

Shirkah In Sharia Financial Institutions

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Abstrak

Syirkah merupakan suatu keadaan di mana hak kepemilikan terhadap suatu usaha dimiliki secara bersama oleh dua orang atau lebih. Dengan adanya syirkah dalam lembaga keuangan syariah, diharapkan dapat membuka peluang kerja sama antara dua pihak atau lebih guna mengembangkan dan memajukan usaha bersama. Artikel ini bertujuan untuk mengkaji konsep dan dasar hukum syirkah, rukun dan syarat syirkah, berbagai jenis syirkah, Syirkah Mutanaqishah dan Syirkah Muntahiyah bit Tamlik, fatwa-fatwa DSN-MUI mengenai syirkah, penerapan syirkah pada Bank Syariah dan Lembaga Keuangan Syariah (LKS), mekanisme *revenue sharing* dan *profit sharing* berdasarkan Fatwa DSN-MUI Nomor 15, serta cara pembatalan akad syirkah. Penelitian ini menggunakan metode studi kepustakaan (*library research*) dengan menganalisis berbagai literatur ilmiah dan kebijakan yang relevan. Data diperoleh dari berbagai sumber pustaka, seperti buku, jurnal, dokumen, dan regulasi yang berkaitan dengan penerapan syirkah dalam lembaga keuangan syariah. Hasil penelitian menunjukkan bahwa konsep syirkah memiliki peran penting dalam sistem keuangan syariah sebagai instrumen kerja sama usaha yang sesuai dengan prinsip-prinsip Islam, serta menjelaskan penerapan syirkah dalam Bank Syariah dan Lembaga Keuangan Syariah (LKS).

Kata Kunci: Syirkah, Bank Syariah, Lembaga Keuangan Syariah (LKS).

Abstract

Syirkah is a condition where the rights to a business are jointly owned by two or more people. With the existence of syirkah in Islamic financial institutions, it is hoped that it can create opportunities for cooperation between two or more people for the progress of joint businesses. This article aims to examine the concept and legal basis of syirkah, the pillars and conditions of syirkah, the various types of syirkah, Syirkah Mutanaqishah and Syirkah Muntahiyah bit Tamli, the MUI-DSN Fatwa on all kinds of syirkah, how syirkah is applied in Islamic Banks and LKS, how Revenue Sharing and Profit Sharing (DSN MUI Fatwa No. 15) and how to cancel syirkah. This study uses a library study method by analyzing various scientific literature and relevant educational policies. By using a research method in the form of a library research, where data is obtained from various book sources in the form of journals, documents, and policies on the implementation of syirkah in financial institutions. The results of the study show how the concept of syirkah in Islamic financial institutions and explain the application of syirkah in Islamic Banks and LKS

Keywords: Syirkah, Sharia Bank, LKS

Introduction

Islam is a religion that regulates all aspects of human life comprehensively, including economic activities. In carrying out economic transactions, Muslims are required to adhere to the principles established by Allah SWT through the Quran and explained further by the Prophet Muhammad SAW through his Sunnah. These principles are intended to create justice, transparency, and mutual benefit among individuals and society. Economic activities in Islam are not merely aimed at obtaining profit but also at realizing social welfare and maintaining ethical values. Therefore, every form of economic transaction must be conducted in accordance with Islamic law to ensure that it remains free from elements of *riba*, *gharar*, and injustice (Anwar, 2022).

Economic activities occupy a central position in human life because they are closely related to the fulfillment of needs and the improvement of welfare. Along with the development of society, economic transactions have become increasingly complex and require forms of cooperation that can support larger business activities. Islam provides various contractual mechanisms that enable individuals to collaborate in business while adhering to Sharia principles. One of the most important forms of cooperation recognized in Islamic jurisprudence is *syirkah*, which refers to a partnership arrangement involving two or more parties who jointly contribute capital, labor, or expertise to achieve a common economic objective (Akbar, 2021).

