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Pros and Cons of Implementing Mudharabah Agreement for Agricultural Financing with the Implementation of Maqosid Sharia (Case Study of the Implementation of the Mudhorobah Agricultural Agreement in Tamzis KSPPS)

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Abstract

This study is aimed to find out how efficient the use of contracts in financing is in Islamic financial institutions, especially agricultural financing. This study is aimed to find out the efficiency and repositioning of the use of mudharabah contracts in agricultural financing, based on the efficiency of institutions and financing members. This research belongs to applied research that is research conducted at an Islamic financial institution KSPPS Tamzis Bina Utama. This research uses leprosy and interview methods. The results of this study prove that the use of the contract basically is based on the value of the error that will be achieved in terms of both product provider and product user.

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INTRODUCTION

Overcoming the problem of poverty using Islamic economics by looking at the current economic conditions, he community will be faced with two choices, which are survival or surrender to death. Both have consequences, the choice of survival means they must fight with all the affairs of the world with various rules or vice versa vice versa. Meanwhile, the choice of surrender to death means they leave the heirs (edi sunarto, 2016: 1) Based on the opinion above, it emerges a question can people survive in this situation? Certainly there will be a lot of opinions coming and various answers that intersect directly with their current situation, especially in terms of the economics of each opinion holder.

One of the fund distribution products with the principle of distribution carried out by Islamic banks is financing. Financing is a form of cooperation between two or more parties in which the capital owner (shahib al-maal) entrusts the amount of capital to the manager (mudarib) agreement to share the profit. funding with the principle of sharing profit is on the same nature as distinguishing between Islamic banks and conventional banks. Islamic banks do not use the interest system but the profit sharing system in their operations. Funding is very important and can be done to maintain people's benefits. Financial Institutions themselves have a lot of money to invest funds or to other parties who are trusted to manage these funds (Erika and Hardini, 2017: 44).

In the Government Act of the Republic of Indonesia no. 20 of 2008 states that the government recognizes the role of Micro Enterprises in expanding employment, equity, increasing people's income, stimulating economic growth and maintaining national economic stability. It shows that the government recognizes the role of micro companies in expanding employment, equity, increasing people's income, stimulating economic growth and maintaining national economic stability (Hendrik Suhendri, 2017: 252).

One way to alleviate social inequalities between institutions and communities is a collaboration that prioritizes the value of profit taking for both of them by dividing the income from the cooperation. According to (Ahmad ifham, 2015: 145) in his book defined Islamic banks with profit sharing as a system that includes the distribution of business results between investors and managers of funds for the distribution of business results. For example, between Islamic banks and fund recipients. Business cannot be separated from marketing activities because marketing is a planning, implementation and supervision activity of programs designed to produce transactions on target markets, to meet the needs of individuals or groups based on profitable competitiveness, through the use of products, prices, promotions and distribution (Jahaya S.P. 2013: 80).

Mudharabah financing products that are synonymous with profit sharing cooperation are, in fact, the main characteristics of Islamic banking. This role is in accordance with the mandate of article 2 of the 2008 Law on Islamic banking, where Islamic banking acts as a financial intermediary institution to mobilize the people's economy without discrimination. The people's economy is a pillar of national economic development. Thus, Indonesia as the largest Muslim country in the world must be able to be a barometer in providing access to capital through Islamic finance for millions of micro businesses. (Hendrik Suhendri, 2017: 253).

Under ideal economic conditions, mudharabah and musharaka contracts with the PLS scheme are the ones that should be implemented most by Islamic banking because the PLS scheme divides the risk between the bank and the customer. Musyarakah is cooperation for profit sharing and loss. In a musyarakah financing agreement, he bank and its customers will jointly contribute their capital and expertise in a project. Profits and losses will be divided based on the portion of capital provided. Mudharabah financing is a form of cooperation in which banks will provide capital and customers provide expertise. Both will agree on the profit sharing ratio. The customer will be personally responsible for running the business, project or contract without the influence of the bank. All forms of loss, if any, will be borne by the bank and loss of labor will be borne by the customer (Bambang Waluyo, 2016: 189).

This low percentage of total Islamic banking assets is basically in line with the pooled funds collected. Indonesian banking statistics show that third party funds from sharia commercial banks and sharia business units in December 2014 reached Rp. 217.87 trillion, which is equal to a 5 percent market share compared to total third party funds from all national commercial banks of Rp. 4,290 trillion. This limited amount of savings has a direct impact on the financing capacity of customers (Aslam Mei Nur Widigdo, et al. 2016: 20).

