

Court orders Islamic bank to compensate firm

Dh9.85m deducted unfairly from account

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- Published: 00:00 January 4, 2011



Al Ain: A leading Islamic bank has been ordered by a court to pay a building materials company Dh9.854 million that the bank had deducted from the company's account without legal cause.

The Al Ain Appeals Court, presided over by Judge Abdullah Ali Abdullah, overturned the initial ruling which was issued in favour of Dubai Islamic Bank after an expert report concluded that transactions between the two parties were faultless, and accordingly the case filed by Al Samah was unfounded.

The appealing party, a company represented by advocate Ibrahim Khouri, filed an appeal against the initial ruling explaining that the bank had refused to issue a statement of the company's transactions and murabahat (Islamic profits), and asked the court to assign a new expert whose decision would be binding.

In its appeal, the company said the first expert did not attend meetings with the two parties to hear their arguments and receive their documents and did not personally visit the bank but delegated one of his employees, who signed all minutes of meetings and followed up all procedures.

The expert also failed to give the appealing party time to submit arguments against the documents submitted by the bank, the company claimed.

Advocate Khouri was seeking compensation of Dh13,777,094 from the bank, which according to the company's claim, was deducted from the company's account without any right, as well as legal interest until full payment and legal fees.