services which means that Akhuwat will not charge additional money from its beneficiaries as an interest. The aim behind Akhuwat's interest free financial services to the poor is to enable the poor people to develop entrepreneurship. Akhuwat offers interest free loan to those families who are financially as well as socially marginalized in order to empower them and stand on their feet by starting a business activity that led them to improve standard of living of their families.

2.0 Literature Review

Studies conducted on microfinance have provided evidences that it is considered an effective tool against poverty reduction and improve standard of living of poor clients (Vishwakarma & Mujjoo, 2023; Chikwira, et al., 2022; Mohamed & Fauziyyah, 2020; Mago, 2014; Vatta, 2003). Microfinance has been appeared as poverty lessening instrument, therefore extensively accepted in equally the developing as well as developed countries (Verner & Žiaková, 2015).

Samer et al. (2015) investigated the role of microfinance and its impact on eradication of poverty in Malaysia. Results explain that microfinance significantly increases the household income of established or old women borrowers than new clients in the study area. It also helps the women borrowers to improve their socio economic condition. Similarly, Bismark et al. (2016) investigate the role of institutions providing micro financing in central Ghana for poverty reduction and conclude that microfinance has positive impact on income, assets, savings and business development. Microfinance also contributes significantly towards women empowerment and business capital.

Azam and Azid (2015) explore the role of microfinance in poverty reduction in the context of Pakistan with data from Punjab Rural Support Programme (PSRP), which is a microfinance institution. A sample of 476 clients is taken from selected 20 villages of 11 districts in province of Punjab. Results indicate that targeted respondents are socially deprived and poor. The loan disbursement has positive contribution towards poverty eradication.

It is pertinent to mention that microfinance has also significant impact on the standard of living of its clients. In this connection, Obaidullah and Khan (2008), deliberated a case study in Chittagong district of Bangladesh in order to find impact of microfinance services on the living standard of the poor people whereby they found that due to use of services of the microfinance institution, the poor people' standard of living was enhanced.

Recent literature explains that Islamic microfinance is vital to reduce poverty in poor households and it could help low-income entrepreneurs to improve their income and standard of living as well (Akram et al., 2023; Mosaddak et al., 2021; Adnan & Ajija, 2015). Abdulhameed et al., (2023) conducted research on to assess the role of Qardul-Hasan services by Akhuwat in enhancing financial Inclusion in Pakistan. The result obtained showed that Akhuwat Qardul-Hasan has a significant role in enhancing financial inclusion of the beneficiaries in Pakistan. Similarly, Zulfiqar and Tabasum, (2023), analyzed the role of Islamic microfinance in order to empower women. The women who utilized amount of loan for stating business activity were interviewed for this purpose. The results of the study revealed that financial improvement due to income generating activity helped the poor women to spend money for health, education and on household expenses.

Islamic microfinance reduces poverty and empowers the poor by providing them interest free financial services (Mahmood et al., 2015) and increase their household income and expenditure (Fianto et al., 2017). This requires further evidence and the present research is an endeavor in the similar domain which aims to explore the improvement in the standard of living of the beneficiaries by using financial services of Akhuwat Islamic microfinance in Pakistan. The present research is an attempt to answer the following question:

Research Question: What is the role of interest free loan on standard of living of beneficiaries of Akhuwat Islamic microfinance?

3.0 Methodology

The present research was conducted by employing qualitative research design. The beneficiaries of Akhuwat Islamic microfinance in Punjab were the population of the current study. In order to select the research participants for conducting in-depth interviews, the researcher used purposive sampling. The rationale behind the purposive sampling was that the researcher selected those beneficiaries of Akhuwat who have taken at least three times loan for utilizing in income generating activity. Total sixty (60) research participants (beneficiaries of Akhuwat) were selected for conducting interviews. Twenty (20) respondent beneficiaries were selected from each of the three regions (North Punjab (NP), Central Punjab (CP) and South Punjab (SP)) of the province of Punjab, Pakistan. The data were collected by using semi-structured interview. The socio-demographic characteristics of the research participants have been presented in the below table.

