



**“ISLAMIC SAVINGS DEPOSIT PRODUCT: A COMPARISON BETWEEN
KUWAIT FINANCE HOUSE (M) BERHAD AND OTHER LOCAL ISLAMIC
BANKS IN MALAYSIA”**

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2007137437

BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA BANDARAYA MELAKA

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**Submitted in Partial Fulfillment
of the Requirement for the
Bachelor of Business Administration
(Hons) Finance**

**FACULTY OF BUSINESS MANAGEMENT
UITM, KAMPUS BANDARAYA MELAKA**

2009

DECLARATION OF ORIGINAL WORK



BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE FACULTY OF BUSINESS MANAGEMENT UNIVERSITI TEKNOLOGI MARA KAMPUS BANDARAYA MELAKA

“DECLARATION OF ORIGINAL WORK”

I, SYED MUHAMMAD REDHA BIN SYED ISMAIL, (I/C Number: 830114-01-5159)

Hereby, declare that:

- This work has not previously been accepted in substances for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees.
- This project paper is 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

30 OCTOBER 2009

The Head of Program
Bachelor of Business Administration (Hons) Finance
Faculty of Business Management
Universiti Teknologi MARA
Kampus Bandaraya Melaka

Dear Sir/ Madam,

SUBMISSION OF PROJECT PAPER (FIN 667)

Attached is the project paper titled "ISLAMIC SAVINGS DEPOSIT PRODUCT: A COMPARISON BETWEEN KUWAIT FINANCE HOUSE (MALAYSIA) BERHAD AND OTHER LOCAL ISLAMIC BANKS IN MALAYSIA" to fulfill the requirement as needed by Faculty of Business Management, Universiti Teknologi MARA.

Thank You,

Yours sincerely,

.....

(SYED MUHAMMAD REDHA BIN SYED ISMAIL)

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Bachelor of Business Administration (Hons) Finance

ABSTRACT

This report paper is mainly to study on "ISLAMIC SAVINGS DEPOSIT PRODUCT: A COMPARISON BETWEEN KUWAIT FINANCE HOUSE (M) BERHAD AND OTHER LOCAL ISLAMIC BANKS IN MALAYSIA. Throughout this case study paper, we will analyze and compare between the hybrid Islamic finance contract which refers to the combination of Mudharabah Mutlaqah and Qardh to the existing single contract used, namely Wadiah Yad Dhamanah and Mudharabah which applies for savings deposit products. The difference between a hybrid contracts offered by KFHMB with other local Islamic banks are the Syariah concept used for the contract, profit payment method and the loss incurred by both parties. This paper will also analyze the profit computation for the contracts used in calculating the savings profit distribution. It is found that the profit offered by KFHMB for their savings deposit facility higher than industry backed by their hybrid contracts. The loss incurred by customer can also be reduced based on the sharing ratio of a hybrid contract. The most significant of this paper is where the ideas generated, recommendation and justification part, where the most important information will be disclosed and share to prove the paper's originality and value to benefits KFHMB, future references and academic purposes.