

# GOVERNANCE OF CORPORATION AND BUSINESS ASSOCIATION

ISSUES AND RECENT DEVELOPMENTS

AIMAN NARIMAN MOHD SULAIMAN

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**GOVERNANCE OF CORPORATIONS  
AND BUSINESS ASSOCIATIONS -  
ISSUES AND RECENT  
DEVELOPMENTS**

GEN EDITOR

**AIMAN NARIMAN MOHD SULAIMAN**



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RUSNI HASSAN \*

### INTRODUCTION

Islamic capital market is a capital market where investment and financing activities including products are designed in compliance with Shariah principles. Islamic Capital Market ensures elimination of *riba* (interest), *gharar* (uncertainty) and *maysir* (gambling), thus requiring that the market where funds are invested in do not involve shari'ah non-compliant products. In addition, the transactions in the capital market should be based on a real underlying asset.

Islamic Capital Market is not a concept which was developed over night. Similar to the conventional capital market, securities such as equities (shares) and debts (bonds) of the companies and government are sold and bought by the individual or groups. The driving factor behind the conventional market

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