

**Appendix:**

<b>Breusch-Pagan / Cook-Weisberg test for heteroskedasticity</b>	<b>White's test</b>	<b>Modified Wald test for groupwise heteroskedasticity</b>	<b>Wooldridge test for autocorrelation in panel data</b>
Model-1 (OP) chi2(1) = 5.94 Prob > chi2 = 0.015	Model-1 (OP) chi2(27) = 47.82 Prob > chi2 = 0.008	Model-1 (OP) chi2 (28) = 246.25 Prob>chi2= 0.000	Model-1 (OP) F(1, 27) = 31.75 Prob > F = 0.000
Model-2 (ROA) chi2(1) = 1220.64 Prob > chi <sup>2</sup> = 0.000	Model-2 (ROA) chi2(27) =177.05 Prob > chi <sup>2</sup> = 0.000	Model-2 (ROA) chi2 (29)=16563.71 Prob>chi2= 0.000	Model-2 (ROA) F(1, 28) =29.49 Prob > F = 0.000
Model-3 (ROE) chi2(1) = 5.59 Prob > chi2=0.018	Model-3 (ROE) chi2(27) = 89.61 Prob > chi <sup>2</sup> = 0.000	Model-3 (ROE) chi2(29) =1810.10 Prob>chi2 = 0.000	Model-3 (ROE) F(1, 28) =24.67 Prob > F =0.000
Model-4 (TQ) chi2(1) = 210.35 Prob > chi <sup>2</sup> = 0.000	Model-4 (TQ) chi2(27) = 39.04 Prob > chi2= 0.063	Model-4 (TQ) chi2 (29) =1.5e+05 Prob>chi2 = 0.000	Model-4 (TQ) F( 1, 28) = 4958.97 Prob > F = 0.000

Table-I: Result of panel data heteroskedasticity and autocorrelation tests

Model- OP			Model- ROA; ROE and TQ		
<b>Variable</b>	<b>VIF</b>	<b>1/VIF</b>	<b>Variable</b>	<b>VIF</b>	<b>1/VIF</b>
IR	4.26	0.234975	IR	4.08	0.245358
DR	2.91	0.343634	DR	3.43	0.291951
SZ	2.25	0.444825	NPL	3.01	0.332775
LR	1.36	0.737359	SZ	2.61	0.383318
LnAdv	1.10	0.907053	LR	1.33	0.750377
NPL	1.01	0.988684	LnAdv	1.29	0.777933

Table-II: Multicollinearity test

Variables name	Model-1 OP	Model-2 ROA	Model-3 ROE	Model-4 TQ
----------------	---------------	----------------	----------------	---------------

Dependent Variable <sub>(t-1)</sub>	0.935***	0.948***	0.794***	0.333**
	(0.184)	(0.163)	(0.085)	(0.151)
Advertising Exp.	0.348	0.054	-1.237	0.017
	(0.283)	(0.074)	(1.767)	(0.016)
Advertising Exp. <sub>(t-1)</sub>	-0.190	-0.093	0.428	-0.008
	(0.186)	(0.091)	(1.090)	(0.009)
cons	-2.127	0.963	16.61	-0.122
	(2.282)	(0.612)	(13.79)	(0.138)
F-Statistic	18646.7***	509.2***	320.0***	275.5***
Instruments/Groups	8/23	13/23	17/23	5/23
AR(2) test (p-value)	0.263	0.244	0.096	0.629
Hansen test of over-identification (p-value)	0.094	0.121	0.235	0.703
cmd	xtabond2	xtabond2	xtabond2	xtabond2

Table-III: 2-SGMM Regression result for conventional Banks

Variables name	Model-1 OP	Model-2 ROA	Model-3 ROE	Model-4 TQ
Dependent Variable <sub>(t-1)</sub>	1.001***	0.551***	0.519***	0.524**
	(0.195)	(0.044)	(0.129)	(0.212)
Advertising Exp.	0.340	0.157***	-0.130	-0.019
	(0.210)	(0.021)	(1.205)	(0.015)
Advertising Exp. <sub>(t-1)</sub>	-0.305	0.230	0.253	-0.002
	(0.272)	(0.370)	(0.375)	(0.009)
cons	-0.596	-6.752	2.729	0.405
	(1.352)	(6.466)	(20.31)	(0.453)
F-Statistic	57500.9***	252.9***	269.8***	557.5***
Instruments/Groups	5/6	6/7	7/7	6/7
AR(2) test (p-value)	0.370	0.344	0.859	0.538
Hansen test of over-identification (p-value)	0.335	0.106	0.097	0.466
cmd	xtabond2	xtabond2	xtabond2	xtabond2

Table-IV: 2-SGMM Regression result for Islamic Banks