LAW AND COMMERCE:
THE MALAYSIAN
PERSPECTIVE

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CONTENTS

Authors’ Profile ................................................................. i
Preface ................................................................. v
Contents ............................................................. ix
Table of Cases ......................................................... xxvii
Table of Legislation ................................................ xlix

PART I
The Malaysian Legal System: An Overview

Chapter 1
Law and Legal System in Malaysia: An Overview

THE NATURE OF LAW................................................................. 2
Definition of Law ............................................................ 2
Sources of Law ............................................................... 5
 Written Law .............................................................. 5
 Federal Constitution ....................................................... 5
 State Constitution .......................................................... 6
 Act, Enactment or Ordinance ........................................... 6
 Subsidiary Legislation ..................................................... 7
 Unwritten law .............................................................. 9
 Common Law ............................................................. 9
 Reception of English Common Law in Malaysia ................. 9
 Customary Law .......................................................... 11
 Islamic Law ............................................................. 13
 Islam in Malaysia ......................................................... 15
 Syariah courts in Malaysia ............................................. 17
 LAW MAKING AND LAW ENFORCEMENT MACHINERY....... 20
 Legislature to make Law .............................................. 22
Judiciary to enforce the Law........................................... 25
Hierarchy of Courts in Malaysia................................. 27
   Special Court......................................................... 28
   Federal Court......................................................... 28
   Court of Appeal...................................................... 29
   High Court........................................................... 30
Original Jurisdiction - Criminal Jurisdiction............... 32
Original Jurisdiction - Civil Jurisdiction................... 33
Specific Jurisdiction.................................................. 33
Family Division....................................................... 33
Appellate Jurisdiction.............................................. 34
Revisionary Jurisdiction.......................................... 34
Muamalat Division................................................... 34
New Commercial Court............................................. 35
Sessions Court......................................................... 36
Magistrates’ Court................................................... 37
Arbitration............................................................. 37

PART II

Law of Contract: Fundamental to All Aspects of
Commercial Law

Chapter 2
The Nature of the Law of Contract

THE DEFINITION AND TYPES OF CONTRACT .............. 49
   Definition of Contract........................................... 49
   Types of Contract............................................... 50
THE GOVERNING LAW............................................... 51
   The Contracts Act 1950........................................ 51
   English Common law............................................. 53
THE REQUISITS OF A VALI CONTRACT....................... 54

Chapter 3
The Primary Elements of an Enforceable Contract

PROPOSAL (OFFER)..................................................... 57
ACCEPTANCE.......................................................... 60
CONSIDERATION...................................................... 63
INTENTION............................................................ 70
Chapter 4
Intention to Create Legal Relations

ISSUES PERTAINING TO INTENTION TO CREATE LEGAL RELATIONS ........................................... 76
Domestic Agreements .............................................................................................................. 76
Agreements between Husband and Wife ............................................................................. 76
Car Pool Agreements may Involve the Necessary Intention .................................................. 78
Arrangements between Parents and Children ..................................................................... 79
Other Social Arrangements ................................................................................................... 80
Commercial Agreements ........................................................................................................ 81
Letters of Comfort .................................................................................................................. 82
CONCLUSION ......................................................................................................................... 84

Chapter 5
Parties to Contract

CAPACITY TO CONTRACT ........................................................................................................ 88
Legal Competency .................................................................................................................... 88
Effect of Contract Entered by Minor .................................................................................... 88
Effect of Misrepresentation of Age by a Minor .................................................................. 89
Recovery of property Transferred under a Contract Entered by Minor ............................ 90
Exceptions to the General Rule in Capacity to Contract ..................................................... 92
Persons of Sound Mind .......................................................................................................... 94
PRIVITY OF CONTRACT ........................................................................................................ 95
The Origin and Development of Privity of Contract at Common Law ................................. 95
The General Rule of Privity of Contract in Malaysia .......................................................... 96
The Exceptions to the General Rule in Privity of Contract .................................................. 97
CONCLUSION ......................................................................................................................... 100

Chapter 6
Distinction between Void and Voidable Contracts

VOIDABLE CONTRACT .............................................................................................................. 105
Meaning of Voidable Contract .......................... 105
Circumstances Where Contract becomes Voidable... 106
Coercion ................................................. 106
Undue Influence ....................................... 107
Fraud and Fraudulent Misrepresentation ............. 109
Burden of Proof for Fraud ............................. 110
Fraudulent Misrepresentation ........................ 113
Elements of fraud and misrepresentation ............. 114
There must be a Representation of Fact ............. 114
A representation of law ................................ 115
An expression of opinion ................................ 115
Fraud or misrepresentation under section 340 (2) (a)
of the National Land Code ............................ 119
Exception to section 19 of the Malaysian Contracts
Act .......................................................... 122

