Riba.

Riba was not prohibited abruptly, rather its prohibition was established in a gradual manner. Four verses that were revealed in order to prohibit riba gradually are stated in the following lines as per the sequence of their revelation.

1. First Revelation (Surah al-Rum, verse 39)

"Whatever Riba (increased amount) you give, so that it may increase in the wealth of the people, it does not increase with Allah; and whatever zakah you give, seeking Allah's pleasure with it, (it is multiplied by Allah, and) it is such people who multiply (their wealth in real terms)." (30: 39)

- This Surah was revealed in Makkah.

- Although this verse does not prohibit riba directly, as explained by some commentators of the Holy Quran, but it simply says that riba does not increase with Allah and it does not carry any reward in the life hereafter. On the other hand, giving out charity is a greater gesture that Allah appreciates.

- In this verse, the word Riba does not mean interest or usury. But the word riba here means a gift offered by someone to a person with the intention that the latter will give a greater gift or greater benefit to the former.
If the word riba is taken to mean usury than there is no specific prohibition against it in this verse. However, there is subtle indication to the fact that Allah does not favor this practice.

2. Second Revelation (Surah al-Nisa', verse 161)

"And for their charging Riba (usury or interest) while they were forbidden from it, and for their devouring of the properties of the people by false means. We have prepared, for the disbelievers among them, a painful punishment." (4: 161)"

- The ayah was revealed before the 4th year of Hijra. It was revealed in answer to the argumentation of the Jews who came to the Holy Prophet and asked him to bring down a book from heavens like the one given to them by Prophet Musa.

- Riba in this verse, undoubtedly, refers to usury or interest.

- It lists the evil deeds of the Jews and mentions that they used to take Riba, which was prohibited for them, however from this verse, we cannot ascertain that it was also prohibitive for Muslims.

- But we can infer though that it would be a sinful act for the Muslims as well otherwise, they had no reason to blame the Jews for this practice. So, the prohibition of riba for Muslims is still not explicitly mentioned in the verse.
3. Third Revelation (Surah Al 'Imran, verses 130-132)

"O you believe, do not eat up the amounts acquired through Riba (interest), doubled and multiplied. Fear Allah, so that you may be successful, [130] and fear the fire that has been prepared for the disbelievers. [131] Obey Allah and the Messenger, so that you may be blessed." [132]

- This verse was revealed sometime in the 2nd year after Hijra. As it was revealed somewhere around the time of the battle of Uhud which took place in the 2nd year after Hijra.

- This verse clearly prohibits the practice of Riba for the Muslims.

- The reason behind this verse's revelation was that the invaders of Makkah had financed their army by taking usurious loans to arrange arms against Muslims and it was feared that the Muslims might follow the same practice, so in order to prevent the Muslims from this approach, this verse was revealed.

4. Fourth Revelation (Surah al-Baqarah, verses 275-281)
"Those who take riba (usury or interest) will not stand but as stands the one whom the demon has driven crazy by his touch. That is because they have said:"Sale is but like riba", while Allah has permitted sale, and prohibited riba. So, whoever receives an advice from his Lord and desists (from indulging in riba), then what has passed is allowed for him, and his matter is up to Allah. As for the ones who revert back, those are the people of Fire. There they will remain forever. [275]

Allah destroys riba and nourishes charities, and Allah does not

Surely those who believe and do good deeds, and establish Salah (prayer) and pay Zakah will have their reward with their Lord, and there is no fear for them, nor shall they grieve.[277]

O you, who believe, fear Allah and give up what still remains of

But if you do not (give it up), then listen to the declaration of war from Allah and His Messenger. However, if you repent, yours is your principal. Neither wrong, nor be wronged. [279]

If there is one in misery, then (the creditor should allow) deferment till (his) ease, and that you forgo it as alms is much better for you, if you really know. [280]

Be fearful of a day when you shall be returned to Allah, then every person shall be paid, in full, what he has earned, and they shall not be wronged.” [281]

Now these verses elaborate the severity of the prohibition of Riba.
- After the victory of Makkah, the Holy Prophet declared as void all the amounts of Riba that were due at that time.

