



**COMPARISONS BETWEEN ISLAMIC BANKING PRODUCTS AND
CONVENTIONAL BANKING PRODUCTS
A STUDY ON PERSONAL LOAN BANK RAKYAT AND MAYBANK**

**NUR HIDAYAT BT ABDUL GHANI
2008406186**

**BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
CITY CAMPUS MALACCA**

MAY 2011

DECLARATION OF ORIGINAL WORK



**BACHELOR OF BUSINESS ADMINISTRATION
(HONS) FINANCE
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
CITY CAMPUS MALACCA**

“DECLARATION OF ORIGINAL WORK”

I, Nur Hidayat Bt Abdul Ghani , (I/C Number: 890919-14-5166)

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees
- This project paper is the result of my independent work and investigation, except where otherwise stated
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: _____

Date: _____

LETTER OF SUBMISSION

3 May 2011

The Head of Program
Bachelor of Business Administration (Hons) Finance
Faculty of Business Management
Universiti Teknologi MARA
City Campus of Malacca
75300 Malacca.

Dear Madam,

SUBMISSION OF PROJECT PAPER

Attached is the project titled "COMPARISONS BETWEEN ISLAMIC BANKING PRODUCTS AND CONVENTIONAL BANKING PRODUCTS: A STUDY ON PERSONAL LOAN BANK RAKYAT AND MAYBANK" to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you

NUR HIDAYAT BT ABDUL GHANI
2008406186
Bachelor of Business Administration (Hons) Finance

ABSTRACT

This study is about comparisons between Islamic Banking Products and Conventional Banking Products. A study on personal loan Bank Rakyat and Maybank. The problem statement is that Malaysia has through a rapid growth of Islamic Bank development, a conventional bank ought to rival with Islamic Bank to give a better offers to customer. The purpose of this study is to identify the comparisons between Islamic banking products and Conventional banking products of personal loan Bank Rakyat and Maybank. These comparisons will be based on interest rate, concept and handling fee and charge of personal loan. In this study there have three research objectives which is to identify the interest rate offer by Bank Rakyat and Maybank, to find out concept of personal loan used by Bank Rakyat and Maybank and to determine the handling fee or charges for personal loan process by Bank Rakyat and Maybank. This study is a case study. The research method that be used by this study is primary and secondary method. Sources of primary data will gain for interview session while for secondary data gain from bank website, journals, annual report and pamphlets. The findings will focus on different of interest rate, concept and handling fee and charges. There is a different between Islamic Bank and Conventional Bank on personal loan products.

TABLE OF CONTENTS	PAGE
ACKNOWLEDGE	v
TABLE OF CONTENTS	vi
LIST OF TABLES	ix
LIST OF FIGURES	ix
LIST OF DEFINITION TERMS	x
ABSTRACT	xi
CHAPTERS	
1. INTRODUCTION	
1.1 Overview of Banking in Malaysia	2
1.2 Overview of Company	
1.2.1 Bank Rakyat	4
1.2.2 Maybank	6
1.3 Issues	8
1.4 Research Questions	8
1.5 Research Objectives	8
1.6 Definition of Terms	9
1.6.1 Gharar	9
1.6.2 Riba'	9
1.6.3 Shariah	9