VOID CONTRACT ........................................ 122
Meaning of Void Contract ............................... 122
Circumstances where Contract becomes Void ....... 122
Doctrine of Severance .................................. 129
Agreements Void If Object or Consideration is Void .. 131
Agreement in Restraint of Marriage Void ............. 132
Agreement in Restraint of Trade ....................... 133
Agreements in Restraint of Legal Proceedings Void .. 133
Agreements’ Void for Uncertainty ..................... 134
Agreements By Way of Wager Void .................... 135

CONCLUSION .......................................... 136

Chapter 7
Discharge of Contract

DISCHARGE BY CONSENT OR AGREEMENT BETWEEN THE
PARTIES .................................................. 141
DISCHARGE BY PERFORMANCE ........................ 144
Time and Place of Performance ........................ 145
Effect of Failure to Perform ........................... 145
DISCHARGE BY BREACH OF CONTRACT ............ 147
BREACH DUE TO REPUDIATION OF THE CONTRACT.... 150
DISCHARGE BY FRUSTRATION OR IMPOSSIBILITY OF
PERFORMANCE ......................................... 150
CONCLUSION .......................................... 153
Chapter 8
Remedies for Breach of Contract

TYPES OF REMEDIES .......................... 155
Damages ............................................. 155
   Section 74 of the Contract Act 1950 and
   Remoteness of Damages ....................... 156
First Limb of Section 74(1) ....................... 159
Second Limb of Section 74(1) ..................... 160
   Quantum of Damages .......................... 161
   Expectation loss ................................ 161
   Reliance loss .................................... 162
   Proof of Damage ............................... 163
   Duty to Mitigate ............................... 163
Section 75 of the Contracts Act 1950 ............. 164
Rescission ........................................ 167
Specific Performance ............................. 168
Injunction ........................................ 169
   Mareva Injunction ............................. 170
   Anton Piller Order ............................. 170
   Quantum Meruit ............................... 171

Chapter 9
Law of Contract in Shariah

THE PILLARS OF A CONTRACT ................. 176
   Offer (Ijab) and Acceptance (qabul) sighah .... 177
   The Existing of two Properly and Qualified Contracting
   Parties (Al-’Aqid) ............................. 178
   Subject Matter of Contract (Mahal al Aqid) ......... 179
THERE SHALL BE NO IMPEDIMENTS AFFECTING THE
VALIDITY OF THE CONSENT .................... 181
   The Elements of Gharar ....................... 183
CONCLUSION ..................................... 183
PART III
E-Commerce

Chapter 10
E-Commerce and the Practice in Malaysia: An Overview

DEFINITION OF E-COMMERCE................................................. 186
E-COMMERCE AND E-CONTRACTS................................. 186
THE REGULATORY FRAMEWORKS...................................... 187
    By the United Nations........................................... 187
    E-commerce Regulations...................................... 188
    The Malaysian laws............................................. 189
OTHER RELEVANT STATUTES ........................................... 191
TYPES OF E-COMMERCE.................................................. 191
    Business to Business (B2B)................................. 191
    Business to Consumer (B2C)............................... 191
    Consumer to Business (C2B)............................... 192
    Business to Employee (B2E).............................. 192
    Consumer to Consumer (C2C)............................ 192
ADVANTAGES AND DISADVANTAGES................................. 193
LEGAL ISSUES IN E-COMMERCE ................................... 194
    Breach of Online Contract ............................... 195
    E-Commerce and Privacy Issues ..................... 196
    E-Commerce and Consumer Protection .................. 199
    E-Commerce and Web Advertisement .................. 200
E-COMMERCE AND ADMISSIBILITY OF ELECTRONIC RECORDS IN ELECTRONIC CONTRACTS................................. 202
COMMERC AND OTHER RELATED MATTERS............................ 203
    Electronic Data Interchange............................ 203
    Taxation on internet services.......................... 204
THE CHALLENGES IN E-COMMERCE.................................. 205
THE FUTURE OF E-COMMERCE ....................................... 206
    Virtual Dressing Rooms................................. 207
    Improved Supply Chain Process .................... 207
    Sharing of Product Lists and More Choices ........ 208
    Easier Transactions and Better Delivery Options ..... 208
    Secured Transactions..................................... 208
Chapter 11
The Law of Electronic Contract in Malaysia: Issues and Challenges

