

UNIVERSITI TEKNOLOGI MARA

**MANAGEMENT OF INHERITANCE CLAIMS:
ISSUES AND CHALLENGES OF AMANAH RAYA
BERHAD ALOR SETAR**

MUHAMMAD FAKHRUL HADI BIN DZALIHU'ZZABIR

Thesis submitted in fulfillment
of the requirements for the degree of
Bachelor of Muamalat

Faculty of Academy Contemporary Islamic Studies

JANUARY 2025

ABSTRACT

Estate claims management is an important element in ensuring that the distribution of inheritance assets is done fairly and systematically, thereby ensuring the well-being of heirs and the economic stability of the community. This study examines the issues and challenges faced by Amanah Raya, especially at the Alor Setar branch, in managing estate claims. This study also aims to identify the main causes of these challenges and suggest improvements to increase the effectiveness and efficiency of management. Using a qualitative approach, data was obtained through in-depth interviews with Amanah Raya officers and heirs involved. The study findings show several key challenges, including complex bureaucratic processes, lack of public awareness of inheritance claim procedures, weaknesses in the use of digital technology, and constraints in cooperation with third-party agencies such as courts and land offices. These challenges not only slow down the resolution process, but also put pressure on heirs who deal with time-consuming and complicated procedures. As a recommendation, this study suggests the implementation of a fully digital system to facilitate the documentation and verification process, intensify public awareness campaigns through mass media channels and community programs, and strengthen coordination with third-party agencies through a more connected and efficient network system. The implications of this study indicate that these improvement measures can improve the smooth management of estate claims, reduce settlement time, and ensure fairness to all parties involved. The population in this study is officers involved in the management of inheritance claims at AmanahRaya Berhad, Alor Setar Branch, and the sample selected consists of five officers out of twelve people, using the simple random sampling technique. Overall, this study contributes to a deeper understanding of the issues and challenges in the management of estate claims in Amanah Raya as well as providing a basis for future research that can further strengthen the inheritance system in Malaysia.

Keywords: *AmanahRaya Berhad (ARB), Estates claim, Estate Management, Issues, Challenges.*

ACKNOWLEDGEMENT

All praise to Allah for giving me strength, courage and patience to complete the journey of thesis writing in final year project, January 2025. I am very grateful to Allah SWT for giving me the opportunity from start until the end in completing my thesis writing. This writing would not be complete without the help and participation of my supervisor, the staff of Amanah Raya Branch Alor Setar and my friends.

Firstly, I wish to thank Allah SWT for giving me the opportunity to embark on my first Bachelor Degree and for completing this long and challenging journey to become successfully. My gratitude and thanks go to my very dedicated supervisor Ustaz Khairul Anuar Bin Ismail for her extraordinary involvement and effort in supervise, advice and guide me throughout the completion of my thesis.

In addition, I would like to express my gratitude to all my lecturers who gave many knowledge and moral support that I really need to face my future. I truly appreciate my lecturer's time spent in teaching and helping me to get into this point.

My appreciation also goes to my parents and my family that always give me encouragement and support during this writing was conducted. Special thanks to my colleagues and friends for helping me with this project. Finally, I really hope this thesis will help all the people especially for Amanah Raya Alor Setar to have a proper management.

TABLE OF CONTENTS

CONFIRMATION BY PANEL OF EXAMINERS	ii
AUTHOR'S DECLARATION	iii
ABSTRACT	iv
ACKNOWLEDGEMENT	v
LIST OF TABLES	ix
LIST OF FIGURE	x
LIST OF ABBREVIATIONS	xi
APPENDICES.....	xii
CHAPTER ONE: INTRODUCTION	1
1.1 Introduction	1
1.2 Research Background	3
1.3 Problem Statement.....	4
1.4 Research Questions.....	7
1.5 Research Objectives.....	7
1.6 Research Significant	8
CHAPTER TWO: LITERATURE REVIEW.....	10
2.1 Introduction	10
2.2 Issues and Challenges of Inheritance Claim Management in Amanah Raya Berhad Alor Setar	10
2.2.1 Diversifies of Agencies	10
2.2.2 Delays in Inheritance Claim Distribution.....	12
2.2.3 Lack of Knowledge and Awareness.....	13
2.2.4 Administration and Legislation	15
2.3 Conclusion	16
CHAPTER THREE: RESEARCH METHODOLOGY	17
3.1 Introduction	17
3.2 Research Design	17
3.3 Research Area.....	18
3.4 Sampling Techniques.....	19
3.5 Data Collection Method	19
3.6 Limitation of Study.....	20

CHAPTER ONE

INTRODUCTION

1.1 Introduction

Inheritance is the property left by the deceased from the property or all rights he owned during his life, distributed to his heirs after his death. The distribution of inheritance is explained in detail in the Quran regarding the heirs who are entitled to it in order and the appropriate share. This method of distribution is believed to provide *maslahah* and justice to the heirs along with their rights and responsibilities. Through this *mawarith* verse, it also guarantees that the deceased's property is distributed and managed correctly to achieve the *maqasid syariah*, namely *hifz mal* even after death. The correct distribution of inheritance provides benefits not only to the heirs but also has a positive impact on the economy and social well-being since it is one of the sources of economic income for the community. Statistics from year to year show an increase in unmanaged inheritance. According to statistics in 2006 from Amanah Raya Berhad (ARB), one million inheritance claim cases amounting to RM 38 billion were not resolved due to poor inheritance management by the heirs (Abas, 2006). Most cases, covering 90%, involve Muslims in Malaysia. In 2007, the total unclaimed estate reached RM 40 billion. Statistics from ARB, RM 38 billion was real estate or immovable property, RM 1.5 billion was unclaimed money and RM 70 million from the Employees Provident Fund (EPF) and an estimated one million land holdings were still named in the name of the deceased (Shafie, 2016). In 2009, the total movable property, namely savings of RM 31 million, was still stored in Amanah Raya Berhad (Abdul Rahim, 2009). In 2014, more than 1 million inheritance cases estimated at RM 52 billion were still unresolved (Sabirin, 2014). In 2016, the amount increased by RM 60 billion. In 2010, an estimated 41 billion in assets owned by 500,000 Muslim beneficiaries were still frozen (Aziz, 2016).

Islam has stipulated in detail about the division of inheritance through *surah an-Nisa'* verses 11,12 and 176. From these three verses, Islam provides a comprehensive and detailed system for the division of inheritance among heirs. These verses lay down the fundamental principles for the distribution of a deceased person's estate among their family members, ensuring fairness and justice in the process. These verses also can be concluded that every qualified heir is entitled to his share. The essence of *syariah* as