

## Research Paper

# Exploring Islamic Entrepreneurship: Perceptions, Challenges, and Economic Contributions among Muslims in India

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**Abstract**—This research explores the economic difficulties that Muslims in India face which are characterized by their low levels of assets and consumption compared to other religious groups. Despite being a minority, Muslims experience a level of poverty due to factors such as structural barriers, biases, disparities in education lack of political representation and discriminatory housing practices. In this context, Islamic entrepreneurship emerges as an avenue for empowerment, aligned with ethical principles and social impact. This research aims to explore historical roles, challenges, and opportunities in Islamic entrepreneurship, investigating barriers, motivations, and perceptions of prospects. The study also hypothesizes associations between education levels, familiarity with principles perceived challenges and possible opportunities. The findings from a sample of Muslims indicate that Islamic entrepreneurship holds significant importance for them and that there is a moderate understanding of Islamic principles among them. The challenges they face are limited funding, networking, cultural biases, and aligning religious values with business practices. On the other hand mentorship programs and access to resources are less concerning for them. Their motivations vary but include factors such as passion for what they do desire for impact or autonomy in their work life independence as well as community service involvement; however familiarity, with these opportunities varies across individuals. Overall the study highlights how Islamic entrepreneurship can empower Muslims economically while contributing to economic development.

**Keywords**— Islamic Entrepreneurship, Entrepreneurial Perceptions, Entrepreneurial Motivations, Entrepreneurial Opportunities, Muslim Entrepreneurs, Entrepreneurial Challenges, Poverty.

## 1. Introduction

According to the study conducted by Hindustan Times on the All India Debt and Investment Survey (AIDIS) it has been found that among the groups, in India Muslims have the lowest levels of assets and consumption. In fact they are considered to be the disadvantaged religious group in the country. It is concerning that despite constituting less than 15% of the population Muslims make up 25% of beggars on Indian streets. This issue has persisted for a time as highlighted by a report from the National Council for Economic Research in 2010 which revealed that 31% of Muslims live below the poverty line. Additionally a survey conducted by an organization under the Ministry of Statistics and Program Implementation of the Government of India in 2013 confirmed that Muslims are indeed the marginalized religious group, in India. The issue is deeply rooted and reinforced by biases. Muslims face barriers, including limited access, to education and housing as well as religious discrimination. Additionally the enrollment rate of Muslims

in education is the lowest in India with a report indicating an 8% decrease between 2019 and 2020. Moreover the political representation of Muslims in government has been diminishing, as there are currently no Muslim MPs or ministers in the ruling party. Discriminatory practices, in the rental and real estate markets further deny housing to Muslims subjecting them to unwelcoming conditions. The economic disadvantage of Indian Muslims is a result of a cycle of poverty, which cannot be broken without a comprehensive approach that tackles all socio-economic, cultural, and political elements responsible for the present state of affairs (Hindustan Times, 2023). Improving the conditions for Muslims, in India has the potential to greatly contribute to the economic development of the country. When Muslims earn incomes they will have more spending power to invest in a wide range of goods and services. This rise in consumption would in turn drive activity that would benefit the entire nation. Moreover by having resources at their disposal Muslims could make investments in various sectors such, as businesses, education and healthcare. This would result in increased investment levels and subsequent

economic growth. Muslim entrepreneurs have the potential to make a contribution to our economy by venturing into new sectors and industries with their own businesses. This in turn could play a role in reducing income inequality in India by improving the circumstances of the Muslim community and granting them better access, to resources and opportunities. As their incomes rise Muslims would also contribute more in taxes leading to increased government revenues that can be utilized for services and infrastructure development projects. Promoting growth and well being within Muslim communities could contribute to increased social stability as individuals would have improved opportunities for education, healthcare and living standards. The entrepreneurial endeavors of Muslims might also attract investments as investors would be drawn to the expanding Muslim consumer market in India. Additionally Muslim entrepreneurs could allocate their resources towards infrastructure projects like constructing roads, schools, hospitals and housing developments. These initiatives would not benefit the Muslim community but also have a positive impact, on society at large. Muslim entrepreneurs who have achieved success can act as inspirations for individuals within their communities motivating them to embark on entrepreneurial endeavors and make meaningful contributions, to the economy. In summary enhancing the situation of Muslims in India would bring about several advantages for the overall economic progress of the nation. This would result in spending, increased investments, more job opportunities, a more varied economy decreased inequality boosted tax revenues improved social cohesion and stability higher foreign investments, better infrastructure and inspiring figures for the younger generation. Considering these factors Islamic entrepreneurship could play a role, in tackling the economic obstacles faced by the Muslim community in India.

Throughout the realm of philosophy, business and trade have long been recognized as essential components of human society existing since ancient times. According to Islamic teachings Allah (God) dispatched Adam, the first human being to Earth with the purpose of inhabiting and nurturing it. This momentous occasion is regarded as the genesis of civilization and marks the commencement of mankind's quest for progress and prosperity.

The Quran and Hadith which are the teachings and actions of Prophet Muhammad (PBUH) emphasize the significance of business and commerce in Islam. An example from the Quran is a verse that states "And Allah has made subservient to you whatever is in the heavens and whatever is, on the earth" (Quran 45:13). This verse underscores the belief that Allah has given humans the ability to utilize resources for their own betterment with business and commerce serving as a means to fulfill this purpose.

Furthermore the teachings of the Prophet Muhammad (Peace be upon him) also highlighted the significance of engaging in business and commerce. He conveyed that individuals who are honest and trustworthy in their endeavors will be esteemed alongside prophets those who speak the truth and martyrs (Sunan al Tirmidhi 1209). This hadith accentuates the

value of maintaining integrity and honesty, in ones business transactions as it can bring about both fulfillment and material prosperity.

In the realm of Islamic philosophy commerce is viewed as a pathway to both material and spiritual prosperity. It is seen as a means to not serve humanity but also fulfill ones obligations to Allah and His creation. The accumulation of wealth and possessions is not an objective, in its right but rather a method to achieve ultimate happiness and fulfillment in the afterlife.

However there hasn't been research on how Muslims in India feel about Islamic entrepreneurship. This study aims to address that by investigating the attitudes and opinions of Muslims in India towards entrepreneurship as well as understanding the factors that influence their interest in starting their own business ventures. By exploring the beliefs and perspectives of Muslims in India regarding entrepreneurship this research aims to provide valuable insights that can help shape policies and initiatives promoting entrepreneurial growth and economic development within both the Indian Muslim community and the nation, as a whole.

### 1.1 Objectives of the Study:

This study seeks to achieve the following objectives:

Study Objectives;

The main goals of this study are as follows;

1. To conduct an analysis of existing literature to explore the historical development, roles, opportunities, challenges and potential solutions in Islamic entrepreneurship.
2. To. Prioritize the barriers and challenges that Muslims in India face when participating in Islamic entrepreneurship.
3. To. Rank the obstacles that have an impact on the growth of Islamic entrepreneurship in India.
4. To gain insight into the motivations that drive Muslims to pursue entrepreneurial ventures.
5. To assess how well respondents recognize and understand opportunities for Islamic entrepreneurship, in India.

### 1.2 Research Hypothesis:

The following null hypotheses are tested in this study:

H01: The qualification of Muslims does not have an impact on the challenges they perceive in Islamic entrepreneurship.

H02: The level of familiarity that Muslims have with Islamic entrepreneurship principles does not show any association with the challenges they perceive.

