

**A STUDY OF ISLAMIC PRACTICE IN AL-RAHNU AT FINANCIAL
INSTITUTIONS**

By

RAUDZATUL JANNAH BINTI EZAHAR

814285

Research Paper Submitted to
Othman Yeop Abdullah Graduated School of Business
Universiti Utara Malaysia
In Partial Fulfillment of the Requirement for the
Master in Islamic Finance and Banking

PERMISSION TO USE

In presenting this dissertation/project paper in partial fulfillment of the requirements for a Post Graduate degree from the Universiti Utara Malaysia (UUM), I agree that the Library of this university may make it freely available for inspection. I further agree that permission for copying this dissertation/project paper in any manner, in whole or in part, for scholarly purposes may be granted by my supervisor(s) or in their absence, by the Dean of Othman Yeop Abdullah Graduate School of Business where I did my dissertation/project paper. It is understood that any copying or publication or use of this dissertation/project paper parts of it for financial gain shall not be allowed without my written permission. It is also understood that due recognition shall be given to me and to the UUM in any scholarly use which may be made of any material in my dissertation/project paper.

Request for permission to copy or to make other use of materials in this dissertation/project paper in whole or in part should be addressed to:

Dean of Othman Yeop Abdullah Graduate School of Business
Universiti Utara Malaysia
06010 UUM Sintok
Kedah Darul Aman

ABSTRACT

The introduction of Islamic pawn broking (al-Rahnu) in Malaysia has seen as a new micro credit instrument in providing cash borrowing facility to lower income communities. The Muslims individuals' especially needy people are reliant on this institution as their financial resources and necessities fulfillment. Al-Rahnu as well as reflected to Islamic business operation are must conducted according to Shari'ah principles whereas the process transaction are must show transparent and free of ambiguity and element of *riba*. Thus, it is important to have a study of al-Rahnu practice in Islamic finance industry as the Muslim communities have put trusted to the system institution, in fact, the number of demand in al-Rahnu has shown increased by over the years until present. In an attempt to fulfill the aims of the research study, the interview will be conducted to selected institution cooperatives. This study will be given a focus to describe an overview of Islamic pawn broking (al-Rahnu) concepts and analyze its actual modus operation implemented by cooperatives. The research conducted into three different entities cooperative, Koperasi Ukhwah Malaysia Berhad, Koperasi Pegawai-Pegawai Kerajaan Negeri Kedah and Permodalan Kelantan Berhad. The study employ field research to achieve the objective of the study. In Islamic law contracts, al-Rahnu systems applied based the concepts of *Qard al-Hassan*, al-Rahnu, *al-Wadi'ah Yad Dhamanah* and *Ujrah*. Nevertheless, by conduct a study of al-Rahnu scheme according Shari'ah framework theory and the challenges, perhaps we might get a clear clarification of al-Rahnu practice in cooperative and be useful for the businesses and government in considering the future development related to al-Rahnu pawnshops.

