

THE JURISPRUDENCE OF HALAL DEFAMATION: PROTECTING MUSLIM ENTREPRENEURS FROM FALSE ACCUSATIONS – A COMMENTARY ON RAHMAN SHEIKH ABDULLAH V. ABD ZARIN MOHD YASIN

^{i,*} Mohamad Azim Tahir

ⁱFaculty of Syariah and Law, Universiti Sains Islam Malaysia (USIM), Bandar Baru Nilai, 71800, Nilai, Negeri Sembilan

*(Corresponding author) e-mail: azimtahir95@gmail.com

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ABSTRACT

Malaysia's determination to be an international halal hub depends A lot on consumer trust and a strong regulatory structure. Yet, the 2020 meat cartel scandal opened up deep fears in society, which led to the Malaysian Muslim community's heightened sensitivity to halal-related issues. This concern is usually taken advantage of online, where false claims go viral within seconds and cause quite a lot of financial and reputational damage to trustworthy businesses. This paper reviews the High Court's judgement in Rahman Sheikh Abdullah v. Abd Zarin Mohd Yasin, in which the Court dealt with a blogger's defamatory false allegations against an innocent Muslim-owned company. Through the angle of civil defamation law and Islamic law in particular the moral duty of Tabayyun (verification), this piece shows how reckless digital vigilantism results in a loss of market confidence and Maqasid al-Shari'ah undermining as well. The court decision reveals the importance of the judge's function in punishing misinformation while reminding that the enforcement of halal regulations should not lead to the destruction of innocent lives. The essay, in the end, recommends a combined method of not only ensuring updated and strict laws that protect businesses but also the society's awareness of and adherence to responsible verification-based communication for a sustainable Malaysian halal market.

Introduction

Malaysia has made plans to build a strong foundation for becoming one of the main global centers of halal products and services. Eating halal food is only one aspect of the overall Muslim lifestyle governed by the concept of *halalan toyyiban*, which means that food must not only be following Islamic law but also safe, clean, and healthy. So, a halal certificate recognized by the government becomes the main sign of quality assurance and plays a very important role in the Muslims' decision making and getting trust in a particular brand as halal logo is seen as a symbol of safety standards compliance (Awang, 2021).

Even with the existence of a very detailed regulation system, the truth of the internal halal market was severely compromised in late-2020 after the exposure of a illegal meat cartel on a very large scale. This criminal group smuggled unapproved and sick animals and faked the halal logos to sell the meat all over Malaysia. This great deception which was publicly disclosed caused a lot of anger among people and a major loss of consumer confidence to the point where the Malaysian Muslim community became very alert and highly sensitive to any signs of halal non-compliance (Abd Jalil et al. 2026).

The situation is made even worse due to the fast spread of digital communication and social media which can easily expose the society to unverified claims and defamation that can spread beyond control. In Islam, the dissemination of rumor goes against the obligation of *Tabayyun* (verification) which means that a person must make sure to find out the truth before making a statement to avoid a wrong doing out of ignorance (Abu Bakar et al. 2024). Such online malpractice which involves putting of message down in regard to the halal status leads to a bypass of these verification processes and results in the eruption of public emotions at a brutal pace which can cause irreparable damage to the very existence and finances of the work done by the legitimate ones (Jaapar, 2025).

This extremely vulnerable social and economic environment is the backdrop against which this article identifies the High Court verdict in *Rahman Sheikh Abdullah v. Abd Zarin Mohd Yasin* as a very special defamation suit in which the defendant posted on Facebook allegations that falsely implicated the plaintiff Muslim owned business in the 2020 illegal meat cartel scandal. This resulted to extreme cyberbullying and hatred being directed to the owners of the business. This article, by giving an in-depth account of the ruling, highlights how digital defamation and the halal sector damage are linked. Also, it demonstrates the necessity of combing strong laws aimed at protecting Muslim entrepreneurs with the return of fact-based responsible information sharing that is verifiable.

