

AVOID RIBA (usury/interest)

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الْحَمْدُ لِلَّهِ الْقَائِلِ: وَأَحَلَّ اللَّهُ الْبَيْعَ وَحَرَّمَ الرِّبَا
أَشْهَدُ أَنْ لَا إِلَهَ إِلَّا اللَّهُ وَحْدَهُ لَا شَرِيكَ لَهُ، وَأَشْهَدُ أَنَّ سَيِّدَنَا مُحَمَّدًا عَبْدُهُ وَرَسُولُهُ، اللَّهُمَّ صَلِّ وَسَلِّمْ
وَبَارِكْ عَلَى سَيِّدِنَا مُحَمَّدٍ وَعَلَى آلِهِ وَأَصْحَابِهِ وَمَنْ تَبِعَهُمْ بِإِحْسَانٍ إِلَى يَوْمِ الدِّينِ.
أَمَّا بَعْدُ، فَيَا عِبَادَ اللَّهِ، إِنِّي قُورَا اللَّهُ حَقَّ تَقَاتِهِ وَلَا تَمُوتُنَّ إِلَّا وَأَنْتُمْ مُسْلِمُونَ.

Let us increase our righteousness to Allah the Almighty by doing all that He prescribes and leaving all that He prohibits. May we be forgiven by Allah the Almighty in this life and the hereafter.

Dear brothers and sisters,

Riba (usury/interest) comes from the Arabic word الربا which means increase. In the context of Sharia, riba is any excess or additional payment imposed due to a delay in payment. Riba can also occur in the exchange of ribawi goods in unequal amounts or the delay in the delivery of one of the exchanged goods in a goods exchange transaction. The first category of ribawi goods is gold and silver and includes currency. The exchange of these goods, if of the same type, for example gold with gold, must be of the same weight and the handover must be without delay.

The second category is basic food items and items that are measured and weighed, namely wheat grains, barley, dates, salt, rice and others. This category, if exchanged for the same type, is still bound by the same rate and

immediate delivery. However, if the type is different, it is still bound by immediate delivery even though the rate is different to avoid usury. However, if the goods are exchanged for currency, a deferral may occur and it is not included in the rule of usury.

In the case of loans, for example, someone borrows RM1,000, then has to repay the loan of RM1,300 due to a delay in payment, so the excess RM300 is usury.

Riba merupakan salah satu dosa besar dalam Islam. Ia bukan sahaja menindas pihak yang lemah, tetapi turut menghancurkan struktur keadilan ekonomi dalam masyarakat. Allah Azza wa Jalla memberikan gambaran yang buruk terhadap pemakan riba sebagaimana Firman-Nya dalam Surah al-Baqarah ayat 275:

Usury is one of the major sins in Islam. It not only oppresses the weak, but also destroys the structure of economic justice in society. Allah the Almighty gives a negative image of usury takers as He says in chapter 2 (Surah al-Baqarah) verse 275:

أَعُوذُ بِاللَّهِ مِنَ الشَّيْطَانِ الرَّجِي

الَّذِينَ يَأْكُلُونَ الرِّبَا لَا يَقُومُونَ إِلَّا كَمَا يَقُومُ الَّذِي يَتَخَبَّطُهُ الشَّيْطَانُ مِنَ الْمَسِّ ذَلِكَ بِأَنَّهُمْ قَالُوا إِنَّمَا الْبَيْعُ
مِثْلُ الرِّبَا وَأَحَلَّ اللَّهُ الْبَيْعَ وَحَرَّمَ الرِّبَا

Which means: *“Those who consume interest will stand on Judgment Day like those driven to madness by Satan’s touch. That is because they say, “Trade is no different than interest.” But Allah has permitted trading and forbidden interest.”*

Allah the Almighty gives a stern warning to all those involved in riba, whether as a recipient, payer, agent, witness or even a scribe. In a hadith narrated by Imam Muslim, Jabir Radiallahu Anhu said:

لَعَنَ رَسُولُ اللَّهِ صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ أَكِلَ الرِّبَا وَمُؤَكِّلَهُ
وَكَاتِبَهُ وَشَاهِدِيهِ وَقَالَ: هُمْ سَوَاءٌ

Which means: *“The Messenger of Allah (blessings and peace of Allah be upon him) cursed the one who consumes riba and the one who pays it, the one who writes it down and the two who witness it, and he said: they are all the same.”*

In another verse, Allah the Almighty admonish people who engage in usury with the threat of war from Allah the Almighty and His Messenger as mentioned by Allah the Almighty in chapter 2 (Surah al-Baqarah) verse 279. From this verse we can understand that the person who does not distance himself from usury, is as if he is an enemy who is at war with Allah the Almighty and His Messenger. That is how heinous the sin of being involved in usury is.

Dear blessed Muslims,

Muslims should be careful of the various forms of usury that exist today. Let us review the following together:

Firstly, do we keep money in Islamic banking savings accounts?

Secondly, do we have personal loans, housing loans or motorcycle and car loans that are not Sharia compliant? Many people are not aware that selling motorcycles and cars in installments from shops involves usury.

Thirdly, is the life insurance or general insurance that we take Shariah compliant? Or in other words, are we only taking out Islamic insurance products, namely takaful?

Fourth, do we still use credit cards from conventional banks?

Fifth, for those who contribute to the Employees Provident Fund (EPF), are our EPF contributions still conventional (not sharia savings)?

Sixth, are we involved in investing in fixed profit investment schemes, non-syariah-compliant gold investment schemes or any get-rich-quick schemes?

All the activities mentioned actually have sharia-compliant options. All banking activities such as savings, investments, financing, credit cards can be done islamically by subscribing to Islamic banking. Similarly, the government has also created Islamic takaful and sharia-compliant accounts for the EPF to prevent us from getting involved in usury.

Dear blessed Muslims,

Several important points can be concluded from today's sermon, namely:

First, *riba* is any excess or profit imposed unfairly in the course of a loan or exchange of goods which is not permitted by Islamic law.

Second, usury is a major sin that is condemned by the the Prophet (*blessings and peace of Allah be upon him*). Allah the Almighty also declared war on those who engage in usury.

Third, repent and convert immediately to Islamic financial and banking system if we are still involved in any transactions or financial products that involve usury.

أَعُوذُ بِاللَّهِ مِنَ الشَّيْطَانِ الرَّجِيمِ
يَمْحَقُ اللَّهُ الرِّبَا وَيُرِي الصَّدَقَاتِ وَاللَّهُ لَا يُحِبُّ كُلَّ كَفَّارٍ أَثِيمٍ ٢٧٦

بَارَكَ اللَّهُ لِي وَلَكُمْ فِي الْقُرْآنِ الْعَظِيمِ، وَنَفَعَنِي وَإِيَّاكُمْ بِمَا فِيهِ مِنَ الْآيَاتِ وَالذِّكْرِ الْحَكِيمِ، وَتَقَبَّلَ مِنِّي وَمِنْكُمْ تِلَاوَتَهُ، إِنَّهُ هُوَ السَّمِيعُ الْعَلِيمُ. أَقُولُ قَوْلِي هَذَا وَأَسْتَغْفِرُ اللَّهَ الْعَظِيمَ لِي وَلَكُمْ، وَلِسَانِ الْمُسْلِمِينَ وَالْمُسْلِمَاتِ، وَالْمُؤْمِنِينَ وَالْمُؤْمِنَاتِ، فَاسْتَغْفِرُوهُ إِنَّهُ هُوَ الْغَفُورُ الرَّحِيمُ.