

Digital Shariah Compliance Supervision on Stock Market: An Innovative Approach on Islamic Capital Market

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Abstract

Shariah compliance supervision not only ensures adherence to Islamic principles but also safeguards the credibility and ethical foundations of the Islamic capital market. This paper evaluates the transformative potential of digital technologies in enhancing Shariah compliance supervision within stock markets, offering an innovative framework for the Islamic capital market. The study explores how digital tools, including blockchain, artificial intelligence, and real-time data analytics, can streamline compliance processes, reduce monitoring costs, and improve transparency for stakeholders. By examining current practices and their limitations, the research highlights how these technologies address inefficiencies in traditional Shariah supervisory mechanisms. Employing qualitative methodologies, this paper synthesises insights from industry reports, case studies, and regulatory developments to assess the impact of digital Shariah compliance solutions on market growth, investor trust, and operational efficiency. Key questions explored include: How can digital supervision enhance compliance accuracy and timeliness? What challenges do Islamic financial institutions face in integrating these technologies? Findings reveal that digital Shariah supervision not only aligns Islamic capital markets with modern financial innovations but also reinforces investor confidence by ensuring ethical transparency and accountability. Policy recommendations include fostering collaboration between fintech providers, Shariah scholars, and regulators to develop unified standards and scalable solutions. This study underscores the necessity of aligning Islamic finance principles with digital innovation to maintain relevance and competitiveness in a rapidly evolving financial landscape. By addressing these critical dimensions, the paper contributes actionable insights for advancing the role of digital technologies in promoting a resilient and ethical Islamic capital market.

Keywords

Digital, Shariah Compliance, Islamic Finance, Financial Market, Innovations

Introduction

The global focus on Islamic finance has been steadily increasing, driven by the rising demand for ethical investments in capital markets. Shariah compliance is a defining feature of Islamic financial markets, ensuring alignment with the principles of Islamic law. This emphasis on ethical and socially responsible investing has gained significant traction, as investors seek to align their financial decisions with their values (Camilleri, 2021).

The Islamic capital market has experienced substantial growth in recent years, with the global Islamic finance industry reaching an estimated value of \$2.88 trillion in 2020 (Hassan et al., 2019). This growth is attributed to the increasing popularity of Shariah-compliant investment products, which cater to the needs of Muslim investors and those seeking socially responsible investment options.

Shariah compliance is a critical aspect of Islamic finance, as it ensures that financial activities and products adhere to the principles of Islamic law. This includes the prohibition of interest (*riba*), speculation (*gharar*), and investments in industries deemed unethical or prohibited (*haram*), such as gambling, alcohol, and firearms (Saba et al., 2019). Ensuring Shariah compliance is, therefore, a crucial responsibility for Islamic financial institutions and regulators.

The broader financial sector has undergone a significant digital transformation, with the emergence of financial technology (FinTech) solutions disrupting traditional financial services. This digital revolution has also influenced the Islamic capital market, presenting both challenges and opportunities (Saba et al., 2019).

Traditional Shariah supervisory methods, which often rely on manual processes and human expertise, have struggled to keep pace with the rapidly evolving financial landscape. The increasing complexity and volume of financial transactions, coupled with the need for real-time monitoring and decision-making, have highlighted the limitations of these conventional approaches (Rethel, 2018).

In response to these challenges, there is a growing need for innovative, efficient, and transparent solutions to ensure Shariah compliance in the Islamic capital market. Digital technologies, such as blockchain, artificial intelligence (AI), and machine learning, have the potential to revolutionise the way Shariah compliance is managed and supervised (Mensi et al., 2020).

Blockchain technology, for instance, can provide a secure and transparent platform for recording and verifying Shariah-compliant transactions, while AI and machine learning can be used to analyse large datasets and identify potential non-compliance issues in real-time (Saba et al., 2019).

Moreover, the integration of digital solutions can also improve the accessibility and transparency of Shariah compliance information, empowering investors and stakeholders to make informed decisions. This aligns with the broader trend towards increased transparency and accountability

in the financial sector, which is particularly important in the context of Islamic finance, where trust and adherence to ethical principles are paramount.

This paper aims to evaluate the potential of digital technologies, such as blockchain, artificial intelligence (AI), and real-time analytics, in enhancing Shariah compliance supervision within the Islamic capital market. The key research questions addressed in this study are: How can digital supervision enhance compliance accuracy and timeliness? What challenges do Islamic financial institutions face in integrating these technologies?

