

**UNIVERSITI TEKNOLOGI MARA**

**THE IMPACT OF IFSA 2013 TO THE *MUDARABAH*-BASED  
PRODUCTS OF ISLAMIC BANK: A CASE STUDY OF KENANGA  
INVESTMENT BANK BERHAD**

**NOR MIMI AFIFAH BINTI MOHD SHAKRI**

Submitted in fulfilment of the requirements for

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## AUTHOR'S DECLARATION

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

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Name of Student : Nor Mimi Afifah Binti Mohd Shakri  
Student I.D. No : 2014534055  
Programme : Diploma in *Muamalat*  
Faculty : Academy of Contemporary Islamic Studies (ACIS)  
Title : The Impact of IFSA 2013 to the *Mudarabah*-Based Products of Islamic Bank: A Case Study of *Kenanga* Investment Bank *Berhad*

Signature of student: .....

Date: April 2017

Signature of supervisor: .....

Siti Khurshiah Binti Mohd Mansor

Academy of Contemporary Islamic Studies (ACIS).

## ABSTRACT

The common principle that have been used by many Muslim society in Islamic finance and banking is *mudarabah* products. Currently in Malaysia, the *Shari'ah* Advisory Council (SAC) of Bank Negara Malaysia allocated the issues of *mudarabah* in a current account product in their resolutions. According to the SAC, there was a proposal from an Islamic banking institution to introduce a current account product based on *mudarabah*. This account is contrast from the *wadi'ah* current account because the payment of dividends to customers is at the sole discretion of the bank. In the *mudarabah* current account, customers were entitled to share some of the profits generated based on a pre-agreed profit sharing ratio upon the opening of the current account. After the implementation of IFSA 2013, *mudarabah* product have been classified as investment product effective from 30 June 2015. This study examines the objective of research to study the impact of IFSA 2013 to the *mudarabah* based product to ensure the return and income of Islamic bank remain its stability growth and sustain in this development country.

This study is a qualitative research as involves of resources obtained from the library and also by interviews with the relevant authorities.

## TABLE OF CONTENTS

	<b>Page</b>
<b>AUTHOR’S DECLARATION</b>	ii
<b>ABSTRACT</b>	iii
<b>ACKNOWLEDGEMENTS</b>	iv
<b>TABLE OF CONTENTS</b>	v-vii
<b>LIST OF FIGURES</b>	viii
<b>LIST OF ABBREVIATIONS</b>	ix

### **CHAPTER ONE: INTRODUCTION**

1.1 Introduction	1
1.2 Background of Study	1-5
1.3 Problem Statement	5-7
1.4 Research Question	7-8
1.5 Objective of Study	8
1.6 Significance of the Study	9-10
1.7 Scope and Limitations of the Study	10

### **CHAPTER TWO: LITERATURE REVIEW**

2.1 Introduction	11
2.2 IFSA 2013	11-14
2.2.1 Definition and Interpretation	14-15
2.2.2 <i>Mudharabah</i>	15-20
2.3 Summary of Concept Paper of the Investment Account under <i>Mudharabah</i>	20
2.3.1 Objective	20-21

2.3.2 Investment objectives	21-22
2.3.3 Effective date and transition arrangement	22-23
2.3.4 <i>Shari'ah</i> compliant investment account	23
2.4 <i>Kenanga</i> Investment Bank <i>Berhad</i> Background	24-25

### **CHAPTER THREE: METHODOLOGY**

3.1 Introduction	26
3.2 Collecting data	26
3.2.1 Library and website	26-27
3.2.2 Interview Methods	27-28
3.3 Analyses data method	28
3.3.1 Inductive Method	28
3.3.2 Deductive Method	28-29

### **CHAPTER FOUR: RESULT AND FINDING**

4.1 Introduction	30
4.2 The impact of IFSA to Islamic banking's deposit	30-32
4.3 IFSA impact to <i>Kenanga</i> Investment Bank <i>Berhad</i>	32-33
4.3.1 <i>Mudharabah</i> deposit	33-36
4.4 Distribution of Profit between the Unrestricted IAH and KIBB	36
4.4.1 Data Analysis	37-42
4.4.2 Commodity <i>Murabahah</i> Deposit-I	42
4.5 Product in KIBB that were affected in The Transition	
Plan	43
4.5.1 <i>Mudarabah</i> General Investment Account-i	43-44
4.6 Information Asymmetry	44-45
4.7 Fixed Return to the Depositors in <i>Mudarabah</i> Contract	45-48
4.8 Transitional Provisions	48
4.8.1 Consent Requirement	48-49