THE MEANING AND SCOPE OF ELECTRONIC CONTRACT.............................. 217
THE FUNDAMENTAL PRINCIPLES IN E-CONTRACT LAW.......................... 218
LEGAL LANDSCAPE OF E-COMMERCE IN MALAYSIA.............................. 222
  Digital Signature Act 1997 .................................................. 223
  Computer Crimes Act 1997.................................................... 223
  Communications and Multimedia Act 1998 ............................... 224
  Payment systems Act 2003 ................................................. 225
  Electronic Commerce Act 2006 ............................................. 225
  Minimum Guidelines on the Provision of the Internet Banking Services by Licensed Institution ............... 226
  Other Laws Applicable for Online Environment ............... 226
E-CONTRACT UNDER THE ELECTRONIC COMMERCE ACT 2006: THE BASIC FEATURES.................................................... 228
  Functional Equivalence and the Legal Recognition .................... 230
  Legal Recognition of Electronic Message ................................ 231
  The Requirement of Writing .................................................. 231
  The Requirement of Signature .............................................. 232
  The Requirement of Seal, Witness and Originality .................... 233
  The Formation of Electronic Contract ...................................... 234
ELECTRONIC CONTRACT AND THE CHALLENGE OF DATA PRIVACY.......................................................... 235
  Personal Data Protection Act 2010 ....................................... 236
  The Seven Data Protection Principles .................................... 237
ELECTRONIC CONTRACT AND THE CHALLENGE OF SYSTEM SECURITY.................................................. 241
CONCLUSION.................................................................................. 244

PART IV
Sale of Goods: The General Principles

Chapter 12
Sale of Goods Law: A Prologue

BACKGROUND OF THE SOGA 1957 (MALAYSIA).............. 251
THE APPLICABLE LAW IN SALE OF GOODS LAW IN MALAYSIA................................................................. 255

    Section 14 of SOGA 1979 UK: Satisfactory Quality... 258
SCOPE OF THE SALE OF GOODS ACT 1957 ..................... 259
DEFINITION OF GOODS UNDER THE SOGA .................. 261
CLASSIFICATION OF GOODS............................................. 262
FORMATION OF THE SALE CONTRACT............................ 264
DISTINCTION BETWEEN SALE AND AGREEMENT TO SEL.......................................................... 265
NATURE OF THE SALE OF GOODS CONTRACT.................... 269
CAPACITY TO MAKE A SALE OF GOODS CONTRACT....... 270
FORMALITY AS AN ELEMENT OF A SALE OF GOODS CONTRACT...................................................... 272
PRINCIPLE FOR DETERMINATION OF PRICE OF GOODS..................................................................... 273
SALE OF GOODS LAW: AN ISLAMIC PERSPECTIVE....... 275
CONCLUSION........................................................................ 279

Chapter 13
Implied Terms under the Sale of Goods Act 1957

DEFINITION OF THE SALE OF GOODS CONTRACT ...... 284
    A Contract of Sale..................................................... 284
    An Agreement to Sell............................................. 284
    Price........................................................................ 285
    Goods..................................................................... 285
    Implied Terms.......................................................... 286
    Right to sell............................................................ 286
IMPLIED WARRANTY AS TO QUIET POSSESSION........ 289
IMPLIED WARRANTY THAT THE GOODS ARE FREE FROM ENCUMBRANCE........................................ 290
IMPLIED CONDITION THAT GOODS CORRESPOND WITH DESCRIPTION........................................ 290
THE FORM OF THE DESCRIPTION................................. 290
EXTENT OF THE DESCRIPTION..................................... 291
SALE BY SAMPLE AND DESCRIPTION.......................... 293
THE RELATIONSHIP OF DESCRIPTION AND QUALITY.. 294
CAVEAT EMPTOR............................................................. 295
    Implied condition as to quality under Section 16(i)(a)..................................................... 296
    Buyer’s reliance on the sellers’ skill and judgment.... 298
Chapter 14
Transfer of Title

THE GENERAL RULE.................................................. 314
EXCEPTIONS TO THE NEMO DAT RULE....................... 317
  Estoppel......................................................... 317
  Sale by Mercantile Agent...................................... 318
  Sale by One of Joint Owners................................. 320
  Sale under Voidable Title.................................... 321
  Disposition by Seller in Possession after Sale........... 322
  Dispossession by Buyer in Possession after Sale....... 323

