106005 - Selling gold in carpets when its amount is unknown

the question

I have a factory that produces gold jewellery. Every year, I sell the carpets from the factory to someone, because there is some amount of gold in the carpeta, and we agree upon a price without knowing the amount of gold that is there. Sometimes the purchaser makes a profit and sometimes he makes a loss. Is this sale regarded as an ambiguous transaction? Is it permissible according to Islamic teachings?

Detailed answer

Praise be to Allah.

Firstly:

It is not permissible to sell gold or anything else except after knowing its amount and its characteristics, on the basis of which the price could differ, because the Prophet (blessings and peace of Allah be upon him) forbade transactions involving ambiguity.

The transaction which involves ambiguity is one in which there is something unknown.

An-Nawawi (may Allah have mercy on him) said in *Sharh Muslim*: As for the prohibition on transactions involving ambiguity, this is one of the important principles in *Kitab al-Buyu`* (The Book of Transactions), and it includes innumerable issues, such as selling something that is non-existent or unknown, or selling that which cannot be delivered and that which is not yet in the possession of the seller, selling fish in a large body of water and milk in the udder, selling the foetus in an animal's womb, and so on. All of these are invalid transactions, because they involve ambiguity when there is no need for that. But some types of ambiguity may be overlooked if there is a need for that, such as not knowing the condition of the foundations of a house, because the foundations are connected to what is visible of the house, and there is a reason which dictates overlooking

them, as it is not possible to see them. Similarly, the Muslim scholars are agreed that it is permissible to sell things in which there is an insignificant level of ambiguity. For example, they are agreed that it is valid to sell a quilted coat, even if its filling cannot be seen, but if the filling is sold on its own, no ambiguity is permitted. And they are agreed that it is permissible to rent out a house, a mount or a garment for a month, even though the month may be thirty days or it may be twenty-nine days. And they are agreed that it is permissible to drink from a water skin in return for payment, even though it is not known how much will be drunk, and that the habits of drinkers vary.

The scholars said: determining whether a transaction is valid or invalid when there is ambiguity is done on the basis of what we have mentioned, which is that if there is a valid reason for this ambiguity and it cannot be avoided except with difficulty, and the ambiguity is insignificant, the transaction is permissible; otherwise, it is not. (End quote).

So insignificant ambiguity that cannot be avoided is overlooked, unlike significant ambiguity.

Ambiguity of the type mentioned in the question is significant, therefore the transaction is not valid.

In this case, you should try to work out the amount of gold to the best of your ability, then conclude the transaction on that basis. Then if there is still some ambiguity despite that, but it is so insignificant that the purchaser is not taking the risk of either gaining or losing, then we hope that there will be no blame on you in that case.

May Allah help us all to do that which He loves and is pleased with.

And Allah knows best.