From the phenomena that occur in Islamic financial institutions, it is very related to the fact that it is still only based in the classical book so that not much can be applied in a particular product of financing. For example, which is discussed in this research, TAMZIS as the KSPPS can be classified as the oldest KSPPS in Indonesia which has 44 branches operating, using the mudharobah financing contract as a product for agricultural financing. There are many books or arguments which stated that agriculture is more suitable to use the Salam contract. Thus, this research will discuss how efficient the use of contracts in terms of sharia and economics.

TAMZIS KSPPS Profile

KSPPS TAMZIS Bina Utama was established by a group of educated young people in 1992 in Kertek sub-district, Wonosobo Regency - Central Java. They are armed with idealism and strong determination, small capital, minimal experience and the magnitude of the challenges faced do not dampen these young people to struggle in improving people's economy by awareness of prosperity of the Indonesian people. On November 14, 1994, TAMZIS obtained legal entity status under number 12277 / B.H / VI / XI / 1994 from the Department of Cooperatives.

Since its establishment, the Tamzis cooperative has experienced a change in the type of cooperatives. Previously it implements KSPS (Syariah Savings and Loan Cooperative). Then it was issued Regulation of the Minister of Cooperatives and Small and Medium Enterprises Republic of Indonesia Number 91 / Kep / M.KUKM / IX / 2004 concerning Guidelines for Sharia Financial Services Cooperative Business Activities (KJKS). Along with the issuance of the Minister of Cooperatives and Small and Medium Enterprises Regulation of the Republic of Indonesia Number 16 /Per/M.KUKM/IX/2015 Regarding the Implementation of Savings and Loan and Sharia Financing Activities by Cooperatives. This Ministerial Regulation changes the status of KJKS to KSPPS (Savings and Loan Cooperative and Sharia Financing). KJKS Tamzis changed to KSPPS Tamzis. All changes in the types of cooperatives are Tamzis' efforts to comply with regulations issued by the government in the field of cooperatives.

Due to its diligence, confidence and ability to communicate with the community and various parties, gratefully is trusted to be a national cooperative and can take part in all regions of the Republic of Indonesia. Tamzis has successfully overcome various obstacles and challenges in the first quarter century and remains alert to the future by always doing product innovation, governance based on the advancement of information technology.

METHODOLOGY

This research belongs to applied research (Applied Research) which is a type of research that emphasizes in olving practical problems. This research is intended to answer specific questions in the context of determining certain policy actions or performance (N. Indriatoro and Bambang S, 2016: 24). This research uses library research as the method of collecting data. It is also called as literature research because the data or materials needed to complete the research derived from the library in the form of books, encyclopedias, dictionaries, journals, documents, magazines and so on (Nursapia Harahap, 2014: 68).

According to Bungin in Kartika Nur Kusuma (2016, 368) interview is the process of obtaining information for research purposes by means of question and answer and face to face interviewer and informant or the person being interviewed, with or without using interview guides, where the interviewer and the informant are involved in a relatively long social life. Thus, typical of the interview method is involvement in the life of the informant. Therefore in this study the research used the library method, where the data obtained came from existing documents and combined several necessary data such as data obtained from interviews to see aspects needed in this study. So that it can produce a research that can be a solution of a product or problem found in the research.

THEORITICAL REVIEW

Mudharobah

Mudharabah is a special type of syirkah, where one or a group of investors provide capital to a representative or manager who will trade. The profits are then divided according to agreed proportions, while the losses are only borne by the investors. Losses mean deficiencies in the capital or investment of the financier. The loss from the representative (mudharib) in the form of spending time and effort that is not going to get remuneration. (Muhammad Ayub, 2009: 490).

