



**One must know the transactions of a company before buying shares in it**

**The second question of Fatwa no. 15088**

**Q 2: Some Islamic companies or banks periodically announce that they are prepared to receive money from investors who want to share in projects that conform with Islamic Shari`ah (Islamic law). In most cases the average person is not able to ensure the Islamic validity of these investments and all he can do is read the Islamic companies' publications and advertisements. Sometimes, the names of Islamic personalities are mentioned in these releases as participating members in the companies or as members of Fatwa committee**

**( Part No : 14, Page No: 297)**

**that issue the lawful rulings on the companies' investments. My question is: To what extent is a Muslim required to investigate the operations run by these companies before buying shares in them? If you are aware of any actual, current methods of investigation, please describe them. Attached is a press release issued by one of these companies, would you please tell me whether it is permissible to buy shares in them or not? May Allah reward you best!**

**A:** If these companies are most likely safe and avoid going against Allah's Purified Shar` (Law), there is no harm in buying shares in them. You should also do your best to know the truth before dealing with them as Allah (may He be Glorified and Exalted) states: [\( So keep your duty to Allâh and fear Him as much as you can \)](#) May Allah grant us success! May peace and blessings of Allah be upon our Prophet Muhammad, his family and Companions!

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