Table1. Socio-demographic characteristics of Beneficiaries of Akhuwat

Variables	Frequency	Percentage	Variables	Frequency	Percentage
Age of the Respondent			Level of Education		
18-25	6	10	Illiterate & Under Secondary	32	53.3
26-35	19	31.7	Secondary and intermediate	23	38.3
36-45	31	51.7	Undergraduate	3	5.0
Above 45	4	6.7	Graduate & above	2	3.3
Gender			No. of Loans Taken		
Male	26	43.3	3-4 times	53	88.3
Female	34	56.7	5-6 times	7	11.7
Marital Status			No. of Children		
Unmarried	9	15	No children or Less than 3 children	25	41.7
Married	47	78.3	3-5 children	30	50.0

divorced/widow/s eparated	4	6.7	More than children	5 5	8.3
------------------------------	---	-----	-----------------------	--------	-----

The major findings of the study are discussed in the following headings:

Use of Interest Free Loan for Business development

Akhuwat Islamic microfinance grants interest free loan to its beneficiaries for starting or investing in a continued business activity on a small scale. Most of the beneficiaries stated that Akhuwat granted loan only for the purpose of investing it into income generating activity. In this context, one respondent belonging to region of central Punjab stated,

“I took loan from Akhuwat that helped me to improve my business. My work is progressing satisfactorily and I am also able to save a reasonable amount every month”.

Another respondent (female) from south Punjab said,

“The loan amount was spent to purchase cloth as my husband was already engaged in garments business”.

Similarly, a female respondent from south Punjab regarding use of interest free loan stated in these words

“I am expert in embroidery work and utilized the loan amount to expand my existing business”.

Most of the respondents invested the loan amount for starting a business or already existing business. This result in line with study conducted by Dzingirai & Baporikar (2023) in Zimbabwe whereby they assessed the relationship between use of microfinance services and its influence on entrepreneurial development and success. The results of the study revealed that microfinance has positive influence on entrepreneurial success.

Improvement in Financial Position

The loan amount according to the beneficiaries of Akhuwat is utilized for purposeful income generating activity. According to most of them they invested meaningfully in income generating activities, that had let towards better income and eventually their financial position had been improved steadily. With the improvement in financial position their standard of living had also been improved because now they are in a better position to make expenditures related to quality of nutrient intakes, education and health of their family members.

In the present study context, the majority of the Akhuwat Islamic microfinance beneficiaries were satisfied with the improvement of their financial position because of using amount of loans in purposeful business activities. As the most of the respondents have taken loans

more than three times, therefore, they responded that their business was going on well and they got stability in their income increase. Regarding financial improvement one respondent reported,

“I am good at tailoring the female kids Ferauks. With the help of Akhuwat interest free loan, I with the help of my husband started home-made Ferauks and sell these Ferauks to market. Our earning started increasing. Now, our financial position has been improved”.

With regard to improvement in financial position, a male research participant from north Punjab stated similarly in these words,

“Our financial condition has improved a lot for last 2-3 years”.

Moreover, beneficiaries highlighted that Akhuwat Islamic microfinance grants multiple loans for the purpose to assist the poor beneficiaries continuously so that their circumstances can be changed consistently for the positive. Similar result was found in a study conducted by Sulemana et al., (2019) in Ghana. The aim of the study was to find out the role of microfinance on poverty reduction. The results showed that due to use of financial services purposefully, there was increase in the income, savings, as well as food consumption of the clients that eventually reduced their poverty level.

Quality of Food and Drinking Water

Quality of food and quality of drinking water are significant as far as standard of living is concerned. Data from fieldwork highlighted that quality of drinking water and food intake of beneficiaries and their family members had improved because of their improved financial position. According to the views of research participants, their level of income had been improved because of meaningful use of amount of loan. The consumption on food items has been increased due to increase in income. In this way most of the respondents responded that their food intake has been better. Owing to improvement in the food quality, one female from the region of central Punjab responded,

“The quality of our food has been improved to a better extent as compared to past. Earlier we were unable to afford meat but taking loan and due to more earning now we cook meat twice during a week”.

A female respondent from north Punjab stated similarly,

“Quality of food has remarkably improved. Now we take better food than the past. The variety of food also has been increased. We used to prepare biryani at home and sometimes other dishes are also prepared as desired by the children”.

The beneficiaries were of the view that Islamic microfinance have provided them small loans without interest in order to develop entrepreneurship and by using this interest free loan into

small business there was betterment in their economic circumstances. Their focus on their diet as well as of their children increased. Now they take better quality and variety of food.