H03: There is no relationship, between how well Muslims are acquainted with Islamic entrepreneurship principles and their perceived potential to start businesses and succeed in entrepreneurship.

## 2. Review of Literature

Islamic entrepreneurship represents an approach to business that is guided by the teachings of the Qur'an and the Hadith (Prasetyani et al., 2018). It places an emphasis on conducting business ethically responsibly and in a way that benefits the Islamic community. Islamic entrepreneurship centers around producing halal goods and services safeguarding consumer

rights and promoting business practices. By adhering to these principles Islamic entrepreneurs strive to generate profits while remaining true to the values and teachings of Islam. Additionally there is an emerging field known as Islamic social entrepreneurship that combines entrepreneurial principles with a focus on addressing social issues and fostering positive change, within Muslim communities (Asfiah, 2021). The goal of social entrepreneurship is to create sustainable societal impact by innovatively tackling society's needs and challenges through various business models.

Islamic entrepreneurship is marked by the presence of waqf a concept that supports the growth of enterprises. Waqf, in Islam involves individuals dedicating assets or funds to benefit the community (Febriandika, 2022). These dedicated resources can be utilized to establish and sustain enterprises that cater to various societal needs, like education, healthcare and poverty reduction. Islamic entrepreneurship involves the integration of religion and economic aspects. By following principles and concepts entrepreneurs are not only motivated to pursue profits but also encouraged to uphold ethical behavior fulfill social obligations and contribute towards the progress and advancement of the Islamic community.

### **2.1 Brief History on Islamic Entrepreneurship:**

The origins of entrepreneurship can be traced back, to the early days of Islam. The Prophet Muhammad (peace be upon him) actively promoted and appreciated entrepreneurship during his time. Throughout history Muslim scholars have extensively documented the teachings of Islam and how they relate to entrepreneurial pursuits (Cahyani & Siregar 2022). These scholars have emphasized the significance of diligence well as the ethical and moral values that should steer entrepreneurial endeavors.

Muslim business owners, inspired by the Prophet Muhammad and his companions have made contributions, to the field of entrepreneurship (Issoufou, 2019). They have achieved success in industries such as trade, agriculture, finance and manufacturing (Zarfi, 2022). These entrepreneurs not accumulated wealth but also played a role in the economic growth of their communities and society as a whole. Historical records demonstrate that influential Muslim entrepreneurs like 'Abdurrahman bin 'Awf Az Zubayr bin al 'Awwam, 'Uthman bin 'Affan Thalhah bin 'Ubaydillah and Sa'd bin Abi Waqqash were not just prosperous in their business ventures but also contributed significantly to the well being of the community (Chen et al., 2019). They served as role models for generations of entrepreneurs by exemplifying integrity, honesty and social responsibility in their business practices. These individuals recognized that entrepreneurship wasn't, about gain; it was an opportunity to uplift society. They utilized their wealth and resources to support causes create employment opportunities and contribute to the prosperity of their communities (Alamsyah et al., 2022).

During the 10<sup>th</sup> century in Andalusia Muslim businesspeople had a significant impact on cities like Cordoba and Granada. They were instrumental in establishing groundbreaking

industries improving infrastructure and creating thriving marketplaces (Amhar, 2022). These Muslim entrepreneurs were renowned for their approach to business, fair transactions and adherence, to Islamic values. They not only created economic prosperity but also fostered social cohesion and harmony within their communities. In 11th-century Baghdad, Muslim entrepreneurs like Al-Khwarizmi, who is considered the father of algebra, made significant advancements in mathematics and science that still impact our modern world (Amhar, 2022). During the 12th century, Muslim entrepreneurs in the Islamic world excelled in fields such as architecture, medicine, and textiles, leaving a lasting impact on human civilization (Islamic arts - Middle East, Architecture, Calligraphy | Britannica, n.d). Moving forward to 14th century Middle East, Muslim entrepreneurs like Ibn Khaldun emerged as influential figures in the field of economics and governance, emphasizing the importance of economic prosperity and entrepreneurship in shaping the overall development of societies (Maulidizen, 2019). Talking about 15th century Ottoman Empire, Muslim entrepreneurs played a crucial role in the expansion and success of the empire through their trade networks, business acumen, and contributions to technology have greatly impacted the field of entrepreneurship (Alamsyah et al., 2022). While 16th century Europe witnessed the Renaissance, it was also a time of significant entrepreneurial achievements in the Islamic world (Lisnawati & Ahman, 2019). In 17th century, Muslim entrepreneurs in the Mughal Empire were known for their expertise in trade, craftsmanship, and the establishment of bazaars and marketplaces that fostered economic growth and cultural exchange (Trade During the Mughal Empire | PBS LearningMedia, n.d). During 19th century the Industrial Revolution presented new opportunities for Muslim entrepreneurs to thrive in various sectors such as textiles, manufacturing, and transportation (Sakti et al., 2020). In the 20th century some muslim entrepreneurs such as Muhammad Yunus, founder of Grameen Bank, helped to revolutionize the concept of microfinance and alleviate poverty in Bangladesh (Wahab et al., 2023). Today in this 21st century Muslim entrepreneurs continue to play a vital role in shaping the global business landscape like success stories of Ilhan Omar, co-founder of IsraAID, an international humanitarian organization, and Fahd Al-Rasheed, CEO of Emaar Economic City in Saudi Arabia, who have made significant contributions to entrepreneurship and economic development at both local and global levels (Alamsyah et al., 2022). Overall, the history of Muslim entrepreneurship is rich and diverse, with Muslim entrepreneurs making significant contributions to various fields throughout different periods and regions.

### **2.2 Role of Islamic Entrepreneurs:**

Islamic entrepreneurs have a role in the business world. They not focus on successfully managing their businesses but also prioritize upholding their faith and beliefs in Allah. These entrepreneurs practice Islamic teachings, including respect for religious and traditional customs commitment to ethical conduct and adherence to transparent and fair business practices.

This distinctive approach sets entrepreneurs apart in the business arena shaping their motives, goals and behaviors. Research has shown that practicing entrepreneurs have a stronger reverence, for religious and traditional customs compared to non practicing Muslim entrepreneurs (Kaneez & Imtiaz 2022). This commitment to Islamic values, along with their business acumen, helps Muslim entrepreneurs create a harmonious balance between their personal and professional lives. As a result, they are more likely to prioritize societal well-being and contribute to the development of their communities (Mardan, 2020).

Muslim entrepreneurs place importance on their adherence to Islamic values, which is reflected in their strong sense of "taqwa" or consciousness and fear of Allah SWT (Muamar & Bagis 2022). This level of taqwa significantly influences their decision making process, leadership style and overall approach to conducting business. What sets entrepreneurs apart from non Muslim ones is their unwavering commitment to Islamic principles in their thoughts, actions and emotions (Shafin & Kasim 2018). Their goals go beyond financial success; they also strive for spiritual fulfillment and rewards, in the afterlife. Islamic entrepreneurship encompasses an approach that goes beyond conventional business practices. It incorporates the principles of justice, fairness and social responsibility deeply rooted in Islamic teachings (Sahad et al., 2018).

In this present world of business, the important role that has to be played by Islamic entrepreneurs is to demonstrate a model of ethical and responsible business conduct that aligns with Islamic principles. This encompasses values such as transparency, honesty, integrity, and the fair treatment of employees, customers, and all stakeholders. Islamic entrepreneurs have the unique opportunity to showcase the ethical and responsible dimensions of Islamic business practices. Their actions can inspire trust and confidence in the business community and contribute to the development of a more ethical and sustainable business environment (Tripalupi & Anggahegari, 2022). Furthermore, Islamic entrepreneurship also emphasizes the concept of self-sufficiency and self-reliance.

