7309 - Ruling on taking an interest-free loan from the bank with which his company does business

the question

A company has dealings with one of the banks, and this bank agrees to make interest-free loans to employees of the company,asking for a part of the employee’s salary to be transferred to them in repayment. Is it permissible for the employee to take this loan from this bank?

Detailed answer

Praise be to Allah.

We put this question to Shaykh Muhammad ibn Saalih al-‘Uthaymeen, may Allaah preserve him, who answered as follows:

There is no reason why the employee should not take this loan from this bank, so long as the loan is interest-free.