

UNIVERSITI TEKNOLOGI MARA

**THE PROHIBITED ASPECTS IN
CONVENTIONAL BANK CONTRACT
ACCORDING SHARIAH PRINCIPLES**

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AUTHOR'S DECLARATION

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

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ABSTRACT

Conventional Bank is a bank that conducts conventional business activities which in its activities provide services in payment traffic. but there are aspects that are prohibited in this conventional bank such as *riba gharar maysir* and so on. This study focuses specifically on the three things that are commonly used, *riba gharar* and *maysir*. The purpose of this research is the prohibited aspects in conventional bank contract according to shariah principle. The problem statement is to understand the concept of Islamic banking such as *mudhrabah*, *ijarah* and so on. Prohibited aspects in bank contract such as car loan and house loan were also discussed in this study to identify the problems faced and solutions. The improvement measures undertaken by Public Bank. The research has used data collection methods through interviews and observations on Public Bank where an interview session was made with two respondents to obtain accurate information about the Public Bank product. The findings show that there is a element of *riba* and *Gharar* in the car loan and house loan.

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