Syirkah represents one of the fundamental concepts in Islamic commercial law (*fiqh muamalah*) because it encourages cooperation and collective participation in economic development. Through *syirkah*, individuals who may not possess sufficient resources independently can combine their assets and capabilities to establish productive enterprises. This arrangement reflects the Islamic spirit of mutual assistance (*ta'awun*) and solidarity, where economic gains and risks are shared among partners according to agreed terms. Consequently, *syirkah* contributes not only to individual prosperity but also to broader economic growth and social cohesion within Muslim communities (Hannanong et al., 2024).

The concept of *syirkah* has received significant attention from classical and contemporary Islamic scholars. Jurists from various schools of Islamic law generally agree on the permissibility and legitimacy of *syirkah* because its principles are rooted in the Quran, Hadith, and scholarly consensus (*ijma'*). The legal recognition of *syirkah* demonstrates Islam's flexibility in accommodating diverse economic needs while maintaining ethical standards. As a result, *syirkah* has become one of the most widely

accepted business arrangements in Islamic economic thought and practice, serving as a foundation for numerous modern Islamic financial products (Abubakar et al., 2025).

In the contemporary era, the relevance of syirkah has increased significantly with the rapid growth of Islamic banking and Islamic financial institutions. These institutions seek to provide financial services that comply with Sharia principles while meeting the demands of modern economic systems. Syirkah-based contracts are frequently utilized as alternatives to interest-based financing because they emphasize profit-and-loss sharing mechanisms. Such arrangements promote fairness between financial institutions and customers, as both parties participate in the risks and rewards associated with business activities. Therefore, syirkah is considered one of the essential instruments supporting the development of a sustainable Islamic financial system (Hasan et al., 2025).

The implementation of syirkah in Islamic financial institutions has evolved into several forms, including Syirkah Inan, Syirkah Abdan, Syirkah Wujud, and Syirkah Mufawadhah. In addition, contemporary Islamic finance has introduced innovative models such as Syirkah Mutanaqishah and Syirkah Muntahiyah bit Tamlik to address modern financing needs, particularly in housing, investment, and asset acquisition. These models demonstrate how traditional Islamic legal concepts can be adapted to contemporary economic realities while preserving compliance with Sharia principles (Zulhelmy, 2025).

The practical application of syirkah in Islamic banks and Islamic Financial Institutions (Lembaga Keuangan Syariah/LKS) is supported by various regulations and fatwas issued by the National Sharia Council of the Indonesian Ulema Council (DSN-MUI). These fatwas provide detailed guidelines regarding the structure, implementation, profit distribution, and termination of syirkah contracts. Among these regulations, DSN-MUI Fatwa No. 15 concerning revenue sharing and profit sharing mechanisms plays an important role in ensuring fairness and transparency in financial transactions. The existence of these fatwas strengthens the legal certainty and operational effectiveness of syirkah-based financial products in Indonesia (Surury & Badry, 2024).

Despite its significant role, many individuals still have limited understanding regarding the legal foundations, operational mechanisms, and practical implementation of syirkah in Islamic financial institutions. Misunderstandings concerning profit-sharing calculations, partnership rights and obligations, and contract termination procedures often hinder the broader adoption of syirkah. Therefore, academic discussions and scholarly studies are necessary to enhance public awareness and understanding of this important Islamic economic concept. Such efforts can contribute

to the expansion of Sharia-compliant business practices and support the growth of Islamic finance in both local and global contexts (Meila, 2025).

Based on the foregoing discussion, this article aims to examine the concept and legal basis of syirkah, its pillars and conditions, the various forms of syirkah, Syirkah Mutanaqishah and Syirkah Muntahiyah bit Tamlik, the relevant DSN-MUI fatwas, the implementation of syirkah in Islamic banks and Islamic financial institutions, the mechanisms of revenue sharing and profit sharing, and the procedures for terminating syirkah contracts. Through this discussion, the article seeks to provide a comprehensive understanding of syirkah and highlight its importance as a key instrument in the development of contemporary Islamic economic and financial systems (Anwar, 2022; Hasan et al., 2025).

Research Methods

This study employed a library research method to examine the concept and implementation of syirkah in Islamic financial institutions. The data were collected from various secondary sources, including books, scientific journal articles, educational policy documents, fatwas issued by the National Sharia Council of the Indonesian Ulema Council (DSN-MUI), and previous studies relevant to Islamic economics and *fiqh muamalah*. The literature review focused on the concept and legal basis of syirkah, its pillars and conditions, various forms of syirkah, including Syirkah Mutanaqishah and Syirkah Muntahiyah bit Tamlik, as well as the implementation of syirkah contracts in Islamic banks and Islamic Financial Institutions (LKS).