The study seeks to provide actionable insights for stakeholders in the Islamic finance ecosystem, including regulators, financial institutions, and investors, on the integration and implementation of these innovative approaches. By leveraging these digital tools, Islamic financial institutions and regulators can automate the Shariah compliance process, reducing the reliance on manual reviews and enhancing the speed and accuracy of decision-making.

Literature review

Shariah compliance is a critical aspect of Islamic finance, ensuring that financial activities adhere to the principles and guidelines set forth by Islamic law. In the context of Islamic capital markets, Shariah compliance is essential to maintain the integrity and trust of investors who seek investment opportunities that align with their religious beliefs (Almansour, 2019). The core principles of Shariah compliance include the prohibition of interest (*riba*), uncertainty (*gharar*), and speculation (*maysir*), as well as the requirement to engage in ethical and socially responsible investments (Ayedh et al., 2019).

Existing supervisory mechanisms for Shariah compliance in Islamic capital markets often rely on manual processes and high monitoring costs. This can lead to challenges in ensuring comprehensive oversight and timely detection of non-compliance issues. For instance, the Shariah Supervisory Board (SSB), which is responsible for overseeing the Shariah compliance of Islamic financial institutions, can face limitations in their ability to effectively monitor and review all transactions and activities due to the sheer volume and complexity of the financial landscape (Alam and Miah, 2021).

Furthermore, the manual nature of the current supervisory processes can result in delays in decision-making and the implementation of corrective actions, potentially exposing Islamic capital markets to risks of non-compliance and reputational damage. The high costs associated with maintaining a robust Shariah compliance framework, including the remuneration of Shariah scholars and the implementation of compliance-related systems and processes, can also be a significant burden for Islamic financial institutions, potentially limiting their ability to offer competitive products and services (Ayedh et al., 2019).

To address these limitations, there is a growing need for innovative approaches to Shariah compliance supervision in Islamic capital markets. The integration of digital technologies can provide a viable solution to enhance the efficiency, effectiveness, and accessibility of Shariah

compliance frameworks, ultimately strengthening the resilience and credibility of the Islamic finance industry.

The application of digital technologies in conventional financial markets has demonstrated the potential to revolutionize financial supervision and compliance. Blockchain technology, for instance, has been leveraged to enhance transparency and traceability in financial transactions, enabling real-time monitoring and auditing of activities (Monkiewicz and Monkiewicz, 2022). This technology can be particularly beneficial in the context of Islamic capital markets, where the need for transparency and accountability is paramount to ensure Shariah compliance.

Additionally, the use of artificial intelligence (AI) and machine learning (ML) algorithms has shown promising results in the detection of fraudulent activities and the identification of non-compliant transactions. These advanced analytical tools can process vast amounts of data, identify patterns, and flag potential issues in a more efficient and timely manner than traditional manual review processes (Monkiewicz and Monkiewicz, 2022). This can be highly relevant for Islamic capital markets, where the complexity and volume of transactions require robust and automated monitoring systems to maintain Shariah compliance.

Real-time data analytics and decision-support systems can also play a crucial role in enhancing Shariah compliance supervision. By leveraging real-time data from various sources, including financial transactions, market data, and regulatory information, these digital tools can provide Shariah Supervisory Boards and Islamic financial institutions with immediate insights and recommendations to support their decision-making processes (Monkiewicz and Monkiewicz, 2022). This can enable faster and more informed responses to potential Shariah compliance issues, ultimately strengthening the resilience and credibility of the Islamic capital market.

The integration of these digital technologies in Shariah compliance supervision can offer several benefits, including improved efficiency, enhanced transparency, and more effective monitoring and control mechanisms. By automating and streamlining compliance processes, Islamic financial institutions can reduce the administrative burden and associated costs, allowing them to focus more on product innovation and customer service (Monkiewicz and Monkiewicz, 2022). Moreover, the increased transparency and real-time monitoring capabilities can help build trust and confidence among Islamic investors, further strengthening the appeal of the Islamic capital market.

The integration of digital technologies into the Islamic finance industry has presented unique challenges that must be addressed to ensure Shariah compatibility and effective regulatory oversight. One of the primary concerns is the need to ensure that the technologies employed are fully compliant with Islamic principles, as any non-compliance could undermine the credibility and trust of the industry (Jiun and Hussin, 2023). Additionally, the fragmented nature of Islamic finance regulations across different jurisdictions has created a complex landscape, making it difficult to establish consistent digital Shariah compliance standards (Adewale and Ismal, 2022).

