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AMAANAT INVESTMENT HOLDINGS LTD & ITS ZULM ON THE SMALL SHAREHOLDERS

QUESTIONS BY THE MINORITY SHAREHOLDERS

We would like the islamic view and guidance on the following queries:

Summary of Case

Amaanat has around R150m - R200m in cash reserves. Amaanat distributes quarterly +- R26m to all shareholders which only benefit the large investors, if this was to stop Amaanat would be able to repay capital to those in need. Amaanat is withholding a portion of the profits each quarter instead of distributing all profits to shareholders. This is causing great pain to widows, pensioners and destitute investors as they are forced to take handouts. We have tried all internal remedies to get these investors their fair value and exit. Unfortunately we have been met with legal obstacles and obstructions by the Amaanat board of directors. There are many solutions which we presented to them, they ignored. This board has failed to present or show us audited Financial Statements for 2022,2023,2024,2025 nor management accounts or bank statements. They stated in their last quarterly report that they will be using the money to install borehole, solar and buy new buildings and investments in light of the daily cries of the Elderly wanting their money. The board blames everything on the Omars and previous board. We tried very painstakingly to get an Islamically driven arbitration process with the board to get closure on this, which was rejected and they allowed their kuffar attorney to guide them. We also know that they are actively selling of assets by their own account. All assets are freehold and free from any debt and belong to all the investors. The board presented a flawed valuation which was rejected and is nonsensical. There is no shariah compliance in the company.

Question 1

Do the investors have a right to the repayment of their money they have invested in Amaanat or they must continue to wait as no buyers exist and offers presented to buy are very much prejudicial?

Answer

In a Shirkat (Partnership) venture, investors are not repaid their investment. They are paid their respective shares of the profits. Their shares extend to the assets of the Partnership. If for example, a partner is a 5% shareholder, then he owns 5% of the total assets of the Business. He receives 5% of the net profit.

Denying the shareholders their profit share is zulm and haraam. The board of directors are guilty of khiyaanat (abuse of trust). They are not the owners of the assets. They have no right to invest and deal with the assets in conflict with the instructions of the shareholders. The board of directors of this haraam company has absolutely no right to manipulate the assets as if they are the owners. It is Waajib to pay all the shareholders in terms of their shareholding.

Question 2

It has come to our attention that other Ulema believe that investors must find their own buyers or take the low prejudicial offer or continue to be trapped as they state Shariah does not allow for demand or repayment or share buyback. Is this correct?

Answer

It is not entirely correct. "Buyers" for what? What are the investors supposed to sell? The investors have no possession of any of the assets which are from the Islamic perspective fraudulently denied to them. Just what do these Ulama say they should sell? The investors have no tangible assets in their possession to sell. The haraam legal donkey company acts as if it is the sole owner of the assets. There are no assets to sell, hence the investors cannot find buyers.

Selling company certificates is haraam. These certificates which entitle shareholders to a dividend (riba dividend) are instruments of riba. Trading in shares is haraam. Do read our [book on shares](#) to understand the legal hoax of the legal donkey they term 'company'. Furthermore, assuming that the shareholders ignore the Shariah to their peril, they will not find buyers to buy even the riba certificates of the Amaanat Holdings corpse. No one is prepared to invest in a decomposing donkey.

What is this 'low prejudicial offer' mentioned by these Ulama? Clearly, they do not know what they are disgorging. What is this fictitious 'offer'? It has absolutely no validity in the Shariah. It is also riba.

Investors/shareholders are entitled to their percentage share of the *assets of the legal donkey*, that is the Khiyaanat company which is making GHASAB of the money, and utilizing it preferentially to suit their whims and fancies and their close associates.

These miscreant directors have no option in terms of the Shariah, other than to pay the withdrawing shareholders their shares of the assets of the company. There is no second option. Their refusal will be fraud, extortion and shaitaaniyat in terms of the Shariah.

“Continue to be trapped” with the dead donkey? Indeed, genuine Ulama cannot proffer such stupid, baseless and haraam advice. It is imperative for these Ulama to apply pressure on the board of directors to wind up the company - to bury it once and for all. A stinking corpse should not be left to despoil the environment with the foul odour it emits.

The meaning of being ‘trapped’ in the company according to the Shariah is GHASAB. That is to flagrantly usurp by force the property of others. Amaanat Holdings is guilty of this evil. They should not forget about Maut, Qabar and Jahannam. They will not escape the consequences of their *khiyaanat*.

The only correct aspect in the advice of these Ulama is that there is no repayment of investment. Shareholders are entitled to their profit. If there is a loss, they have to share the loss pro rata. But from the facts and figures provided, the company has hundreds of millions of rands of assets on which the directors are sitting like a hen on eggs, guarding and concealing the millions for some sinister objective, and that sinister objective according to the Shariah, is the denial of paying out those shareholders who have quit or want to quit.

Question 3

If no solution is presented by the board to address this matter, Will it be just and equitable for those who want to exit to apply for liquidation for Amaanat or will this be considered Zulum to other shareholders who want to remain?

Please advise us for the benefit of the widows, pensioners and indigent investors. We will formulate our next steps based on your guidance received.

Answer

Those who desire to remain in the company are guilty of zulm because they are in flagrant conflict with the Shariah. The partners who want to quit may not be refused their rights. They should assess the financial state of the company and pay those who demand to quit. They should not seek refuge in the fiction of the shares having meagre value.

According to the Shariah, the payment will be on the basis of the actual assets of the company, not the fiction of the *riba* ‘shares’.

If the directors or the big shareholders refuse to fulfil the Haqq (Right) of the minority shareholders, then Amaanat Minorities will be entitled to apply for the liquidation of the company to gain their Haqq.

However, before embarking on this major step, the issue should be thoroughly studied. After liquidation will the shareholders receive anything? Usually a liquidated entity is left with some worthless peanuts. It will serve no beneficial purpose to plough hundreds of thousands of rands in legal action when there will remain nothing at the end to distribute.

Should thorough investigation establish that monetarily there will be no benefit in liquidation, then leave the miscreants to Allah Ta’ala. Jahannam is indeed terribly hot and the torments of the Qabar are fearsome.