Case Commentary: *Rahman Sheikh Abdullah v. Abd Zarin Mohd Yasin*

Rahman Sheikh Abdullah v. Abd Zarin Mohd Yasin started out as a High Court case when the defendant who is a blogger posted on Facebook falsely accusing a Muslim couple and their cold storage company of being involved in the 2020 illegal meat cartel scandal. They accused the company of being involved in a large-scale syndicate that was smuggling non-halal meat and repackaging it for sale to the Muslim consumers. Actually, the company had just made a mistake by putting a halal logo on the delivery lorries without permission. The false accusations were very serious, and they caused a lot of public unrest and anger as well as distrust of the consumers since the case of fake meat had been made known to the public quite recently (Abd Jalil et al. 2026).

The court looked into the question of defamation and whether the statements were defamatory in nature whether the plaintiffs were properly identified and if the publication was made to a third party. There are few things the court got to decide in this case, but the bottom line is that it is a highly dishonourable act to accuse a Muslim business of selling non-halal meat and such an accusation is bound to arouse public hatred against the owners. As a photo of the first plaintiff was shown not only alongside but also with the corporate registration details of the company the reader cannot even for a split-second doubt who the defendants are. The aspect of publication was Yes fulfilled as the remarks were widely circulated on social media which is an indication of the power of digital platforms in the amplification of unverified statements to make the resultant damage to one's reputation (Mohd Fauzi & Hassan, 2026).

The defendant used fair comment as a defence and stated that he posted to share a public interest story based on a recent newspaper article about the raids on the cartel. Still, the court went against the defendant's submission as it held that a fair comment has to be based on true facts and not on fabricated premises. The defendant was very rash in making a confusion between a minor logo offence and a massive

smuggling operation and did not even consult the plaintiffs to confirm the accuracy of his statements before making them public. With ethics, such careless spreading of digital rumours goes against the basic idea that one has to verify the news thoroughly before sharing it which is a necessary way to prevent the harming of innocent people unjustly (Abu Bakar et al. 2024).

Eventually, the court sided with the plaintiffs and declared the allegations completely groundless and very harmful. The judge decided to pay RM150,000 to each of the three plaintiffs as general damages, plus RM15,000 for costs, and a strict injunction against the publication of such defamatory statements in the future. The hefty monetary awards show how serious the false charges were and how deeply the business owners suffered from the cyberbullying and death threats. The decision is a significant leading case that shows that, although being watchful in protecting halal standards is a good thing, one cannot simply destroy a brand's reputation by making unsubstantiated online accusations as these will be met with serious legal actions.

The Economic and Social Impact of Negative Halal Publicity

In the sensitive halal market, consumer trust is the greatest asset a brand can have. When bad news about a company's halal status is spread, the economic damage is usually immediate and very serious. People naturally develop a negative feeling - what is called negative valence - towards the brand that is blamed, and this often leads to boycott of the products and a great fall in the sales income. Since the halal label represents an important religious and ethical promise, violation of this trust results in brand equity going down very rapidly to a level that the products become market irrelevant, and rebuilding such brand equity is extremely difficult (Wan Ismail et al. 2023).

This economic consequence is absolutely disproportionate to the damage inflicted on the small and medium enterprises (SMEs). Against multinational corporations which have abundant crisis management resources and well-prepared plans as alternatives to certification problems, local SMEs usually do not have the financial strength to outlast a sudden drop in consumer trust. In the situation when there are unconfirmed suspicions or fake news about halal non-compliance spreading unrestrained in digital platforms, these small enterprises face instantaneous stoppage of their activities. The loss of consumer goodwill which follows so closely can drive a legitimate business to bankruptcy even before the owners have the chance to defend themselves or undertake corrective measures (Jaapar, 2025).

Negative halal publicity not only leads to financial downfall but also puts the blamed business owners under significant social and psychological stress. Nowadays, social media is the main medium where defamatory accusations are spread very fast to millions of users without proper factchecking. Business owners who were wrongly accused in halal scandals become victims of harsh cyberbullying and face public hatred, mocking, and social persecution. The severity of this hostility results in the psychological trauma and emotional stress of these individuals as well as tearing apart of the social fabric and destroying their position in the community (Abu Bakar et al. 2024).

In Islamic law, spreading false and negative publicity about a legitimate business is considered a grave ethical breach which is totally inconsistent with the main principles of Shariah (Maqasid al-Shari'ah). Defamation without basis is a harmful deed that destroys a person's means of earning in an unfair way and so infringes on the fundamental right of protection of one's wealth (hifz al-mal). Also, the public slander and character assassination on digital platforms deeply wound the dignity of the business owner. This is a direct violation of the Islamic command to safeguard human honor and reputation (hifz al-'ird) against malicious and ignorant attacks (Fauzi et al. 2026).

