



**UNIVERSITI TEKNOLOGI MARA**

**FACTORS AFFECTING LOAN REPAYMENT AMONG  
STUDENTS IN MALAYSIA**

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Final Year Project Paper submitted in fulfillment  
of the requirements for the degree of  
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## **AUTHOR'S DECLARATION**

I declare that the work in this final year project paper 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.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Undergraduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

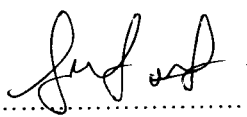
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## **ABSTRACT**

Educational loan in Malaysia is very crucial because it gives opportunity for less fortunate people to pursue their study in higher education. As of 31<sup>st</sup> December 2016, PTPTN disbursed RM 45.8 billion to 2.6 million students. However, out of RM18.8 billion loan due, about RM8.1 billion still has not paid back yet. About 670,000 individuals with about RM4.8 billion in overdue loans whom PTPTN have never heard a peep since graduation. Because of this, PTPTN reduced amount of funding given to individual and it cause some people not able to pursue study in higher education because does not get funding,(Rahman,2017). This study was done to find the relationship between knowledge towards loan agreement, perception that loan may affect quality of life after graduation and attitude towards loan repayment towards loan repayment.the tool that were used to collect data is questionnaire that were distributed to 153 respondents consist of graduates from various type of higher education institution around Malaysia. Data was analysed using Statistical Package for Social Science (SPSS). Descriptive statistics were carried out to meet research objectives. Findings in this study indicate that knowledge have no significant relationship with loan repayment while attitude and perception does have relationship with intention to repay loan.

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