Furthermore, the limited collaboration among key stakeholders, such as financial institutions, technology providers, and regulatory bodies, has hindered the development of innovative digital solutions that cater to the specific needs of the Islamic finance sector (Gade, 2018). This lack of coordination has resulted in a slower pace of digital transformation, as individual entities struggle to navigate the complexities of Shariah compliance and technological integration on their own.

Past studies have highlighted the importance of addressing these challenges to unlock the full potential of digital technologies in the Islamic capital market. Researchers have explored the use of real-time analytics and machine learning techniques to enhance fraud detection and improve overall financial security (Potla, 2023). However, the application of these technologies in the Islamic context requires careful consideration of Shariah-compliant principles and the development of tailored solutions (Amani et al., 2023).

One emerging trend in the field is the development of the Shariah Compliance Real-Time Dashboard (SCRD), which aims to provide a comprehensive platform for monitoring and managing Shariah compliance in real-time (Jiun and Hussin, 2023). This innovative approach leverages digital technologies to address the challenges of regulatory fragmentation and limited collaboration, enabling financial institutions to maintain a continuous and transparent Shariah compliance supervision process.

The SCRD integrates various data sources, including transaction records, customer profiles, and market information, to provide a holistic view of the institution's Shariah compliance status. By utilizing advanced analytics and machine learning algorithms, the dashboard can detect potential non-compliance issues in real-time, allowing for immediate remedial actions and enhancing the overall integrity of the Islamic capital market (Jiun and Hussin, 2023).

Overall, the integration of digital technologies in Shariah compliance supervision presents an innovative approach to addressing the limitations of existing supervisory mechanisms in Islamic capital markets. By leveraging the capabilities of blockchain, AI, and real-time data analytics, Islamic financial institutions can enhance the efficiency, effectiveness, and accessibility of their Shariah compliance frameworks.

Methods

The research adopts a qualitative methodology to thoroughly examine the potential of digital technologies in transforming Shariah compliance supervision within stock markets. This approach involves synthesising data from various sources, including industry reports, case studies, and regulatory developments, to build a comprehensive understanding of the current practices and their limitations. By focusing on the integration of innovative tools like blockchain, artificial intelligence (AI), and real-time data analytics, the study aims to identify how these technologies can enhance compliance accuracy, timeliness, and transparency while reducing associated costs.

To achieve this, the study analyses a selection of case studies from leading Islamic financial institutions and jurisdictions where digital technologies are being integrated into compliance mechanisms. The case studies provide practical insights into the challenges faced during implementation, such as technological adoption, cost barriers, and the alignment of digital solutions with Shariah principles. Additionally, policy and regulatory developments are reviewed to evaluate their influence on fostering a conducive environment for digital transformation in the Islamic capital market. These sources are critically analysed to draw connections between technological innovation and the ethical imperatives of Islamic finance.

The findings are informed by thematic analysis, focusing on recurring patterns and insights related to operational efficiency, investor trust, and market growth. The study also integrates perspectives from fintech providers, Shariah scholars, and regulators through secondary data to explore the collaborative potential required to establish unified standards. By combining these diverse insights, the research delivers a robust framework for integrating digital Shariah supervision, aiming to address gaps in traditional mechanisms while promoting resilience and ethical accountability in Islamic capital markets.

Result and Discussion

Digitalisation in Shariah Compliance Supervision: Does it matters?

The Islamic capital market has experienced significant growth in recent years, driven by the increasing demand for Shariah-compliant investment options. Shariah compliance is a crucial aspect of this market, as it ensures that financial activities adhere to the principles and guidelines set forth by Islamic law (Rethel, 2018). Maintaining strict Shariah compliance is essential for building trust and confidence among Islamic investors, who seek to align their investments with their religious beliefs.

However, the traditional approach to Shariah compliance supervision can be time-consuming, labour-intensive, and prone to human error. The manual review of financial transactions and the assessment of Shariah-compliant instruments can be a complex and challenging task, particularly in the fast-paced and dynamic environment of the stock market.