Muslim entrepreneurs are urged to be proactive and resourceful actively searching for opportunities to establish businesses that positively impact their communities economic growth and well being. They are encouraged to be inventive and adaptable continuously exploring solutions for societal challenges and meeting market demands. Islamic entrepreneurship also places emphasis on giving back, to society and supporting charitable initiatives (Jamaludin et al., 2022). In essence Islamic entrepreneurship adopts an approach that integrates religious values, ethical conduct and social responsibility.

### **2.3 Opportunities for Islamic Entrepreneurs:**

Islamic Entrepreneurs, within the community have a range of prospects, in sectors. These include the manufacturing of halal food, Islamic finance, modest fashion, Islamic tourism and online marketplaces (Salaheldeen, M. 2022). These

sectors are witnessing a surge in demand from the community. Business owners who cater to these needs can tap into a market. Additionally with the growing awareness of halal products and the increasing Muslim population there is a rising need, for businesses that align with Islamic values while meeting the preferences of Muslim consumers (Najihah & Permatasari 2021). In years the Islamic business sector has seen noteworthy development especially in providing products and services that align with Islamic principles and meet halal requirements (Najihah & Permatasari 2021). Islamic entrepreneurship not allows entrepreneurs to cater to the needs of the Muslim community but also enables them to contribute to a business environment that is socially responsible and ethical. By establishing businesses that prioritize consumer rights, social responsibilities and ethical values Islamic entrepreneurs can play a part in building an economy that's more inclusive and sustainable. Furthermore these entrepreneurs have the chance to take advantage of the growing need, for halal products and services (Najihah & Permatasari 2021).

Entrepreneurs who have an understanding of Islamic values and principles can use this knowledge to develop creative and unique products or services that specifically cater to the needs of Muslim consumers. They can focus on industries such as halal food production, Islamic finance, modest fashion, Islamic tourism and online marketplaces. This approach allows Islamic entrepreneurs to tap into a growing market in the years.

This presents an opportunity for entrepreneurs who want to establish businesses aligned with Islamic values and aimed at serving the Muslim community. Additionally by leveraging the concept of Halal Islamic entrepreneurs can benefit from an established branding platform. Halal certification has become a recognized and trusted standard among consumers ensuring that products and services meet their religious requirements (Kusumaningtyas et al., 2022). Obtaining Halal certification helps build trust and credibility with the target audience leading to increased customer loyalty and competitiveness, in the market (Hasan et al., 2020).

The success achieved in the halal market can bring about a reputation and image, for business owners attracting more customers and investors who appreciate ethical and socially conscious enterprises (Salaheldeen et al., 2021). By giving priority to values and following the principles of halal entrepreneurship Muslim entrepreneurs have an opportunity not to fulfill the needs of Muslim consumers but also to contribute to the expansion and advancement of the halal market in the wider economy (Salaheldeen et al., 2021). Islamic entrepreneurship provides a platform, for entrepreneurs to not just serve the requirements of the community but also foster a responsible and ethical business environment that promotes inclusivity and sustainability.

### **2.4 Challenges of Islamic Entrepreneurs:**

Islamic entrepreneurs encounter a hurdle in striking a balance between maximizing their financial gains and adhering to their religious principles (Kindy & Syaroni 2020). They face

the task of ensuring that their business activities align with teachings and principles while striving for financial success (Rahman et al., 2023). This can be particularly challenging in industries that're not explicitly Islamic as entrepreneurs must navigate ethical dilemmas and make decisions that are in line with both their religious beliefs and business objectives. Additionally accessing funding and finance that align with principles poses another challenge for these entrepreneurs (Aidrous et al., 2020). They may struggle to find institutions and sources of funding that avoid interest based transactions. Moreover cultural and societal norms conflicting with values present yet another challenge, for these entrepreneurs (Tripalupi & Anggahegari 2022). They often find themselves navigating expectations and societal norms that may contradict their religious convictions.

Operating within the societal context Islamic entrepreneurs face challenges in areas like marketing, advertising and employee relations. The key hurdle they encounter is the need for guidance on integrating Islamic principles into business practices (Tripalupi & Anggahegari 2022). Without guidance it becomes challenging for them to uphold their religious values while navigating the business world. Moreover building networks and partnerships that align with their beliefs can be difficult for Islamic entrepreneurs (Ummah, 2021). This becomes especially problematic if mainstream business networks and opportunities do not coincide with principles. As a result Islamic entrepreneurs must actively seek networks and opportunities that are more in line with their religious convictions. Overall being an entrepreneur entails facing unique challenges such as ethical dilemmas sourcing compatible funding options adapting to cultural norms all while seeking clear guidance, on integrating Islamic principles into business practices.

### 2.5 Solutions to Islamic Entrepreneurial Problems:

To address the challenges faced by Muslim entrepreneurs in conducting business ethically, several potential solutions can be implemented.

1. To tackle the problem it is crucial to improve education and awareness among entrepreneurs about the principles and guidelines of business ethics (Mutaqin & Cokrohadisumarto 2018). This can be accomplished through workshops, seminars and training programs that highlight the importance of behavior, in entrepreneurship. Additionally it is essential to offer guidance on how to integrate these principles into business operations.

2. An alternative method involves creating a work environment that promotes and recognizes conduct (Lašáková et al., 2019). This can be achieved by adopting policies and protocols that align with the principles of business ethics. Additionally it is important to incorporate considerations into performance assessments and incentive programs.

3. Promoting collaboration and networking, among entrepreneurs who value business practices can be advantageous (Mardan, 2020). This could entail joining business networking groups or associations that advocate for business ethics attending industry conferences or events dedicated to entrepreneurship and seeking guidance from

experienced Muslim entrepreneurs who have successfully integrated Islamic principles into their own ventures.

4. Adopt transparent and accountable practices: Muslim entrepreneurs can further strengthen their commitment to ethical business practices by adopting transparent and accountable practices (et.al, 2021). This includes maintaining accurate financial records, ensuring fair and transparent pricing, and adhering to ethical advertising and marketing practices.

5. Support from the government and financial institutions: Governments and financial institutions can play a role in promoting Islamic entrepreneurship by providing support and incentives to Muslim entrepreneurs who engage in ethical business practices (Issa et al., 2022). By offering loans and financial assistance that are compliant with Islamic principles, providing tax incentives or grants for businesses that demonstrate ethical practices, and implementing regulations and oversight mechanisms to ensure ethical conduct in business, governments and financial institutions can create an environment that encourages and supports Islamic entrepreneurship. By implementing these strategies, Muslim entrepreneurs can ensure that their businesses are not only profitable but also grounded in ethical and Islamic principles.

## 3. Research Methodology

**Research Design:** The research methodology employed in this study utilized a cross-sectional design. This design was chosen as it allowed for the collection of data from a diverse group of participants at a single point in time, providing a snapshot view of their perspectives and experiences related to Islamic entrepreneurship in India. This cross-sectional approach aligns with the research objectives, which aim to assess the current landscape and attitudes of participants regarding Islamic entrepreneurship. To analyze the gathered information both quantitative and descriptive approaches were used.

**Sampling:** For participant selection, a convenience sampling approach was utilized. Specifically, authors gathered responses from 1040 individuals who identify as Muslims and reside in India. Convenience sampling was chosen due to its practicality and efficiency, as it allowed reaching a relatively large and diverse group of participants within the constraints of time and resources.