- Tribe of Thaqif who were the inhabitants of Taif came to Holy Prophet and embraced Islam and also entered into a treaty with him in which they signified that all the riba payable by the tribe of Thaqif will be void but the amount of Riba that is to be received by the people of Thaqif will not be void.

- The Holy Prophet instead of signing the treaty simply wrote a sentence that Banu- Thaqif will have the same rights as the Muslims have.

- Banu Ibn-al-Mughirah declined to pay interest on the ground that Riba was prohibited in Islam. The matter was placed before the Holy Prophet on which, this holy verse was revealed and Banu-Thaqif surrendered and said we have no power to wage war against Allah.

Prohibition of Riba in Hadith

A. General

1. \[\text{'\textit{رَبَّنَآ إِلَيْكُمَّ رَحْمَةٌ وَلَا يُؤْلَكُمُ ال-April 53, 742 AD: Iblis fibred the one who records the riba and the two witnesses to the transaction and said: "They are all alike [in guilt]."}\]

2. \[\text{جَابِرِ بْنِ الزُّهَرَاءَ} \\
\text{رَبَّنَآ إِلَيْكُمَّ رَحْمَةٌ وَلَا يُؤْلَكُمُ ال-April 53, 742 AD: Iblis fibred the one who records the riba and the two witnesses to the transaction and said: "They are all alike [in guilt]."}\]
Jabir ibn 'Abdallah', giving a report on the Prophet's Farewell Pilgrimage, said: The Prophet, addressed the people and said "All of the riba of Jahiliyyah is annulled. The first riba that I annul is our riba, that accruing to 'Abbas ibn 'Abd al-Muttalib [the Prophet's uncle]; it is being cancelled completely."

Narrated by 'Abdallah ibn Hanzalah, The Prophet, said: "A dirham of riba which a man receives knowingly is worse than committing adultery thirty-six times" (narrated in Musnad-e-Ahmed and Ad-Daruqutni). Bayhaqi has also reported the above hadith in Shu'ab al-iman with the addition that "Hell befits him whose flesh has been nourished by the unlawful."

Narrated by Abu Hurayrah, The Prophet said: "On the night of Ascension, I came upon people whose stomachs were like houses with snakes visible from the outside. I asked Gabriel who they were. He replied that they were people who had received interest."

Narrated by Abu Hurayrah, The Prophet said: "Riba has seventy segments, the least serious being equivalent to a man committing adultery with his own mother."
6.Narrated by Abu Hurayrah  The Prophet said: "There will certainly come a time for mankind when everyone will take riba and if he does not do so, its dust will reach him."

7.Narrated by Abu Hurayrah  The Prophet said: "Allah would be justified in not allowing four persons to enter paradise or to taste its blessings: he who drinks habitually, he who takes riba, he who usurps an orphan's property without right, and he who is undutiful to his parents."

B. Riba an Nasiyah

1.Narrated by Usamah ibn Zayd  The Prophet said: "There is no riba except in Nasiyah [Deferment]."

In another narration:

"There is no riba in hand-to-hand [spot] transactions."
Narrated by Abdullah Ibn Mas'ud ﷺ: The Prophet ﷺ said: "Even when interest is much, it is bound to end up into paltriness."

3. Narrated by Anas ibn Malik ﷺ: The Prophet ﷺ said: "When one of you grants a loan and the borrower offers him a dish, he should not accept it; and if the borrower offers a ride on an animal, he should not ride, unless the two of them have been previously accustomed to exchanging such favours mutually."

4. Narrated by Anas ibn Malik ﷺ: The Prophet ﷺ said: "If a man extends a loan to someone he should not accept a gift."

5. From Abu Burdah ibn Abi Musa ﷺ came to Madinah and met 'Abdallah ibn Salam who said, "You live in a country where riba is rampant; hence if anyone owes you something and presents you with a load of hay, or a load of barley, or a rope of straw, do not accept it for it is isriba."

