

DECLARATION OF ORIGINAL WORK



**BACHELOR OF BUSINESS ADMINISTRATION
WITH HONOURS ISLAMIC BANKING
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
"DECLARATION OF ORIGINAL WORK "**

I, NOR BAIDURA BINTI RIFAAI, (I/C NUMBER:

Hereby, declare that:

- This work has not previously been accepted in substance for any degree, locally or overseas, and is not being concurrently submitted for this degree or any other degrees.
- This project paper is the result of my independent work and investigation, except where otherwise stated.
- ☐ All verbatim extracts have been distinguished by quotation mark and sources of my information have been specifically acknowledged.

Signature: .

Date: 27 APRIL 2011

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ABSTRACT

Islamic finance has grown dramatically in the last decade - within Malaysia and throughout the world. Reinforcing its position as one of the most dynamic sectors in International Finance and now, with RHB Islamic Bank, your access to Islamic Banking has never been easier. RHB Islamic Bank uniquely positioned to offer time-tested expertise and ingenious know-how, bringing to you a wealth of more than 15 years of banking experience. One of the latest innovative products of RHB Islamic Bank is the Islamic hire-purchase facility or *Al-Ijarah Thumma al-Bay* (AITAB) which is designed to meet the current demand and avoid certain risks in the financing of consumer durables and motor vehicles. Islamic hire-purchase or AITAB can be utilized to finance a wide range of assets, either for individual or corporate customers. This paper presents empirical evidence on the factors that affecting the total volume of Islamic hire-purchase facility in RHB Islamic Bank. A study has been conducted on year 2006 to year 2010 in order to gain the details information regarding the factors that affecting the total volume of Islamic hire-purchase facility in RHB Islamic Bank. Overall, the results showed that the concept of Islamic Banking itself, the customer's demand on Islamic hire-purchase, the market condition and the structure of corporate management affecting the total volume on Islamic hire-purchase in RHB Islamic Bank. Furthermore, RHB Islamic Bank backed by the strength of the RHB Banking Group and thrives on their tradition of professionalism and this is proven through their ability to have access to viable opportunities, strategic insights and to navigate through industry intricacies especially on Islamic hire-purchase facility.