

transaction belongs to the domain of benefits that were neither explicitly permitted nor explicitly forbidden (min qabil al-MaSaliH al-Mursalah), and does not belong to the domains of creeds ('aqa'id) or formal acts of worship ('ibadat), wherein change and alteration is not allowed.

Based on all of the above, [we rule that] investing funds with banks that pre-specify (tuHaddid muqaddaman) profits (al-ribH) or returns (al 'a'id) is Legally permissible (Halal Shar'an) and there is no harm therein (la ba'sa bihi), and Allah [only] knows best.

Shaykh-ul-Azhar

(signed) Dr. Muhammad Sayyid Tantawi

Date: 27 Ramadan 1423 A.H. equiv: 2 December 2002 A.D.

Our Opinion:

We do not agree with this Fatwaa and believe that interest can not become Halal whatever its shape is and whoever claims it as Halal.

Now:

Our request to the Muslim scholars / Muftiees is to send there opinions on this fatwa and let us publish their opinion in the next issues of the Majallah Fiqh-e-Islami to guide our readers and the Muslims of the world in proper way. (Dr. Shahtaaz)

کلوئنگ Cloning

(ہزاروں ہم شکل انسان بنانے کا منصوبہ) کلوئنگ پر ایک معلوماتی کتاب، شرعی نقطہ نظر؟

مرتب: ڈاکٹر نور احمد شاہتاز درج ذیل مکتوبات سے حاصل کیجئے۔

فرید ہسپتال 38- اردو بازار لاہور فریدی بک سنٹر اردو بازار کراچی

مکتبہ جمال کرم، مرکز الاولیٰں، دربار مارکیٹ لاہور مکتبہ رضویہ آرام باغ کراچی

مکتبہ نعیمیہ، جامعہ نعیمیہ گڑھی شاہو لاہور مکتبہ غوثیہ ہوسیل پرانی سبزی منڈی کراچی

مکتبہ رضویہ، دربار مارکیٹ، لاہور فضلی سنز اردو بازار کراچی

مکتبہ اعلیٰ حضرت، دربار مارکیٹ لاہور سنی کتب خانہ، دربار مارکیٹ لاہور

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This applies whether the mutual consent is established verbally, in writing, by physical signaling, or in any other way that implies mutual acceptance and agreement of the two parts.

In this regard, there is no doubt that mutual agreement over pre specification of the profit is acceptable Legally (shar'an) and logically, so that each party may know his rights.

It is well known that when banks pre-specify for their customers their profits and returns, those profits/returns are fixed after a detailed study of the international and domestic market conditions, and the economic circumstances in society, in addition to the special conditions and nature of each transaction, and the average profitability of each such transaction.

Furthermore, it is well known that those fixed rates of return may be adjusted upward or downward. For instance, investment certificates at their inception paid 4% returns, which rate of return later increased to over 15%, and then more recently declined to approximately 10%.

The party that specifies this rate of return that is subject to upward and downward revision has the responsibility of determining that rate, according to the instructions of the specific authorizing national agency.

Advantages of this pre-specification of the rate of return – especially during this time in which deviation from Truth and truthfulness is rampant -- accrue to the funds-owner, as well as the managers of banks that invest those funds:

* The funds-owner benefits by knowing his rights without any degree of ignorance or uncertainty (jahala), and thus can plan his life accordingly.

* The managers of banks also benefit from this specification [of rates of return] since it gives them the incentive to maximize their profits to exceed the amount they guaranteed for the funds-owner. Thus, the excess profits after paying the funds-owners their rights accrue to the bank managers as compensation for their effort and diligence.

It may be said in this regard: But banks may lose, so how can banks pre-specify profits to those who invest with them?

In answer [we say]: If a bank loses on any one transaction, it makes a profit on many others, and thus covers its losses with its profits. This fact notwithstanding, in case of an overall loss, the matter can be referred to the legal system. In summary, pre-specification of profits for those who invest their funds through investment-agency (al-wakala al-'istithmariyya) with banks or other institutions is Legally premissible (Halal), and above Legal suspicion (la shubhaT fiha). This

حضرت امام شافعی رحمہ اللہ علیہ فرمایا کرتے کہ: امام مالک اور سفیان بن عیینہ نہ ہوتے تو حجاز سے علم رخصت ہو جاتا

The Institute convened its meeting on Thursday 25 Shaban 1423, equiv. 31 October 2002, during which time the issue was presented. Following the deliberations and studies of the members, the Institute decided: Approval of the ruling that investing funds with banks that pre-determine profits (tuHaddid al-ribH muqaddaman) is Islamic-Legally permissible (Halal Sha'an), and there is no harm therein.

