

UNIVERSITI TEKNOLOGI MARA

**BORROWER'S ATTITUDE TOWARDS
BUSINESS LOAN REPAYMENT: A
STUDY AT PEJABAT MARA DAERAH
(PMD) JELI, KELANTAN**

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Academic Writing submitted in partial fulfillment of the
requirements for the degree of

Bachelor in Muamalat

Academy of Contemporary Islamic Studies

January 2018

AUTHOR'S DECLARATION

I declare that the work in this academic writing was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and it is the results of my own work unless otherwise indicated or acknowledged as referenced work. This academic writing 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 Under Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

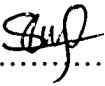
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Thesis/Dissertation Title : Borrower's Attitude towards Business Loan
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ABSTRACT

Financial loan activity whether loans for business, education or personal are already part of today's community culture. However, in helping the community and entrepreneurs, the government has established the institution MARA that provided loan including a business loan for the Bumiputera in getting the financial assistant and to get out of poverty. Basically, an aspect of borrowing relates to the default problem even they are many ways to repay it. Also, the attitude of the borrower is an important factor whether the borrower willingness to repay or ability to repay. However, defaulting is a problem increasing especially towards loan repayment even MARA has prepared the facilities to the borrowers. Hence, this study explains the factors of failure to repayment, attitude to repay and suggestion in improving attitude towards loans repayment. Due to this defaulting and unethical behavior, the financial institution' as MARA stem from outright default due to the inability of borrowers to meet obligations in relation settlement. This study analyses by using the mix methods which is qualitative and quantitative. Qualitative method is interview while the quantitative method is set of questionnaire. Hence, data were gathered through distributed 103 of questionnaires, but only 85 of the questionnaire was returned while interviews 6 of respondents consists of MARA officer and borrowers MARA then the data was analyzed using both frequency and descriptive. The findings will assist the MARA district office Jeli and also borrowers in coming up with the most appropriate measures to apply in order to improve the loan repayment and eliminate defaults. Therefore, default happens because of borrowers' attitude itself, this will lead to the delinquency and then the borrower cannot afford to pay. At the same time, the debt will affect the government, financial institutions and especially to the borrower itself. However, the borrowers who do not pay debts will not miss their punishment from Allah SWT.

ACKNOWLEDGEMENTS

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

Praise to ALLAH S.W.T the most exalted whose mercy and blessing have enabled me to complete this report. Peace and blessing of Allah be upon His Messenger, Prophet Muhammad S.A.W. I could have finished this project paper on time and fulfill overall of the requirement needed for this last subject paper of Bachelor In Muamalat (Hons.). I admit there is so much difficulty in finishing this final project paper but thanks to HIM that I could finish this on time.

First and foremost, I would like to take an opportunity to express big thanks to my respectable advisor Dr. Kamariah Yusoff, for encouraging and guiding me in preparing this final year project paper until it is completed.

Special gratitude towards my beloved family especially my parents, Zawawi Bin Dazid and Zainab Binti Salleh for their unconditional love, support, high spirit and monetary support during finishing this final year project.

Special thanks to the staff at Majlis Amanah Rakyat (MARA) Jeli, Kelantan in giving me information about my report and their good cooperation. Moreover, thanks to all respondents for their willingness to spend some precious time to complete my questionnaire and interview. And also thanks to all people who have helped me directly or indirectly in completing this final year project.

May Allah bless all of us...

Thank you very much.

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