**Data Collection:** Data was gathered by utilizing a structured survey questionnaire. This questionnaire aimed to gather data regarding aspects such as demographic details, the significance of entrepreneurship knowledge about principles of Islamic entrepreneurship challenges faced by Islamic entrepreneurs analyzing the ranking of potential obstacles and motivations exploring opportunities for Muslim entrepreneurship, preferred support and resources for aspiring Muslim entrepreneurs, ethical alignment and social impact in business activities as well as the perceived contributions of Islamic entrepreneurship, towards Indian economic development.

**Data Analysis:** The study employed descriptive statistics to analyze demographic parameters and assess challenges. Mean, standard deviation, and Likert scale were used to categorize the importance of entrepreneurship, understanding of Islamic entrepreneurship, and ethical alignment. Ranking analysis was conducted for obstacles, motivations, support preferences, and resources. Additionally, Kruskal-Wallis tests were employed to explore associations between education,

familiarity with principles, and perceived challenges/potentials.

#### 4. Result and Discussion

**Table 1: Demographic Parameters of the Study Participants**

| S No | Variables                 | Attributes                          | Frequency | Percentage |
|------|---------------------------|-------------------------------------|-----------|------------|
| 1    | Age                       | 18-25                               | 140       | 13.46      |
|      |                           | 26-35                               | 331       | 31.83      |
|      |                           | 36-45                               | 349       | 33.56      |
|      |                           | 46-55                               | 193       | 18.56      |
|      |                           | 56 and above                        | 27        | 2.60       |
| 2    | Gender                    | Female                              | 355       | 34.10      |
|      |                           | Male                                | 685       | 65.90      |
| 3    | Educational Qualification | Bachelor's Degree                   | 250       | 24.04      |
|      |                           | Diploma/Certificate                 | 194       | 18.65      |
|      |                           | Doctorate/Ph.D                      | 26        | 2.50       |
|      |                           | Higher Secondary Education          | 140       | 13.46      |
|      |                           | Master's Degree                     | 175       | 16.83      |
|      |                           | Primary/Secondary Education         | 255       | 24.52      |
| 4    | Occupation                | Employed (Government/Public Sector) | 157       | 15.10      |
|      |                           | Employed (Private Sector)           | 353       | 33.94      |
|      |                           | Self-employed/Entrepreneur          | 202       | 19.42      |
|      |                           | Student                             | 153       | 14.71      |
|      |                           | Unemployed                          | 175       | 16.83      |
| 5    | Annual Household Income   | Above INR 10,00,000                 | 116       | 11.15      |
|      |                           | Below INR 1,00,000                  | 80        | 7.69       |
|      |                           | INR 1,00,001 - INR 3,00,000         | 235       | 22.60      |
|      |                           | INR 3,00,001 - INR 6,00,000         | 363       | 34.90      |
|      |                           | INR 6,00,001 - INR 10,00,000        | 246       | 23.65      |

**Note: N=1040**

Table 1 presents the demographic parameters of the study participants, providing valuable insights into the characteristics of the surveyed population.

**Age:** The age distribution of the participants shows a range with most falling between the ages of 26 and 35 (31.83%) and 36 to 45 (33.56%). It's worth noting that there is also a representation of participants in the age groups of 18 to 25 (13.46%) and 46 to 55 (18.56%). A smaller percentage, 2.60% consists of individuals aged 56 and above.

**Gender:** The gender breakdown indicates that there is a number of male participants (65.90%) while females make up about 34.10% of the respondents.

**Educational Qualification:** The educational backgrounds of the participants vary greatly. The highest percentage holds a Bachelors Degree (24.04%) closely followed by those, with secondary education (24.52%) and higher secondary education (13.46%). A notable proportion has attained a diploma/certificate (18.65%) or a masters degree (16.83%). There is also a segment of respondents who have achieved doctorate/Ph.D degrees (2.50%).

**Occupation:** The distribution of occupations reveals a diverse workforce. The majority of participants in this survey are employed in the sector making up 33.94% of the total. Following behind are self employed individuals/entrepreneurs

accounting for 19.42% of the participants. Those employed in the government/ sector make up 15.10% while students comprise 14.71%. A significant percentage of respondents 16.83% reported being unemployed.

**Annual Household Income:** In terms of household income distribution there is a diverse range across different economic

segments. The largest group falls within the income range of INR 3,00,001. INR 6,00,000 at 34.90% closely followed by those earning between INR 1,00,001. INR 3,00,000 at 22.60%. 23.65% fall into the category of earning between INR 6,00,001. INR10,00 000. Smaller percentages lie below INR1,00 000 (7.69%). Above, IN R10,00 000 (11.15%) respectively.

**Table 2: Perceived importance of Entrepreneurship for the Development of the Muslim Community in India**

| Item   | NI (%)      | SI (%)       | MI (%)        | VI (%)        | EI (%)        | Mean | SD    | Decision       |
|--|-------------|--------------|---------------|---------------|---------------|------|-------|----------------|
| How important do you think entrepreneurship is for the overall development of the Muslim community in India? | 75<br>(7.2) | 83<br>(8.00) | 275<br>(26.4) | 444<br>(42.7) | 163<br>(15.7) | 3.52 | 1.075 | Very Important |

Note: N=1040, The Likert scale data in Table 3 have been interpreted using the following ranges: **Not important at all (NI):** 1.00 to 1.80, **Slightly important (SI):** 1.81 to 2.60, **Moderately important (MI):** 2.61 to 3.40, **Very important (VI):** 3.41 to 4.20, **Extremely important (EI):** 4.21 to 5.00

The information provided in Table 2 sheds light on how respondents view the role of entrepreneurship in the progress of the Muslim community in India. To assess their perspectives researchers used a Likert scale that ranges from "Not important all" to "Extremely important." The average score for the dataset is 3.52 (SD = 1.075) which falls within

the " important" category based on the defined interpretation of the Likert scale. These findings indicate that on average participants believe that entrepreneurship plays a role, in driving the holistic development of the Muslim community in India.

**Table 3: Understanding of Principles of Islamic Entrepreneurship**

| Item   | NA (%)        | S (%)         | M (%)         | VW (%)        | EW (%)     | Mean | SD    | Decision            |
|--|---------------|---------------|---------------|---------------|------------|------|-------|---------------------|
| How well do you understand the principles of Islamic entrepreneurship? | 105<br>(10.1) | 260<br>(25.0) | 369<br>(35.5) | 302<br>(29.0) | 5<br>(0.4) | 2.85 | 0.968 | Slightly Understand |

Note: N=1040, The Likert scale data in Table 4 have been interpreted using the following ranges: **Not at all (NA):** 1.00 to 1.80, **Slightly (S):** 1.81 to 2.60, **Moderately (M):** 2.61 to 3.40, **Very well (VW):** 3.41 to 4.20, **Extremely well (EW):** 4.21 to 5.00

According to the data in Table 3 the participants understanding of Islamic entrepreneurship principles was assessed using a Likert scale. The average score of 2.85 (with a deviation of 0.968) indicates that their level of understanding falls within the "Slightly" range. This suggests that there is a yet noticeable level of comprehension among the participants. Notably 35.5% reported having a moderate understanding while 29.0% indicated they understood it "Very well." Additionally 25.0% mentioned having a "Slight" understanding. A small portion (10.1%) expressed that they had "No understanding all " and only 0.4% felt they understood it "Extremely well." These results have several implications. Firstly, they highlight that a significant

proportion of the participants already possess a foundational understanding of Islamic entrepreneurship principles, which is encouraging. However, there is still a notable segment of the population (10.1%) that lacks any understanding in this area, and this presents an opportunity for educational initiatives. Furthermore, the relatively low percentage (0.4%) of respondents who claim to understand the principles "Extremely well" indicates that there is room for further deepening and refining their comprehension. This suggests a potential avenue for advanced or specialized training programs in Islamic entrepreneurship to enhance overall understanding among those who have already shown an interest in the subject.