The emergence of digital technologies, such as blockchain, AI, and real-time analytics, presents an opportunity to revolutionise Shariah compliance supervision in the Islamic capital market. These technologies have the potential to streamline the compliance process, improve accuracy, and enhance the timeliness of decision-making (Muhammad and Lanaula, 2019).

Blockchain technology, for instance, can provide a secure and transparent platform for recording and verifying financial transactions, ensuring that they adhere to Shariah principles. AI-powered systems can be trained to analyse financial data and identify potential non-compliant activities in real-time, enabling swift corrective action. Real-time analytics can also help regulators and financial institutions monitor market trends and detect any anomalies that may signal Shariah-related issues.

While the potential benefits of digital technologies in Shariah compliance supervision are significant, Islamic financial institutions may face several challenges in their integration and implementation. These challenges may include:

1. **Technological Expertise and Infrastructure:** Developing the necessary technological expertise and infrastructure to support the integration of digital technologies can be a significant investment for Islamic financial institutions (Hanif, 2019).
2. **Regulatory Alignment:** Ensuring that the deployment of digital technologies aligns with existing Shariah compliance regulations and guidelines can be a complex and time-consuming process.
3. **Stakeholder Acceptance:** Gaining the trust and acceptance of stakeholders, such as investors and Shariah scholars, in the use of digital technologies for compliance supervision may require extensive education and communication efforts.
4. **Data Privacy and Security:** Addressing concerns related to data privacy and security, particularly in the context of sensitive financial information, is crucial for the successful implementation of digital compliance solutions.

To overcome these challenges and harness the full potential of digital technologies in Shariah compliance supervision, a collaborative effort among various stakeholders in the Islamic finance ecosystem is required. This may involve:

1. **Regulatory Guidance:** Regulators should provide clear guidelines and frameworks for the integration of digital technologies in Shariah compliance, ensuring alignment with existing regulations and promoting industry-wide adoption.
2. **Capacity Building:** Islamic financial institutions should invest in developing the necessary technological expertise and infrastructure to support the implementation of digital compliance solutions (Mukhibad et al., 2023).
3. **Stakeholder Engagement:** Engaging with Shariah scholars, investors, and other stakeholders to build trust and acceptance in the use of digital technologies for compliance supervision is crucial.
4. **Collaborative Innovation:** Fostering an environment of open innovation and collaboration among Islamic financial institutions, technology providers, and research institutions can accelerate the development and implementation of digital Shariah compliance solutions (Triasari and De Zwart, 2021).

Digitalisation and Islamic Capital Market Effectiveness

The integration of digital technologies, such as blockchain, artificial intelligence (AI), and real-time analytics, has the potential to revolutionise Shariah compliance processes in the stock market. These innovative tools can enhance transparency, reduce costs, and improve stakeholder trust in the Islamic capital market.

Blockchain technology offers a secure and decentralised platform for recording and verifying Shariah-compliant transactions. By creating an immutable digital ledger, blockchain can enhance the traceability and transparency of financial activities, ensuring that they adhere to Shariah principles (Zaman et al., 2023). This increased transparency can foster greater trust among investors, as they can easily verify the compliance of their investments with Islamic laws.

Furthermore, the application of AI in Shariah supervision can streamline the decision-making process and improve the efficiency of compliance monitoring. AI-powered systems can analyse large volumes of data in real-time, identifying potential non-compliant activities and alerting the relevant authorities (Omoola and Ibrahim, 2023). This proactive approach can help mitigate the risk of Shariah violations and ensure the integrity of the Islamic capital market.

Real-time analytics, integrated with digital platforms, can provide valuable insights into market trends, investor behaviour, and compliance patterns. By leveraging these data-driven insights, Shariah supervisory boards can make more informed decisions, refine their guidelines, and adapt their strategies to the evolving needs of the market (Chong, 2021). This enhanced data-driven approach can lead to more effective Shariah compliance supervision and better-informed decision-making.

The synergistic integration of blockchain, AI, and real-time analytics can significantly improve the efficiency and effectiveness of Shariah compliance processes. By automating certain tasks, reducing manual interventions, and providing real-time monitoring capabilities, these digital tools can help reduce the administrative burden and associated costs, making Shariah compliance more accessible and cost-effective for market participants (Jailani and Muneeza, 2023). This, in turn, can encourage more investors to participate in the Islamic capital market, fostering its growth and development.

