

The Four Main Contracts of

FIQH

MUAMALAT



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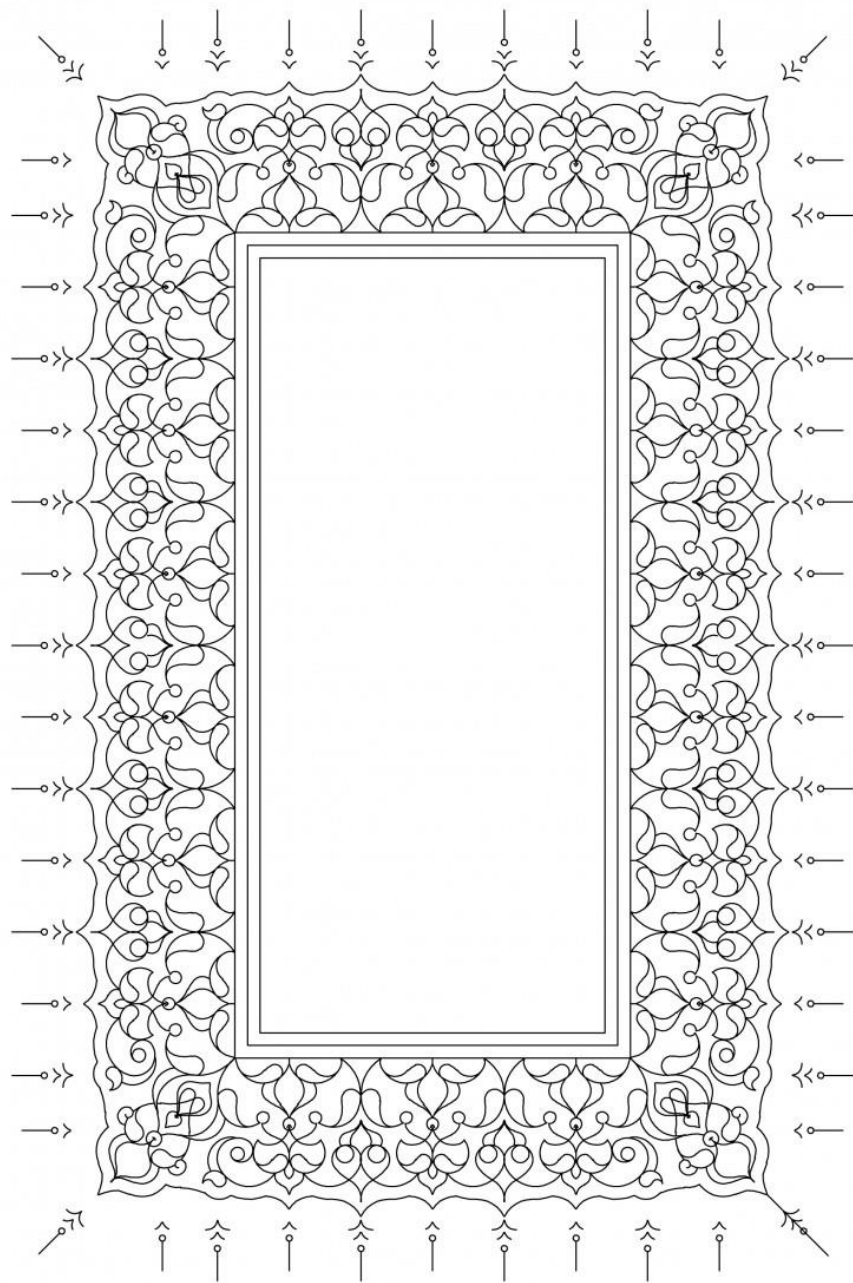


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Allah ﷻ said (al-Baqarah: 275-276):

الَّذِينَ يَأْكُلُونَ الرِّبَا لَا يَقُومُونَ إِلَّا كَمَا يَقُومُ الَّذِي يَتَخَبَّطُهُ الشَّيْطَانُ
مِنَ الْمَسِّ ذَٰلِكَ بِأَنَّهُمْ قَالُوا إِنَّمَا الْبَيْعُ مِثْلُ الرِّبَا وَأَحَلَّ اللَّهُ الْبَيْعَ وَحَرَّمَ الرِّبَا
فَمَنْ جَاءَهُ مَوْعِظَةٌ مِّن رَّبِّهِ فَانْتَهَىٰ فَلَهُ مَا سَلَفَ وَأَمْرُهُ إِلَى اللَّهِ وَمَنْ عَادَ
فَأُولَٰئِكَ أَصْحَابُ النَّارِ هُمْ فِيهَا خَالِدُونَ ﴿٢٧٥﴾ يَمْحَقُ اللَّهُ الرِّبَا وَيُزِيلُ
الصَّدَقَاتِ ۗ وَاللَّهُ لَا يُحِبُّ كُلَّ كَفَّارٍ أَثِيمٍ ﴿٢٧٦﴾

