

**UNIVERSITI TEKNOLOGI MARA**

**DISTRIBUTION OF ZAKAT FUND THROUGH  
MICRO-CREDIT:  
AN ANALYSIS IN LEMBAGA ZAKAT SELANGOR**

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## AUTHOR'S DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.


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## ABSTRACT

This article aims to analyze the possibility of the implementation of micro-credit from distribution of zakat funds. The distribution of zakat fund through micro-credit give a meaning where the distribution was given to recipients (asnaf) in the form of capital funding. The recipients are refer to asnaf who is interested in expending or initiating their business. This study will propose an idea for suggestion to enable the zakat be utilized as a source of funding. The result of study found that the zakat institutions can be expanded in distribution activities through the implementation of micro-credit towards asnaf; and further as the income or source of fund of micro-credit. From these alternative, zakat institutions is found have many advantages, whereby the asnaf can gain assistance from the source of free loans, the al-Qard Hassan financing. All the advantage can qualify the zakat institutions as a resilient source of micro-credit by according shariah law. The main method used in this study was the interview method, of which 2 were selected to be interviewed officer of Lembaga Zakat Selangor. The preliminary findings of this study are expected to help Lembaga Zakat Selangor in raising the awareness of the Selangor community on the obligation of this zakat gold. The study also contains several approaches and recommendations to ensure zakat institutions can be strengthened and zakat collection funds can be increased.

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