

Back to Her Roots, Building Kelantan's Future with a Riba-Free Vision: The Emergence of Zara Prima Sdn. Bhd.

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Prologue

Drawing inspiration from faith, community, and the drive to create change, a bold venture began to take root in the heart of Kelantan, where traditions run deep and families shape destinies. Zara Prima Sdn. Bhd. was birthed not just from a business concern, but from a deep-rooted concept of maintaining principles while contributing to the socio-economic upliftment of its people. The founder's odyssey of return, geographically and spiritually, began in earnest. Sitting at the core of this bold task was an extraordinary proposition to establish an interest-free, Islamic-based company with its fundamental thrust in high-impact infrastructure and housing projects. This transition from a little construction company to the symbol of integrity and resilience grew steadily, becoming the tale of Zara Prima as one of transformation—an account of how one woman's pursuit of her heart and principles changed a region. This case study captures that journey: the obstacles faced, the values upheld, and the vision still building Kelantan's future, one ethical project at a time.

Zara Prima Sdn. Bhd. Background

Zara Prima Empire Sdn. Bhd. is a Bumiputera-registered company with its registered office located at PT 667 (A), Taman Bakti, Gual Tinggi, Rantau Panjang 17200, Kelantan, which is mainly involved in property development, construction, and infrastructure projects. The company incorporated on 11 October 2021 under registration number 1433550-V and has ever since operated with great zeal towards being socially inclusive, adhering to Islamic financial ethics, as well as sustainable development; thus becoming a force in the Malaysian real estate and development sector steadily growing.

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Drs. Suhaimi Bin Che Hussin, the idea behind Zara Prima, has been a motivated Bumiputera entrepreneur, with perfect leadership that guided the company into achieving the vital strategic growth and successful community-centeredness. These values that he stands on include professionalism, integrity as well as innovation-making the foundation of Drs. Suhaimi's entrepreneurial venture are underlined by a great commitment towards the advancement of the nation, especially in underserved areas of Kelantan. Certainly, there is a close possibility that his academic background is based in civil engineering, project management, or business administration where his leadership depicts the blending of technical competence and managerial acumen which shaped the company's transformation from grassroots initiative to a credible registered School with CIDB (Construction Industry Development Board) as well as the Ministry of Finance.

The concept that was conceived into existence by Zara Prima hit most of the time at the peak of the COVID-19 pandemic in 2020 where the founder was able to observe the unacceptable inequalities of ownership of land in Rantau Panjang as many did not have access to property as a result of economic constraints, low wages, or limited financial literacy. Zara Prima then came with a deferred, interest-free installment plan concept where buyers of land do not have to pay upfront costs that are too high or delayed payment penalties. Such Shariah-compliant financing has been in line with the company's ethical orientation and has served well in enabling more than 300 people, majority of whom belong to marginalized communities, to own a piece of land. With this, RM 8 million has already been raised in revenues and 22 successful sales phases of land have been undertaken.

The innovative entrepreneurial system of the company is supported by a strong family-run framework. Each family member has a unique and strategic role ranging from legal consultation, site engineering, marketing, project oversight, up to finance and human resource management. This strengthens not only the continuity for business but integrity and agility when it comes to Zara Prima's operations.

With a growing portfolio of public and private sector projects, Zara Prima has continued its trajectory of expansion across Malaysia. By the foresightedness of the founder, Zara was now

focusing on strategic growth areas, including smart cities, green building technologies, and international partnerships. These very much align with the national agenda for a more sustainable urbanization and increased infrastructure resilience. Thus, Zara Prima Empire Sdn. Bhd. is not merely a business; it is now a change agent in broader socio-economic growth facilitating land ownership, inclusive development, and, meaningfully, a movement toward Malaysia's vision as an equitable, sustainable future.

Covid-19 Pandemic

Effects of COVID-19 Pandemic in Malaysia-The financial capacity among persons to which the pandemic has affected is housing loan payment allocation in Malaysia. In a country with several waves of infection and continuous movement control orders (MCOs), many Malaysians have to endure a sudden shock in their income due to job loss, pay cuts, or business closure. According to Department of Statistics Malaysia (DOSM, 2021), nearly 2.4 million workers stood unemployed or underemployed at the peak of the pandemic. It is worth mentioning that this situation was most critical for B40 and M40 income groups whose savings are minimal and rely mostly on standard incomes for fundamental financial commitments, including mortgages.