ABSTRAK

Pengenalan sistem pelaksanaan al-Rahnu di Malaysia telah dilihat sebagai satu instrumen baru dalam menawarkan skim pembiayaan mikro kepada golongan yang berpendapatan rendah. Hal yang sedemikian khusus bagi masyarakat Islam yang memandang sistem al-Rahnu sebagai medium terbaik bagi mendapatkan sumber pinjaman kewangan dan menjadikannya sebagai salah satu alternatif bagi menampung keperluan hidup masa kini. Sistem pelaksanaan al-Rahnu merupakan suatu sistem operasi yang berlandaskan hukum Shari'ah di mana sebahagian besar pelanggan Muslim meletakkan kepercayaan tinggi terhadap ketelusan operasi al-Rahnu yang mengharamkan unsur riba dan keraguan dalam operasinya. Justeru, satu kajian perlu dilakukan terhadap sistem pelaksanaan al-Rahnu masa kini memandangkan peningkatan jumlah pelanggan yang menggunakan khidmat operasi ini semakin bertambah. Oleh itu, bagi mencapai objektif kajian ini, kaedah temubual akan digunakan di beberapa institusi Koperasi yang terpilih. Disamping itu, kajian ini akan memberi sepenuh perhatian kepada konsep pajak gadai Islam menurut perspektif Shari'ah dan menganalisis konsep pelaksanaan sebenar operasi al-Rahnu di Koperasi. Justeru, kajian akan dilakukan di Koperasi Ukhwah Malaysia Berhad, Koperasi Pegawai-Pegawai Kerajaan Negeri Kedah and Permodalan Kelantan Berhad. Kajian ini juga menggunakan kaedah lapangan kajian bagi mendapatkan maklumat bagi mencapai objektif permasalahan. Antara kontrak-kontrak yang diaplikasi dalam konsep al-Rahnu adalah kontrak *Qard al-Hassan*, al-Rahnu, *al-Wadi'ah Yad Dhamanah* dan *Ujrah(Upah)*. Oleh yang demikian, dengan adanya kajian pelaksanaan al-Rahnu ini diharapkan dapat memberi gambaran jelas konsep sebenar pelaksanaannya pajak gadai menurut pandangan hukum Shari'ah di al-Rahnu Koperasi serta membantu kerajaan dan insititusi berkaitan agar membina sistem pajak gadai Islam al-Rahnu yang patuh Shari'at di masa akan datang.

ACKNOWLEDGEMENT

Bismillah Ar-Rahman Ar-Rahim

Praise be to Allah S.W.T., the Most Compassionate and Most Merciful, whose blessings have helped me throughout my life.

Firstly, I would like to express my deepest gratitude to Allah s.w.t for the strength, peace of mind, good health, and ability granted, in order to complete this thesis. Second goes the appreciation to my supervisor, Dr. Mohd Sollehudin Bin Mohd Shuib for his valuable guidance and moral support throughout the period of completing this thesis. It his worthy efforts, guidance, and constructive comments that the thesis is finally able to be completed on time. I would also like to extend my gratitude to Prof Madya Dr Abu Bakar Hamed (Head Facilitator of Research), Dr. Ahmad Khelmy b. Abdul Rahim, Dr Azizah binti Othman (Internal Examiner), the OYAGSB Staff, the University Library for their kind assistance during completing the study.

I also owe my sincere thanks to En Fadhly, an Accountant in Koperasi Ukhwah Malaysia Berhad, En Syukri Hassan a Branch Manager of Koperasi Pegawai-Pegawai Kerajaan Negeri Kedah, and En Saiful Azhar a Branch Manager of Permodalan Kelantan Berhad who directly involved in the interview. Their support and contribution is very much appreciated.

I would also like to thank these people, Muhammad Shafiq Bin Ibrahim, Shahid Azim Mohd Saufi, Nor Jihan Bt Hamid, Nik Nor Amalina Nik Mohd Sukrri, Mazleena Bt Tajuddin and Nurul Harisah Bt Ahmad, Nadiah Nabilah Bt Baharom, Nor Syafikah Ridzuan and all MIFB Coursemate for their encouragement and moral support.

Last but not least, a very special thanks to my family for their love and care, especially a loving thanks to the most important person in my life and best supportive ever, my mother Puan Rahimah Bt Mohammed, my sisters Ezmahani, Eikrami and Ruzaini, my brother in law Hafidz and Fadzly for their concern and understanding. Again, thanks to everyone for having me the strength and giving the full inspiration to keep me up motivated and successful. Alhamdulillah.