Mudharabah financing is one of the Sharia Banking products in which 100% capital is provided by Islamic Banking while the client is a financial manager. For those who are less capable in terms of financial operations there is also a benevolent loan namely Qardh. Distribution of funds through financing is the largest amount which able to explore the benefits of the banking business but also has a high enough risk. Mudharabah financing is a financing scheme whose share of income does not have a positive impact on earnings changes

(Taudlikhul Afkar, 2017: 341). Based on financing activities, mudharobah applies some minimum requirements as follow:

a. BMT acts as shahibul mall that provides funds in full, and members act as mudarib who manage funds in business activities;
b. The period of financing, refunds, and profit sharing is carried out on the basis of an agreed ratio;
c. BMT does not participate in managing members' businesses, but has the right to supervise and foster member businesses;
d. Funding may be given in the form of money and / or goods;
e. In the case of financing provided in the form of money, the nominal value must be stated;
f. In the case of financing provided in the form of goods, the goods must be valued (estimated) based on fair market prices;
g. Benefit from the management of funds stated in the agreed ratio;
h. BMT bears all risk of business loss financed unless a member commits fraud, negligence, or violates an agreement resulting in business loss;
i. The agreed profit sharing ratio cannot be changed throughout the investment period, except based on the agreement of the parties on the basis of certain reasons agreed by DPS and is not retroactive;
j. The profit sharing ratio may be tiered, the amount of which varies based on the agreement at the beginning of the contract;
k. Profit sharing is done by using the method of profit sharing (net revenue sharing) or profit sharing (profit sharing);
l. Profit sharing is based on mudharib business results reports;
m. In the event that members include capital in business activities financed by BMT, the following provisions shall apply: (i) members apply as business partners and mudarib; (ii) for the profits generated from the business activities financed, members take part of the profits from their capital portion, the remaining profits are divided according to agreement between the BMT and members;
n. Refinancing is done at the end of the contract period for financing with a period of up to one year or in installments based on the cash flow (cahs in flow) of the members' businesses; and
o. BMTs may ask for guarantees or agendas to anticipate risks if members are unable to fulfill obligations as contained in the contract due to negligence and / or fraud.

Note:

a. In micro businesses that do not open / record and it is difficult to calculate the initial capital so that it cannot be deliberated (especially at market traders), BMT may conduct limited mudharobah which is called mudharobah moqoyyadah) on certain types of businesses.
b. In the event that BMT carries out financing directly to members with the mudharobah muqoyyadah contract, the following provisions apply; because in principle the note is to ensure that transactions are carried out fairly, then for microfinance, profit sharing is based on operating results in accordance with reasonable profits / losses; as long as in principle it meets the condition that the object of cooperation is not mixed.

In financing activities in the form of financing based on mudharobah muqoyyadah (restricted investment) in this activity there are three parties as follows; investor - BMT (channeling investor funds) - members, in this model the requirements applied as follows:

a. Bmt distributes investor funds to members who act as fund managers for business activities with the requirements and types of business activities with the requirements for business activities determined by the investor;
b. The period of financing, refunds, and profit sharing is determined based on an agreement between the investor, members and BMT;
c. BMT does not participate in the management of members 'businesses, but has the right in the supervision and guidance of members' businesses;
d. Funding is provided in the form of money and / or goods;
e. In the case of financing provided in the form of goods, the items submitted must be valued at acquisition prices or market prices;
f. BMT as a financing agent can receive rewards (fees), the calculations of which are provided to the agreement of the parties;
g. The distribution of profits from the management of investment funds is expressed in the form of an agreed ratio between the investor and the member;
h. BMT as an investor microfinance agent does not bear the risk of business losses being financed; and
i. Investors as owners of mudharobah muqoyyadah funds bear the risk of loss, except if business losses occur due to negligence of the mudarib or mudarib violating the agreement. (Pedoaman Akad sharia BMT Indonesia Association, 2014: 11-15).

Fatwa DSN

National Shari'ah Council Fatwa No: 07 / Dsn-Mui / Iv / 2000 Concerning Mudharabah (Qiradh) Financing of the National Sharia Council after:

Considering:

a. That in framework of developing and increasing Shari'ah financial institution funds (LKS), the LKS may distribute funds to other parties by means of mudharabah, namely a contract of cooperartion between two parties where the first party (malik, shahib al-mal, LKS) provide all capital, while the second party ('amil, mudharib, customer) acts as manager, and business profits are shared between them according to the agreement set forth in the contract;
b. That ini order for this method to be carried out in accordance with Islamic sharia, DSN considers it necessary to stipulate a fatwa on mudharabah to be used as a guideline by LKS.

