

# The Influence of Financial Leverage, CSR Activities on Cash Holdings in Iraqi Islamic Banks

**Essra Abdulsattar Ahmed Al-Shaikhli**

PhD. Scholar, Azman Hashim International Business School, Universiti Teknologi  
Malaysia, Kuala Lumpur, Malaysia

Corresponding Author Email: [abdulsattar.a@graduate.utm.my](mailto:abdulsattar.a@graduate.utm.my)

**Dr. Rafidah Binti Othman**

Senior lecturer, Azman Hashim International Business School, Universiti Teknologi  
Malaysia, Kuala Lumpur, Malaysia

Email: [rafidah.othman@utm.my](mailto:rafidah.othman@utm.my)

**AP Dr. Harcharanjit Singh**

Associate Professor, Azman Hashim International Business School, Universiti  
Teknologi Malaysia, Kuala Lumpur, Malaysia

Email: [harcharanjit@utm.my](mailto:harcharanjit@utm.my)

**Assma Abdulsattar Ahmed Al-Shaikhli**

Senior lecturer, Education College for woman, Aliraqia University, Baghdad, Iraq

Email: [assma.sattar@aliraqia.edu.iq](mailto:assma.sattar@aliraqia.edu.iq)

**To Link this Article:** <http://dx.doi.org/10.6007/IJARAFMS/v14-i3/22256> DOI:10.6007/IJARAFMS/v14-i3/22256

---

**Published Online:** 20 August 2024

## **Abstract**

Empirical research indicates that several factors influence the amount of cash that companies keep. The primary objective of this conceptual paper is to examine the impact of financial leverage and corporate social responsibility (CSR) initiatives on the cash reserves of Islamic banks in Iraq. A systematic examination of the existing literature resulted in the creation of the conceptual framework. The present study established the notable impact of the examined parameters on financial reserves. Furthermore, this study provided valuable information on how financial leverage and CSR initiatives impact the cash reserves of Islamic banks in Iraq. This research highlights the need of adding to the existing knowledge on the factors that influence cash holdings. The findings might be valuable to financial management consultants, investors, and managers. The agency theory and the trade-off theory provided support for the conceptual framework. Additionally, this conceptual paradigm's implications for theory and practice are examined.

**Keywords:** Financial Leverage, Csr Activities, Cash Holdings, Islamic Bank.

## Introduction

Cash is a crucial resource for several companies. Cash is a crucial component of the assets section in the balance sheet of any company. Cash holding refers to the amount of cash that is immediately accessible for investment in tangible assets and for distribution to investors (Amahalu, 2019). Given that cash is a crucial component of readily available assets, accurately measuring and effectively managing cash holdings significantly impacts the value of companies. Cash reserves provide companies essential financial autonomy, allowing them to effectively pursue lucrative prospects while minimizing external intervention (Singh & Misra, 2019). Cash holdings include both physical currency and funds held in bank accounts, money market instruments, treasury bills, and market investments (Ali et al., 2016). Each corporation that engages in cash holding has a certain goal or distinct reasons. Ali et al (2016), identified three motivations for companies to keep cash. Specifically, transactional reasons refer to the retention of funds to fulfil short-term financial inflow and outflow needs. The precautionary motivation refers to the concept that private enterprises and people keep cash as a means to fulfil future commitments. In research conducted by Bates et al (2009), it was found that during the financial crisis of 2008, there was a surge in cash reserves in the United States and Europe. This was attributed to heightened concerns among business managers over firm liquidity and cash holdings. Nevertheless, firms in affluent as well as emerging countries need assistance in understanding the consequences of retaining corporate funds and determining the appropriate pace at which to transition to optimum levels (goal level). Therefore, more inquiry is necessary (Kumar & Symss, 2024).