**Table 4: Perceived Challenges Faced by Islamic Entrepreneur**

| Items  | VU (%)       | U (%)         | N (%)         | C (%)         | VC (%)        | Mean | SD    | Decision         |
|--|--------------|---------------|---------------|---------------|---------------|------|-------|------------------|
| Access to Islamic funding and financial support(Interest Free) | 103<br>(9.9) | 183<br>(17.6) | 28<br>(2.7)   | 256<br>(24.6) | 470<br>(45.2) | 3.78 | 1.423 | Highly Concerned |
| Availability of mentorship and guidance                        | 85<br>(8.2)  | 217<br>(20.9) | 216<br>(20.8) | 363<br>(34.9) | 159<br>(15.3) | 3.28 | 1.191 | Less Concerned   |

|   |               |               |               |               |               |      |           |                  |
|---|---------------|---------------|---------------|---------------|---------------|------|-----------|------------------|
| Training and education in entrepreneurship                            | 74<br>(7.1)   | 122<br>(11.7) | 294<br>(28.3) | 302<br>(29.0) | 248<br>(23.8) | 3.51 | 1.17<br>9 | Less Concerned   |
| Networking opportunities with other entrepreneurs                     | 0<br>(0.0)    | 209<br>(20.1) | 190<br>(18.3) | 279<br>(26.8) | 362<br>(34.8) | 3.76 | 1.13<br>1 | Highly Concerned |
| Government support and policies that promote Islamic Entrepreneurship | 48<br>(4.6)   | 76<br>(7.3)   | 170<br>(16.3) | 294<br>(28.3) | 452<br>(43.5) | 3.99 | 1.14<br>3 | Highly Concerned |
| Access to resources and facilities that align with Islamic principles | 116<br>(11.2) | 299<br>(28.8) | 96<br>(9.2)   | 343<br>(33.0) | 186<br>(17.9) | 3.18 | 1.32<br>3 | Less Concerned   |
| Assurance of halal and ethical business practices                     | 102<br>(9.8)  | 29<br>(2.8)   | 63<br>(6.1)   | 510<br>(49.0) | 336<br>(32.3) | 3.91 | 1.17<br>1 | Highly Concerned |
| Cultural bias or discrimination                                       | 44<br>(4.2)   | 61<br>(5.9)   | 206<br>(19.8) | 121<br>(11.6) | 608<br>(58.5) | 4.14 | 1.17<br>4 | Highly Concerned |
| Balancing religious principles with business practices                | 24<br>(2.3)   | 86<br>(8.3)   | 64<br>(6.2)   | 419<br>(40.3) | 447<br>(43.0) | 4.13 | 1.00<br>6 | Highly Concerned |

Note: N=1040, VU= Very Unconcerned; U= Unconcerned; N=Neutral; C=Concerned; VC=Very Concerned, Decision-Weighted average = 33.68/9=3.74

Table 4 presents valuable insights into the perceived challenges encountered by Islamic entrepreneurs. The challenges are organized into different levels of concern, ranging from Very Unconcerned (VU) to Very Concerned (VC), based on participants' responses. The calculated weighted average of 3.74 serves as a critical reference point against which the mean of each challenge is compared to determine its overall concern level.

Remarkably, challenges such as access to Islamic funding (Mean: 3.78), networking opportunities (Mean: 3.76), government support (Mean: 3.99), assurance of halal practices (Mean: 3.91), cultural bias (Mean: 4.14), and balancing religious principles with business practices (Mean: 4.13) are all marked as Highly Concerned in the decision column, as their means exceed the calculated weighted average. This

underscores the profound significance of these challenges within the Islamic entrepreneurship landscape.

Conversely, challenges related to mentorship and guidance (Mean: 3.28), training and education (Mean: 3.51), and access to resources aligning with Islamic principles (Mean: 3.18) are categorized as Less Concerned, as their means fall below the weighted average. This categorization enables a nuanced understanding of the distinct concern levels, offering valuable insights for stakeholders to strategically prioritize interventions and address the challenges effectively.

This nuanced categorization of challenges allows stakeholders to strategically prioritize interventions and allocate resources to address the most critical concerns. These findings provide valuable guidance for policymakers, educators, and support organizations in the Islamic entrepreneurship ecosystem.

**Table 5: Ranking Analysis of Potential Obstacles in the Growth of Islamic Entrepreneurship in India**

| Items   | Rank 1 | Rank 2 | Rank 3 | Rank 4 | Rank 5 | Score | Ranks |
|---|--------|--------|--------|--------|--------|-------|-------|
| Lack of awareness and understanding of Islamic entrepreneurship | 426    | 81     | 92     | 99     | 342    | 2970  | 5     |
| Competition from conventional businesses                        | 36     | 228    | 496    | 160    | 120    | 3220  | 2     |
| Limited market demand for Islamic products/services             | 113    | 315    | 317    | 178    | 117    | 2991  | 4     |
| Lack of supportive infrastructure                               | 158    | 206    | 101    | 575    | 0      | 3173  | 3     |
| Social stigma associated with Islamic entrepreneurship          | 307    | 210    | 34     | 28     | 461    | 3246  | 1     |

Note: N=1040

Table 5 in the report examines the challenges hindering the growth of Islamic entrepreneurship in India. The biggest

hurdle is stigma, which is ranked first with a score of 3246. This highlights the perceptions associated with Islamic entrepreneurship. Close is competition from traditional



businesses ranking second with a score of 3220 showcasing the competitive nature of the industry. The ranked challenge is the lack of supportive infrastructure indicating the need for tailored resources (score; 3173). Other obstacles include market demand (score; 2991) and a lack of awareness (score;

2970). These scores emphasize the importance of tackling stigma improving competitiveness strengthening infrastructure raising awareness and understanding market dynamics to foster the growth of entrepreneurship, in India.

**Table 6: Ranking Analysis of Motivations for Muslim Entrepreneurship in India**

| Items                                     | 1   | 2   | 3   | 4   | 5   | Score | Ranks |
|---|-----|-----|-----|-----|-----|-------|-------|
| Financial independence                    | 219 | 305 | 157 | 193 | 166 | 2902  | 4     |
| Opportunity to serve the community        | 352 | 275 | 267 | 101 | 45  | 2332  | 5     |
| Desire to create a positive impact        | 170 | 149 | 333 | 220 | 168 | 3187  | 2     |
| Flexibility and autonomy                  | 187 | 244 | 152 | 366 | 91  | 3050  | 3     |
| Pursuit of personal passion and interests | 112 | 67  | 131 | 160 | 570 | 4129  | 1     |

Note: N=1040

The presented table 6 delves into a ranked examination of motivations propelling Muslims in India towards entrepreneurial pursuits. The pursuit of personal passion and interests claims the top rank with a score of 4129, highlighting a prevailing inclination to align entrepreneurial endeavours with individual passions. Following closely, the desire to create a positive impact secures the second rank with a score of 3187. This underscores a strong inclination among Muslim entrepreneurs to contribute positively to society. Flexibility and autonomy garner the third rank, accruing a

score of 3050, signalling the importance of self-governance in entrepreneurial ventures. Financial independence, ranked fourth (score: 2902), emerges as a significant driver, reflecting the desire for economic autonomy. Lastly, the opportunity to serve the community ranks fifth (score: 2332), indicating an awareness of social responsibilities. These rankings illuminate the multifaceted motivations fuelling Muslim entrepreneurship in India, encompassing personal passion, social impact, autonomy, economic empowerment, and community service.