The data collection process involved identifying, selecting, classifying, and reviewing relevant literature related to the research topic. Furthermore, the collected data were analyzed using a descriptive-analytical approach. This approach was applied by describing key concepts, comparing different scholarly perspectives, examining the provisions contained in DSN-MUI Fatwas, particularly those concerning profit-sharing and revenue-sharing mechanisms, and interpreting their application in contemporary Islamic financial practices. The findings were then synthesized to provide a comprehensive understanding of syirkah and its role in supporting Sharia-compliant financial transactions and business partnerships.

Results and Discussion

Syirkah is one of the most important concepts in Islamic commercial law (*fiqh muamalah*) that governs cooperation between two or more parties in conducting

economic and business activities. The concept has been practiced since the early period of Islam and continues to play a significant role in modern Islamic financial systems. As economic activities become increasingly complex, the relevance of *syirkah* has expanded beyond traditional trade partnerships to include various forms of business financing, investment projects, and Islamic banking operations. Consequently, understanding the concept of *syirkah* is essential for ensuring that economic transactions remain compliant with Islamic principles while promoting justice and mutual benefit among participants.

Etymologically, the word *syirkah* originates from the Arabic term *sharika*, which means sharing, mixing, or combining. The linguistic meaning reflects the essence of partnership, where two or more parties unite their resources for a common purpose. In Islamic economic terminology, *syirkah* refers to a contractual agreement that allows individuals or institutions to combine their assets, expertise, labor, or financial resources to undertake a business venture and share its outcomes. This cooperative framework distinguishes Islamic business partnerships from conventional arrangements by emphasizing ethical conduct, fairness, and shared responsibility.

The concept of *syirkah* is closely linked to the broader objectives of Islamic law (*maqasid al-shariah*), particularly in promoting economic welfare and social justice. Islam encourages productive economic activities that generate benefits for individuals and society. Through *syirkah*, people can pool their resources and capabilities to achieve business objectives that might be difficult to accomplish individually. As a result, *syirkah* serves as a practical mechanism for fostering entrepreneurship, reducing economic inequality, and promoting inclusive economic growth.

Islamic scholars from various schools of jurisprudence have provided different definitions of *syirkah*, although their interpretations share common principles. The diversity of definitions demonstrates the richness of Islamic legal thought while maintaining consistency in the fundamental understanding of partnership. These scholarly perspectives have contributed to the development of comprehensive legal frameworks that guide the implementation of *syirkah* in different economic contexts.

According to the Hanafi school, *syirkah* is defined as a contract that establishes joint ownership and participation in profit. This definition highlights the importance of mutual agreement and shared economic interests among partners. The Hanafi perspective places significant emphasis on the contractual nature of the partnership and the legal consequences that arise from the agreement.

The Maliki school defines *syirkah* as a form of partnership in which each partner authorizes the other to act on behalf of the partnership. This definition emphasizes

mutual agency and trust between the contracting parties. The Maliki approach recognizes that effective business cooperation requires a certain degree of authority and flexibility in decision-making to ensure the smooth operation of the enterprise.

Meanwhile, the Hanbali school views syirkah as a partnership involving both ownership rights and business management. According to this perspective, partners are jointly responsible for managing the business and achieving its objectives. The Hanbali interpretation reflects the practical realities of commercial activities, where collaboration extends beyond financial contributions to include managerial responsibilities.

The Shafi'i school defines syirkah as joint ownership of property or business assets by two or more individuals. This definition focuses on the legal relationship created through shared ownership. The Shafi'i perspective underscores the importance of clearly defining ownership rights and obligations to prevent disputes and ensure fairness among partners.

The legal foundation of syirkah is firmly established in the Qur'an. One of the most frequently cited references is Surah Sad verse 24, which discusses the behavior of partners in business relationships. The verse warns that many partners may act unjustly toward one another, except those who possess faith and perform righteous deeds. This guidance highlights the moral dimension of business partnerships and reinforces the importance of ethical behavior in economic transactions.