Furthermore, the presence of speculative reasons implies that the entity now holds cash reserves in order to protect against the potential occurrence of future interest rate hikes. One of the elements that is used to assess the impact on cash holdings is the influence of cash holdings on leverage. Leverage is a financial ratio that assesses a company's spending by comparing its debt and capital to its ability to cover interest and other fixed expenditures (Subing & Yalin, 2023). According to Sari & Hastuti (2020), the issue of problem leverage is always a concern for a business, particularly when the corporation has to provide various forms of finance. Typically, in organizations that have borrowed money, larger companies prefer to have more cash on hand in order to repay their obligations and meet their financial requirements. The leverage ratio used in this research is the Debt to Assets Ratio. In addition, the issue of problem leverage is always a concern for a business, particularly when the corporation has to provide various forms of finance. Typically, in organizations that have borrowed money, larger companies prefer to have more cash on hand in order to repay their obligations and meet their financial requirements. The leverage ratio used in this research is the debt to assets ratio.

The next factor that influences cash holdings is CSR activities. CSR can be described as the policies and practices that focus on voluntary interactions between a business and its community and societal stakeholders. Essentially, CSR encompasses an organization's strategies and actions that are socially responsible and generate positive impacts within the organization (Ismael & Yesiltas, 2020). Corporate Social Responsibility (CSR) in banks includes responsible banking, environmental sustainability, community engagement, ethical governance, and diversity and inclusion. Integrating these practices can enhance reputation, mitigate risks, attract customers and employees, and contribute to economic and social sustainability. However, CSR discussions often lack specific examples, challenge exploration,

stakeholder perspectives, measurement, and evaluation, and are confined to the banking sector, risking bias or generalization. Addressing these gaps can provide a more nuanced understanding of CSR in banking (Marvadi, 2024). According to (Arfianti et al., 2023) corporations throughout various nations own differing levels of cash reserves. This is due to the fact that many organisations use distinct revenue retention strategies based on their objectives. Companies optimise their cash management by using the trade-off theory, which involves evaluating the marginal benefit and cost of retaining cash and making decisions accordingly. Therefore, it is crucial to analyse the variables that influence cash holdings. Varying amounts of cash reserves may be attributed to many variables that influence a company's management strategy in selecting the appropriate level of cash holdings.

Islamic Bank for Investment and Development was the first Islamic bank in Iraq. Iraqi The Islamic Bank was opened in Iraq in 1993. Subsequently, in response to the need of the Muslim population, further Islamic banks were founded, functioning in accordance with the sharia rules (Salh, 2023). The Islamic banking sector is a crucial component of the economy in both developed and developing nations. The Islamic banks in Iraq, plays a big part in how the country's finances and economy grow. The Islamic banking sector in Iraq offers a wide range of services to its customers, such as payments, loans, and financial help for businesses (Falih et al., 2020). Similar to the function of banks in general, Islamic banks are a source of funds to finance individual, private, public, and government investments, as well as allocating capital that supports a country's economic growth (Isnurhadi et al., 2021).

This research examines the particular factors that determine the amount of cash holdings by Islamic banks in Iraq. Cash holdings include both benefits and drawbacks, and it is anticipated that companies will maintain an ideal amount of cash that maximizes shareholder value. As cash holdings increase, it is important to understand what factors influence management of various organizations in determining the most advantageous levels to maintain. Stakeholders and consumers of financial information must be aware of the precise attributes of a corporation that justify the amount of cash it holds. Moreover, while there have been numerous studies on cash holding and its management for various firms across different industries and countries, such as those conducted by (Ahmed et al., 2018; Eneh et al., 2019; Kahle & Stulz, 2009; Opler et al., 1999a; Ozkan & Ozkan, 2004; Singh & Misra, 2019), no research has been found specifically examining the cash holdings and factors influencing cash management for Islamic banks in Iraq. Furthermore, this investigation is anticipated to provide substantial scientific and practical advancements in the following manners. The results will provide useful contributions to the current body of knowledge on Iraqi Islamic banks. Given the scarcity of research undertaken on this subject, both inside Iraq and worldwide, the findings will enhance the existing information base and enhance our comprehension of how companies handle their cash reserves. Furthermore, the research will provide valuable insights into the decision-making process behind investment decisions in a complex and demanding environment. Having this comprehension would enable those with a vested interest, such as businesses and government officials, to make well-informed choices about investments and to formulate plans that are in line with the changing dynamics of the market. Thus, this study aims to address the lack of research on the factors influencing cash holdings for firms operating in Iraq, particularly Islamic banks. The study will examine the impact of financial leverage and corporate social responsibility (CSR) activities on cash holdings in Iraqi Islamic banks.

