



( Part No : 14, Page No: 114)

### Forms of borrowing from the Agricultural Bank

The second question of Fatwa no. 1397

**Q 2: Many people purchase sheep in order to obtain loans from the Agricultural Development Bank. They take a sheep priced at 300 or 400 SR each. The bank gives them the value and considers it an interest free loan. Some people bring the sheep they already own, then tell the bank that they have purchased them at the price determined by the bank in order to obtain the loan. What is the ruling?**

**A:** If the person purchases some sheep to breed them, and brings them to the bank then honestly tells the bank the price at which he purchased the sheep, and the bank gives him the value of the sheep as an interest free loan, it is a permissible transaction and there is no doubt about it. However, if the loan is given with interest, it is not permissible to take it. As for the person who brings the sheep he already owns and tells the bank that he has purchased them from the market at the price which the bank has determined just to get the loan, he is telling a lie which a Muslim should not do. In fact this person should fear Allah (may He be Exalted) and remember Him.

( Part No : 14, Page No: 115)

May Allah grant us success! May peace and blessings be upon our Prophet Muhammad, his family, and Companions!

### Permanent Committee for Scholarly Research and Ifta'

Member	Member	Deputy Chairman	The Chairman
`Abdullah ibn Mani`	`Abdullah ibn Ghudayyan	`Abdul-Razzaq `Afify	`Abdul-`Aziz ibn `Abdullah ibn Baz