With regard to improvement of food intake one of the male respondent stated enthusiastically,

“When I used to work in a factory as a labourer, I had to wait for salary for 15 days and had to buy expensive items on loan from shop keeper. Now I daily earn and can purchase daily food items including milk, vegetables, fruits etc. without any much difficulty”.

Along with better food intake, the most of the beneficiaries explained that the quality of drinking water has also been improved due to their better financial position. Now, they can better afford the water from filtration plants. In this regard, one of the male respondents from north Punjab said,

“Our access to safe drinking water has also improved. Prior to receipt of loan we used to drink water of hand pump and now we take water from filtration plant”.

This finding is similar to the results of researchers conducted by Sulemana et al., (2023) and Uddin et al., (2020). They also found in their research that the poor people’s quality of food as well as drinking water has been improved due to their access to microfinance.

Improvement in Dressing

Dress, according to the views of research participants was fundamental to their living and better dressing is valued while living in the society. Therefore, with the increase in their income they spent more to improve the dressing of their families. Most of them were of the views that improvement in their dressing is due to support of Akhuwat Islamic microfinance because it has granted them loan without interest basis to invest into a business. In the similar context, a female beneficiary of Akhuwat from central Punjab said,

“Due to increased income, our standard of living has been improved and now there is change in our dressing and we wear better dress and also go out with children in the park for outing and recreation. Now we are able to manage better dressing as compared to before”.

Similarly, another male research participant from central Punjab stated,

“Before taking loan, our purchase power was limited. Now due to increased income, I buy seasonal clothes easily for my mother, sister and for myself”.

Improvement in Housing Conditions

Standard of living is also based on the housing conditions or living arrangements. The beneficiaries of Islamic microfinance were satisfied with their improved housing conditions due

to their better earning. By generating additional income, they consumed more money to improve the conditions of their houses. House improvements had enhanced their living conditions. Most of the respondents reported improvement in their housing conditions. In this context one of the respondents from south Punjab stated,

“My house was not in a good condition however after taking loan I have renovated my house and now it is good looking”.

Similarly, another research respondent narrated in the following words:

“We have got our new house and also saving money for further extension in the existing covered area. This happened because of taking loan from Akhuwat which we invested in our business and our income has increased due to this loan”.

In short, by utilizing the interest free loan from Akhuwat, the beneficiaries are able to improve their housing conditions and some of the beneficiaries stated that they have shifted to better houses and even a few have purchased new one. This result is consistent with the studies conducted by (García-Pérez et al., 2020 & Chandradasa, 2019).

Improvement in Health Status

Affording better health related services were difficult for most of the beneficiaries of Akhuwat Islamic microfinance prior to taking loans. Once they had invested the loan amount properly and continued this process while investing the later installments into it, now they were better in affording the health related services. According to most of them, they now used to visit specialists for the treatment of their family members instead of self-medication that they experienced due to lack of income. Therefore, due to grown concern regarding better treatment the health status of their family members was also better. In response to affordability of health care and health status of the family members, one female research participant from north Punjab reported,

“I feel improvement in the health status of family members due to utilization of better health services and quality medicines”.

Moreover, according to some of the beneficiaries, now they had financial means to undergo routine check-ups, to prevent themselves from getting serious condition. In response to status of family members' health, a respondent said,

“Earlier it was very difficult for us to utilize better health services. Now, as our income has increased due to investment in business, we can easily consult doctors when there is some health issue to any family member and even manage frequent visits as suggested by the doctors”.

Similarly, a male respondent from south Punjab said,

“MashaAllah, all family members are healthy and we easily visit hospital for health care services and even from private hospitals”.

Rashid & Kumar (2023), Roy, & Mohanty, (2020) and Pronyk et al., (2007) also found that access to microfinance improve clients’ access to better healthcare and getting improved their health status.

Improvement in Education

One’s standard of living is also determined by the access and opportunities to learning as well as getting education from educational institutions (Chapagain & Dhungana, 2020). Most of the beneficiaries of Akhuwat Islamic microfinance revealed that there was improvement in their access to better education for their family members.

Moreover, it was believed by most of the respondents that education is a key factor that has the capacity to change their circumstances and improve their standard of living. Regarding importance of education in improving standard of living and poverty eradication, one of the respondents narrated,

“I personally believe that education is very necessary and maximum education should be given to children”.

Another respondent from north Punjab optimistically stated,

“Education is very important for progress and prosperity. I wish better future for my children therefore I want to educate them”.