## Review of Literature

### *Cash holdings*

The term "cash holding" describes the amount of cash that a corporation has on hand. Cash holding means the amount of money that a corporation has and can readily turn into cash (Endri et al., 2020). According to Eneh et al (2019), Cash holding refers to the specific quantity of cash that an organisation or corporation reserves in order to fulfil its financial requirements. It is beneficial for companies when the cost of obtaining cash from external sources is higher than using funds produced internally. In an ideal scenario with efficient capital markets, the absence of transaction costs would render the ownership of liquid assets inconsequential and have no impact on a firm's value. However, markets are not flawless and transaction costs are significant. When capital market inefficiencies are present, companies may not have the ability to explore all investment options that would increase their value. Capital market frictions, such as barriers or obstacles, elevate the expense of obtaining external capital compared to funds produced internally. A greater amount of cash reserves indicates that organisations' management is actively pursuing a proactive approach to financing decisions. However, although this may be applicable to expanding and highly leveraged companies, mature and bigger enterprises tend to hold less cash and equivalents. (Ali et al., 2021). In addition, trade-off theory posits that a corporation achieves its maximum value when the additional advantages gained from retaining cash are equivalent to the additional expenses incurred from maintaining cash reserves. Keeping cash reserves decreases the likelihood of experiencing financial difficulties, minimizes the expenses associated with transactions, and creates additional investment prospects that might otherwise be inaccessible to the firm owing to financial problems (Alnori et al., 2022). Additionally, Optimal cash holdings are attained by striking a balance between the advantages of a company retaining highly liquid assets and the associated expenses. Nevertheless, maintaining a surplus of cash above the appropriate level (referred to as excess cash) has been linked to conflicts of interest inside a company, such as managers misusing these readily available funds for personal gain and making purchases that harm shareholder value (Ramachandran et al., 2023).

## Underpinning Theories

### *Trade-Off Theory*

Under the trade-off theory, corporations strive to determine the most advantageous amount of cash to retain by carefully considering the advantages and costs associated with cash holdings (Ferreira & Vilela, 2004). In addition, this theory posits that a company's management of cash holdings is determined by weighing the costs and advantages associated with retaining cash. The optimal approach to cash management will align with the company's objective of maximising the company's worth (Rasyid, 2020). Meanwhile, as described by Wildiany et al (2022), cash holding is the aggregate amount of cash and cash equivalents that a firm has and can easily convert into cash. Cash holding, as implied by the given expression, refers to the quantity of readily available cash that a company has on hand to fulfil its operational needs, unexpected financing need, and investments. According to Al-Najjar (2013), contend that keeping cash on hand helps decrease the likelihood of experiencing financial difficulties caused by unforeseen losses. These organisations accumulate high amounts of cash since they are better equipped to allocate these resources towards investment strategies, even in the face of difficulties in obtaining money. developing economies see more pronounced market defects compared to established markets.

Additionally, bankruptcy-related costs are substantial in these markets. Consequently, the trade-off theory helps elucidate the decision-making process behind cash holdings in developing markets.

