

A STUDY ON THE CONTRIBUTION OF  
BANK ISLAM MALAYSIA BERHAD  
IN PROVIDING FINANCING TO THE  
MANUFACTURING SECTOR IN MALAYSIA

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## ABSTRACT

This project paper presents the contribution of Bank Islam Malaysia Berhad (BIMB) in providing financing to the manufacturing sector in Malaysia. It encompasses the performance of BIMB, comparatively with commercial banks in providing loans to the mentioned sector.

Before we arrived at the analysis part, a review of the developments and growth of both, BIMB and manufacturing sector has been done.

Finally, it is found that the role of BIMB in providing financing to the manufacturing sector is quite insignificant. Therefore, in the final chapter, several recommendations have been made in order to increase the effectiveness of the banking operation of BIMB.

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## 1.1 BACKGROUND OF THE STUDY

This study is done mainly to focus on how significance the role of Bank Islam Malaysia Berhad (BIMB) is, in providing financing to the manufacturing sector in Malaysia.

On the first part of the study, a review of the establishment, growth and performance of BIMB has been made.

Next, a review of the manufacturing sector has been done. For the purpose of this study, manufacturing sector has been divided by the types of industries like the resource-based industries, engineering and heavy industries, and electrical and electronics industries. This will include the financing of the manufacturing sector.

On the last part of the study, a study on the role of BIMB in providing financing to the manufacturing sector has been made.