Bearing in mind:

a. God's word QS. An-Nisa'[4[: 29. "O you who believe! Do not eat one another (take) your neighbor's property with a vanity road, except by trade that applies voluntarily among you…";
b. The word of God QS. Al-Maidah [5]: 1. "O you who believe! Fill up the contracts"
c. God's word QS. Al-Baqarah [2}: 283 "So, if some of you believe in others, let those who believe fulfill their mandate and let them fear Allah their Lord";
d. Prophetic traditions of the Thabrani: "Abbas bin Abdul-Muttallib, if he surrenders property as mudharabah, he requires his mudarib not to cross the ocean and not to go down the valley, and not to buy livestock. If the requirement is violated, he (mudarib) must bear the risk. When the conditions set by Abbas were heard by the Messenger of Allah, he justified them. "(Narrated by Thabrani from Ibn Abbas);
e. Hadith of the Prophet narrated by Ibn Majah from Shuhaib: "The Prophet said, There are three things that contain blessings: buying and selling not in cash, muqaradhah (mudharabah), and mixing wheat with barley for domestic use, not for sale. "(Narrated by Ibnu Majah from Shuhaib);
f. Hadith of the Prophet narrated by Tirmizi from Amr bin Awf: "Peace can be done among Muslims except peace that forbids the halal or justifies the unlawful; and the Muslims are bound by their conditions except those which prohibit the lawful or justify the unlawful":
g. Hadith of the Prophet: "You must not harm yourself or others" (HR, Ibn Majah, Daraquthni, and others from Abu Sa'id al-Khudri):
h. Ijma. It is reported, a number of friends surrendered (to people, mudharib) the orphans' property as mudharabah and no one denied them. Therefore, it is seen as ijma '(Wahbah Zuhaily, al-Fiqh al-Islami wa Adillatuhu, 1989, 4/838);
i. Qiyas. Mudharabah transactions are attributed to Musaqah transactions;
j. Fiqh Rule: "Basically, all forms of muamalah are permissible unless there is an argument forbidding it."

Mudharabah Requirements

The mudharabah requirements according to (Nur Fatoni, 2017:18) in the book of fiqh (al-sunnah) as follows:

a. Capital is in the form of money not merchandise or objects. Jumbur ulama besides Shafi'iyah allow Mudhorobah capital in the form of merchandise provided that the said goods are valued. These prices are used as capital;
b. Capital is known at the time of the contract. If not known, the benefits are divided into unclear or have no clear basis;
c. Capital must be in the form of assets not debt or something that does not exist, until mudharib has a debt, then the debt can become capital when it has been submitted (paid) to the person who gives the debt. If mudarib will pay off the debt with work then it can become capital when it has been given permission by the party giving the debt;
d. Jumhur believes that capital is left to mudharib as a whole so that it can be commercialized. Hanabilah allows capital to remain at the mall and is handed over gradually to the needs of the mudarib. The rights held by mudarib are tasrruf rights to mudharobah capital, not merely to receive capital;
e. Both parties for the profit sharing ratio known to both parties. The loss of capital is borne by the owner of capital while the owner of the capital does not bear the loss of capital. Therefore the owner of capital is prohibited from asking the mudarib to surrender a certain portion in the form of assets (nominal rupiah for example), but he may ask for such profits from capital;
f. The benefit must be known (the exact amount), because it is the object of the contract. Unknown benefits have caused the

contract to be a facade. Profits are the property of both parties in accordance with the agreement and the purpose of the mudharobah contract is joint ownership of profits. One of the parties is prohibited from defining unilateral part, because that means there is no joint ownership of the profit, but there can be an agreement between the two parties in the form of, "if the profit exceeds a certain percentage, for example 10% or 20%, then the excess belongs to mudarib. For this reason, the mudharobah contract must truly provide a profit along the contract.

Maqosid Syariah

Meanwhile, according to Abu Zahrah in (Anton and Amirus, 2016: 183) that the existence of Islamic law is a blessing for humans, so that the objectives to be achieved in the determination of sharia law (maqasid syariah) include:

a. Educating individuals (Tahdhib al fard), that is, each individual becomes a source of good for their community rather than being a source of evil for every human being. So that the various kinds of worship that are prescribed to aim to train the soul so as not to tend to the disrepute that results in dholim, vile, and evil actions towards others so as to create harmony in society;
b. Uphold justice (Iqamah al'Adl), which is to realize justice in all areas of human life, in the field of muamalah by respecting rights and carrying out obligations between parties who are doing mumammalah, because all human beings is the same there is no difference between rich and poor, which the strong and the weak have the same obligations, namely respecting the rights of others and carrying out their obligations;
c. Generate benefit (Jalb al Maslahah), i.e. generate general benefit rather than specific benefit for certain parties. Benefit based on sharia law and religious texts is the true benefit because it leads to the preservation of religion, life, wealth, reason, and descent.