The Qur'anic recognition of partnership arrangements demonstrates that Islam does not discourage business cooperation. Instead, Islam provides moral and legal guidelines to ensure that such cooperation promotes justice, transparency, and mutual respect. The emphasis on ethical conduct reflects the broader Islamic vision of economic activities as a means of achieving both material prosperity and spiritual well-being.

In addition to the Qur'an, numerous hadiths provide further support for the legitimacy of syirkah. One well-known narration reported by Abu Dawud states that Allah becomes the third partner in a partnership as long as the parties remain honest and do not betray each other. This hadith illustrates the spiritual significance of trustworthiness in business relationships and serves as a reminder that ethical conduct is essential for achieving divine blessings.

The prophetic teachings regarding syirkah also emphasize the values of honesty, accountability, and cooperation. These values are fundamental to the success of any

partnership arrangement because they foster confidence among participants and reduce the likelihood of conflicts. In contemporary business environments, these principles remain highly relevant and contribute to sustainable economic relationships.

For a *syirkah* contract to be valid, several pillars (*arkan*) must be fulfilled. The first pillar is the existence of a clear offer and acceptance (*ijab* and *qabul*), which demonstrates the mutual consent of the contracting parties. The contractual agreement must be expressed in a manner that clearly indicates the intention to establish a partnership.

The second pillar consists of the parties involved in the contract. Each participant must possess legal capacity and the authority to engage in commercial transactions. This requirement ensures that all partners are capable of understanding their rights and responsibilities within the partnership arrangement.

The third pillar is the subject matter of the contract, including capital contributions, labor, expertise, or other resources that form the basis of the partnership. The subject matter must be lawful, clearly identified, and capable of generating economic value. This requirement protects the interests of all parties and promotes transparency in business dealings.

Beyond the pillars, *syirkah* also requires the fulfillment of specific conditions. One important condition is the clarity of capital contributions. Partners must clearly specify the amount and nature of their contributions to avoid misunderstandings and disputes in the future. Transparency in capital allocation enhances trust and facilitates effective business management.

Another essential condition concerns the distribution of profits and losses. Islamic law requires that profit-sharing ratios be agreed upon in advance and clearly stated in the contract. At the same time, losses must generally be borne according to each partner's proportion of capital contribution. This principle reflects the Islamic commitment to fairness and equitable risk-sharing.

The voluntary nature of the contract is another critical requirement. All parties must enter into the partnership willingly and without coercion. Consent obtained through deception, pressure, or misinformation may invalidate the contract and undermine its legitimacy under Islamic law.

Syirkah can be classified into several categories based on its characteristics. One of the primary categories is **Syirkah al-Amlak**, which refers to joint ownership that arises without a formal partnership contract. This type of ownership often results from inheritance, gifts, or other circumstances that lead multiple individuals to share ownership of an asset.

In *Syirkah al-Amlak*, the co-owners possess rights over the shared property according to their respective ownership shares. Although this arrangement does not necessarily involve active business cooperation, it establishes legal relationships that require mutual respect and proper management of the jointly owned asset.

The second major category is **Syirkah al-'Uqud**, which arises through a contractual agreement between two or more parties. This form of partnership is intentionally created to pursue economic activities and generate profits. It is widely recognized as the foundation of modern Islamic business partnerships.

Syirkah al-'Uqud includes several subtypes, such as *syirkah inan*, *syirkah mufawadah*, *syirkah abdan*, and *syirkah wujuh*. Each subtype possesses unique characteristics regarding capital contributions, managerial responsibilities, and profit-sharing arrangements. These variations demonstrate the flexibility of Islamic commercial law in accommodating diverse business needs.

Among the various forms of *syirkah*, *syirkah inan* is the most commonly applied in contemporary Islamic finance. In this arrangement, partners contribute different amounts of capital and may also assume different managerial roles. Profit distribution is based on mutual agreement, while losses are generally allocated according to capital contributions.