TABLE OF CONTENTS

PERMISSION TO USE	i
ABSTRACT	ii
ABSTRAK	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
LIST OF TABLES	viii
LIST OF FIGURES	ix
LIST OF ABBREVIATIONS	x

CHAPTER ONE: INTRODUCTION

1.1	Background of the Study	1
1.2	Background of Islamic Pawn broking in Malaysia	7
1.3	Background Koperasi Ukhwah Malaysia Berhad	8
1.4	Background Koperasi Pegawai-Pegawai Kerajaan Negeri Kedah	9
1.5	Background Koperasi Permodalan Kelantan Berhad	10
1.6	Problem Statement	11
1.7	Research Questions	12
1.8	Research Objectives	13
1.9	Significance of the Study	14
1.10	Scope of the Study	14
1.11	Structure of the Thesis	15
1.12	Conclusion	15

CHAPTER TWO: LITERATURE REVIEW

2.1	Introduction	16
2.2	Al-Rahnu Concept	16
2.3	Qard al- Hassan	17
2.4	Wadi'ah Yad Dhamanah	18
2.5	Ujrah (Safekeeping Fees)	19
2.6	Legality of al-Rahnu	20
2.7	Al-Rahnu via Islamic Cooperative	21
2.8	Application of Al-Rahnu Concept In Shari'ah View Perspective	23
2.9	The Jurist View on Ar-Rahnu Concept Implementation	24
	2.9.1 Aqad	25
	2.9.2 Profit and <i>Ujrah</i> Concepts in Shari'ah Perspective	26
2.10	Al- Rahnu Legal Frameworks	27
	2.10.1 Pawnbroker Act 1972	30
2.11	Al-Rahnu Shari'ah Parameter	30
	2.11.1 Shari'ah Determination on the Implementation of Islamic Pawn broking Scheme (<i>Al-Rahnu</i>) in Malaysia	31
	2.11.2 Shari'ah Resolutions from Bank Negara Malaysia (BNM) of <i>Qard al- Hassan</i>	32
2.12	Conclusion	33

CHAPTER THREE: RESEARCH METHODOLOGY

3.1	Introduction	34
3.2	Research Design	35
3.3	Data Collection Method	36
3.4	Population and Sampling Design	36
3.5	Data Collection Technique	37
3.5.1	Field Research (Primary Sources)	37
3.5.1.1	Interview	38
3.5.1.2	Interview Administration	38
3.5.1.3	Cover letter	40
3.5.1.4	Developing Interview Protocol	40
3.6	Data Analysis	42
3.6.1	Qualitative Analysis Approach	42
3.6.1.1	Inductive Analysis Method	42
3.6.1.2	Data Reduction	43
3.6.1.3	Preset Category.....	47
3.6.1.4	Emergent Category.....	48
3.6.2	Data Display.....	49
3.6.3	Drawing and Conclusions and Verification	50
3.7	Deductive Analysis.....	51
3.8	Conclusion	51

CHAPTER FOUR: IMPLEMENTATION OF AL-RAHNU SCHEME IN SHARI'AH FRAMEWORK

4.1	Introduction.....	52
4.2	Implementation of Al-Rahnu Concepts in Islamic Finance.....	52
4.2.1	Application Concepts of <i>Qard al- Hassan</i>	53
4.2.2	Application Concepts of <i>Wadi'ah Yad Dhamanah</i> and <i>Ujrah</i>	54
4.2.3	Sighah al-'Aqd	55
4.2.3.1	Conditions of Offer and Acceptance	56
4.2.3.1.1	Clear Indication of Offer and Acceptance	57
4.2.3.1.2	Correspondence of Acceptance to the Offer)	57
4.3	Features of al-Rahnu Scheme	59
4.3.1	Terms and Criteria of Al-Rahnu Financing	60
4.3.1.1	Eligibility	60
4.3.1.2	Collateral	60
4.3.1.3	Storage Fees	60
4.4	Pillars of al-Rahnu	63
4.4.1	First pillar:Two contracted Parties (<i>al- 'aqidan</i>)	64
4.4.2	Second Pillar: Offer and acceptance (<i>Sighah</i> of contracts)	65
4.4.3	Third Pillar: The protected Debt or Right in Pawn Contracts (<i>almarhunbih</i>).....	67
4.4.4	Fourth Pillar: Thing Given as Pawn (<i>Al-Marhun</i>)	68
4.5	Modus Operandi of al-Rahnu	69