### **Agency theory**

Agency theory, initially proposed by Berle and Means in 1932 and later formalised by Jensen & Meckling (1976), suggests that without the threat of control, it is challenging, if not impossible, to persuade self-interested managers to maintain an appropriate level of cash. On one hand, there is the consideration of ensuring adequate and optimal liquidity positions for the company. On the other hand, there is the issue of the free cash flow hypothesis, which suggests that shareholders may choose to limit a manager's access to free cash flow in order to reduce conflicts of interest. This creates a trade-off between providing enough cash for managers to efficiently fund worthwhile projects and the desire to hoard cash, which could potentially be misused. According to Subing & Yalin (2023), managers have the ability to decrease agency costs by engaging in ownership sharing in the context of agency theory. Hence, the agency issue is a decisive component in the cash holdings of a corporation, since it involves the expenses associated with agencies that might exert influence over management.

### **Trade-off Theory and Financial Leverage**

Financial leverage refers to the utilisation of debt in a company's capital structure. When making financial decisions, organisations must consider their capital structure, which affects the balance between debt and equity. This, in turn, has an impact on the profits and risks faced by shareholders. Financial leverage may be used to assess the combination of debt and equity in a company (Al-Slehat et al., 2020). According to the trade-off theory, effective debt management can help strike a balance between risk and return, ultimately maximizing share prices and boosting firm value. However, if high leverage is not properly managed, it can lead to increased interest expenses and reduced profitability, ultimately decreasing the overall value of the company (Sinaga & Maksum, 2022). According to Guo et al (2021), theories claim that a high level of financial leverage reduces the likelihood of excessive expenditure and overinvestment by management. Increased utilisation of debt capital may also result in a greater reliance on external funding, which in turn leads to heightened scrutiny from fund sources. This increased scrutiny is accompanied by a reduced tolerance for unproductive investment practices and excessive consumption of perks. Those that have a significant amount of debt in their overall financial structure are more inclined to engage in superior initiatives, resulting in higher performance compared to those with lower levels of leverage. This is due to the fact that debt contracts often need more rigorous investment screening procedures and judgements.

### **Agency theory and CSR activities**

According to Jensen & Meckling (1976), agency theory, Barnea & Rubin (2010), view CSR engagement as a relationship between managers and shareholders, where managers may have a motivation to invest excessively in CSR in order to gain personal advantages by establishing a positive reputation as socially responsible individuals, potentially at the expense of shareholders. In addition, Jo & Harjoto (2011), provide empirical evidence that supports the conflict resolution perspective, which posits that managers adopt corporate social responsibility (CSR) practices as a means to address disputes among different

stakeholders. Furthermore, Managers are motivated to spend disproportionately in CSR engagement in order to enhance their reputation as responsible corporate citizens and cultivate a favourable public perception of themselves, even if it comes at the cost of shareholders. The firm's corporate social responsibility (CSR) activities might create a conflict of interest between the firm's internal and external stakeholders. They contend that individuals with privileged access to information and resources are motivated to excessively allocate resources towards corporate social responsibility (CSR) initiatives in order to personally profit from the enhanced reputation associated with being seen as a responsible global citizen, resulting in a positive emotional response (Gul et al., 2020).

### **Financial Leverage and Cash holdings**

Companies that have borrowed money are more inclined to save a large amount of cash since they have a greater chance of experiencing financial difficulties. Reducing cash levels is suggested while taking on more debt (Baskin, 1987). Consequently, companies who own a greater amount of liquid assets have the ability to convert these assets into cash, resulting in a reduced need to keep high quantities of cash (Al-Najjar, 2013). Firms with high levels of leverage have a strong capacity to get capital from external sources by issuing debt in order to acquire cash. Rasyid, (2020) found that leverage has a positive effect on cash holding. In addition, prior studies have focused on examining the impact of financial leverage on the cash holdings of Manufacturing companies listed on the Indonesia Stock Exchange which suggested that future studies should explore the relationship between financial leverage and cash holdings in other sectors. (Ekadjaja et al., 2022). Based on the research article and discussion, there is a link between financial leverage and cash holdings in the Iraqi Islamic bank. Based on this discussion, the following hypothesis was developed.