Since this topic is of particular importance for citizens who wish to know the Islamic-Legal status of their investments with banks that pre specify profits, and since there have been numerous questions about this issue, the General Council of the Islamic Research Institute has decided to prepare an Official Fatwa backed by the Legal Proofs ('adillah Shar'iyah), as well as a summary of the Institute Members' reasoning, to give citizens a full picture of the issue and instill confidence [in the decision].

The general council presented the full text of the Fatwa to the Islamic Research Institute meeting on Thursday 23 Ramadan 1423, equiv. 28 November 2002. After reading the Fatwa and taking account of the members' comments on its language, they approved the Fatwa.

This is the text of the Fatwa:

Those who deal with the International Arab Banking Corporation, or other banks, thus giving their funds and savings to the bank as an agent (wakil) in Legally permissible investments in exchange for a pre-specified profit that is given to them at agreed-upon periods ...

This dealing, in this form (Surah) is Legally permissible (Halal), and there is no Legal suspicion (shubha) associated with it. This follows from the fact that there is no Canonical Text (naSS) in the Book of Allah or the Prophetic Sunnah that forbids this type of transaction, wherein the profit or return is pre-specified, as long as both sides mutually consent to this type of transaction.

Allah (swt) said [my translation of approximate meaning]: "O people of faith, do not devour each other's property unjustly, but let there be among you trade by mutual consent" (Al-Nisaa' 4:29).

In other words, O you who have the proper faith in Allah, it is not permissible for you, and not proper for any of you, to devour the property of another in invalid and forbidden ways that Allah (swt) has forbidden -- such as theft, usurpation, Riba, and other acts that Allah (swt) has forbidden -- However, it is permissible for you to exchange benefits among yourselves through transactions initiated by mutual consent in a manner that does not make permissible what has been forbidden, or make forbidden what has been permitted.

A Totally disputed Fatwa of Shaikh Ul Ahar

Investing Funds in Banks That pre-specify profits

Dear Readers! A few days back, Shaikhul Azhar issued a Fatwa regarding the pre-specified profits as being Halal and not interest. This created a great disappointing situation among the academicians. We have obtained the original text of the fatwa (in Arabic) which is being published in the issue of Fiqh-e-Islami in your hands.

Prof. Dr. Hassan Abbas Zaki, Chairman of the Board of Directors of the International Arab Banking Corporation sent a letter dated 22/10/2002 to the Honorable Great Imam Dr. Muhammad Sayyid Tantawi, Shaykh-ul-Azhar stating the following:

In the Name of Allah, Most Gracious, Most Merciful
"Honorable Dr. Muhammad Sayyid Tantawi -- Shaykh-ul-Al-Jami'-Al-Azhar As-Salamu `alaykum wa raHmatu Allahi wa Barakatuh:

The customers of the International Arab Banking Corporation forward their funds and savings to the bank, which uses said funds and invests them in permissible dealings, earning a profit which is distributed to the customers at pre-specified amounts and agreed-upon time periods. We request that you kindly inform us of the Legal status (Hukm Shar'i) of this transaction.

Chairman of the Board of Directors,
(Signature) Dr. Hassan Abbas Zaki"

Attached to this letter was a sample document for the dealings between an investor and the bank. [The second page has a small sample document informing a customer that his account of L.E. 100,000 is renewed for the calendar year 2002, with added "return rate of 10%" in the amount of L.E. 10,000, thus bringing the account balance to L.E. 110,000.]

The Honorable Great Imam forwarded the letter and its attachment to the Islamic Research Institute (Majma' Al-BuHuth Al-Islamiyyah) for consideration during its first following meeting.

☆ قال الامام الشافعي رحمه الله تعالى : امن الناس على في الفقه محمد بن حسن ☆