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The Majlis

22 Rajab 1447 – 12 January 2026

“ITMINAAN INVESTMENTS’ IN THE FOOTSTEPS OF AMAANAT INVESTMENTS & AL-MABROOR INVESTMENTS

QUESTION

I have invested a substantial amount of money in the company called “Itminaan Investments”. In the beginning I had received some ‘dividends’ which were supposed to be profit. But, all dividend payments have stopped, and I have been informed by the Maulana who operates this company that my investment is lost. His company has lost, hence all investors are said to have lost their investments. The lost amount runs into tens of millions of rand.

Herewith is the Mudhaarabah document which states the terms for the investment. Is this Mudhaarabah venture compliant with the Shariah. What now happens to the investment amounts of the numerous investors who are termed “Rabbul Maal”? It appears that this company has no assets whatsoever. I do not know in what kind of business operations was our money invested.

According to the Shariah what recourse do the investors have? The company simply shrugs off the huge losses saying that according to the Shariah he (the company’s operating manager) is not liable for the loss. Is this correct? Does the company have no liability? Investors who have lost their huge investments are shocked.

Please comment on this company and its Mudhaarabah enterprise.

ITMINAAN INVESTMENTS

SURNAME: [REDACTED]
RESIDENTIAL ADDRESS: [REDACTED]
CROSBY
JOHANNESBURG
2082

FORENAMES: ~~XXXXXXXXXX~~

POSTAL ADDRESS: P O BOX 5
CROWN MINES
2025

TELEPHONE NO: 011 261996411

FAX NO:

CELL NO.: ~~000000000000~~

L.D. NO. ~~XXXXXXXXXX~~

RECEIVED THE SUM OF: R450 000.00 (FOUR HUNDRED & FIFTY THOUSAND RAND ONLY)

FROM: [REDACTED]

DATE: 19 AUGUST 2015

PERIOD OF INVESTMENT: ONE YEAR

NOTE:-

1. THE ABOVE INVESTMENT IS ACCEPTED ON AN UNRESTRICTED MUDHAARABAH CONTRACT, WHICH WILL BE GOVERNED BY ISLAMIC SHAR'IAH (LAW).
2. THE RABB UL MAAL (INVESTOR) WILL BY MUTUAL AGREEMENT RECEIVE 50 % OF THE NET PROFITS. THE MUDHAARIB (ITMINAAN INVESTMENTS) IS REGARDED TO BE A PARTNER, RECEIVING THE BALANCE OF THE PROFITS OF THE INVESTMENT.
3. UNLESS COUNTERMANDED BY THE RABB UL MAAL (INVESTOR) OR MUDHAARIB, THE CAPITAL PLUS THE PROFITS CAN BE REINVESTED BY THE MUDHARIB UNDER THE SAME TERMS HEREIN SET OUT, ON MATURITY. IF THE RABBUL MAAL (INVESTOR) INTENDS TO WITHDRAW THE INVESTMENT ON MATURITY, HE MUST INFORM THE MUDHAARIB FOUR (4) MONTHS BEFORE THE DATE OF MATURITY OF HIS INTENTION OF WITHDRAWAL.

M. Sathya
FOR AND ON BEHALF OF MUDHAARIB
(ITMINAAN INVESTMENTS)



FOR AND ON BEHALF OF RABBUL MAAL

(Redaction not done by The Majlis)

[illegible]

ANSWER & COMMENT

(1) At face value, the brief Mudhaarabah contract (above) is valid and complies with the Shariah. Since no other factors have been mentioned, we cannot comment on the machinations and operation of the company.

(2) According to the Shariah, if the Mudhaarabah enterprise fails or suffers such a loss which debars it from continuing its trading operation, then whatever

profits the partners (both the Rabbul Maal and the Mudhaarib) had acquired earlier, have to be returned to the investment amount.

If after return of the profits, there still remains a shortfall, then the Rabbul Maal will bear the entire loss, not the Mudhaarib. The Mudhaarib is essentially a worker while the actual boss is the Rabbul Maal.

(3) If fraud and negligence cannot be proved, the Mudhaarib will simply saunter off free of any liability, and the investors will suffer the entire loss.

We have been warning The Muslim community for decades to beware of so-called ‘Shariah-compliant’ companies. They end up in miserable failure bringing disaster to the investors who invariably lose their investments.

Furthermore, the ‘dividends’ which the putrefying companies had been paying in the form of ‘profit’ were in reality Riba. But greed and ignorance blind the investors who recklessly invest large amounts only for future tears and regret. It is also noteworthy that when people invest in these companies, they pretend not to know that there is an Entity called the Shariah of Allah Ta’ala. Hence, when investing, no one seeks the ruling and advice of the Shariah. Allah Ta’ala is deleted from the equation. But when they lose their investments, their eyes open. Now it is too late to seek the ruling of the Shariah.

The Shariah’s ruling at this late stage will not provide relief. The investors have lost their money. They must now brace themselves for this loss and lament their own greed and ignorance which had driven them to invest with these dubious companies which operate under deceptive Shariah colours when in reality, they are bereft of fear for Allah Ta’ala. The Shariah is the furthest from their monetary objectives.

The investors of ‘*Itminaan Investments*’ should understand and accept that they have lost their investments.

Resort to Istighfaar, Taubah and Dua, and understand well that whatever you have lost is the decree of Allah Ta’ala. Attribute the loss to your sins which are numerous. The amount you have lost is not part of your Rizq, hence it has been snatched away from you.

Remember well that the first sign to indicate that a company is dubious and that the potential for loss is 99%, is that the company sports a Muslim-sounding name, and that it utilizes Shariah nomenclature for its dealings.