H<sub>1</sub>: Financial Leverage has a positive correlation with cash holdings

### **CSR Activities And Cash Holdings**

When making business choices, firms are required to navigate the interests and concerns of several stakeholders. One key expectation from stakeholders in this situation is for corporations to assume social responsibility (Viererbl & Koch, 2022). Past research suggested that CSR activities and cash holdings are positively associated (Nasr et al., 2020). In addition, past studies indicated that CSR activities has a positive and significant impact on cash holdings (Jadiyappa et al., 2021). Moreover, Cheung (2016), showed that corporate social responsibility (CSR) has a favourable impact on the amount of cash that companies hold.

Based on the research article and discussion, there is a link between CSR activities and cash holdings in the Iraqi Islamic bank. Based on this discussion, the following hypothesis was developed.

H<sub>2</sub>: CSR activities has a positive correlation with cash holdings.

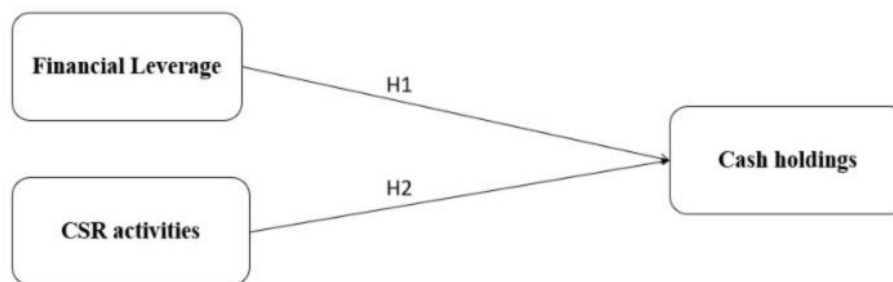


Figure 1.2: Conceptual Framework

### Design/Methodology/Approach

For the purpose of developing the conceptual paper, a comprehensive evaluation was conducted of the relevant journal articles, conference materials, proceedings, and books that were associated with the subject matter and keywords. The results of the literature review and the discrepancies between the study were taken into consideration while developing this theoretical framework (Figure 2). According to the literature analysis, previous research has shown that financial leverage and corporate social responsibility activities have a positive impact on cash holdings. The literature review suggests that corporations generally maintain sufficient liquid assets to effectively meet their immediate needs.

### Results and Discussion

The conceptual paper was crafted by a thorough examination of academic journals, books, and conference materials that were pertinent to the topic and included relevant keywords. Figure 2 shows the theoretical framework that was constructed after considering the breadth of the literature study and the variations found in the research. According to the literature study, previous research has shown that CSR efforts and financial leverage positively impact cash reserves. Therefore, in the real world of imperfect markets, cash holdings are an essential component of company capital structures. Different types of financial organizations should figure out how much cash they should have on hand.

### Integrative Framework

Cash is widely acknowledged as a crucial and essential asset for enterprises and organizations. Just as blood is essential for sustaining physical life, cash is vital for the economic existence of organizations. It infiltrates every facet of economic enterprises, directly or indirectly affecting all their operations. As a result, cash holdings play a vital role in shaping corporate financing strategies and make up a substantial amount of a company's assets (Emamgholipour et al., 2023). Several empirical research have mostly focused on determining the factors that influence cash holdings. For instance, Opler et al (1999), were some of the first academics to investigate the factors that influence the amount of cash a company holds. The researchers examined the factors and consequences of the amount of cash that publicly listed US companies held between 1971 and 1994. The research revealed that companies with greater development prospects, elevated business risks, and smaller sizes maintained a larger amount of capital compared to those with lower levels of these characteristics. Consequently,

companies with better access to the capital market tend to have higher credit ratings, whereas companies with high levels of debt tend to have less cash. Furthermore, it was shown that prosperous companies have a tendency to amass greater amounts of wealth. Similarly, Wenyao (2007), states that financial leverage is a determining element in a company's cash holding. Financial leverage is a quantitative measure that expresses the relationship between a company's total debt and total assets. In addition, Cheung (2016), confirmed the favourable impact of corporate social responsibility (CSR) on the amount of cash that a company has.

