



**Fatwa no. 4170:**

**Q: I am a commodity trader. I became insolvent. One of my friends gave me a great sum of money to trade with. At the end of every month, I give him a sum of money instead of his money. Is it permissible to do that?**

**A:** If you intend to buy a commodity from him in return for a deferred payment at an appointed time

**( Part No : 13, Page No: 156)**

through paying it in installments according to your agreement at the time of the contract, then this type of transaction is permissible. Sale in installments is permissible in Islam. Allah (may He be Exalted) said, ﴿ [O you who believe! When you contract a debt for a fixed period, write it down...](#) ﴾ It was authentically reported that the Prophet (peace be upon him) bought a commodity with a deferred payment.

But if you intend to receive money from him to trade with and you give him a sum of money on a monthly basis in return for keeping this money with you, this will be prohibited as it is a kind of Riba that was forbidden in texts of Qur'an and Sunnah.

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	Committee Deputy Chairman	The Chairman
<a href="#">`Abdullah ibn Qa`ud</a>	<a href="#">`Abdullah ibn Ghudayyan</a>	<a href="#">`Abdul-Razzaq `Afify</a>	<a href="#">`Abdul-`Aziz ibn `Abdullah ibn Baz</a>