In fact, financial conformance was recorded by most homeowners with regard to their monthly housing loan obligations. A study done by Khazanah Research Institute (2021) showed that financial stress increased greatly among lower- and middle-income households, with substantial numbers being at risk of defaulting on their loans. Bank Negara Malaysia (BNM), in its Financial Stability Review, noted that there is increasing vulnerability among borrowers, especially in urban areas where housing costs are greater. Most of these individuals are at risk of losing their homes if timely measures do not take place, which would deepen socio-economic inequalities.

The impacts were mitigated through several rounds of financial relief measures developed by the Malaysian government and the financial institutions with which it was working. Most prominent among these measures was the automatic loan moratorium introduced in April 2020, allowing borrowers the option of deferring six months of loan repayments without adversely affecting their credit records. The moratorium was later extended, but this time in a more targeted manner on the most vulnerable segments of society. By mid-2021, it was reported by Bank Negara Malaysia that

repayment assistance measures had benefited more than 7.7 million borrowers. These measures were critical in preventing mass foreclosures and allowing households some breathing space to manage their day-to-day expenses.

Nevertheless, the practical effects of the moratorium brought in some long-term challenges. Some borrowers, particularly those with conventional loans, continued to be charged interest during the moratorium, which for them meant that the total loan cost was increased. Then, there were cases where borrowers struggled to start making regular payments after the moratorium due to their unstable financial situation. This situation gave rise to calls for more sustainable and inclusive financing mechanisms, especially for workers in the informal sector who are often unable to access conventional credit facilities.

On another note, the pandemic also tilted the scales towards housing affordability and access to housing financing in Malaysia. High-income households were largely cushioned by their financial buffers and diversified income sources; on the other hand, low-income groups were really struggling, with the gulf getting wider for the rural folk, informal workers, and women-headed households. This illustrated the deeply entrenched structural inequities suffocating the housing market. The crisis brought back conversations highlighting the need for some affordable housing solution and financing models-specific interest-free installment schemes in accordance with Islamic Financial principles that can bring more people into the fold of homeownership.

Zara Prima Empire Sdn. Bhd. was conceived with a specific vision to combat the severe economic onslaughts posed by the COVID-19 pandemic, especially with respect to housing affordability and financial stability. The vision clarifies the company's mission of achieving sustainable success while seeking the pleasure and blessings of Allah SWT and ensuring that all business practices are completely in line with both ethical and Islamic principles. Accordingly, a key objective of Zara Prima is to remove individuals from the burdens of usury (riba) by offering a fully Islamic system of financing, which is intended as safe and accessible. The alternative approach undertaken to undermine such a mechanism is by providing schemes of interest-free installments instead of those offered by commercial banks to promote fairness and ease in ownership. Particularly, these methods should help the economically deprived sectors in stabilizing their economies in the post-

pandemic era. The vision “Back to Her Roots, Building Kelantan’s Future with a Riba-Free Vision” has been encapsulated in a motto that tells Kelantan that Zara Prima is committed to sustainable development in Kelantan. Aligning its operations with Islamic financial ethics will, therefore, prove beneficial not only for immediate housing demands but also for the much bigger agenda of building a resilient and inclusive housing ecosystem in Malaysia.

Riba Free in Malaysia property

For the last few decades, Malaysia has experienced phenomenal growth and changes in terms of development in property development. From the simpler traditional housing projects at the beginning, it has developed into more integrated townships and mixed-use developments. The most important thing this shift indicates is that the country is becoming more developed and urbanized in terms of economic activity as a whole. Malaysia can be classified as a mostly active player for Southeast Asia's real estate ranks within dynamic countries in Southeast Asia. The trend of property development in Malaysia becomes more in tune with Shariah-compliant provisions to be congruent with the further value-oriented practices of the majority of Muslim citizens in the country. There has been a move toward ethical and interest-free (or riba-free) financing models, resulting in a few prominent developments and key players in the industry. The major property developers in Malaysia have embraced the Islamic financing principles of providing riba-free property offerings. For instance, SP Setia issued a RM1 billion triple-tranche senior unsecured sukuk wakala in 2023-the largest Islamic real estate deal in Asia- to raise capital for investment, including into the Battersea Power Station development in London. KFH has also been an active participant in Shariah-compliant real estate projects, offering a suite of Islamic financial products and services, including investment in residential, commercial, and mixed-use developments. Although the move towards riba-free property development has opened many doors, it still has a lot of challenges for ensuring the integrity of Islamic principles at every level of development. Such continued education and collaboration should be developed and sustained among developers, financial institutions, and regulatory bodies to affirm the Shariah-compliant property offerings' integrity. Malaysia's property development sector will follow Islamic finance principles continuously and started giving ethical and interest-free ways of investment and ownership. Such applicability fulfills Muslims' spiritual and financial needs and makes Malaysia a leader in Islamic finance within the global property market.