"275. As for those who take usury, they shall not be able to stand upright but shall rise up like one whom Satan has demented by his touch, for they claimed that: Trade is like usury. Whereas Allah has permitted trading and forbidden usury. Therefore, he who receives this admonition (regarding the prohibition of usury) from his Lord, and then gives up (taking usury), may keep his previous gains (that he has taken before the prohibition of usury) and it is for Allah to judge him. But, those who revert to (taking usury), they shall be among the people of the Fire, and they shall abide in it forever.

276. Allah deprives (the accumulation of wealth through) usury of all blessings, whereas He blesses (the wealth that is spent out of it for giving out) charity and alms-tax with growth. And Allah does not love anyone who is stubbornly ingrate and persists in sinful ways."

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FOREWORD

In the name of Allah, the Most Gracious, and the Most Merciful,

Praise be to Allah ﷻ, Peace be upon the Prophet Muhammad, his family and companions, May Allah bless them with honour and graces.

Fiqh Muamalat discipline is at the core of Islamic finance education and industry. The right understanding of *Shariah* and *Fiqh Muamalat* is very crucial for the right application of the knowledge. This book offers the understanding of *Fiqh Muamalat* from the very beginning. After learning the main introductory theories of *Fiqh Muamalat*, those who are interested to understand and comprehend more the subject of *Fiqh Muamalat* should begin with the main four contracts of *Fiqh Muamalat*.

Therefore, this book covers the four main contracts of *Fiqh Muamalat* that should be learned before other *Muamalat* contracts. They are:

- al-Buyu' (Sales)
- al-Ijārah (Lease / Hire)
- al-Mushārah (Profit and Loss Sharing)
- al-Mudārah (Profit Sharing)

In addition to the four main contracts above, this book also provides insight on:

- al-Khiyārāt (Options of Contract) and
- Agricultural Partnerships

The authors sincerely hope that this book would benefit the readers, students as well as academicians in learning *Fiqh Muamalat* in a more proper way. The authors also pray that all the efforts that have been spent by everyone to make this book a success are accepted by Allah ﷻ as good deeds on "*the day whereon neither wealth nor sons will avail, but only he (will prosper) that brings to Allah a sound heart*", (Al-Shu'arā':88-89).

Thank you and Wassalamu'alaikum.

Best Regards,
AUTHORS

ACKNOWLEDGEMENTS



In the name of Allah, the Most Gracious and Most Merciful.

Peace be upon the Prophet Muhammad, his family and companions. May Allah bless them with honour and graces.

First and foremost, we thank Allah ﷻ who enabled us with *tawfiq* to complete the writing and publication of this book.

Secondly, we would like to express our gratitude to our Islamic jurists (*fuqahā'*) and scholars (*ulamā'*) who have spent their lives in protecting, distributing and developing the Shariah knowledge and the virtues of the Prophet ﷺ to the mankind. May Allah bless them and reward them with His blessing, forgiveness and paradise.

Then, we would like to thank all the relevant parties and individuals who have directly or indirectly contributed to the completion of this book especially Red Apple Innovations, our academic colleagues at FEM for their continuous supports and valuable advices and kind cooperation with us. Without their support and commitment, this book would not have materialized.

Finally, our deepest gratitude goes to our beloved families, for their understanding that inspired us along the way of this academic endeavour.

AUTHORS

DEDICATION



To my parents: Hj Jalil Omar and Hapisah Ismail, my beloved wife: Suraiya Osman, my loving sons: Abdurrahman al-Munib and Muhammad al-Habib, and my lovely daughters: Maryam al-Safiyyah, Sara al-Ameena and Ibtisam al-Nafeesa, and all my family members.

Abdullaah Jalil



To my parents: Hj Mohd Ramli Seman and Hajah Normah Said, my beloved wife: Roslizawati Mohd Ramly and my lovely son Muhammad Amirul Asharaf.