According to some beneficiaries, they had started taking more interest in the education of their children even one respondent from central Punjab stated in this connection in these words,

“My two children were not attending the school. I intended to send them on work to earn money to share the burden of household expenditures. Meanwhile I took loan and my income increased. Now I have managed to send them in Government school and I also ask about their study regularly”.

Most of the respondents reported that they were satisfied with the educational status of their children and they were more satisfied as compared to past when their affordability of education was limited before taking loan from Akhuwat. Regarding improvement in the educational status of their children a female research participant reported,

“By the grace of God, my children are doing very well in their studies and I feel improvement in their educational attainment”.

The above finding is in line with the study results conducted by Roy, & Mohanty (2020), Abera & Asfaw (2019), Hadi, et al., (2015); Gibb, (2008) who concluded that microfinance has significant positive relationship with enhancement of education for family members.

Change in Attitude and Behavior

Change in the economic conditions brings change in the attitude and behavior of the beneficiaries as well as in their family members this was said by the most of the Akhuwat Islamic microfinance beneficiaries. Most of the respondents pointed out that their behavior changed with the increase in their incomes due to financial services given by Akhuwat. Now they have become more responsible for their business, income, saving and eventually this has affected their concern towards their standard of living. Even there was change in the attitude and behavior of their family members. In response to change in the behavior of their family members after availing interest free services from Akhuwat Islamic microfinance, One respondent from north Punjab stated,

“Financial conditions affect the habits and life patterns. Low income not only creates financial worries but also adversely affect the attitudes and habits of the family members. I personally see improvement in the behavior and attitudes of my children due to better standard of living as compared to past”.

However, according to views of some respondents, the level of education of the parents also plays an important role in the lives of family members. The parents who are better educated can better manage to improve the attitude and behavior positively. In this connection a male respondent from north Punjab said,

“My wife and I are well educated. We always focus on the habits and manners of our children. It is a matter of fact that increased income has enabled us to improve the living conditions of the family members which ultimately have positive effect on the habits and choices of our children”.

According to a few beneficiaries, they did not see any change with regard to attitude and behavior in them and their children as well. In this connection, one of the respondents reported,

“Although my income has been increased in income but there is no change in attitude and behavior of my family members”.

However, majority were of the view that they observe significant positive change in the behavior and attitude of their family members due to improved income and standard of living. This result is consistent with the finding of the study conducted by Bwambale et al., (2021). He also found that improved financial position lead to change the habits of the clients

Conclusion

The major objective of the current study was to investigate the role of interest free loan of Akhuwat on standard of living of its beneficiaries. The study reveals a very prominent and crucial role of microfinance institutions in changing the living standards of households by providing them interest free loan. Most of the respondents confirmed that they utilized interest free loan properly and therefore their financial position improved. Moreover, majority of the research participants also confirmed that their quality of food and drinking water was enhanced. According to some of

the beneficiaries, the variety of food intake was also extended. Housing conditions were improved and few beneficiaries were able to get new house. Dressing of family members was changed for the better as compared to past. Furthermore, consumption regarding education and health was also enhanced that resulted into improvement in education and better health status of family members. Finally, the improvement in financial position also contributed to positive change in the attitude and behavior of most of the beneficiaries as well as their family members.

In short, the findings demonstrate that the proper utilization of Islamic microfinance has enabled the beneficiaries to improve their financial position, quality of food, drinking water, dressing, housing conditions, health and educational status of their children. Hence, it is concluded that Akhuwat Islamic microfinance has helped the majority of the beneficiaries to improve their standard of living.

Recommendations

Islamic microfinance should start such assistance programs for poor families along with provision of interest free loan so that they may be able to bring sustainability in their financial conditions and standard of living. Moreover, Akhuwat and other institutions of Islamic microfinance should develop strong mechanisms for capacity building of the beneficiaries by providing them training, technical skills and market exposure to make them successful entrepreneurs. Furthermore, Pakistani government should assist the Islamic microfinance institutions by providing additional funds to meet operational costs and to expand their outreach throughout the country.

Limitations

Although this study has contributed significantly in the body of knowledge, still it identifies some limitations. Firstly, the current study is purely qualitative. Other studies in future can apply mix method approach to investigate the phenomenon holistically. Secondly, a longitudinal study can be useful to understand the effects of microfinance on poverty alleviation taking the data of same clients in two different time periods. Finally, this research was conducted on the beneficiaries of only one Islamic microfinance institution i.e. Akhuwat. However, the studies may also be conducted to analyze the role of other Islamic microfinance institutions on poverty alleviation and standard of living of the beneficiaries.