Urgency of the Application of Mudharabah in Agricultural Contract at TAMZIS KSPPS

Financing is an activity or activity where there is a transaction for channeling funds to other parties. In this case between banks and sharia and the public who need funds from an object of financing. As for the principal value of a financing is the existence of a trust that underlies both parties so that an agreement occurs. The owner of the fund entrusts the funds that he has to the party that carries out the financing, while the recipient of the financing maintains trust in the object of financing (muklis and siti, 2015: 117).

The urgency in agricultural financing is how an institution can manage and channel funds by bringing in revenue for the institution but giving a positive impact on the community with the Islamic maqosid reference, namely prosperity. According to Mahksun (2019: December 26) the urgency of Tamzis to use the mudharabah agreement in agricultural financing is as follows:

Why does TAMZIS Fund the Agricultural?

1. Sharia financing characteristics are in accordance with the conditions of the agricultural business; Agricultural financing is very compatible with the sharia system (especially the profit sharing system). Where agricultural income / acquisition there is an element of uncertainty. Even so, it can be projected based on previous experience. This is different from Conventional Banks;
2. Shariah financing schemes have been widely practiced by Indonesian farmers; Culturally, many farmers are familiar with financing models that resemble or are in line with the shari'ah system such as the term maro (for two in Javanese) for agriculture or Gadho for animals. With more intensive outreach, farmers will more easily and quickly understand the concept of shari'a financing because historically or factually, they have or are currently practicing the model;
3. The extent of business coverage in the agricultural sector.; Businesses in the agriculture / agribusiness sector cover a number of very broad subsystems, ranging from production input, cultivation, harvesting, post-harvest subsystems, processing to marketing of products. In all these subsystems it is possible to use Shariah financing models.

Likewise, it can be seen from the wide range of commodities in the agricultural sector, including food crops (rice, secondary crops), horticulture (vegetables and fruits), plantations and livestock, each of which is developed as a separate agribusiness system.

1. Farmer compliance level

   Farmers' businesses are currently still involved in the majority of small farmers in rural areas, and in general they respect religious rules in their daily lives. The existence of a financing scheme in accordance with religious teachings is expected to be emotionally easy for farmers to accept the Shariah financing system.
2. Alignments

   It is rare for financial institutions to enter the agricultural sector for risky reasons. While the farmers are increasingly powerless to face the middlemen and owners of capital. Even many farmers are entangled with moneylender practices. Forexample there are investors who provide loans to farmers (for example; 10 million), then are told to return 10,500,000.- Then the agricultural products must be sold to people who give capital (generally at a lower price).

This partisanship was realized by providing a sizable allocation of funding in the agricultural sector which was carried out in two offices (Kejajar, Batur).

What are Agricultural Capital Needs?

The agricultural sector can be classified into several sub-sectors, namely the food crops sub-sector, the estate sub-sector, the livestock subsector, and the fisheries subsector. The following are some agricultural capital needs by sub sector;

1. Food Crops Sub Sector
   Agricultural Capital Needs can be classified into several types of plants. For food crops it includes rice and secondary crops. The crops group is corn, soybeans, peanuts, green beans, cassava, sweet potatoes. The needs of each type of plant are different. Among the agricultural needs for production are seeds, fertilizers, pesticides, labor and transportation. Tractor engine, Mulsar (plastic), wood (lombok);
2. Horticultural Crop Group
   Horticultural plants can be grouped into vegetable products, fruit and ornamental plants. Ornamental plants are flower-producing plants (roses, jasmine, orchids) and leaf-shaped plants (bonsai, palm). The needs of the plant; Agricultural land and machine tools, seeds, fertilizers, pesticides, labor, maintenance and harvest.
3. Plantation Subsector
   Plantation sub-sector types consist of rubber, coconut, palm oil, coffee, sugar cane, cloves, cotton, tea, pepper, and cocoa. Financing needs for non-food crop commodities are the same as for food crops, namely seeds, fertilizers, pesticides, tools and agricultural machinery, storage, transportation.
4. Animal Husbandry Subsector
   Nutrition needs for animals, feed, tools (milk factories), purchase of new livestock
5. Fisheries Subsector
   Fisheries needs; costs of feed, fish seedlings, ponds if freshwater aquaculture, ships if they are a type of marine fishery, cold storage, fuel costs, bait, ice, labor and other costs.