Asharaf Mohd Ramli



To my parents: Hj Shahwan Mansor and Hajah Siti Hayati Abas, my in laws: Hajah Jamilah Abdullah and the late Haji Othman Ganyah, my beloved husband: Md Fauzi Othman, my children: Amni Faatihah, Arham Mardhiyyah, Asmaa' al-Syaafiyyah and 'Ammar al-Syaafi, and all my family members, mentors and friends who continuously support my academic route.

Syahidawati Shahwan

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APPENDIX

Appendix I: Transliterations Table

A. Table 1: Consonants

'	ء	z	ز	q	ق
b	ب	s	س	k	ك
t	ت	sh	ش	l	ل
th	ث	ṣ	ص	m	م
j	ج	ḍ	ض	n	ن
ḥ	ح	ṭ	ط	h	هـ
kh	خ	ẓ	ظ	h	ة
d	د	‘	ع	w	و
dh	ذ	gh	غ	y	ي
r	ر	f	ف		

B. Table 2: Vocalisation Signs (Representing Arabic Vowels)

Ā,ā	—َ	Ī,ī	—ِ	Ū,ū	—ُ
i. Short vowels illustrated with consonant “d” / “د”					
da	دَ	di	دِ	du	دُ
ii. Long vowels illustrated with consonant “d” / “د”					

dā	دَا
----	-----

dī	دِي
----	-----

dū	دُو
----	-----

C. Table 3: Diphthongs

aw	اَو
----	-----

ay	اَي
----	-----

ū	وُ
---	----

ī	يِ
---	----

Examples: ḥawl	حَوْلٌ
----------------	--------

dayn	دَيْنٌ
------	--------

‘ulū	عُلُوٌّ
------	---------

mithlī	مِثْلِي
--------	---------

D. Words Containing Shaddah (ّ)

- i. *Shaddah* involving consonants other than و and ي : Double the letter

Examples: murakkab	مُرَكَّبٌ
--------------------	-----------

ḥaqq	حَقٌّ
------	-------

- ii. *Shaddah* involving consonants و and ي :

- a. Double the letter when the *shaddah* is in the middle.

Examples: mufawwaḍah	مُفَوَّضَةٌ
----------------------	-------------

ahliyyah	أَهْلِيَّةٌ
----------	-------------

- b. If the letter is in the end:

- i. Double the letter if the letter before the *shaddah* is assigned *fathah* (َ / ِ / ُ).

Examples:	jaww	جَوَّ	tayy	طَيَّ
-----------	------	-------	------	-------

- ii. Represent (و) as "ū" and (ي) as "ī" when the letter before each is assigned dammah *dammah* (ُ) and *kasrah* (ِ) respectively.

Examples:	matlū	مَتْلُوْ	nabī	نَبِيْ
-----------	-------	----------	------	--------

E. Words Containing the Prefix "ال"

The prefix "ال" is always transliterated "al" regardless of whether it is *shamsiyyah* or *qamariyyah* and a hyphen is used after "al" to indicate that it is a prefix.

Examples:	al-khayr	الْخَيْرُ	al-sharr	الشَّرُّ
-----------	----------	-----------	----------	----------

E. Words Containing *Hamzah* "ء"

Hamzah "ء" in the initial position, whether it is preceded by the prefix "ال" or not, is not represented in transliteration but how it is vocalized is indicated. This rule applies to both *hamzat al-qat'* and *hamzat al-wasl*.

Examples:	al-insān	الْإِنْسَانُ	idrāk	إِدْرَاكٌ
	al-umm	الْأُمُّ		

F. Words Containing *Ta' Marbutah* "ة"

Ta' Marbutah "ة" at the end of nouns is transliterated "h".