The evolution of modern financial systems has led to the development of innovative partnership models such as **Syirkah Mutanaqisah**. This arrangement combines a partnership contract with the gradual transfer of ownership from one partner to another. The model is particularly useful in asset financing and home ownership programs within Islamic banking institutions.

In *Syirkah Mutanaqisah*, the financial institution and the customer initially share ownership of an asset. Over time, the customer purchases the institution's ownership share through periodic payments. As a result, the customer gradually acquires full ownership while maintaining compliance with Islamic legal principles.

Although *Syirkah Mutanaqisah* is widely accepted by contemporary scholars, some debates remain regarding its implementation. Supporters argue that it fulfills the objectives of Islamic finance by avoiding interest-based transactions and promoting risk-sharing. Critics, however, caution against contractual structures that may resemble conventional lending practices if not properly designed.

Another contemporary model is **Syirkah Muntahiyah bit Tamlik**, which

combines partnership arrangements with eventual ownership transfer. This structure is frequently used in financing productive assets, equipment, and real estate. The arrangement allows users to benefit from an asset while progressively acquiring ownership rights.

The growing complexity of Islamic financial transactions has prompted regulatory authorities to establish comprehensive legal guidelines. In Indonesia, the National Sharia Council of the Indonesian Ulema Council (DSN-MUI) has issued several fatwas governing the implementation of syirkah. These fatwas provide legal certainty and ensure consistency in the application of Islamic commercial principles.

Among the most important regulations are Fatwa No. 08/DSN-MUI/IV/2000 concerning Musyarakah, Fatwa No. 73/DSN-MUI/XI/2008 concerning Musyarakah Mutanaqisah, and Fatwa No. 114/DSN-MUI/IX/2017 concerning Syirkah Contracts. These legal instruments serve as references for Islamic banks, financial institutions, and business practitioners throughout Indonesia.

In Islamic banking, syirkah is primarily implemented through musyarakah financing arrangements. Under this mechanism, both the bank and the customer contribute capital to a business venture. The partnership structure encourages collaboration and aligns the interests of all parties involved, thereby promoting responsible business practices.

One of the distinguishing features of musyarakah financing is the principle of profit and loss sharing. Unlike conventional lending systems that guarantee fixed returns regardless of business performance, Islamic partnerships distribute profits according to agreed ratios and allocate losses based on capital participation. This approach promotes fairness and discourages excessive risk-taking.

Profit distribution in syirkah may follow either a profit-sharing or revenue-sharing model. Profit sharing is calculated after deducting operational expenses, while revenue sharing is based on gross income. Each method offers distinct advantages depending on the nature of the business and the preferences of the partners.

A syirkah contract may be terminated for several reasons, including the expiration of the contractual period, mutual agreement among partners, withdrawal of a partner, death of a participant, or liquidation of the business. Proper termination procedures are essential for protecting the rights of all parties and ensuring an orderly conclusion of the partnership.

Overall, syirkah represents a comprehensive and dynamic framework for business cooperation within Islamic economics. By emphasizing justice, transparency, trust, and shared responsibility, syirkah contributes significantly to the development of

a sustainable and ethical economic system. Its continued relevance in modern financial institutions demonstrates the adaptability of Islamic commercial law in addressing contemporary economic challenges while preserving its foundational moral principles.

Conclusion

In the sharia definition, syirkah refers to a transaction between two or more people who agree to run a financial business with the aim of gaining profits together. Based on its types, syirkah is divided into two, namely syirkah al-amlak (partnership in assets) and syirkah al-'uqud (partnership in transactions). In Musyarakah, the bank and the customer act as syarik (partners) who each provide funds for the business. The distribution of profits/results or losses is in accordance with the principle of ushul: "Ar-ribhu bimat tafaqa, wal khasaratu biqadri malihi". (Profits are divided according to agreement, while if there is a loss it is divided according to the portion of each person's capital). As a syarik, the bank has the right to participate in management arrangements, in accordance with the principles of musyarakah. The profit sharing of musyarakah is carried out by Profit sharing (profit sharing), namely the profit is divided by calculating the total amount of income minus the total of all operational costs and Revenue sharing (income sharing), namely the profit is divided by calculating the total amount of income from the musyarakah business generated by the Islamic Financial Institution.

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