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## TO QUESTIONS OF CLASSIFICATION OF ISLAMIC BANKING PRODUCTS

## К ВОПРОСАМ КЛАССИФИКАЦИИ ИСЛАМСКИХ БАНКОВСКИХ ПРОДУКТОВ

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*Abstract.* In article development of interest in Islamic banking as to most of important tendencies of development of financial economy is considered. The modern Islamic bank leans in the financial and credit activity on a certain set of the financial instruments formulated by Sharia. Islamic banks carry out practically all traditional bank operations. In the activity they use various methods of financing, realize credit service of direct investments, carry out credit operations on the basis of leasing, rent and others worldwide. Islamic banks directly become large investors in national economies of the countries of the Muslim world. Besides, after assessment of economic efficiency of activity of data of banks, the governments of many countries began to enter amendments to the existing legislation for creation of more comfortable conditions for their activity. For a better understanding about Islamic banks there is a need of consideration of their operations which in every respect carry interest-free (but doesn't mean profitless or unprofitable) and not speculative — Islamic character. In article on the basis of the deep and system analysis of set, financial instruments formulated by Sharia, the main norms of Islamic banks depending on their appeal to clients are described. Authors have made attempt to simulate several possible situations of interaction of financial and credit institutes with the partners and the efficiency of investment of capital for each of the parties is calculated. By results of the conducted research, one may say, that, despite so small period of existence, Islamic banks could provide alternative traditional the banking (financial and credit) services allowing to satisfy financial needs of each Muslim, regardless of the direction of financing, a form, a look and scales.

*Аннотация.* В статье рассматривается развитие интереса к исламскому банкингу как к самой из важных тенденций развития финансовой экономики. Современный исламский банк опирается в своей финансово-кредитной деятельности на определенный набор сформулированных шариатом финансовых инструментов. Исламские банки выполняют практически все традиционные банковские операции. В своей деятельности они используют различные методы финансирования, реализуют кредитное обслуживание прямых инвестиций, осуществляют кредитные операции на базе лизинга, аренды и других в

различных странах мира. Исламские банки непосредственно сами становятся крупными инвесторами в национальных экономиках стран мусульманского мира. Кроме того, после оценки экономической эффективности деятельности данных банков, правительства многих стран стали вводить поправки в существующее законодательство для создания более комфортных условий для их деятельности. Для более полного представления об исламских банках возникает необходимость рассмотрения их операций, которые во всех отношениях носят беспроцентный (но не значит бесприбыльный или убыточный) и не спекулятивный — исламский характер. В статье на основе глубокого и системного анализа набора, сформулированных шариатом финансовых инструментов, описаны основные нормы исламских банков в зависимости от их привлекательности для клиентов. Авторами сделана попытка смоделировать несколько возможных ситуаций взаимодействия финансово-кредитных институтов со своими партнерами и рассчитана эффективность вложения средств для каждой из сторон. По результатам проведенного исследования, можно сказать, что, несмотря на столь малый период существования, Исламские банки смогли предоставить альтернативные традиционным банковские (финансово-кредитные) услуги, позволяющие удовлетворить финансовые потребности каждого мусульманина, вне зависимости от направления финансирования, формы, вида и масштабов.

*Keywords:* idzhara, mudaraba, musharak, Islamic banking, mudarib, muzaraat, rabbalmal, Salam, takaful, the murabakh.

*Ключевые слова:* иджара, исламский банкинг, мудараба, мудариб, музараат, мурабаха, мушарака, раббал мал, салям, такафуль.

#### *Introduction*

The subject of Islamic economy occupies already several decades an important role in world economy and successfully was fixed in her, moreover she has proved as steady and quite independent model. And it isn't surprising as she takes a basis from the divine doctrine, and God knows better that it is better and more useful to the creation than any other laws and the principles made by people. Economic model of Islam within which exists and different financial institutions work, it can be schematically reduced to several equivalent provisions in the conceptual relation. They in this or that form are mentioned in sources of the Islamic right as the Holy Quran, Sunnah by the Prophet Mahomed and Allah will bless him and welcomes, and others. They are that the person not the owner certain having the market value and social value of a resource but only only the attorney God throughout the life on distribution of this resource. And he bears responsibility in earning and the direction of this resource, being careful of the unlawful ways in earning and the direction him, turning him into a treasure or sending to speculative operations. He has to be used for the benefit of all society, at the same time observing the property rights [1].

#### *Research methodology*

In work by means of observations, the statistical analysis and purposeful monitoring of literature in the sphere of Islamic banking the main norms of Islamic banks depending on their appeal to clients are considered. Authors have made attempt to simulate several possible situations of interaction of financial and credit institutes with the partners and the efficiency of investment of capital for each of the parties is calculated.

### *Analysis and results*

The modern Islamic bank leans in the financial and credit activity on a certain set of the financial instruments formulated by Sharia. The things familiar to anything in the slightest degree to the person facing banks, however, are behind the Arab names.

The Islamic bank leans in the activity on a certain set of the financial instruments formulated by Sharia. The things familiar to anything in the slightest degree to the person facing banks, however, are behind the Arab names. At first sight can be seen that there is a certain inadvertent substitution of concepts, but other, more true, more socially oriented idea clear only to the people understanding economy is the cornerstone of actually banking products meeting standards of Islam absolutely. The false note is similar externally on real practically everything, only true experts can define where just not provided piece of paper and where the note behind which there is a state.