At the heart of Zara Prima's business model lies a deep commitment to ethical finance one that aligns not just with good business practice but with values rooted in faith. One of the most powerful inspirations behind Zara Prima's *riba*-free installment system comes from the Quranic teaching.

"O you who have believed, do not consume usury, doubled and multiplied, but fear Allah that you may be successful."

Surah Al-Imran (3:130)

This verse serves as a reminder of the moral responsibility to avoid unjust gains through interest, particularly when it leads to the hardship of others. For many individuals and families, the burden of conventional home loans with high interest can be overwhelming. By offering an installment plan that is free of *riba*, Zara Prima opens the door to home ownership in a way that is both fair and dignified.

This approach not only respects religious principles but also embodies a genuine care for those often left behind in the financial system. In doing so, Zara Prima is more than just a property developer it becomes a partner in building lives and strengthening communities. The model reflects a broader vision of success, one that goes beyond profit margins to include justice, equity, and compassion. It reminds us that in business, as in life, there is always room for purpose, principle, and humanity.

Zara Prima Carving Her Path in Industry

Zara Prima was formed during the COVID-19 pandemic in 2020 to empower the less fortunate to own land and properties. The company was birthed in an atmosphere of economic uncertainty around the globe with a new payment plan whereby customers would pay for the land by installments without any interest. This alternative means of property ownership has worked for those who would commonly be neglected by the traditional financing route while raking in considerable revenue with about 300 lots sold and earning more than RM 8 million. This resonates with the modern discourse of Islamic finance in the sense that it tries to promote ethical and just financial practices that would foster social and economic empowerment (Chapra, 2008).

Zara Prima began its business with a mission to try and tackle the constant problems faced by residents in places such as Rantau Panjang in Kelantan, where land ownership was hampered by

economic factors and unsafe financial planning. The founders recognized these challenges and custom-built a flexible installment financing package with a small deposit requirement. In the beginning, this arrangement was confined to close friends and relatives, but this concept eventually morphed through several stages into a wider set of clientele. The vision is focused on ensuring secure and accessible property ownership opportunities in a manner that is ethical by Islamic financial standards, thus providing an alternative to both conventional and some Islamic banking systems (Ibrahim, 2017).

In technical terms, the *riba*-free installment scheme of Zara Prima is feasible under the confines of existing legal and accounting frameworks. Some minor adjustments have allowed for the integration of the system into existing frameworks without contradicting the regulations. Such strategic alignment enhances not only transparency and scalability of the system but also contributes to the wider goals of Islamic finance, which advocate fairness and ethical transactions (Khan, 2019).

Modeling the whole arrangement centered on financial sustainability where success with the installment plan is strictly dependent on the regular monthly cash inflow and from a solid customer base. Such steadily flowing cash enables one to sustain continued operations and future expansions like obtaining more land besides complementary service developments like house construction. Correspondingly, the financial architecture operates on sustainable funding modes that center on liquidity-enhanced risk mitigation through time-based payments, which have been put forward in subsequent financial researches (Alam, 2020).

Zara Prima has adopted an operational analogy that resembles traditional banking institutions. Established departments were those that focused on collection and recovery, accounts, management, and customer service, so that all complexities concerning and relating to the installment payment system will be managed and ensure compliance with regulatory requirements. These roles are currently managed under family considerations since capital was limited in the beginning. However, plans to onboard experts to scale operations portray the business's commitment towards efficient scaling. Such an organizational structure is crucial for management and growth of innovative financial models (Smith & Rahman, 2021).

Through its emphasis on sustainability and its social impact, Zara Prima has carved a niche for itself. The company espouses environmental sustainability by energy-efficient construction means and sustainable sourcing. Thereby, Zara Prima aims to lower its carbon footprint and contribute to sustainable development within the housing industry by the use of energy-efficient elements and environmentally conscious building practices. In sourcing building materials from suppliers who embrace responsible environmental practices, Zara Prima underscores its unwavering commitment to sustainability.