Chapter 15
Rights and Remedies of the Buyer and the Seller

RIGHTS AND DUTIES OF THE SELLER.............................. 330
RIGHTS AND DUTIES OF THE BUYER.............................. 332
REMEDIES.......................................................... 334
DAMAGES FOR NON-DELIVERY...................................... 335
  Damages.......................................................... 335
  Compensation for Breach of Contract where Penalty is Stipulated For .................................. 336
  Specific Performance........................................... 337
  Restitution....................................................... 337
  Expectation Loss................................................ 338
  Reliance Loss.................................................... 339
  Remedies for Seller............................................. 339
  Right to Forfeit Deposit...................................... 340
  A Lien............................................................. 341
  Stoppage in Transit............................................. 342
  Resale by Seller................................................ 342
CONCLUSION........................................................ 342
Chapter 16
Disputes and Issues Relating to Sale and Purchase of Land in Malaysia

THE NATURE OF LAND OWNERSHIP AND GOVERNING LAWS.......................................................... 346
TYPE OF LAND OR PARCEL................................................................. 348
THE SALE AND PURCHASE AGREEMENT........................................ 348
ISSUES RELATING TO SALE AND PURCHASE OF LAND........... 350
   SPA Conditional upon Compliance with Restriction in Interest....................................................... 350
   Other Conditions Attached to the SPA................................. 351
   Purchase Subject to an Existing Tenancy.............................. 352
   Purchase of Property Subject to a Charge Action.............. 353
   Effect of Pending Land Acquisition................................. 354
DISPUTES RELATING TO SALE AND PURCHASE OF LAND........ 356
   Late Delivery of Vacant Possession................................. 356
   Abandoned Housing Projects by Developers...................... 357
   Poor Workmanship or Quality.................................................. 358
CONCLUSION................................................................................. 359

PART V
Hire Purchase

Chapter 17
A Review on the Application of Malaysian Hire Purchase Act 1967 and the Recent Amendment 2010

MEANING OF “HIRE PURCHASE” UNDER HPA...................... 368
MEANING OF “GOODS” UNDER THE HPA.............................. 370
   Formation of the Hire Purchase Agreement .................. 371
   Pre-Contractual Obligations.................................................. 371
   Construction of a Hire-Purchase Agreement.................. 372
   Post Contractual Obligations.................................................. 372
RIGHTS AND PROTECTIONS OF HIRERS................................. 373
STATUTORY RIGHTS OF THE HIRER............................................. 376
REPOSSESSION OF GOODS BY THE OWNER AND
RIGHTS OF THE HIRER................................................................. 377
   Procedures Prior to Repossession................................. 379
<table>
<thead>
<tr>
<th>Chapter 20</th>
<th>Agency in Islamic Law</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEFINITION OF AGENCY (WAKALAH)</td>
<td>419</td>
</tr>
<tr>
<td>DISTINGUISHING AGENCY FROM OTHER RELATIONSHIPS</td>
<td>420</td>
</tr>
<tr>
<td>Agency and Deputation (niyyahah)</td>
<td>420</td>
</tr>
<tr>
<td>Agency and Guardianship (wilayah)</td>
<td>420</td>
</tr>
<tr>
<td>Agency and “Will” (wasiyyah)</td>
<td>420</td>
</tr>
<tr>
<td>Legality of Agency</td>
<td>421</td>
</tr>
<tr>
<td>Qura’n</td>
<td>421</td>
</tr>
<tr>
<td>Hadith</td>
<td>422</td>
</tr>
<tr>
<td>Consensus</td>
<td>422</td>
</tr>
<tr>
<td>NATURE OF AGENCY CONTRACT</td>
<td>423</td>
</tr>
<tr>
<td>PILLARS OF AGENCY CONTRACT</td>
<td>424</td>
</tr>
<tr>
<td>CONDITIONS FOR AGENCY VALIDITY</td>
<td>424</td>
</tr>
<tr>
<td>Conditions for Contract Language</td>
<td>425</td>
</tr>
<tr>
<td>Conditions for Principal</td>
<td>426</td>
</tr>
<tr>
<td>Conditions of Agent</td>
<td>426</td>
</tr>
<tr>
<td>Conditions for Object of the contract</td>
<td>426</td>
</tr>
<tr>
<td>Agency in Transactions and Financial Rights</td>
<td>427</td>
</tr>
<tr>
<td>DELEANINGS WHICH DO NOT ACCEPT LEGAL REPRESENTATION</td>
<td>429</td>
</tr>
<tr>
<td>Agency in Testimony (al-shahadah)</td>
<td>429</td>
</tr>
<tr>
<td>Agency in Acts of Worship</td>
<td>429</td>
</tr>
<tr>
<td>Agency in hudud and other Punishments</td>
<td>430</td>
</tr>
<tr>
<td>Agency in establishing hudud crimes</td>
<td>430</td>
</tr>
<tr>
<td>Agency in Executing Hudud Punishments</td>
<td>430</td>
</tr>
<tr>
<td>Agency in Executing Retaliatory Punishment</td>
<td>431</td>
</tr>
<tr>
<td>TYPES OF AGENCY</td>
<td>431</td>
</tr>
<tr>
<td>Restricted Agency (wakalah muqayyadah)</td>
<td>431</td>
</tr>
<tr>
<td>Unrestricted Agency (wakalah mutkaqah)</td>
<td>431</td>
</tr>
<tr>
<td>Obligations of agent to principal</td>
<td>432</td>
</tr>
<tr>
<td>Obligations of principal to agent</td>
<td>432</td>
</tr>
<tr>
<td>Legal effects of contracts performed by agents</td>
<td>433</td>
</tr>
<tr>
<td>TERMINATION OF AGENCY CONTRACT</td>
<td>433</td>
</tr>
</tbody>
</table>
PART VII
Consumer Protection