4.6	Parameter of Shari’ah Compliant Contracts	71
4.6.1	Shari’ah Determination on the Implementation of Islamic Pawn Broking Scheme (<i>Ar-Rahnu</i>) in Malaysia	72
4.6.2	The Shari’ah Decision on the Implementation of Islamic Pawn Broking Scheme (al-Rahnu) in Malaysia (Proposal for the Safekeeping Fees Charge in Islamic Pawnshop)	72
4.6.3	Shari’ah resolutions from Bank Negara Malaysia (BNM) of <i>Qard a-l Hassan</i>	72
4.7	Conclusion	73

CHAPTER FIVE: ANALYSIS AND FINDINGS

5.1	Introduction.....	74
5.2	Al-Rahnu Concepts	75
5.2.1	Collateral Security	75
5.2.2	Quality Test	76
5.2.3	Notice Auction	77
5.2.4	<i>Aqad</i> Execution	77
5.2.5	Excess Money	78
5.3	Al-Rahnu Modus Operation in Cooperatives	80
5.3.1	Margin of Financing	81
5.3.2	Period of Loan Service	83
5.3.3	Safe Keeping Charges	84
5.3.4	Loan Extension	86
5.3.5	Redemption Process	86
5.3.6	Auctioning Process	87
5.4	Issues Related to al-Rahnu Implementation	89
5.4.1	Genuine of Gold	89
5.4.2	The Issues of Safekeeping Fee (Storage Charge)	90
5.4.2.1	Shafi’e ruled	91
5.4.2.2	Hanafi, Hambali and Malikis ruled	91
5.4.3	Customer preferences of Conventional Pawnshop	92
5.5	Al-Rahnu Law and Regulation	92
5.5.1	Pawnbroker’s License	92
5.5.2	The Pawnbrokers Act 1972.....	93
5.6	Conclusion	94

CHAPTER SIXTH: CONCLUSION AND RECOMMENDATIONS

6.1	Introduction.....	95
6.2	Summarizing the Research	95
6.3	Recommendation and Suggestion	98
6.4	Conclusion	100

References.....	102
-----------------	-----

Appendices

LIST OF TABLE

Table 2.1	Pawn broking Item Pledge Fees Charge.....	32
Table 3.1	Simplified Research Methodologies.....	34
Table 3.2	Coding of Interview Results.....	44
Table 3.3	Example Developing Preset Categories	48
Table 3.4	Categorization of Emergent Categories	49
Table 4.1	Features of Islamic Pawn broking al-Rahnu.....	59
Table 4.2	Monthly storage fees per RM 100 of collateral value by operators.....	61
Table 4.3	Pillars of al-Rahnu.....	63
Table 5.1	Implementation of al-Rahnu concepts in Shari'ah View Perspective...	74
Table 5.2	Comparisons of al-Rahnu features in different entity Institutions.....	80

LIST OF FIGURE

Figure 3.1	M&H's Components of Data Analysis.....	50
Figure 4.1	Al-rahnu Structure.....	69

LIST OF ABBREVIATIONS

MCC	Malaysia Cooperative Commission
BNM	Bank Negara Malaysia
UUM	Universiti Utara Malaysia
PKB	Permodalan Kelantan Berhad
SAC	Shari'ah Advisory Council
MGIT	Mu'assasah Gadaian Islam Terengganu
MAIDAM	Council of Islamic Religion and Malay Customs Terengganu
KOKANUN	Cooperative Government and Statutory Bodies City

CHAPTER ONE

1. INTRODUCTION

1.1 Background of Study

Nowadays, Islamic pawn broking (al-Rahnu) has seen as significant role in Islamic credit institution to contribute socio economic development for lower income people to get quick cash financing. The introduction of al-Rahnu which served free interest loan and place the valuable asset as collaterals not merely have played an important aspects in fulfill the society needs in the rural area, but also as the main part to be looked from Shari'ah perspective on requirement lending loan free of *riba* (Khir, M. F., Badri, M.H & Hussain, L., 2013). This is according to Islamic religion restriction from Shari'ah (Islamic laws) governs every aspect of a Muslim's religion practices, routine activities and economic activities. Muslims are not allowed to invest in businesses considered non-halal or prohibited in Islam (El Hawary, D., Grais, W., Iqbal, Z., 2004). It is clear prohibited based on proof from the Qur'an, Allah (s.w.t) says:

“Those who consume interest cannot stand (on the Day of Resurrection) except as one stands who is being beaten by Satan into insanity. That is because they say, ‘Trade is just like interest.’ But Allah has permitted trade and has forbidden interest. So whoever has received an admonition from his Lord and desists may have what is past. And his affair rests with Allah. But whoever returns to (dealing in interest or usury) –those are the companions of the Fire; they will abide eternally therein”.

