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# Islamic Banking and Finance Against Conventional



**Edited by**  
**Saim Kayadibi**



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Saim Kayadibi**



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## Chapter 3

### Differences between Islamic Credit Card and Conventional Credit Card

Noerma Madjid Riyadi<sup>23</sup> and Saim Kayadibi

#### Introduction

What is a credit card? Oxford dictionary defines a credit card as a small plastic card issued by a bank, building society, etc; allowing the holder to purchase goods or services on credit. Credit card seems important these days. Why? Because it simplify the complicated banking process for an individual who are in short of cash, in casual cases like shopping or something severe like emergency situation. Various banks and other financial institutions started to realize how credit cards can help their clients to solve their problems. Hence, now they offer credit card facility to their clients with various types so that it will be compatible with what their client needs and affords.

A credit card generally works by giving its holder an immediate authority to purchase services and goods in and outside our own country. But, credit card has its limit of credit that has been set up by the banks or financial institutions. In this assignment, we are going to brief about the background of Islamic credit card at first. Then, it will become more interesting as we touch on the differences between Islamic credit card and conventional credit card. On the other hand, we will further our discussion on the benefits of using Islamic credit cards. Lastly, the discussion will

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