Muhammad Sajjad Babar: Problem Identification and Model Development

Farhan Navid Yousaf: Literature Review and methodology

Conflict of Interests/Disclosures

The authors declared no potential conflicts of interest in this article's research, authorship, and/or publication.

References

- Abdulhameed, U. A., Muhammad, H. A., Badamasi, R. Y., Olufadi, K., & Sulaiman, S. M. (2023). The role of Qardul-Hasan in enhancing financial inclusion: A case study of Al-Akhuwat.
- Abera, N., & Asfaw, M. (2019). Impact of Microfinance on Rural Household Poverty in Ethiopia: A Review. *Journal of Ecology & Natural Resources*, 3(5), 2578-4994.

- Adnan, M. A. & Ajija, S. R. (2015). The Effectiveness of Baitul Maal Wat Tamwil in Reducing Poverty the Case of Indonesian Islamic Microfinance Institution. *Humanomics*, 31(2), 160–182.
- Akram, M., Iqbal, Z., & Shah, S. I. U. (2023). Transforming Poverty: Assessing the Significance of the Akhuwat Islamic Microfinance Model across Absolute, Moderate, and Relative Poverty Strata. *Sustainable Business and Society in Emerging Economies*, 5(3), 167-180.
- Azam, A., & Azid, T. (2015). Impact of microfinance on poverty: A case study of PRSP, Pakistan. *Pakistan Journal of Social Sciences*, 35(2), 1061-1072.
- Azmi, N. N. I. N. M., & Thaker, M. A. B. M. T. (2020). Literature survey on Islamic microfinance. *Global Review of Islamic Economics and Business*, 8(1), 023-033.
- Azmi, N.N.I.N.M. and Thaker, M. (2020), “Literature survey on Islamic microfinance”, *Global Review of Islamic Economics and Business*, 8(1), 23-33.
- Bateman, M. (2010). *Why doesn't microfinance work? The destructive rise of local neoliberalism*. Zed Books: London.
- Begum, H., Alam, A. S. A. F., Mia, M. A., Bhuiyan, F., & Ghani, A. B. A. (2019). Development of Islamic microfinance: a sustainable poverty reduction approach. *Journal of Economic and Administrative Sciences*, 35(3). 143-157.
- Begum, H., Alam, M. R., Ferdous Alam, A. S. A., & Awang, A. H. (2015). Islamic microfinance as an instrument for poverty alleviation. *Advanced Science Letters*, 21(6), 1708–1711.
- Bismark, A., Gyimah, A. G., & Lartey, S. (2016). The determinants of net interest margin among microfinance institutions in Ghana. *Research Journal of Finance and Accounting*, 7(14), 73-80.
- Bwambale, K., Vargas, D., Baltazar, E., & Cuaresma, P. (2021). *Effects of Microfinance Services on Clients' Socio-Economic Status: A Case of Community Development Microcredit Finance Company Limited (Cdm) in Busika, Kalagala, Luwero District, Uganda*.
- Chandradasa, A. J. M. (2019). Microfinance and shelter: An impact assessment of microfinance on improving housing conditions of rural Sri Lanka. *Management*, 7(6), 552-561.
- Chapagain, R., & Dhungana, B. R. (2020). Does Microfinance affect the Living Standard of the Household? Evidence from Nepal. *Finance India*, 34(2).
- Chikwira, C., Vengesai, E., & Mandude, P. (2022). The impact of microfinance institutions on poverty alleviation. *Journal of Risk and Financial Management*, 15(9), 393.
- Coleman, B. (1999). The impact of group lending in Northeast Thailand. *Journal of Development Economics*, 60(1), 105-141.

