

On the Use of Bank Interest ♦

Participants of the Second Seminar were unanimously of the opinion that the interest paid by the banks undoubtedly comes under *Riba*. Some questions came up during the Seminar as to whether the amount of the interest should be withdrawn or left in the bank? Furthermore, in case it is withdrawn from the bank, how the bank-paid interest should be spent?

- 15.1 It was agreed that the accruing interest should not be left with the bank. Instead it should be withdrawn and be used under the following heads.
- 15.2 The interest paid by the banks may be spent on the poor and needy without expecting any recompense from Allah.
- 15.3 The above-mentioned amount in any way may not be spent on any mosque and its related requirements.
- 15.4 Majority of the participants held the opinion that the above-mentioned interest may be used for social welfare activities as well as on paying obligatory alms. However, some '*Ulemā*' opined to limit its use for the poor and needy persons only.

♦ Second Fiqhi Seminar (New Delhi) 8-11 Dec 1989.