Fadalah ibn 'Ubayd said that "The benefit derived from any loan is one of the different aspects of riba."
This hadith is mawquf implying that it is not necessarily from the Holy Prophet ﷺ; it could be an explanation provided by Fadalah, a companion of the Prophet ﷺ.

C. Riba al-Fadl

1. The Prophet ﷺ said, "Sell gold in exchange of equivalent gold, sell silver in exchange of equivalent silver, sell dates in exchange of equivalent dates, sell wheat in exchange of equivalent wheat, sell salt in exchange of equivalent salt, sell barley in exchange of equivalent barley, but if a person transacts in excess, it will be usury (riba). However, sell gold for silver anyway you please on the condition it is hand-to-hand (spot) and sell barley for date anyway you please on the condition it is hand-to-hand (spot)."

2. From 'Ubada ibn al-Samit The Prophet ﷺ said: "Gold for gold, silver for silver, wheat for wheat, barley for barley, dates for dates, and salt for salt - like for like, equal for equal, and hand-to-hand; if the commodities differ, then you may sell as you wish, provided that the exchange is hand-to-hand."

3. Narrated by Abu Sa'id al-Khudri The Prophet ﷺ said: "Gold for gold, silver for silver, wheat for wheat, barley for barley, dates for dates, and salt for salt - like for like, and hand-to-hand. Whoever pays more or takes more has indulged in riba. The taker and the giver are alike [in guilt]."
4. Narrated by Abu Sa'id and Abu Hurayrah: A man employed by the Prophet in Khayber brought for him "Janeeb" [dates of very fine quality]. The Prophet asked him, "Are all the dates of Khayber like that?" The man replied, "No, I swear Allah, O Prophet of Allah, We exchange one sa' [a unit of measurement] of this kind of dates for two or three [of the other kind of dates]." The Prophet replied, "Do not do so. Sell all the dates (no matter they are of fine quality or not) for darahim and then use the darahim to buy janeeb." The Prophet then said that "the ruling of the things that are exchanged by weight is same as that.

5.Narrated by Abu Sa'id: Bilal brought to the Prophet some "Barni" [good quality] dates whereupon the Prophet asked him where these were from. Bilal replied, "I had some inferior dates which I exchanged for these - two sa's for a sa'." The Prophet said, "Oh no, this is exactly riba. Do not do so, but when you wish to buy, sell the inferior dates against something [cash] and then buy the better dates with the price you receive."

6. "عن فضالة بن عبيد قال: أشترى يوم خير، خرارة بائتي عشر ذهب وخرز ففصلتها، وقد جمعت فيها أكثر من الذي عشري، أذكرت رجل للنبي صلى الله عليه وسلم فقال: اشترى حتى تفصل." [یرى امام مسلم في باب بيع الخرارة فيها ذهب وخرز ج ٢٣٤ حديث رقم ١٩٠، وأبو داود في باب في حديثه الضعف تابع بالله وابن حبان، ج ٣٣٠ حديث رقم ٥٠، والدهلسي في باب ما جاء في شراء الخرارة وفيها ذهب وخرز: ج ٣٣٠ حديث رقم ٨٠]
Narrated by Fadalah ibn 'Ubayd al-Ansari: On the day of Khayber I bought a necklace of gold and pearls for twelve dinars. On separating the two, I found that the gold itself was equal to more than twelve dinars. So I mentioned this to the Prophet who replied, "It [jewellery] must not be sold until the contents have been valued separately."

7. "عن أبي ابنتي由中国 who" صل الله عليه وسلم قال: من شفع لأخيه شفاعة فأهدي له هدية على تقبلها. فقلت أنا عزservername من أبواب الدنيا."

Narrated by Abu Umamah: The Prophet said: "Whoever makes a recommendation for his brother and accepts a gift offered by him has entered in one of the lagest gates of riba."

8. "عن إبن سجى المسترصل ربا."

Narrated by Anas ibn Malik: The Prophet said: "Deceiving a mustarsal [an unknowing entrant into the market] is riba."


Narrated by 'Abdallah ibn Abi Awfa: The Prophet said: "A najish [one who serves as an agent to bid up the price in an auction] is a taker of riba, a treacherous."