This study only examines the cash holdings of Islamic banks. In future studies, it might be extended to include the full conventional banking sector. This conceptual study seeks to improve understanding of the correlation between financial leverage, corporate social responsibility (CSR) activities, and cash reserves in the accounting domain. This article offers significant insights for owners and management of Islamic banks in Iraq, aiding their comprehension of the correlation between financial leverage, corporate social responsibility (CSR) initiatives, and cash reserves. Additionally, it provides recommendations on how to maximise the efficiency of their current resources. The aim of this conceptual paper is to establish a direct relationship between the studied variables and cash reserves, potentially leading to an assessment of the significance of financial leverage, CSR activities, and cash holdings in a banking setting. Moreover, previous research has shown the efficacy of augmenting financial reserves and fostering more robust relationships with consumers and stakeholders.

### **Implications of the Study**

This paper aims to motivate Islamic bank owners, managers, and the Iraqi government to pay increased and renewed attention to the various components of cash holdings and the factors that affect them. Building on previous research, this study argues that cash holdings are significantly influenced by financial leverage and corporate social responsibility (CSR) activities. Despite the significance of this conceptual framework, it has not yet been empirically tested. Future research may consider additional contributing factors, such as other independent and mediating variables, and subject them to empirical investigation. This study also highlights the relationship between Iraqi Islamic banks.

### **Conclusion**

This study performed a quantitative inquiry to examine the factors that influence the cash holdings of Islamic banks in Iraq, which is classified as an emerging capital market. The main determinants are financial leverage and CSR activities. This conceptual paper specifically examines the two core components of financial leverage and CSR activities, and their influence on cash holdings. Highlighting the significance of cash holdings in Iraqi Islamic banks would also motivate other companies to effectively use the resources of these banks. Al-Najjar (2013) has shown that trade-off theory is essential for understanding financial decisions, including cash reserves, in developing countries, as supported by previous research. This study has important significance from an international perspective, since it shows that emerging countries have fundamental financial variables, despite differences in their financial and governance systems. Consequently, banks in these countries use very comparable approaches in managing their cash reserves. Additional analysis of the factors that might impact financial decisions is necessary to investigate the matter of cash holdings in developing countries.