**Table 7: Analysis of Muslim Entrepreneurship Opportunities in India**

| Items  | VU (%)      | U (%)         | SF (%)        | F (%)         | VF (%)        | Mean | SD    | Decision         |
|--|-------------|---------------|---------------|---------------|---------------|------|-------|------------------|
| Enabling sustainable development, Muslim entrepreneurs can seize opportunities in eco-friendly and renewable energy ventures that align with environmental consciousness and Islamic values.             | 74<br>(7.1) | 151<br>(14.5) | 212<br>(20.4) | 390<br>(37.5) | 213<br>(20.5) | 3.50 | 1.174 | High Familiarity |
| The Islamic finance industry is a rapidly growing sector that offers a range of entrepreneurial opportunities, from financial technology startups to Shariah-compliant.                                  | 76<br>(7.3) | 115<br>(11.1) | 252<br>(24.2) | 416<br>(40.0) | 181<br>(17.4) | 3.49 | 1.122 | High Familiarity |
| The modest fashion industry is a rapidly expanding market that presents opportunities for Muslim entrepreneurs to create clothing and accessories that are both stylish and in line with Islamic values. | 56<br>(5.4) | 150<br>(14.4) | 232<br>(22.3) | 390<br>(37.5) | 212<br>(20.4) | 3.53 | 1.127 | High Familiarity |
| The halal food industry is a growing market that offers opportunities for Muslim entrepreneurs to start businesses that cater to the dietary needs of Muslim consumers, both locally and globally.       | 45<br>(4.3) | 110<br>(10.6) | 93<br>(8.9)   | 451<br>(43.4) | 341<br>(32.8) | 3.90 | 1.105 | High Familiarity |

|   |               |               |               |               |               |      |       |                  |
|---|---------------|---------------|---------------|---------------|---------------|------|-------|------------------|
| The Muslim-majority world presents a significant opportunity for entrepreneurs to start businesses that address the unique needs and challenges of these communities, from healthcare to education to sustainable energy. | 106<br>(10.2) | 284<br>(27.3) | 164<br>(15.8) | 211<br>(20.3) | 275<br>(26.4) | 3.25 | 1.370 | Low Familiarity  |
| The digital economy offers a range of opportunities for Muslim entrepreneurs to start online businesses that can reach a global audience, from e-commerce to digital media to online education.                           | 44<br>(4.2)   | 434<br>(41.7) | 64<br>(6.2)   | 469<br>(45.1) | 29<br>(2.8)   | 3.00 | 1.072 | Low Familiarity  |
| The creative industry, including arts, design, and media, offers opportunities for Muslim entrepreneurs to create innovative and inspiring content that reflects Islamic values and aesthetics.                           | 75<br>(7.2)   | 202<br>(19.4) | 311<br>(29.9) | 242<br>(23.3) | 210<br>(20.2) | 3.30 | 1.198 | Low Familiarity  |
| The tourism industry presents opportunities for Muslim entrepreneurs to create halal-friendly travel experiences that cater to the growing demand for Islamic tourism.  | 163<br>(15.7) | 295<br>(28.4) | 138<br>(13.3) | 265<br>(25.5) | 179<br>(17.2) | 3.00 | 1.362 | Low Familiarity  |
| The health and wellness industry offers opportunities for Muslim entrepreneurs to create businesses that promote healthy living and wellness practices that are in line with Islamic principles.                          | 77<br>(7.4)   | 123<br>(11.8) | 159<br>(15.3) | 553<br>(53.2) | 128<br>(12.3) | 3.51 | 1.085 | High Familiarity |
| The social entrepreneurship sector offers opportunities for Muslim entrepreneurs to create businesses that address social and environmental issues, such as poverty alleviation, education, and sustainable development.  | 62<br>(6.0)   | 149<br>(14.3) | 164<br>(15.8) | 342<br>(32.9) | 323<br>(31.1) | 3.69 | 1.217 | High Familiarity |

Note: N=1040, VU= Very Unfamiliar; U= Unfamiliar; SF=Slightly Familiar; F=Familiar; VF=Very Familiar, Decision-Weighted average =  $34.18/10=3.42$

Table 7 presents a comprehensive analysis of Muslim entrepreneurship opportunities in India, illustrating the varying levels of familiarity among respondents for different opportunities. These opportunities are classified based on participants' familiarity levels, ranging from Very Unfamiliar (VU) to Very Familiar (VF). The central point of reference is the calculated weighted average of 3.42, which serves as a benchmark against which the familiarity of each opportunity is assessed.

Notably, certain opportunities emerge as highly familiar among respondents, indicating a strong recognition and understanding. These high familiarity opportunities include enabling sustainable development through eco-friendly and renewable energy ventures (Mean: 3.50), the diverse prospects of the Islamic finance industry encompassing financial technology startups and Shariah-compliant services (Mean: 3.49), the rapid expansion of the modest fashion market in alignment with Islamic values (Mean: 3.53), and the promising potential of the halal food industry catering to the dietary needs of Muslim consumers (Mean: 3.90).

Additionally, there is notable familiarity with engaging in the health and wellness sector with a focus on aligning business practices with Islamic principles (Mean: 3.51) and venturing into social entrepreneurship to address social and environmental issues (Mean: 3.69).

Conversely, the analysis underscores opportunities with lower familiarity levels, including exploring the potential of the digital economy for Muslim entrepreneurs to establish online businesses with global reach (Mean: 3.00), engaging in the creative industry encompassing arts, design, and media to reflect Islamic values (Mean: 3.30), creating halal-friendly travel experiences within the tourism industry (Mean: 3.00), and addressing the unique needs and challenges of Muslim-majority communities, spanning healthcare, education, and sustainable energy (Mean: 3.25).

These varying levels of familiarity provide valuable insights into the potential areas where Muslim entrepreneurs in India can focus their efforts. Opportunities with high familiarity levels indicate areas where there may be a well-established ecosystem and existing understanding, making them attractive

for entrepreneurial ventures. Conversely, opportunities with lower familiarity levels represent areas where there may be

untapped potential, providing entrepreneurs with opportunities for innovation and growth.

**Table 8: Ranking Analysis of Preferred Support and Resources for Aspiring Muslim Entrepreneurs**

| Items  | 1   | 2   | 3   | 4   | 5   | Score | Ranks |
|--|-----|-----|-----|-----|-----|-------|-------|
| Financial assistance and grants                  | 400 | 126 | 83  | 142 | 289 | 2914  | 3     |
| Access to Islamic banking and financial services | 139 | 403 | 201 | 201 | 96  | 2832  | 4     |
| Mentorship and business training programs        | 109 | 174 | 287 | 337 | 133 | 3331  | 2     |
| Government incentives and policies               | 11  | 158 | 350 | 149 | 372 | 3833  | 1     |
| Networking events and platforms                  | 392 | 168 | 119 | 211 | 150 | 2679  | 5     |

Note: N=1040

The presented Table 8 offers an insightful ranked examination of the preferred support and resources that aspiring Muslim entrepreneurs in India are seeking. The table unveils distinct patterns in their priorities and preferences, shedding light on the motivations that drive their entrepreneurial aspirations.

