

**UNIVERSITI TEKNOLOGI MARA**

**RECESSION AND SOLUTION TO  
RECOVER HIBAH OF TABUNG HAJI**

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Academic Writing submitted in partial fulfilment  
of the requirement for  
**Diploma in Muamalat**

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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 degree or qualification.

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## **ABSTRACT**

Tabung Haji (TH) is a short synonym for Lembaga Urusan dan Tabung Haji Malaysia (The Pilgrims Management and Fund Board of Malaysia) started its operation in 1963 to assist the Muslim/rural community in Malaysia with the financial costs of performing the hajj to Saudi Arabia. TH acts as an institution of savings for Muslims to fulfill their religious obligation. Lately, TH having financial problem which led to recession rate of hibah. TH as a role model of an Islamic financial institution for economic development has to give best looks as they represent as the only body to manage of hajj pilgrimage. This research attempts to highlight the reason of the recession and also provide a solution to giving back the hibah at the higher rate to depositors.

**Keywords:** TH, Pilgrimage, Islamic Financial Institution, Depositors, Recession and Solution, Hibah

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