The social impact of Zara Prima also deserves attention. The business model promotes respectable employment practices, providing decent-paying jobs to local as well as foreign workers. This commitment to fair labour practices is in support of Sustainable Development Goal 8, which is all about decent work and economic growth. Further, it should be noted that the installment program, being *riba*-free, significantly enhances housing accessibility for the low-income segment of society, fiercely tackling policies on inequality, and contributing to Sustainable Development Goal 10 by allowing disadvantaged groups to improve their living standards without heavy loads of high-interest loans.

Through such job creation and financial inclusion, Zara Prima additionally promotes wider economic growth. The expansion of its undertakings and projects, for the company, entails the fostering of sustainable employment opportunities that strengthen the local economy. The interest-free home ownership model facilitates avenues for many, who would be denied access under normal circumstances, to gain advantage over financial exclusion, thus aiding the cause against growing financial inequality. Such interventions are in line with international objectives for economic development and resonate with recent studies on inclusive growth.

To ensure that these sustainable and social impact endeavors are measurable, Zara Prima uses several Key Performance Indicators (KPIs). For instance, indicators such as job creation statistics, employee retention rates, wage equity, and workforce satisfaction are measured to determine impacts upon SDG 8. The accessibility of housing is tracked by recording the number of homes sold, the affordability of payment plans, and the outreach to low-income groups that promote SDGs 10 and 11. The environmental impact is also assessed through measurements such as the

percentage of materials sourced sustainably, as well as the reduction of carbon emissions on construction sites. The firm affirms its commitment to transparency through an annual sustainability report, stakeholder engagement practices, and third-party audited confirmations of progress towards the SDGs.

Marketing and sales are done mostly on digital platforms, primarily relying on social media outlets such as Facebook and TikTok. This greatly reduced advertising costs compared to traditional marketing. Simultaneously, it greatly increased the company's outreach through well-timed promotional campaigns synchronized to national events. Recent years' financial data showed strong performances, with diversified income streams coming from land sales and the expanding market for house construction. This modern marketing approach is in trend with global digital marketing in the real estate industry (Lee, 2022).

In the future, Zara Prima plans to start operations in East Malaysia and Thailand. This growth strategy will be underwritten by rigorous market surveys and continuously adopting innovative technologies, including the in-house development of data management and payment systems. Along with this, an all-encompassing succession planning initiative will actually train the next generation of leadership so that it may keep Zara Prima competitive and responsive to the rapidly changing demands of the marketplace. With issues like delayed profitability which are associated with an extended installment model, Zara Prima may encounter competition from new entrepreneurs. Nonetheless, it is in a good position to be the frontrunner for ethical interest-free financing.

Zara Prima's business model represents a great deviation from prevalent financing principles, stressing accessibility, equity, and social empowerment. With its blend of technical, financial, operational, environmental, and social paradigms, the company provides a formidable vehicle for socio-economic challenges in sustainable development. Innovation and geographical market expansion will strengthen Zara Prima's image as an initiator of ethical financial solutions and inclusive property ownership.

The Garden of Growth: Exploring Zara Prima's Strengths Through a SWOT Lens

Zara Prima sparkles like a gem within the realm of real estate management, and her bold and innovative moves give her an absolute edge. The principal strength of Zara Prima is its profound market positioning itself, as it also keeps developing its own interest-free installment program no competitor had ever thought to present. The epitome of the vision goes on further to benefit home ownership for the downtrodden people by providing such an option that would not resort to high-interest loans. With such an innovative rule, Zara Prima is now rightly positioned as a pioneer in affordable housing empowerment, making a difference in real estate projects.

The company's integrity with the environment can also be seen in its ability to conserve fuel and use green building materials. Working towards a smaller carbon footprint with great consideration revolves around not only profits but Earth's long life. Therefore, this green initiative; construction and designing to reduce energy inefficiency, reduces lessening of energy use while generating income for homes; it pays back in terms of reciprocity from the environment. Besides providing fair employment opportunities, Zara Prima seeks to create an excellent social ecosystem in enhancing the wellness of its labour force. Making mating: protecting social justice and welfare in any project that Zara invests in, thereby focusing on United Nations' Millennium Development Goal 8 that ensures each participant benefits equally.