(Al-Baqarah 2:275)

The contents of
the thesis is for
internal user
only

REFERENCES

- Al-Qur'an al-Karim* (Translation by Yusof Ali) in www.themodernreligiom.com
- Abdul Razak, A. (2008). "Malaysian Practice of Ar-Rahn Scheme: Trends and Development".
- Abdul Razak, A. (2011). "Economic and Religious Significance of the Islamic and Conventional Pawnbroking in Malaysia: Behavioral and Perception Analysis".
- Adwam, S. et al, (2007). *Pengantar Perniagaan Islam*, Kuala Lumpur: Prentice Hall (M) Sdn. Bhd
- Ahmad, A.U.F, Raashed, R. and Ali, M. M. (2013). "How Shariah-compliant is Islamic banking?" *Proceeding of Sharia Economics Conference-Hanover*.
- Al-Muharrami, S. and Hardy, D. C., (2013). "Cooperative and Islamic Banks: What can they Learn from Each Other?"
- Al-Qarafi, Idris, A. (1994). *Al-Zakhirah*. Jld. 8. Beirut: Dar al-Gharbi al-Islami.
- Awang Kechil, A. M. and Abdul Razak, M. (2004). Ar-rahnu Scheme: A Model of Micro Credit and its Impact on Socioeconomic Status of the Ummah - *Special Reference on Malaysian Context*.
- A.B. Umami Salwa, S. Hisham, S. Abdul Shukor and Kamaruzaman Jusoff. (2013). The Concept and Challenges of Islamic Pawn Broking (Ar-Rahnu). *Journal of Scientific Research 13 (Research in Contemporary Islamic Finance and Wealth Management)*: 98-102, 2013; DOI: 10.5829/idosi.mejsr.2013.13.1888
- A.Latif. R, (2012). "Bank Kerjasama Rakyat Malaysia Berhad: A case of a Cooperative Islamic Bank in Malaysia".
- Bhatt, P. and J. Sinnakkannu, (2008). "Ar-Rahnu (Islamic Pawning Broking) Opportunities and Challenges in Malaysia".
- Bank Negara Malaysia (2010). Shari'ah Resolutions in Islamic Finance. Second Edition www.bnm.gov.my
- Bank Rakyat.(t.t.). Modul pinjaman pajak gadai islam. Kuala Lumpur: Bank Rakyat.
- BERNAMA Newspaper Retrieved Date: 14 February 2013.
- Beik, I.S. and Purnamasari, I., (2009). "Empirical Role of Islamic Cooperatives in Financing Micro and Small Scale Entrepreneurs in Indonesia: Case Study of KOSPIN Jasa Syariah Pekalongan."

