

**UNIVERSITI TEKNOLOGI MARA**

**THE APPLICATION OF TAKAFUL  
IN EASTERN PACIFIC INDUSTRIAL  
CORPORATION (EPIC) IN OIL AND  
GAS INDUSTRY AMONG ADMIN  
DEPARTMENT**

**IRDINA SAFIAH BINTI IZUDIN**

Thesis submitted in fulfillment  
of the requirements for the degree of  
**Bachelor of Muamalat (Hons.)**

**Faculty of Academy Contemporary Islamic Studies**  
**(ACIS)**

**October 2024**

## ABSTRACT

Safety and health at work are very important, particularly in sectors like the oil and gas industry. Heavy machinery and equipment, as well as risks and chemicals, are all present for workers in these industries. Insurance and takaful can lessen losses and shield employees from any mishaps. But a lot of individuals don't realize how important insurance and takaful are, which causes a lack of knowledge and comprehension. The purpose of this research paper is to examine the interview done at Eastern Pacific Industrial Corporation (EPIC) Oil & Gas Kemaman, as well as the knowledge of employees in the oil and gas sector regarding Takaful and its application. Workers in the oil and gas sector can safeguard their safety and prevent significant losses by being aware of the value of insurance and takaful. The application of Takaful and insurance in the Oil and Gas Industry at Eastern Pacific Industrial Corporation (EPIC) is the main topic of this research study. Its goal is to increase public knowledge of Takaful and insurance and its advantages within the sector. The necessity of employee backup insurance and takaful is discussed, along with the significance of insurance and takaful for business property and personal accidents. The report also emphasizes how crucial takaful and insurance is to safeguarding workers' safety in the sector and averting further losses.

**Keywords:** *Takaful, Oil & Gas Industry, Eastern Pacific Industrial Corporation (EPIC).*

## **ACKNOWLEDGEMENT**

Firstly, I wish to thank to God for giving me the opportunity for completing this long and challenging journey successfully. My gratitude and thanks go to my supervisor Dr. Asiah binti Kamal for all the support, ideas and guidance in making this project a success.

Moreover, I also would like to express my gratitude to the participants who willingly to participate in the process of collecting the data. And not to forgot those who helps me throughout my internship journey in Easten Pacific Industrial Corporation (EPIC) Oil and Gas Kemaman, my friends, and my co-workers who providing the knowledge and assistance in guiding me to adjust myself in the work field.

Finally, this thesis is dedicated to both my beloved father and mother for the vision and determination to educate me. This piece of victory is dedicated to both of you. Alhamdulillah.

## TABLE OF CONTENTS

CONFIRMATION BY PANEL OF EXAMINERS .....	i
AUTHOR’S DECLARATION .....	ii
ABSTRAK.....	iii
ABSTRACT.....	iv
ACKNOWLEDGEMENT .....	v
LIST OF TABLES .....	vi
LIST OF FIGURES .....	vii
LIST OF ABBREVIATIONS / NOMECLATURE .....	viii
TABLE OF CONTENTS.....	ix
CHAPTER ONE .....	1
INTRODUCTION .....	1
1.1    Research Background .....	1
1.2    Problem Statement.....	2
1.3    Research objectives .....	2
1.4    Research Questions .....	3
1.5    Scope of the Study .....	3
1.6    Significant of the Study .....	3
CHAPTER TWO .....	6
LITERATURE REVIEW .....	6
2.1    Introduction .....	6
2.2    The Concept of Insurance and Takaful.....	7
2.3    The Concept of Oil and Gas Industry .....	11
2.4    Types of Insurance that Related in Oil and Gas Industry .....	13
2.5    The Awareness of Takaful.....	16
2.6    Conclusions .....	17

# **CHAPTER ONE**

## **INTRODUCTION**

### **1.1 Research Background**

In the workplace, safety and health is the first thing that we should be taking care of especially when we are working in the industry that are exposed to any chemicals or work on the site such as the oil and gas industry where they have onshore and offshore. People who have work in Oil and Gas industry know the best regarding the safety at their workplace because they are literally exposed their self with danger every day. However, not only people who have work in such industry need to prioritize safety. People who have work in other industry such as business, automotive mobile, agriculture, hospitality, manufacturing and many more also must aware their surroundings for safeness. In order to complete this research paper, the data must be collected according to research title where it is the study of application of takaful among the workers. The research area is the workplace that I have been doing my internship involving the oil and gas industry.

The motivation behind this study is because most of the times that the workers are exposed to dangers and chemicals during their works. For example, people who work as welder they have been exposing for to dangerous machine such as MIG Welding Machine, Flux-Cored Arc Welding Machine, Atomic Hydrogen Welding Machine and more. When I was attending the program that handles by Safety Department, they have mention about safety so many times so that all the workers are alert with safety. They also mentioned regarding the case that was happen last year where this one worker has faced some incidents. So, if the worker have their life covered by Takaful or insurance, then they will not suffer so many losses. So, this motivation of study is to study whether the worker here is applied with insurance or not.

The reason why this study is important for the industry practice is because we know that everyone is exposed their life with dangers and hazard. The practice of how we overcome the situation is very important. As for my research area, I am surrounded by oil and gas industry where there will be some kind of hazard that can happen if we are not careful enough. There are many examples of accident that could happen such as factor from machinery and equipment. Oil rigs have heavy equipment, electrical components, powerful drills that could