- Cuenca-García, E., Sánchez, A., & Navarro-Pabsdorf, M. (2019). Assessing the performance of the least developed countries in terms of the Millennium Development Goals. *Evaluation and program planning*, 72, 54-66.
- Das, T., & Guha, A. (2019). Measuring women's self-help group sustainability: A study of rural Assam. *International Journal of Rural Management*, 15(1), 116-136.
- Dzingirai, M., & Baporikar, N. (2023). Role of microfinance for entrepreneurial success. In *Research Anthology on Microfinance Services and Roles in Social Progress*, IGI Global, 193-210.
- El-Komi, M. and Croson, R. (2013), "Experiments in Islamic microfinance", *Journal of Economic Behavior and Organization*, 95, 252-269.
- Fianto, B. A., Maulida, H. & Laila, N. (2019). Determining Factors of Non-Performing Financing in Islamic Microfinance Institutions. *Heliyon*, 5(8).
- García-Pérez, I., Fernández-Izquierdo, M. Á., & Muñoz-Torres, M. J. (2020). Microfinance institutions fostering sustainable development by region. *Sustainability*, 12(7), 2682.
- Gatto, A. (2022). Access to microfinance as a resilience policy to address sustainable development goals: A content analysis. *Heliyon ISSN: 8(10)*, 2405-8440.
- Gibb, S. (2008). *Microfinance s Impact on Education, Poverty, and Empowerment: A Case Study from the Bolivian Altiplano*. Development Research Working Paper Series.
- Gravesteyn, R., Hoepner, A., & Jain, M. (2015). *Effects of microcredit on the poverty of borrowers using the progress out of poverty index: Evidence from Asian MFIs*. Discussion paper, RG6 6BA, U.K.
- Hadi, R., Wahyudin, U., Ardiwinata, J. S., & Abdu, W. J. (2015). Education and microfinance: an alternative approach to the empowerment of the poor people in Indonesia. *SpringerPlus*, 4, 1-9.
- Haq, A. (2008). *Microfinance industry assessment: A report on Pakistan*. Islamabad, Pakistan: Pakistan Microfinance Network.
- Hermes, N., Lensink, R. and Meesters, A. (2011), "Outreach and efficiency of microfinance institutions", *World Development*, Vol. 39 No. 6, pp. 938-948.
- Hussain, M. D., Bhuiyan, A. B., & Bakar, R. (2014). Entrepreneurship development and poverty alleviation: an empirical review. *Journal of Asian Scientific Research*, 4(10), 558.
- Kaleem, A., & Ahmed, S. (2010). The quran and poverty alleviation: A theoretical model for charity-based islamic microfinance institutions (MFIS). *Nonprofit and Voluntary Sector Quarterly*, 39(3), 409–428.

- Karlan, D., & Zinman, J. (2009). Expanding credit access: Using randomized supply decisions to estimate the impacts. *The Review of Financial Studies*, 23(1), 433-464.
- Khan, S. S. (2011). *Akhuwat Exploring New Horizons in Microfinance*.
- Lacalle-Calderon, M., Larru, J. M., Garrido, S. R., & Perez-Trujillo, M. (2019). Microfinance and income inequality: New macro-level evidence. *Review of Development Economics*, 23(2), 860–876.
- Ledgerwood, J. (2002). *Microfinance hand book: An institutional and financial perspective*. Banking with the poor. Washington D.C: The World Bank.
- Mago, S. (2014). Microfinance and poverty alleviation: An empirical reflection. *The Journal of Asian Finance, Economics and Business (JAFEB)*, 1(2), 5-13.
- Mahmood, H. T. (2019). *Impact of Islamic Microfinance on Borrower's Income in Pakistan: A Case Study of Akhuwat* (Doctoral dissertation, Hamad Bin Khalifa University (Qatar)).
- Mahmood, H. Z., Fatima, M., Khan, M., & Qamar, M. A. (2015). Islamic microfinance and poverty alleviation : an empirical ascertainment from Pakistan. *Journal of Islamic Economics, Banking and Finance*, 11(2), 85–105.
- Maouloud, V. M. (2023). The Impact of Islamic Microfinance upon Poverty Alleviation by the Development of Microenterprises in Mauritania. *Online Journal of Islamic Management and Finance (OJIMF)*, 3(1), 55-74.
- Mia, M. A. (2023). The transformation of conventional microfinance into Islamic microfinance in Bangladesh: proposed Shariah-based model (s). *Qualitative Research in Financial Markets*.
- Mohamed, E. F., & Fauziyyah, N. E. (2020). Islamic microfinance for poverty alleviation: a systematic literature review. *International Journal of Economics, Management and Accounting*, 28(1), 141-163.
- Mosaddak Ahmed Chowdhury, D., Rahman, S. M. K., & Salman, M. A. G. (2021). Economic & social impact of microfinance: an empirical evidence from Bangladesh. *Global Journal of Management And Business Research*. 21(1) 62-73.
- Nawai, N. B., Dali, N. R. S. M., & Mutalib, M. A. (2023). Creating sustainable livelihood opportunities for the b20 communities through islamic microfinance products and services. *Labuan Bulletin of International Business and Finance (LBIBF)*, 21(1), 9-22.
- Obaidullah, M., & Khan, T. (2008). Islamic microfinance development: Challenges and initiatives. *Islamic Research & Training institute Policy Dialogue Paper*, (2).89.
- Pronyk, P. M., Hargreaves, J. R., & Morduch, J. (2007). Microfinance programs and better health: prospects for sub-Saharan Africa. *JAMA*, 298(16), 1925-1927.