The Missing Link: *Tabayyun* (Verification) in the Digital Age

Nowadays, with the fast transmission through the internet, social media platforms have unwittingly become dangerous tools for the uncontrollable spreading of fake news and false rumors. To fight against this harmful event, Islamic law discusses an important moral value - the virtue of *Tabayyun* - which calls for that any information received must be very carefully checked before being passed on to others (Abu Bakar et al. 2024). Coming from the great commandments as found in the Quranic chapter of Al-Hujurat, this principle forbids people to share without verifying, reminding them that doing so in ignorance may

deeply and irreversibly harm innocent persons. This way, the virtue of Tabayyun acts as a crucial moral sieve, where digital users are urged to uphold truth and transparency to help societal good.

If such ethical responsibility is abandoned, the result may be disastrous in the areas of a country's economy that are open to the production and consumption of halal goods and services. Carelessly airing out slanderous statements about a business's halal status shows ignorance of the investigative and clarifying duties of the rightful parties. Spotlighting scandal at the expense of the truth, disoriented netizens circumvent the Tabayyun method and instead use social media to provoke hatred and bullying online. These wrongdoings, besides being major sins in Islam, may also be prosecutable in court as defamation because they lead to the wrongful destruction of a businessman's income and standing in the community (Abu Bakar et al. 2024).

It is quite remarkable that this requirement in Islam to check one's facts before making a statement mirrors the philosophical and practical elements of the qualified privilege doctrine found in common law. In particular, the Reynolds privilege related to responsible journalism offers an analogous protection mechanism. This law allows media outlets who have publicized defamatory comments about matters of public concern to escape sanctions only if they can show that they have been responsible, for instance, by verifying the information and contacting the other party to comment before the publication (Kenyon & Ang, 2010). Any media organization that engages in irresponsible publication by the way of relying on dubious sources, inventing content, and completely neglecting to get the accused party's side of the story to confirm the allegations also show a lack of compliance with the Tabayyun principle.

In the end, these two sets of rules and norms from religious and legal sources point to an agreed-on point about how information should be handled in the age of the internet. Whether we look at civil defamation defenses or Islamic ethics, the result is the same: those who disseminate information to a large audience have to do their due diligence when it comes to verifying facts. Not doing so will not only make the defendant lose common law immunities such as the Reynolds privilege but also break one's religious commitment to avoiding harm to other people (Kenyon & Ang, 2010).

Crisis Management and Strategic Responses for Halal Entrepreneurs

Within the closely regulated halal sector, firms must focus on crisis management as a first line of defense to protect their brand's reputation from potential controversies. In case the business is confronted with accusations of non-compliance or sudden disruptions in certification, the timeliness and method of its reaction are considered crucial. If the company takes a long time before making a statement or reacts publicly in a defensive manner, this will most likely be viewed by consumers as a lack of the company's responsibility or even negligence, and in no time public trust will be lost. Because of this, businessmen must be capable of quick communication and transparency combined with the instant taking of ameliorative measures to successfully limit the negative impact and calm the market before the rumor can turn into a full-blown crisis (Jaapar, 2025).

The Nestle Malaysia's efficient response to the 2023 situation when regional authorities revoked the Halal Food Council of Europe's (HFCE) recognition is a great example of successfully executing a strategy. Instead of letting fake news spread, the company reached out without delay to the competent authorities such as JAKIM, carried out thorough internal supply chain inspections and at a fast pace, switched to other recognized certifiers to ensure uninterrupted conformity. This forward-thinking adjustment of operations and openness in communication with regulators prevented a market scare and helped maintain the brand's image during a very unstable time (Jaapar, 2025). Medium and small enterprises can implement similar strategies e.g. by keeping in contact with certification bodies and having well-documented contingency plans at hand.