The adoption of digital Shariah compliance solutions can contribute to the growth of the Islamic capital market by attracting ethical investors and fostering operational efficiency. Ethical investors, who prioritise Shariah-compliant investments, are increasingly seeking transparent and reliable platforms that can ensure the integrity of their investments. The enhanced transparency and traceability provided by digital Shariah compliance tools can attract these investors, who value the assurance of Shariah-compliant operations (Osman and Elamin, 2023). As more ethical investors enter the market, the demand for Shariah-compliant financial products and services is likely to increase, driving market growth.

Moreover, the operational efficiency gained through digital Shariah compliance can contribute to the overall competitiveness of the Islamic capital market. By automating compliance processes, reducing manual interventions, and improving data-driven decision-making, digital tools can help market participants streamline their operations and reduce compliance-related costs (Abojeib and Habib, 2021). This, in turn, can lead to more competitive pricing and better returns for investors, further enhancing the attractiveness of the Islamic capital market.

The increased investor confidence and operational efficiency facilitated by digital Shariah compliance can have a positive impact on market growth. As more investors, both ethical and conventional, are drawn to the transparency and reliability of the Islamic capital market, the demand for Shariah-compliant financial products and services is likely to rise. This increased demand can spur the development of new and innovative investment opportunities, fostering the overall growth and competitiveness of the Islamic capital market.

Hence, the integration of digital technologies, such as blockchain, AI, and real-time analytics, can significantly enhance Shariah compliance processes in the stock market. By improving transparency, reducing costs, and enhancing stakeholder trust, these digital tools can contribute to the growth and development of the Islamic capital market. The increased investor confidence and operational efficiency facilitated by digital Shariah compliance can attract more ethical investors and foster market competitiveness, ultimately leading to the expansion and strengthening of the Islamic capital market.

Challenges and Collaborative Solutions

One of the primary challenges in the adoption of digital Shariah compliance supervision in the stock market is the high costs associated with the implementation of the necessary digital infrastructure. The development and maintenance of sophisticated technology platforms, data analytics tools, and secure communication channels require significant financial investments that may be beyond the reach of many market participants, particularly smaller firms (Unal and Aysan, 2022). Additionally, the lack of digital literacy among some market participants can hinder the effective utilisation of these digital tools, further exacerbating the adoption challenges.

Another key challenge is the complexity of aligning Shariah principles with rapidly evolving technologies. The dynamic nature of financial innovations, such as blockchain, artificial intelligence, and machine learning, can create uncertainties in interpreting and applying Shariah rulings (Rabbani, 2022). Shariah scholars must continuously engage with these technological advancements to ensure that the digital Shariah compliance framework remains robust and aligned with Islamic principles.

The lack of unified regulatory standards across different jurisdictions also poses a significant challenge. Each country or region may have its own set of Shariah governance regulations and requirements, making it difficult to establish a harmonised digital compliance system that can be seamlessly implemented across the Islamic capital market (Masruki et al., 2020). This lack of standardisation can lead to inconsistencies and inefficiencies in the overall Shariah compliance process.

Furthermore, the integration of digital technologies into the existing Shariah governance frameworks may require a substantial shift in the mindset and operational practices of market participants, Shariah scholars, and regulators. Overcoming the resistance to change and fostering

a collaborative environment that embraces innovation can be a significant hurdle in the adoption of digital Shariah compliance supervision (Mohd Haridan et al., 2023).

Lastly, the protection of sensitive financial and personal data in the digital ecosystem is a critical concern that must be addressed. Ensuring the confidentiality, integrity, and availability of data is essential to maintaining the trust and confidence of market participants in the digital Shariah compliance system (Yahya et al., 2023).

To address the challenges in the adoption of digital Shariah compliance supervision, a collaborative approach among fintech providers, Shariah scholars, and regulators is essential. By leveraging the expertise and resources of these key stakeholders, the Islamic capital market can develop innovative solutions that seamlessly integrate Shariah principles with cutting-edge digital technologies.

One successful example of such collaboration is the development of a centralised Shariah advisory platform in Malaysia. The platform, which was launched by the Securities Commission of Malaysia, serves as a digital hub for Shariah scholars to provide guidance and rulings on various Shariah-compliant financial products and services (Masruki et al., 2020). This collaborative effort has helped to streamline the Shariah compliance process, improve transparency, and enhance the overall efficiency of the Islamic capital market.

