

UNIVERSITI TEKNOLOGI MARA

**PRACTICES ON AL-AWFAR AND PREMIUM
SAVINGS CERTIFICATE AMONG
STUDENTS IN UITM SELANGOR PUNCAK
ALAM CAMPUS**

MOHAMAD FIRDAUS BIN ROSLI

Submitted In Fulfilment of the
Requirements

For The Diploma in Muamalat

Academy Contemporary of Islamic
Studies (ACIS)

January 2018

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.

I hereby acknowledge that I have been supplied with the Academic Rules and Regulation for Past Graduate, University Teknologi MARA. Regulate the conduct of studies and research.

Name of Student : Mohamad Firdaus Bin Rosli

Student I.D. No. : 2015852604

Program : Muamalat

Faculty : Academy Contemporary of Islamic Studies
(ACIS)

Thesis Title : Practices On Al-Awfar And Premium
Savings Certificate Among Students In
UiTM Selangor Puncak Alam Campus

Signature of student :

Date : January 2018

ABSTRACT

This research has discussed people's practices on *Al-Awfar* and Premium Savings Certificate among students in UiTM Selangor Puncak Alam Campus. In Malaysia, the Islamic bank institutions need or have to compete with the conventional bank institutions as a confidence to the society. It also aims to convince people about the legality of *Al-Awfar* and PSC product with *Shariah* compliance by analyzing its contract. The research methodology will be used in this research are in questionnaire method and library research. The researcher used SPSS and Microsoft Word/Excel as a method to analyse and interpret the data. SPSS is a powerful tool or software that is capable of conducting just about any type of data analysis used in the social sciences, the natural sciences or in the business world. The survey shows the totals of 81 population to the 66 sampling (respondents) from different demographic profiles are selected with some purpose to resolve the doubt of lucky draw-based product and reach the objective of the study.

Keywords: *Al-Awfar*, PSC, BIMB, BSN, *Mudharabah*, *Wadiah*, Legality, *Al-Maysir*, People's practice.

TABLE OF CONTENT

CONTENT	PAGE
AUTHOR'S DECLARATION	i
ABSTRACT	ii
ACKNOWLEDGEMENT	iii
TABLE OF CONTENT	iv-vi
LIST OF FIGURES	vii
LIST OF TABLES	viii
LIST OF PIE CHARTS	ix
LIST OF ABBREVIATIONS	x
CHAPTER 1: INTRODUCTION	
1.1 Research Background	1
1.2 Problem Statement	2
1.3 Research Question	3
1.4 Research Objective	4
1.5 Significance Of Research	4

1.6	Limitation Of Research	5
1.7	Chapter Outline	6
CHAPTER 2: LITERATURE REVIEW		
2.1	Highlights Of The Research	9
2.2	Establishment Of Bank Islam Malaysia Berhad	12
2.3	Introduction Of <i>Al-Awfar</i>	14
2.4	Introduction Of Premium Savings Certificate	16
2.5	Establishment Of Bank Simpanan Nasional	18
2.6	Modus Operandi Of An <i>Al-Awfar</i> Product	19
2.7	<i>Mudharabah</i> Contract	21
2.8	Type Of <i>Mudharabah</i>	25
2.9	Issues In Implementation	
2.9.1	Distribution of Profit	26
2.9.2	Guarantee of <i>Mudharabah</i> Capital	27
2.9.3	Termination of <i>Mudharabah</i>	28
2.9.4	Risk from Failure of Venture	29
2.10	Application In Islamic Finance	29
CHAPTER 3: RESEARCH METHODOLOGY		31
3.1	The Methodology Of Collecting Data	