Chapter 21
The Nature of the Law on Consumer Protection

AN OVERVIEW OF THE CONSUMER PROTECTION ACT 1999................................................................. 438
NEW REGULATIONS ON UNFAIR CONTRACT TERMS.... 440
LIABILITY FOR DEFECTIVE PRODUCTS.......................... 444
MANUFACTURER’S LIABILITY FOR BREACH OF IMPLIED GUARANTEES.................................................. 445
MANUFACTURER’S LIABILITY FOR BREACH OF EXPRESS GUARANTEES............................................. 447
MANUFACTURER’S LIABILITY UNDER PART X................. 449
THE TRIBUNAL FOR CONSUMER CLAIMS (TCC).......... 454
CONCLUSION.................................................................. 456

PART VIII
Negotiable Instruments and Franchise Law

Chapter 22
Negotiable Instruments

DEFINITION OF NEGOTIABLE INSTRUMENTS.............. 464
TYPES OF NEGOTIABLE INSTRUMENT........................ 464
Statute: Bills of Exchange 1949.................................. 465
Promissory Notes....................................................... 465
Cheque...................................................................... 465
Mercantile Custom.................................................... 465
Bankers’ Draft........................................................... 465
Bank Notes................................................................. 466
Travellers’ Cheques................................................... 466
Treasury Bills............................................................ 466
Share Warrants......................................................... 466
Dividend Warrants................................................... 466
Debentures.............................................................. 467
DEFINITION AND CHARACTERISTICS OF BILLS OF EXCHANGE.......................................................... 467
FUNCTIONS OF BILLS OF EXCHANGE......................... 470
THE ELEMENTS OF BILLS OF EXCHANGE ........................................... 471
  Consideration ........................................................................ 471
  Capacity to Contract ............................................................... 471
  Negotiation of Bills ................................................................. 471
  Acceptance ............................................................................ 472
  Endorsement ......................................................................... 473
  Delivery .................................................................................. 474
  Liability of the Parties ............................................................ 475
  Holder ..................................................................................... 476
  Holder in Due Course .............................................................. 476
  Holder for Value ..................................................................... 477

ISSUES OF BILLS OF EXCHANGE ..................................................... 477
  Forged Signatures ................................................................. 477
  Inchoate Bills ....................................................................... 477
  Presentment for Payment ...................................................... 478
  Procedure of Dishonour ........................................................ 479
  Noting and Protest ................................................................. 479

CHEQUES .................................................................................. 480
  Definition .............................................................................. 480
  Characteristics ..................................................................... 480
  Legal Effect on Cheques ........................................................ 480
  Crossing of Cheques .............................................................. 482
  Alteration on a cheque ........................................................... 482