"Government incentives and policies" claim the top rank with a substantial score of 3833, illustrating a strong inclination among aspiring Muslim entrepreneurs to seek support from governmental initiatives. This high ranking underscores the perceived significance of policy frameworks and incentives in fostering and facilitating their entrepreneurial endeavors.

Following closely, "Mentorship and business training programs" secure the second rank, amassing a score of 3331. This ranking highlights the valuable role of guidance and educational programs in their pursuit of entrepreneurial success. It showcases a notable preference for resources that can provide knowledge and skills to navigate the challenges of the business landscape effectively.

"Financial assistance and grants" occupy the third rank with a score of 2914. While not the highest-ranking preference, the desire for financial support is still evident, reflecting the importance of economic resources in supporting entrepreneurial ventures.

"Access to Islamic banking and financial services" secure the fourth rank, garnering a score of 2832. This ranking suggests a considerable interest in financial services aligned with Islamic principles, although it falls slightly lower in preference compared to other options.

Lastly, "Networking events and platforms" attain the fifth rank with a score of 2679. While not the top choice, the preference for networking opportunities underscores its value in connecting aspiring Muslim entrepreneurs with valuable contacts and resources.

This ranked analysis of preferred support and resources offers valuable insights into the aspirations of Muslim entrepreneurs in India. It demonstrates that while government support and policies are highly coveted, there is also a strong demand for mentorship, education, financial assistance, and Islamic financial services. Moreover, networking opportunities remain a valuable resource for forging connections and partnerships. This understanding of their preferences can guide policymakers, support organizations, and mentors in tailoring their assistance to meet the specific needs of aspiring Muslim entrepreneurs, thereby fostering a thriving entrepreneurial ecosystem.

**Table 9: Ethical Alignment and Social Impact Significance in Business Activities**

| Items  | NI          | SI            | MI          | VI            | EI            | Mean | SD    | Decision              |
|--|-------------|---------------|-------------|---------------|---------------|------|-------|-----------------------|
| How important is it for you that your business activities have a positive social impact and align with ethical principles? | 75<br>(7.2) | 254<br>(24.4) | 57<br>(5.5) | 446<br>(42.9) | 208<br>(20.0) | 3.44 | 1.253 | <b>Very Important</b> |

Note: N=1040, The Likert scale data in Table 4 have been interpreted using the following ranges: **Not Important at all (NI)**: 1.00 to 1.80, **Slightly Important (S)**: 1.81 to 2.60, **Moderately Important (MI)**: 2.61 to 3.40, **Very Important (VI)**: 3.41 to 4.20, **Extremely Important (EI)**: 4.21 to 5.00

Table 9 delves into the crucial matter of ethical alignment and social impact within business endeavors. Respondents' perspectives, evaluated through a Likert scale, unveil a

resounding emphasis on these values. The mean score of 3.44 (SD = 1.253) positions this aspect as "Very Important," attested by the substantial 42.9% who ranked it as such. Additionally, 20.0% deemed it "Extremely Important." These

percentages underscore a prevailing commitment to ethical and socially impactful entrepreneurship. The emphasis on ethical alignment and social impact in business activities aligns with global trends that prioritize corporate social responsibility and sustainability. This commitment not only

resonates with consumers who value ethical and socially responsible businesses but also has the potential to drive positive change in communities and contribute to the overall well-being of society.

**Table 10: Perceived Contributions of Islamic Entrepreneurship to Indian Economic Development**

| Items  | VU (%)     | U (%)      | N (%)      | L (%)      | VL (%)     | Mean | SD    | Decision           |
|--|------------|------------|------------|------------|------------|------|-------|--------------------|
| Islamic Entrepreneurship can contribute to the overall development of the Indian economy by promoting innovation and entrepreneurship, particularly in sectors that are underserved or underdeveloped. | 105 (10.1) | 67 (6.4)   | 229 (22.0) | 530 (51.0) | 109 (10.5) | 3.45 | 1.092 | Weaker Alignment   |
| It can help create new markets and opportunities for Indian businesses, especially in the context of globalization and international trade.  | 61 (5.9)   | 212 (20.4) | 145 (13.9) | 361 (34.7) | 261 (25.1) | 3.53 | 1.230 | Weaker Alignment   |
| It can promote sustainable development and social responsibility, which can help create a positive image for Indian businesses and attract foreign investment.   | 163 (15.7) | 44 (4.2)   | 109 (10.5) | 292 (28.1) | 432 (41.5) | 3.76 | 1.429 | Stronger Alignment |
| It can help create jobs and stimulate economic growth, particularly in rural areas where poverty and unemployment are more prevalent.  | 88 (8.5)   | 204 (19.6) | 205 (19.7) | 186 (17.9) | 357 (34.3) | 3.50 | 1.356 | Weaker Alignment   |
| It can help promote research and development, particularly in areas that are relevant to the Muslim community, such as halal food production, Islamic finance, and sustainable energy.                 | 162 (15.6) | 44 (4.2)   | 54 (5.2)   | 302 (29.0) | 478 (46.0) | 3.86 | 1.437 | Stronger Alignment |

Note: N=1040, VU= Very Unlikely; U= Unlikely; N=Neutral; L= Likely; VL=Very likely, Decision- Weighted average =  $18.10/5=3.62$

Table 10 examines perceptions regarding the potential impacts of Islamic entrepreneurship on the Indian economy. Each contribution is rated from Very Unlikely to Very Likely, yielding mean scores that represent the collective sentiment of participants. Notably, contributions related to sustainable development (mean score: 3.76) and research and development (mean score: 3.86) are viewed as strongly aligned with positive outcomes, highlighting their potential significance.

Conversely, contributions such as promoting innovation (mean score: 3.45) and creating new markets (mean score:

3.53) exhibit weaker alignment, suggesting a more cautious optimism. The creation of jobs and economic growth (mean score: 3.50) also falls in this category, implying a tempered endorsement of its potential benefits.

The overall sentiment, represented by a weighted average score of 3.62, indicates a moderate alignment with these contributions' positive effects on Indian economic development. This indicates that participants generally believe in the potential of Islamic entrepreneurship to contribute positively to the Indian economy, but this belief is tempered by reservations in some areas.

**Table 11: Kruskal-Wallis Test Results for Association Between Education Qualification and Perceived Challenges Faced by Islamic Entrepreneurs**

| Test Statistics <sup>a,b</sup> |         |         |         |         |         |         |         |         |         |
|--------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
|                                | C1      | C2      | C3      | C4      | C5      | C6      | C7      | C8      | C9      |
| Kruskal-Wallis H               | 121.650 | 358.466 | 425.632 | 111.820 | 130.687 | 298.465 | 117.251 | 265.408 | 287.369 |
| Df                             | 5       | 5       | 5       | 5       | 5       | 5       | 5       | 5       | 5       |
| Asymp. Sig.                    | 0.000   | 0.000   | 0.000   | 0.000   | 0.000   | 0.000   | 0.000   | 0.000   | 0.000   |

a. Kruskal Wallis Test  
 b. Grouping Variable: Education Qualification

This table 11 presents the Kruskal-Wallis test results to assess the association between educational qualification and the perceived challenges faced by Islamic entrepreneurs. The low p-values (all < 0.001) in the "Asymp. Sig." column indicate that there are statistically significant differences in the distribution of responses across different educational qualification groups for each statement. Therefore, we reject

the null hypothesis, suggesting that there is a significant association between the qualification of Muslims and their perceived challenges.