Another case study that highlights the benefits of collaboration is the integration of fintech solutions with Islamic banking operations. In countries like Malaysia and Indonesia, Islamic banks have partnered with fintech providers to develop digital platforms that facilitate Shariah-compliant transactions, investment management, and customer service (Mohd Haridan et al., 2023). These collaborations have not only improved the accessibility and convenience of Islamic financial services but have also strengthened the Shariah governance practices within the industry.

To further enhance the adoption of digital Shariah compliance supervision, regulators can play a crucial role in establishing a harmonised regulatory framework that provides clear guidelines and standards for the implementation of these digital solutions. By working closely with Shariah scholars and fintech providers, regulators can ensure that the digital compliance framework aligns with Shariah principles while also addressing the practical challenges faced by market participants (Haron et al., 2022).

Additionally, capacity-building initiatives, such as training programs and knowledge-sharing platforms, can help to address the digital literacy gap among market participants. By empowering individuals with the necessary skills and understanding, the adoption of digital Shariah compliance tools can be accelerated, leading to a more efficient and transparent Islamic capital market (Unal and Aysan, 2022).

Overall, the adoption of digital Shariah compliance supervision in the stock market requires a collaborative and multifaceted approach. By addressing the challenges related to digital infrastructure, Shariah-technology alignment, regulatory harmonisation, and capacity building,

the Islamic capital market can harness the power of innovative digital solutions to enhance Shariah compliance and drive sustainable growth.

Conclusion

The integration of digital Shariah compliance supervision within the Islamic capital market represents a transformative step toward enhancing its efficiency, transparency, and resilience. By leveraging tools such as blockchain, artificial intelligence, and real-time analytics, the industry can overcome longstanding challenges related to operational inefficiencies, high compliance costs, and fragmented regulatory approaches. This shift aligns Islamic financial practices with modern technological advancements while maintaining adherence to Shariah principles. The result is an elevated market standard that not only safeguards ethical and religious values but also strengthens investor trust, market credibility, and competitiveness. This dual benefit of ethical adherence and operational optimisation makes digital Shariah supervision a cornerstone of sustainable growth in the Islamic capital market.

The implications of adopting digital Shariah compliance supervision extend far beyond operational improvements. Increased transparency and trust fostered by these technologies can attract a broader base of ethical investors, contributing to the expansion of the market. Additionally, the operational efficiencies generated through digital oversight enhance the cost-effectiveness of compliance processes, enabling market participants to allocate resources more strategically. These advantages can help Islamic capital markets compete more effectively in the global financial arena, positioning them as robust alternatives for socially conscious investors. However, achieving this vision necessitates a comprehensive framework that harmonises technological innovation with Shariah principles while addressing the specific needs and limitations of Islamic financial institutions.

Policy initiatives play a critical role in enabling this transformation. Governments, regulators, and market participants must collaborate to establish unified standards that guide the implementation of digital Shariah compliance tools. This includes creating supportive regulatory environments, incentivising technology adoption, and facilitating capacity-building initiatives. Additionally, robust cybersecurity frameworks must be developed to protect the integrity of compliance processes and maintain stakeholder confidence. Collaborative efforts between fintech companies and Shariah scholars are particularly essential to ensure that technological solutions align seamlessly with the ethical foundations of Islamic finance, minimising risks of misalignment or operational discrepancies.

Looking ahead, addressing the challenges of digital infrastructure development, regulatory harmonisation, and capacity building is critical to unlocking the full potential of digital Shariah compliance supervision. Investments in technological infrastructure will ensure that financial institutions have the tools needed to implement these advanced systems effectively. Furthermore, the alignment of Shariah principles with evolving technological standards requires ongoing dialogue among scholars, technologists, and regulators to address emerging ethical and

operational questions. Regulatory harmonisation across jurisdictions will also be essential to creating a seamless and competitive Islamic capital market that can attract global investors while ensuring local adherence to Islamic principles.

In conclusion, the adoption of digital Shariah compliance supervision in the stock market is not merely a technological upgrade but a fundamental enhancement of the Islamic capital market's ethical and operational framework. By addressing current limitations and fostering collaborative efforts across stakeholders, the industry can achieve a balance between innovation and tradition, positioning itself for sustainable growth and global relevance. The path forward lies in harmonising digital innovation with Shariah principles, enabling the Islamic capital market to thrive as a resilient, inclusive, and competitive component of the global financial ecosystem.

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