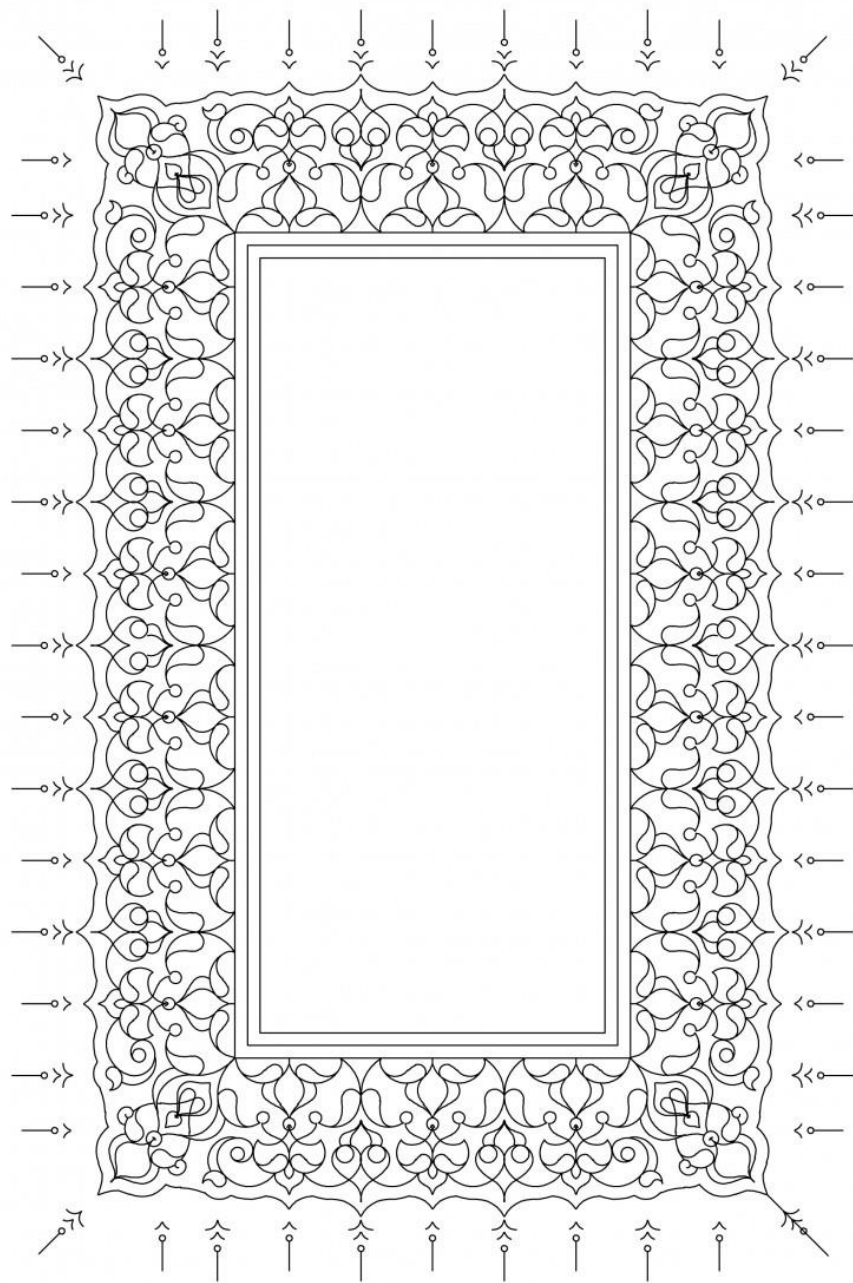
Examples:	madrasah	مَدْرَسَةٌ	al-ḥasanah	الْحَسَنَةُ
-----------	----------	------------	------------	-------------

Notwithstanding the above rule, *Ta' Marbutah* "ة" is transliterated "t" when it is present in the first word of a construct pair (*idafah*).

Examples:	Kulliyyat Iqtisād	al-	كُلِّيَّةُ الاِقْتِصَادِ	Majallat al-Islām	مَجَلَّةُ الْإِسْلَامِ
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Ta' Marbutah "ة" is transliterated as "h" if it is present in a word with the prefix "ال" or it is present in the end of a construct pair.

Examples:	al-maktabah al- ahliyyah	المَكْتَبَةُ الْأَهْلِيَّةِ	dar wahbah	دَارُ وَهْبَةٍ
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The Four Main Contracts of Fiqh Muamalat

After learning the four main introductory theories of Fiqh Muamalat, those who are interested to understand and comprehend more on the subject of Fiqh Muamalat should begin with the main contracts of Fiqh Muamalat. Therefore, this book covers the four main contracts of Fiqh Muamalat that should be learned before other Muamalat contracts. They are (i) al-Buyu' (Sales), (ii) al-Ijārah (Lease / Hire), (iii) al-Mushārah (Profit and Loss Sharing), (iv) al-Mudārah (Profit Sharing).



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