## References

- Ahmed, R., Qi, W., Ullah, S., & Kimani, D. (2018). Determinants of corporate cash holdings: an empirical study of Chinese listed firms. *Corporate Ownership and Control*, 15(3).
- Al-Najjar, B. (2013). The financial determinants of corporate cash holdings: Evidence from some emerging markets. *International Business Review*, 22(1), 77–88. <https://doi.org/10.1016/j.ibusrev.2012.02.004>
- Al-Slehat, Z. A. F., Zaher, C., Fattah, A., & Box, P. O. (2020). Impact of financial leverage, size and assets structure on firm value: Evidence from industrial sector, Jordan. *International Business Research*, 13(1), 109–120.
- Ali, I., Soomro, R. B., Brohi, M. A., & Soomro, M. N. (2021). Determinants of Cash Holding: Evidence From The Non-Bank Financial Sector Of Pakistan. *International Journal of Advanced Research in Engineering and Technology (IJARET)*, 12 (4), 252–269.
- Ali, S., Ullah, M., & Ullah, N. (2016). Determinants of Corporate Cash Holdings: “A Case of Textile Sector in Pakistan.” *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.2728200>
- Alnori, F., Bugshan, A., & Bakry, W. (2022). The determinants of corporate cash holdings: evidence from Shariah-compliant and non-Shariah-compliant corporations. *Managerial Finance*, 48(3), 429–450. <https://doi.org/10.1108/MF-02-2021-0085>
- Amahalu, N. (2019). Determinants of Cash Holdings: Evidence from Agricultural Firms Listed On Nigeria Stock Exchange. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, 9(2), 211–223.
- Arfianti, E., Arfan, M., & Yusmita, F. (2023). The Mediating Role of Corporate Social Responsibility Disclosure on Cash Holding: Evidence from Basic Industry and Chemical Companies in Indonesia. *Journal of Accounting Research, Organization and Economics*, 6(2), 195–212.
- Barnea, A., & Rubin, A. (2010). Corporate social responsibility as a conflict between shareholders. *Journal of Business Ethics*, 97, 71–86.
- Baskin, J. (1987). Corporate liquidity in games of monopoly power. *The Review of Economics and Statistics*, 312–319.
- Cheung, A. W. K. (2016). Corporate social responsibility and corporate cash holdings. *Journal of Corporate Finance*, 37(Icemci), 412–430. <https://doi.org/10.1016/j.jcorpfin.2016.01.008>
- Ekadjaja, A., Siswanto, H. P., & Agselia, A. (2022). Factors Determining Cash Holding in Manufacturing Companies. *Tenth International Conference on Entrepreneurship and Business Management 2021 (ICEBM 2021)*, 338–343.
- Emamgholipour Archi, M., Nabavi Chashmi, S. A., Dadashi, I., & Shafiee Kakhki, M. (2023). Investigating the Asymmetric Models of Cash Holding Adjustment Speed: Dummy Variable, Quadratic and Threshold Regression Models. *Advances in Mathematical Finance and Applications*, 8(2), 367–383.
- Endri, E., Sulastri, S., Syafarudin, A., Mulyana, B., Imaningsih, E. S., & Setiawati, S. (2020). Determinants cash holding of coal mining companies listed on the Indonesian Stock Exchange. *Academy of Strategic Management Journal*, 19(6), 1–9.
- Eneh, O. M.-R., Okegbe, T. O., & Ndubuisi, A. N. (2019). Determinants of Cash Holdings: Evidence from Agricultural Firms Listed On Nigeria Stock Exchange. *International Journal of Academic Research in Accounting*, 9(2), 211–223. <https://doi.org/10.6007/IJARAFMS/v9-i2/6169>
- Ferreira, M. A., & Vilela, A. S. (2004). Why do firms hold cash? Evidence from EMU countries.