- Boyce, C. and Neale, P., (2006). "Conducting In-Depth Interviews: A Guide for Designing and Conducting In-Depth Interviews for Evaluation Input."
- Bukhari, Abd Allah Muhammad ibn Ismail, al-, (1992). *Sahih Bukhary*. Beirut: Dar al-Kutub al-Ilmiyyah.
- Buku Undang-Undang Kecil & Aturan-Aturan 2010 Koperasi Pegawai-Pegawai Kerajaan Negeri Kedah* (2010).
- Caskey, J. P. and Zikmund, B. J. (1990). "Pawnshops: The Consumer's Lender of Last Resort". *Economic Review: Federal Reserve Bank of Kansas City*, 5-18.
- Dinsman. (1994). *Ar-rahn satu produk perbankan Islam*. Dewan Ekonomi.
- Dusuki, A. W. (2012) *Islamic Financial System: Principles & Operations. International Shari'ah Research Academy for Islamic Finance (2012)*.
- Dogarawa, A. B. (2009), "Islamic Microfinance as a Means of Poverty Reduction", Seminar Paper, Central Bank of Nigeria Forum, Kano.
- E-Fatwa in "[http:// www.e-fatwa.gov.my](http://www.e-fatwa.gov.my)". Retrieved date: 14th March 2014
- El Hawary, D., Grais, W., Iqbal, Z. (2004). "Regulating Islamic financial institutions: The nature of the regulated". *World Bank Policy Research Working Paper #3227*
- El-Muhammady, A.H. (2001), *Undang-Undang Muamalat & Aplikasinya kepada Produk-Produk Perbankan Islam*, cet. 1, Selangor: Percetakan Bintang terbitan Aras Mega Sdn. Bhd.
- Hassan, K. Mahknecht and M. Michal, (2011). "Islamic Capital Markets: Products and Strategies", Wiley Publication.
- Hassan, S., Rahman, R.A., Bakar, N.A., Mohd, R., and Muhammad, A.D.(2013) *Designing Islamic Microfinance Products for Islamic Banks in Malaysia. Middle-East Journal of Scientific Research 17(3):359-366*.
- Ibn Manzur (1956). *Lisan al-'arab*. Beirut: Dar Sader.
- Ismail, A. G. and Ahmad, N. Z. (1997). "Pawnshop as an Instrument of Microenterprise Credit in Malaysia". *International Journal of Social Economics*, 24(11), 1343-1352.
- Jaziri, 'Abd al-Rahman al-.(1970). *Kitab al-Fiqh 'ala al-Madhahib al-Arba'ah*. Kaherah: Maktabah al-Tijariyyah al-Kubra.
- Jupp, V., (2008). *The Sage Dictionary of Social Research Methods*. London: Sage Publications

- Khaf, M. (1992). "Principle of Islamic Financing: A survey. International Economic Relations from Perspective."
- Khair, M. F., Badri, M.H & Hussain, L. (2013). "Critical Appraisal of The Rahn-Based Islamic Microcredit Facility From Shari'ah Perspective." *ISRA International Journal of Islamic* 7(3), 221-231.
- Kahf, M. and Khan, T., (t.t). "Principles of Islamic Financing: A Survey".
- Koperasi Pegawai-Pegawai Kerajaan Negeri Kedah, 2013. *Laporan Mesyuarat Agung 2013 Koperasi Pegawai-Pegawai Kerajaan Negeri Kedah*.
- Laws of Malaysia. (2006). Pawnbrokers Act 1972. Kuala Lumpur: The Commissioner of Law Revision Malaysia in Collaboration with Percetakan Nasional Malaysia Bhd.
- L.P. and Johnson, G. J., (2002). A Guide to Using Qualitative Research Methodology.
- Ledgerwood, Joanna (1999). "Microfinance Handbook; Sustainable Banking with the poor: An institutional and financial Perspective; World Bank, Washington D.C."
- Marican, S.,(2009). Penyelidikan Sains Social:Pendekatan Pragmatik. *Social Science Research*.
- Maamor, S., & Ismail, A. G. (2010). The Ar-Rahn Efficiency and Its Determinants. *Journal of Islamic Economics, Banking and Finance*, 6(1).
- Maamor, S., & Ismail, A. G. (2013). *Ar-Rahnu Islamic Pawn Broking*. Kuala Lumpur : Dewan Bahasa Dan Pustaka.
- Maulut, M.K. and Yusof, S. (2013). "Factors Contributing to Success to the Excellent Credit Cooperatives in Malaysia".
- Mohamad, S. (1995). "Pawnbrokers Act 1972: An Analysis from the Islamic Perspective (Original text: Akta Pemegang Pajagadai 1972: Suatu Analisa Dari Perspektif Islam)". *Jurnal Syariah*, 3(2), 227-284.
- Mohd Taher,S. (2010). "Prinsip Asas Perlaksanaan Skim Pajak Gadai Islam Di Malaysia". *Voice of Academia Vol. 5 No. 1 2010*
- Mohamad, S. and Salleh, S. (2008). "Upah Simpan Barang dalam Skim Ar-Rahnu: Satu Penilaian Semula". *Jurnal Fiqh*, 5, 47-65.
- Naim, A. M. (2004). "Islamic Pawn Broking (Original text: Sistem Gadaian Islam). *Islamiyyat*", 26(2), 39-57.
- Hussain, M.N., Naiimi, N. and Shuib, M.S. (2013). *Mengurus Harta Menurut Fiqh Muamalat*. UUM Press. Universiti Utara Malaysia.