- Raid, D. M., Ahmad, N., Alhawal, D. H., & Alzyadat, D. J. A. Impact of Microfinance on Poverty Alleviation in Developing Countries: The Case of Pakistan. Available at SSRN 4402017.
- Rashid, A., & Kumar, P. A. (2023). Poverty alleviation through the microfinance intervention: an empirical evidence from northern parts of India. *International Journal of Indian Culture and Business Management*, 29(4), 417-435.
- Rifa'i, A., & Ayu, P. (2019). Encouraging Islamic financing to achieve SDGs through poverty alleviation. *Journal of Islamic Finance*, 8(2), 10-20.
- Robinson, M. S. (2001). *The microfinance revolution: Sustainable finance for the poor*. Open Society Institute, The World Bank, Washington, D.C.
- Roy, S., & Mohanty, R. P. (2020). Microfinance models in improving 'quality of life': empirical analysis on Indian perspective. *International Journal of Business Innovation and Research*, 21(1), 23-55.
- Samer, S., Majid, I., Rizal, S., Muhamad, M. R., Rashid, N., Halim, S., & Rashid, N. (2015). The impact of microfinance on poverty reduction: empirical evidence from Malaysian perspective. *Procedia - Social and Behavioral Sciences*, 195, 721-728.
- Sen, A. (1981). Issues in the Measurement of Poverty. In *Measurement in public choice* (pp. 144-166). London: Palgrave Macmillan UK.
- Shahid, M., Khaliq, A., & Mohtesham, M. M. J. (2021). An Innovative Fintech Model for The Enhancement of Akhuwat Microfinance Practices. *Al-Iqtishad: Jurnal Ilmu Ekonomi Syariah*, 13(2).
- Sulemana, M., Fuseini, M. N., & Abdulai, I. A. (2023). Effects of microfinance and small loans centre on poverty reduction in Wa West District, Ghana. *Heliyon*.
- Sulemana, M., Naiim, F. M., & Adjanyo, C. (2019). Role of microfinance in poverty reduction in the Ashaiman Municipality, Ghana. *African Research Review*, 13(3), 1-14.
- Tamanni, L. and Haji Besar, M.H.A. (2019), "Profitability vs poverty alleviation: has banking logic influences Islamic microfinance institutions?", *Asian Journal of Accounting Research*, 4(2), (260-279).
- Tita, A. F., & Aziakpono, M. J. (2017). The effect of financial inclusion on welfare in sub-Saharan Africa: Evidence from disaggregated data. *Economic Research Southern Africa, Working Paper*, 679.
- Vatta, Kamal. (2003) "Microfinance and poverty alleviation." *Economic and Political Weekly* 38: 432-433.
- Verner, V., & Žiaková, M., (2015). Microfinance as a tool for poverty reduction: A study of Jordan. *Scientia agriculturae bohemica*, 46(4), 172-180.

- Uddin, M. N., Hamdan, H., Kassim, S., Embi, N. A. C. E., & Saad, N. B. M. (2020). Role of Islamic microfinance institutions for sustainable development goals in Bangladesh. *Journal of International Business and Management*, 3(1), 01-12.
- Vishwakarma, R. K., & Mujjoo, R. (2023). Role of microfinance in poverty alleviation in India. *International Journal of Financial Management and Economics*, 6(1), 221-226.
- Von Pischke, J. D. (1991). *Finance at the frontier: Debt capacity and the role of credit in the private economy*. The World Bank, Washington, D.C.
- Zulfiqar, H., & Tabasum, S. (2023). Islamic Microfinance and Women Empowerment: A Case Study of Akhuwat Foundation. *Journal of Gender and Social Issues*, 22(1).