Type of Agriculture Funded by TAMZIS

1. Vegetable farming: Potatoes, cabbage, carrots, chillies, onioms;
2. Fishery: Shrimp, catfish, tilapia, guramih;
3. Animal husbandary: cows, goats, chickens;
4. Plantation: tobacco, coffee.

How is the Agriculutural Financing Procedure

1. Prospective members submit requests for financing in writing by filling out the from provided by TAMZIS;;
2. TAMZIS conducts verification/survey of the feasibility of members of the financing;;
3. After TAMZIS has finished analyzing and all requirements are fulfilled, TAMZIS issues SP3 through the finance committee;
4. After all complete requirements have been made, the Mudharabah contract will be conducted.

Special Requirements for Agricultural Financing

1. More than one land (for the case of potato farming)
   In agricultural finance, members generally have more than one land. There are 2 or 3 and rivals. Usually each land is different in planting period (farmers also know the risks). For example financing members of 100 million. And the member had 4 land. There is already planted, the capital will be used for this and that. This can be seen in the initial survey by MMC. The flow is as follows:
   Land 1 has been planted at the age of 1 month
   Land 2 has been planted at 2 months
   Land 3 would be planted as well
   Land 4 will also be planted.
   Now the financing member proposes when they are going to plant the 3rd and 4th land. It can be used to purchase seeds, fertilizers, medicines and workers. As well as for treatment on the ground 1 and 2.
   So, our 100 million capital is for agriculture managed by these members.
2. Have I land but wide
   There are members who only have one piece of land but the area is up to 5000 m2. Usually the cropping patterns are different, but there are also plants that are different (plants that harvest faster).
3. Intercropping planting patterns (for chilli/chilli)
   For intercropping plants this is usually for chilli plants. Due to the harvest period is rather long, members grow crops whose harvest time is faster than chilies in one land (for example: onion, cabbage, jig) and the capital we provide

is for the agriculture.

What is the term and installment pattern?

1. The period of time for agricultural financing is based on a maximum harvest period of 6 months;
2. For the installment pattern is the principal tempo and profit sharing for potato farming. But there are also members speeding up repayment before the time period is over. This is because the planting period is not the same. Or membersprovide a part of the principal and profit sharing. The remainder is returned when it is due.

Profit sharing Calculation

According to MUI Fatwa (DSN) No 15/2000

1. Basically, LKS may use the principle of Revenue Sharing (Net Revenue Sharing) and Profit Sharing (Profit Sharing) in the distribution of business results with partners (customers);
2. In terms of benefit (al-ashlah), at present, the sharing of results of operations should be used the principle of Revenue Sharing;
3. Determination of the principle of sharing the results of selected businesses must be agreed in the contract.

RESULT

The result obtained from the discussion above are as follows:

1. Mudharabah financing is a financing product that is expected to be implemented in the community that can touch the agricultural sector;
2. Mudharabah financing in agriculture is hoped to help in improving the standard of living and economy of the community in general and farmers in particular;
3. The use of mudharabah contracts in agriculture is an effort where the use of these contracts does not break the sharia rules but also benefits and facilitates the community as well as Islamic financial institutions;
4. The use of the contract in every Islamic financial institution is based on the rules and regulations issued by the fatwa of the Indonesian Ulema Council, which is guaranteed by the government of the Republic of Indonesia.

CONCLUSION

The concept in doing muammalah allow all aspects except three things namely usury, ghoror, maysir. So all types of economic activities that are carried out on the basis of not being included in the three mentioned above may even be carried out with the aim of benefiting both the individual, or the social community. Thus the patterns and objectives of the sharia economy itself are achieved and implemented in the sharia maqosid which is to the stage of bringing benefit.

As for the laws agreed by the Indonesian government in regard to muamalah, of course it is already regulated in the DSN MUI fatwa, where the matters contained therein are an ulama agreement and are guaranteed by the government through the department of religion. So anything done by financial institutions under the auspices of the government certainly refers to these regulations.

As for the points that we get while the contract made by an Islamic financial institution is not break with the religious law and the law agreed upon by the government, this can be done and applied with the consideration taken by the institution. With these provisions do not break religious and state law and bring benefit to the general public as well as the relevant Islamic financial institutions.

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