- Oeltjen, J. C. (1996). Florida Pawnbroking: An Industry in Transition. *Florida State University Law Review*, 23, 995-1042.
- Othman, (2013). Perkembangan Ar-Rahnu di Terengganu: Kajian Kes Terhadap Ar-Rahnu Majlis Agama Islam dan Adat Melayu Terengganu (MAIDAM) 951-959.
- Permodalan Kelantan Berhad, 2007. *Annual Report*. Kelantan: Permodalan Kelantan Berhad.
- Rahman, Z.A., (2009). Panduan Perbankan Islam Kontrak dan Produk Asas.
- Renner, M., (2003). Analyzing Qualitative Data. www1.uwex.edu/ces/pubs
- Rosli, S. A. (2005). Critical Issues on Islamic Banking and Financial Markets: *Islamic Economics, Banking and Finance, Investments, Takaful and Financial Planning*. Indiana: Authorhouse.
- Rosland, A., Romli, N., and Borhan, J.T. (2012). Contract (Akad) in Online Banking. *International Journal of Computer Application* (0975-8887). Volume 60.
- Rajasekar, S., Philominathan, P. and Chinnathambi, V. (2013). Research Methodology.
- Sabran, O.H., (2001) *Urus Niaga al-Qard al-Hasan Dalam Pinjaman tanpa riba, Universiti tanpa riba*, Universiti Teknologi Malaysia, Skudai, Johor.
- Schrader, H. (1999). "The Role of Pawnshops in the Life Strategies of Lower Income Groups – A Preliminary Study in St. Petersburg/Russia".
- Sharif D., Shaharuddin A.,Muhammed N.I, Pauzi N.S, Zin M. Z.(2013). The Improvement of Ar-Rahn (Islamic Pawn Broking) Enhanced Product in Islamic Banking System. *Published by Canadian Center of Science and Education; Vol. 9, No. 2; 2013*
- Sheikh Othman, S. S. (1991). *Kamus Dewan edisi baru*. Kuala Lumpur: Dewan Bahasa dan Pustaka.
- Skully, M. T. (1992). Lending Collateral Problems and the Pawnbroker Solution: The Development of the Pawnshop Industry in East Asia.
- Skully, M.S., (2005). Islamic Pawnbroking: The Malaysian Experience. Paper presented at the 3rd. International Islamic Banking and Finance
- Suruhanjaya Koperasi Malaysia (2010). <http://www.skm.gov.my> .Retrieved date: 10 February 2014
- Stela, K. A. (2010). "The Feasible Acceptance of Al-Qard al-Hassan (Benevolent Loan) mechanism in the Libyan Banking system".

- Thomas D. R., (2006). A General Inductive Approach for Analyzing Qualitative Evaluation Data. *American Journal of Evaluation* 2006 27:237.
- W. Daud W. Noraini (2011). Kepuasan Pelanggan Dan Kualiti Perkhidmatan Skim Ar-Rahnu Bank Rakyat.
- Yaacob, R. M., Ahmad, G., Ibrahim, D.M., A.Latiff, N. and Saari, N., (2012). "Islamic Pawn Broking (Ar-Rahnu): Critical Success Factor and Application for Co-Operatives".
- Zikmund (2010). Business Research Methods. South-Western, Cengage Learning.