However, as with any journey full of challenge, Zara faces business dangers questioning its resilience. One of its key weaknesses lies in the payment model, one of an instalment basis that regulates the cash flow from the company. In addition to being very accessible to customers, this model could earn little profit and hence fail to rapidize the growth of the company in the interim period. It is thought that its long-term posture could delay substantial access to financial stability, thus affecting company operations. An insurmountable problem would present itself if Zara could not push forward with their continued successful availment and streamlining of the installments given a lengthy period of time.

In spite of these impediments, Zara Prima is engulfed in enormous opportunities to expand and fortify a niche within the overall market. The demand for affordable housing is enormous, especially for individuals excluded from conventional banking systems. Being customer-centred,

Zara Prima has an opportunity to supply solutions to this market that is not being serviced, putting smiles on the faces of the less privileged. The company may therefore attract individuals who would find it difficult, if not impossible, to obtain loans from traditional banks through an interest-free installment program. More opportunities also exist for the company to woo government bodies and NGOs to partner in providing support towards strengthening the business model, unlocking financial incentives, and other avenues for further development.

But like any budding firm, Zara Prima stands exposed to impending threats that may eventually put in jeopardy its sustainability and growth. The most discernible threat is that perhaps in due time, some rival may venture into similar interest-free installment programs. This increased form of competition, if it happens, could result in loss of market share and diminish the uniqueness of the company's value proposition. Zara Prima must innovate with all its might to maintain its unique product and service offering in response to the relevant changing market. Reinforcing its unique proposition while keeping social responsibility and sustainability at the forefront will enable Zara Prima to counter such threats and continue to flourish in the real estate space.

Final Thoughts

The extraordinary story of Zara Prima is one of cutting-edge transformation in real estate financing far beyond the level of classical models. The company has emerged from the unprecedented challenges posed by the COVID-19 pandemic to develop a novel installment scheme that is free from *riba*. This model not only provides help for people suffering with economic distress but also exemplifies ethical financial practices and the fostering of social equity. Environmental sustainability, social impact, and advanced technology have been integrated into Zara's operations as it continues its forward march, heralding the glory of what the future for property ownership would look like in an emerging market, while also giving grounds for hope and opportunity in a volatile global economy.

The approach of Zara Prima, where technical feasibility intersects financial sustainability and operational planning with precision, proves its understanding of developing the interrelationship between economic growth and social responsibility in a manner that is deep and holistic. By using digital marketing platforms aligned to major national events, significant distractions were created

for competitors to cut through to revenue-generating avenues. It now tackles one of society's serious concerns: affordable housing. By ensuring sustainable construction methods and ethically sourced materials, the company is demonstrating its concern for minimizing environmental degradation. In an era of global environmental conscientiousness, this concern has now become vital rather than just a choice.

The ambitious plan of Zara Prima to accelerate expansion into other markets: East Malaysia and Thailand promises a bright future. With an ever-changing operational framework and a detailed succession plan, Zara Prima is destined to become a leader in ethical financial solutions. This case is a strong reminder that innovative business models can create simultaneous economic development and an agenda for benefits to society, including but not limited to financial inclusion and environmental conservation. The continuous impact measurement and reporting through KPI parameters and independent third-party audits, along with Zara Prima, shine as a lasting example for the ability of infused sustainable practices into the very core of business operations: demonstrating that doing well and doing good indeed can go hand in hand.

Epilogue

Zara Prima's journey epitomizes a ground-breaking approach to overcoming the socioeconomic challenges inherent in conventional real estate financing. The narrative of Zara Prima is one of resilience, innovation, and a steadfast commitment to social justice. Born out of the necessity created by the COVID-19 pandemic, the company's commitment to a *riba*-free installment model has not only transformed property ownership for underprivileged communities but also redefined ethical business practices in the sector. As the organization expands its footprint into new markets and continues to refine its operational and technological infrastructure, Zara Prima stands as a testament to how innovative financial solutions can drive both economic growth and social equity. Looking ahead, the path Zara Prima has carved offers a promising outlook for the future of ethical finance. The company's efforts in incorporating environmental sustainability and enhancing social welfare through fair employment and affordable housing initiatives underscore its comprehensive vision for progress. As it continues to expand into new territories and refine its business practices, Zara Prima exemplifies how a socially conscious and environmentally responsible approach can redefine industry standards and contribute to the broader global goals of sustainable development.

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