(Note: "C1" to "C9" represent the different challenges faced by Islamic entrepreneurs, and "df" represents degrees of freedom.)

**Table 12: Kruskal-Wallis Test Results for Association between Familiarity of Islamic Entrepreneurship Principles and Perceived Challenges Faced by Islamic Entrepreneurs**

| Test Statistics <sup>a,b</sup> |         |         |         |       |         |         |       |        |         |
|--------------------------------|---------|---------|---------|-------|---------|---------|-------|--------|---------|
|                                | C1      | C2      | C3      | C4    | C5      | C6      | C7    | C8     | C9      |
| Kruskal-Wallis H               | 233.766 | 143.521 | 301.169 | 2.120 | 189.757 | 119.367 | 4.437 | 86.921 | 266.786 |
| df                             | 2       | 2       | 2       | 2     | 2       | 2       | 2     | 2      | 2       |
| Asymp. Sig.                    | 0.000   | 0.000   | 0.000   | 0.347 | 0.000   | 0.000   | 0.109 | 0.000  | 0.000   |

a. Kruskal Wallis Test  
 b. Grouping Variable: familiarity of Islamic entrepreneurship principles

This table 12 presents the Kruskal-Wallis test results to assess the association between the familiarity of Islamic entrepreneurship principles among Muslims and the perceived challenges faced by Islamic entrepreneurs. While most p-values are extremely low (all < 0.001), the p-value for statement C4 is 0.347, suggesting that there is no significant association between the familiarity of Islamic entrepreneurship principles and the perceived challenges for this specific statement. For all other statements, the low p-

values indicate that there are statistically significant differences in the distribution of responses across different familiarity levels. Therefore, we reject the null hypothesis for most statements, suggesting a significant association between familiarity and perceived challenges.

(Note: "C1" to "C9" represent the different challenges faced by Islamic entrepreneurs, and "df" represents degrees of freedom.)

**Table 13: Kruskal-Wallis Test Results for Association between Familiarity of Islamic Entrepreneurship Principles and Perceived Potential for Muslims to Establish Businesses and Prosper**

| Test Statistics <sup>a,b</sup> |         |        |       |        |        |        |        |        |         |       |
|--------------------------------|---------|--------|-------|--------|--------|--------|--------|--------|---------|-------|
|                                | O1      | O2     | O3    | O4     | O5     | O6     | O7     | O8     | O9      | O10   |
| Kruskal-Wallis H               | 320.226 | 32.141 | 4.383 | 98.413 | 49.788 | 37.933 | 21.310 | 12.970 | 107.934 | 8.676 |
| df                             | 2       | 2      | 2     | 2      | 2      | 2      | 2      | 2      | 2       | 2     |
| Asymp. Sig.                    | 0.000   | 0.000  | 0.112 | 0.000  | 0.000  | 0.000  | 0.000  | 0.002  | 0.000   | 0.013 |

a. Kruskal Wallis Test  
 b. Grouping Variable: familiarity of Islamic entrepreneurship principles

This table 13 presents the Kruskal-Wallis test results to assess the association between the familiarity of Islamic entrepreneurship principles and the perceived potential for Muslims to establish businesses and prosper in entrepreneurship. The majority of p-values are extremely low (all < 0.001), suggesting significant differences in the distribution of responses across different familiarity levels for most statements. However, for statement O3, the p-value is 0.112, indicating that there is no statistically significant relationship between familiarity and perceived potential in this specific case. Therefore, we generally reject the null hypothesis, indicating a significant association between familiarity and perceived potential, except for statement O3.

(Note: "O1" to "O10" represent the different statements about perceived potential, and "df" represents degrees of freedom.)

## 5. Findings

The findings of the study unveil notable insights into the perceptions and perspectives of respondents regarding various facets of Islamic entrepreneurship within the Indian context. The study analyzed responses from a diverse sample, shedding light on the significance and challenges of Islamic entrepreneurship, as well as its potential contributions to economic development.

In terms of the perceived importance of entrepreneurship for the development of the Muslim community in India, the findings indicate a general consensus among respondents on its significance. The mean score of 3.52 (SD = 1.075) places it within the "Very Important" range on the Likert scale, with a considerable proportion of participants attributing high importance to entrepreneurship's role in community advancement.

Furthermore, the understanding of Islamic entrepreneurship principles emerges as moderately favorable among respondents, with a mean score of 2.85 (SD = 0.968), indicating a "Slightly Understand" level of comprehension. Notably, a significant percentage reported a "Moderately" understanding (35.5%) and a "Very well" understanding (29.0%), suggesting potential for further educational interventions to enhance understanding.

Regarding perceived challenges faced by Islamic entrepreneurs, several key areas demand attention. Challenges related to access to Islamic funding, networking opportunities, government support, assurance of halal practices, cultural bias, and aligning religious principles with business practices were all notably marked as "Highly Concerned" by respondents, as their means exceeded the calculated weighted average. Conversely, challenges involving mentorship, education, and access to resources aligned with Islamic principles were categorized as "Less Concerned," offering insights for targeted interventions.

In terms of motivations driving Muslim entrepreneurship, a diverse range of factors were identified. The pursuit of personal passion and interests ranked highest, showcasing a strong inclination to align entrepreneurial pursuits with individual preferences. Other motivations such as creating a positive impact, flexibility and autonomy, financial independence, and community service also played significant roles in driving Muslim entrepreneurs.

The research also explored various opportunities and challenges perceived within the Islamic entrepreneurship landscape. High familiarity opportunities include eco-friendly ventures, the Islamic finance sector, the modest fashion industry, and the halal food market. However, there is a lower level of familiarity with opportunities in the digital economy, creative industry, tourism, health and wellness, and addressing Muslim-majority community needs.

Additionally, respondents expressed a strong alignment with ethical principles and social impact in business activities, with

a mean score of 3.44 (SD = 1.253) categorizing it as "Very Important." Similarly, the study identified a moderate alignment with perceived contributions of Islamic entrepreneurship to Indian economic development, highlighting potential impacts in promoting sustainable development, creating new markets, generating employment, and promoting research and development.

Statistical analyses revealed significant associations between educational qualifications and perceived challenges, as well as between familiarity with Islamic entrepreneurship principles and both perceived challenges and potential for establishing businesses and prospering. These associations provide valuable insights into the nuanced dynamics within the Islamic entrepreneurship landscape based on different respondent characteristics.

## 6. Conclusion and Future Scope

In conclusion, the study provides a comprehensive understanding of Islamic entrepreneurship within the Indian Muslim community. The research highlights positive perceptions of entrepreneurship's importance for personal and community development. Challenges like limited access to funds and mentorship, along with cultural biases, pose significant obstacles. Motivations are driven by passion, social impact, and autonomy, while ethical practices are highly valued. The findings emphasize the potential of Islamic entrepreneurship for both the community and the broader economy. The study suggests that education and familiarity play roles in shaping perceptions and revealing challenges. These insights can guide future efforts to support Islamic entrepreneurs effectively, fostering an environment conducive to their success and in turn, contributing to India's economic growth and societal well-being.

### Data Availability

None

### Conflict of Interest

Authors do not have any conflict of interest.

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None

### Authors' Contributions

Author 1 conducted a comprehensive literature review, identifying critical research gaps. Additionally, he played a pivotal role in designing the research methodology, formulating the questionnaire, and drafting the manuscript. Author 2 was primarily responsible for data collection and subsequent data analysis.

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