On top of prompt damage control, the brand's ability to withstand even after a crisis is largely dependent on the regular engagement of the community and educational programs. Companies that share their knowledge about halal, act ethically in business, and guide local entrepreneurs are the real reservoirs of public goodwill. Besides, community-oriented activities prove that a business is genuinely committed to the Islamic principles, knowingly or not, leaving a "preceding effect" that is protective of the brand. Also, the solid trust that has been built will be a crucial safety net through which consumers will continue to be loyal and understanding, even in case of negative publicity without foundation (Jaapar, 2025).

Last but not least, it has to be said that, in case of online defamation with no truth, the action underlined by planned crisis management should include also strong legal measures. Businesspersons who have been wrongly blamed for halal scandals need to launch a counterattack by resorting to the law to save their good reputation and stop the diffusion of malicious content once and for all. By applying for court orders and demanding that the offenders publicly apologize, entrepreneurs not only rehabilitate their financial and social image but also issue a warning against online vigilantism and irresponsible sharing of unverified information on the internet (Mohd Fauzi & Hassan, 2026).

Conclusion

One of the most notable outcomes of the High Court in the mentioned defamation suit is that the ruling has implicitly become an essential reference for the rapidly growing halal industry in Malaysia overall. The judiciary has also made it a point to caution indirectly about the negative consequences of cyber-vigilantism. This is Definitely a peak time when the use of digital technology as a communication tool has connected the whole world. Besides that, social media platforms have been considered the hub or source of unverified methods of information spreading, including the spreading of rumors and defamatory accusations (Mohd Fauzi & Hassan, 2026). Before anything else, it is really commendable when consumers are watchful and alert since they are the key players in a halal supply chain. What the Court has decided in this case Though is that it is very clear that consumer alertness and heightened awareness must not lead to recklessness on social media. Also, they should not be used to launch verbal or digital war. Also, it has been very vividly demonstrated that once a very negative and defamatory comment or an improper and unprofessional comment is made about a halal status of a company, the entire brand can be destroyed and also the livelihoods of the innocent entrepreneurs connected with that brand could be lost. That means, there must be a balance between allowing people to say what they want and at the same time promoting the concepts of responsible speech and limiting defamation online (Jaapar, 2025).

One of the ways to reach the point where this is adequately and effectively possible is to think about very seriously how the members of the general public who know very little about halal issues are suddenly very passionate about halal integrity. Besides all that, they still have the ethical obligation of checking and verifying the information before they make it public. In this context, Islamic law may be interpreted to recommend that Tabayyun be reinstituted as the main and fundamental measure for conducting a moral and ethical life wherein one is always careful and is always checking and verifying any report before disseminating it (Abu Bakar et al. 2024). This faith-oriented and Islamified approach itself then becomes the source of the prevention of defamation or indirectly the source of the mitigation of the effects of defamation of Muslim-owned local small and medium enterprises (SMEs) which most of the time unlike big multinational corporations do not have very high crisis management budgets and That means are quite vulnerable (Kenyon & Ang, 2010).

Effective implementation of these principles will yield a crucial cultural transformation that would entail radical discontinuance of irresponsible gossiping and rumor-mongering as well as a complete endorsement of responsible and at a minimum non-damaging release of information. When done right, the elements of the common law of defamation and also the objectives of the Shariah will become part of the same process and this is ultimately intended to assure and protect the wrongfully accused from the havoc that they were facing because of the gossip and rumors that were going viral at that time. The development of Malaysia as an international halal hub needs a collaborative and integrated mechanism. This means, laws have to be stricter, and authorities have to be more effective in arresting actual fraudsters in the halal industry. But, at the same time, there has to be the legal protective structure designed in such a way that innocent, wrongly accused parties are not left in a vulnerable position. Malaysia, as one of the leading international halal hubs, should fight the economic degradation of local Small and Medium Enterprises that fall victim to defamatory attacks with the same energy and zeal that it uses to ensure good food safety standards (Ahmad et al. 2023; Yunos et al. 2025). These businesses (among them most the Muslim entrepreneurs) should be open to living and continuing their business, unfettered from the serious threat that the unreasonable and unlawful cyber-persecution (as well as verbal) may pose to them. That is why the communal effort, toward creating the right digital atmosphere - where the factual truth and the principle of fair, proper communication is firmly established - will result in a three-fold success, i.e. The

country will win the trust of consumer, be able to regulate effectively and grow the economy of the Muslim entrepreneurs.

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