PROTECTION OF THE PAYING BANKER ........................................ 483

PROTECTION OF THE COLLECTING BANKER .................................. 484

TERMINATION OF A BANKER’S AUTHORITY TO PAY ....................... 484

ANTI-MONEY LAUNDERING ACT 2001 ........................................ 485

CASE LAWS ON NEGOTIABLE INSTRUMENTS ................................. 486

SHARIAH PERSPECTIVES ON NEGOTIABLE INSTRUMENTS .............. 497
  Definition of *Sukuk* ................................................................ 497
  Basic Structure of *Sukuk* ...................................................... 499
  Purpose and Benefits of *Sukuk* ............................................. 499
  Comparison with Bonds ......................................................... 501
  Comparison between *Sukuk* and Bond .................................. 502

Chapter 23
Franchise Law in Malaysia

FRANCHISE IN MALAYSIA .......................................................... 504
  Definition............................................................................... 505
The Law ................................................................. 506
FRANCHISE AGREEMENT ......................................... 507
Duration ................................................................. 510
Fees and Promotion Fund .......................................... 512
FRANCHISE BUSINESS ............................................. 512
Conduct of the Parties ............................................... 513
Offences ..................................................................... 513
CONCLUSION ........................................................... 515

PART IX
Other Related Topics

Chapter 24
Civil Court Jurisdiction over Islamic Banking Cases –
Muamalat Division of the High Court

LEGISLATING POWERS OVER ISLAMIC BANKING
LAWS .................................................................... 520
ARTICLE 3(1) OF THE FEDERAL CONSTITUTION AND ITS
IMPLICATIONS ON ISLAMIC BANKING INDUSTRY .......... 521
CIVIL COURT JURISDICTION OVER ISLAMIC BANKING
CASES ................................................................... 523
MUAMALAT DIVISION OF THE HIGH COURT ............... 524
MUAMALAT DIVISION OF THE HIGH COURT VIS-A-VIS
SHARIAH ADVISORY COUNCIL OF BANK NEGARA
MALAYSIA ............................................................. 532
CONCLUSION .......................................................... 534

Chapter 25
The Nature, Concept and Epistemological Development
of the Law of Bailment: A Prolegomenon

THE NATURE OF THE LAW OF BAILMENT ............... 538
SOURCES OF THE LAW OF BAILMENT IN MALAYSIA .... 540
ELEMENTS OF BAILMENT ....................................... 541
Subject Matter ......................................................... 542
Delivery ................................................................. 542
Purpose ................................................................. 543
Contract ................................................................. 543
Chapter 26
The Tort of Negligence

THE DUTY OF CARE
The Scope of Duty of Care
Reasonable Foreseeability
Proximity
Public interest
NEGLIGENT STATEMENTS
The Need for a Special Relationship – Knowledge of Victim
From Knowledge to Foresight
From Foresight Back To Knowledge
Avoiding and Excluding Liability
Professional negligence insurance
The Present Position Regarding Duty of Care - A Summary ........................................ 580
THE DOCTRINE OF RES IPSA LOQUITUR ........................................ 581

Chapter 27
Islamic Commercial Law

DEFINITION OF COMMERCIAL LAW ............................................. 586
THE EVOLUTION OF ISLAMIC COMMERCIAL LAW .................. 587
THE ISLAMIC REFORM ................................................................. 588
THE BASIC CONCEPT AND PRINCIPLES OF COMMERCIAL LAW ............................................. 590
  Justice and Goodness ................................................................. 590
  Transparency in Commercial Dealings ....................................... 592
  Prohibition of Gharar ................................................................. 592
  Circulation of Wealth and Prohibit Hoarding and Monopoly ............................................. 594
CONCLUSION ........................................................................... 594

INDEX ...................................................................................... 597
Development of the law relating to consumer protection is the manifestation of a growing social concern to protect the weak and those unable to take care of themselves in a modern market economy. An inequality of bargaining power is the main justification for additional protection to this vulnerable group, commonly known as consumers. Obviously, consumers are in a weak bargaining position compared to the more powerful supplier of goods and services due to the disparity of knowledge and resources. Besides, consumers also need to be protected from all sorts of unfair trade practices of market operators such as protection against sale of defective, substandard and dangerous products and various fraudulent trading practices such as false advertisement, misleading price indication, non-labeling and mislabeling. Consumers are also facing problems of insufficient information to exercise a product-buying decision and economic exploitation through lack of competition. Consumer protection laws are thus designed to ensure fair trade competition by preventing businesses that engage in fraud or other unfair practices from gaining an advantage over consumers as well as business rivals.