- European Financial Management*, 10(2), 295–319.
- Gul, F. A., Krishnamurti, C., Shams, S., & Chowdhury, H. (2020). Corporate social responsibility, overconfident CEOs and empire building: Agency and stakeholder theoretic perspectives. *Journal of Business Research*, 111, 52–68.
- Guo, H., Legesse, T. S., Tang, J., & Wu, Z. (2021). Financial leverage and firm efficiency: The mediating role of cash holding. *Applied Economics*, 53(18), 2108–2124.
- Ismael, F., & Yesiltas, M. (2020). Sustainability of CSR on organizational citizenship behavior, work engagement and job satisfaction: evidence from Iraq. *Revista de Cercetare Si Interventie Sociala*, 71.
- Isnurhadi, I., Adam, M., Sulastri, S., Andriana, I., & Muizzuddin, M. (2021). Bank capital, efficiency and risk: evidence from Islamic banks. *The Journal of Asian Finance, Economics and Business*, 8(1), 841–850.
- Jadiyappa, N., Joseph, A., Sisodia, G., Krishnankutty, R., & Shrivatsava, S. (2021). Corporate social responsibility and cash holdings in India: Evidence from a natural experiment. *Finance Research Letters*, 39, 101581.
- Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of Financial Economics*, 3(4), 305–360. [https://doi.org/https://doi.org/10.1016/0304-405X\(76\)90026-X](https://doi.org/https://doi.org/10.1016/0304-405X(76)90026-X)
- Jo, H., & Harjoto, M. A. (2011). Corporate governance and firm value: The impact of corporate social responsibility. *Journal of Business Ethics*, 103, 351–383.
- Kahle, K. M., & Stulz, R. M. (2009). Why do US firms hold so much more cash than they used to? *The Journal of Finance*, 64(5), 1985–2021.
- Kumar, N., & Symss, J. (2024). Corporate cash holding and firm's performance in times of Ukraine war: a literature review and way forward. *Journal of Chinese Economic and Foreign Trade Studies*.
- Marvadi, C. (2024). A Case Study Examining the Effects of Corporate Social Responsibility on the Financial Performance of Iraqi Commercial Banks. *Journal Dimensie Management and Public Sector*, 5(1), 62–73.
- Nasr, S., Lakhal, N., & Saad, I. Ben. (2020). Corporate social responsibility and cash holdings: Does board gender diversity matter? *International Journal of Business Governance and Ethics*, 14(3), 250–270. <https://doi.org/10.1504/IJBGE.2020.108090>
- Opler, T., Pinkowitz, L., Stulz, R., & Williamson, R. (1999a). The determinants and implications of corporate cash holdings. *Journal of Financial Economics*, 52(1), 3–46.
- Opler, T., Pinkowitz, L., Stulz, R., & Williamson, R. (1999b). The determinants and implications of corporate cash holdings. In *Journal of Financial Economics* (Vol. 52).
- Ozkan, A., & Ozkan, N. (2004). Corporate cash holdings: An empirical investigation of UK companies. *Journal of Banking & Finance*, 28(9), 2103–2134.
- Ramachandran, J., Kannan, Y. H., & Benjamin, S. J. (2023). Excess cash holding and audit pricing: a further consideration of precautionary motives and other factors. *Meditari Accountancy Research*, 31(5), 1410–1435.
- Rasyid, R. (2020). The influence of profitability, liquidity, firm size and leverage on cash holding. *The 2nd Tarumanagara International Conference on the Applications of Social Sciences and Humanities (TICASH 2020)*, 405–409.
- Salh, S. (2023). Dispute Resolution in Islamic Banking Industry Under The Iraqi Judiciary System. *Academic Journal of Nawroz University*.
- Sari, V. P., & Hastuti, R. T. (2020). Pengaruh Net Working Capital, Leverage, Growth Opportunity, Dan Profitability Terhadap Cash Holding. *Jurnal Paradigma Akuntansi*, 2(4),

1559–1567.

- Sinaga, S. H. K., & Maksum, A. (2022). The Effect of Profitability, Leverage, Liquidity, Free Cash Flow on Company Value with Dividend Policy as Moderating in Basic and Chemical Industrial Companies Listed on the Indonesia Stock Exchange for the 2017-2021 Period. *International Journal of Economics (IJEC)*, 1(2), 368–379.
- Singh, K., & Misra, M. (2019). Financial determinants of cash holding levels: An analysis of Indian agricultural enterprises. *Agricultural Economics (Czech Republic)*, 65(5), 240–248. <https://doi.org/10.17221/240/2018-AGRICECON>
- Subing, H. J. T., & Yalin, F. L. (2023). Analysis of the Factors Influencing Cash Holding in Corporation. *Research of Economics and Business*, 1(1), 23–35.
- Viererbl, B., & Koch, T. (2022). The paradoxical effects of communicating CSR activities: Why CSR communication has both positive and negative effects on the perception of a company's social responsibility. *Public Relations Review*, 48(1), 102134.
- Wenyao, L. (2007). *The determinants of cash holdings: Evidence from Chinese listed companies*.
- Wildiany, R., Mahri, A. J. W., & Utami, S. A. (2022). Cash Holding in Companies Registered on the Jakarta Islamic Index: Analysis of Net Working Capital Factors, Levels of Leverage, and Levels of Profitability. *Indonesian Journal of Economics and Management*, 3(1), 161–173.