Today Islamic banks carry out practically all traditional bank operations — deposit, credit (or so-called financing), letter of credit, account and an inventory of bills, other settlement and payment operations, invest means in the industry, the agricultural sector, credit trade, a services sector, finance social projects (earlier similar operations it was already mentioned). In the activity they use different methods of financing, realize credit service of direct investments, carry out credit operations on the basis of leasing, rent, etc. worldwide. These banks take individual share in the modern enterprises, credit commercial transactions, including with payment by installments, carry out complex settlement service of the clients. Some of Islamic banks are widely are engaged in investment of means into the production sphere, including into the national industry, previously carrying out the comprehensive analysis of the investment project, controlling the course of his implementation, and then and activity of the enterprise which is again created on the basis of the credit [2]. Thus, Islamic banks directly become large investors in national economies of the Muslim countries. Moreover, after assessment of efficiency of activity of data of banks, the governments of many countries began to enter amendments to the existing legislation for creation of more comfortable conditions for their activity.

For a better understanding about Islamic banks there is a need of consideration of their operations which in every respect carry interest-free (but doesn't mean profitless or unprofitable) and not speculative — Islamic character. To the main products and services of Islamic banks are the most widespread and general the following belongs:

1. “musharaka” — the joint share venture in which investors carry out investments and is divided among themselves by the got profits or losses according to the size of a share of each participant.

The Islamic bank can act as one of investors. This type of operation is considered as the most answering to laws of Sharia and corresponding to the nature of activity of Islamic banks. At a musharaka the bank carries out the financing which isn't connected with collection of a certain percent, but participates in the got profit. At this form of financing the bank is most interested in the choice of less risky projects as the purposes of the investor and the invested organization coincide.

Distribution of profit is carried out as follows:

- a certain share is allocated to the partner in payment for his work, administrative experience or other participation in the transaction or the project. These expenses can belong to on the general expenses, and is exclusive to one of the parties.

- the rest is distributed between the partner and the bank which has provided financing in the ratio, proportional to a contribution of each participant to cumulative expenses on the project. The profit intended to distribution pays off minus all expenses which the producer for the stipulated term had. The trust fact arising between the investor and the invested organization remains very important point.

At losses of loss are distributed in proportion to participation in financing. For many banks and financial institutions this aspect is unacceptable though if to consider this position from the point of view of Islamic banks, this fundamental rule.

The bank or financial institution is considered as the real participant of all stages of operation and its results. However in practice the financial institution usually authorizes the financed party for independent performance of work, that the last — the initiator of operation. The bank interferes with activities for the project only in that degree which provides him a possibility of control of work flow, observance by the partner of the coordinated conditions, overcoming the arisen problems only for protection of the capitals and founders.

Transactions on the musharak type assume certain financing terms. These conditions depend on the fact there are contracting parties, from a condition of the capital, the nature of distribution, an order of execution of the project. First of all it is caused that each partner possesses at the same time two functions — the trusting and authorized representative. It isn't required that partners were Muslims. But if one of the parties is presented by the Muslim, then he controls the other who isn't imposed.

In the musharak system the capital has to be provided by both parties, at the same time equality of invested funds isn't caused. The invested means have to belong to be freely turned, their size, accessory and origin have to be known to avoid the conflicts at elimination of business or distribution of income. Consolidation of money of partners in the uniform capital isn't forbidden.

Data of monetary resources together are followed by change of a type of property on them as they turn into joint maintaining both partners, being kind of a cross hairs subcontracted by them each other. Money is placed into the joint account of the company in one of banks and then they become an object not of an individual guarantee, but joint. At the same time, by rules, mixing of personal means of partners with the shares forming the joint capital of the enterprise isn't allowed if it isn't stipulated specially [3].

Income or loss by results of activity and an order of their distribution and responsibility have to be accurately stipulated in the contract which, otherwise can be recognized as defective. According to tradition, the share of each partner in quantitative categories isn't defined, but is established in a percentage ratio or in fractional numbers: half, third, quarter, etc.

Profit is meant as the part which is subject to distribution i. e. the rest minus expenses on implementation of the project.

Net profit is shared between partners according to arrangements. Different profit can correspond to equally invested capital that is defined by different approaches to her calculation. Profit can be equal for all participants of the enterprise, but maybe differentiated. It is connected with the fact that one of partners can own big skill, differ in diligence, have big abilities for transaction, etc. [4].

Participation in losses pays off, proceeding from a share of partners in the capital if they took place not because of the partner. If losses were formed as a result of not zeal or other violations of provisions of the contract, then the loss of the second partner is compensated to guilty persons.

Practice of Islamic financing, by recognition of her developers, doesn't give an exhaustive idea of a form and methods of financing as "musharak". These methods are defined by banks at the discretion of boards and depending on the settled practice, their ideas of compliance of the transaction to Sharia and other factors. Some general moments are as follows:

–depending on character of the used capital of "musharak" can have the current character, i. e. aim at the short-term investment project.

–depending on terms of financing of "musharak" can be either permanent, or temporary.

–depending on the size of the funds raised by bank and their distribution in time of "musharak" can be prolonged or regressing (decreasing).

—depending on the purposes and the sphere of financing of “musharak” can extend to import and export transactions, include contract works, operations in the consumer market, to be implemented in other various forms.

For more accurate presentation, it would be desirable to give 3 examples of possible options of investment with various result of distribution of profit:

Example 1 (at account that there was an equal volume of investments): And the businessman (investor) put in the investment Bank project 1 million dollars. The contract is signed for a period of 3 years, with monthly repayment of the main amount of debt, and proportional distribution of profit at the end of contract term.

If to assume that at the existing expenses, after the specified term the general profit of \$500 000 will be got, that the profit of Bank =  $\$500\,000 \times 1/2$  (the volume of investments in a total amount in coefficients) = \$250 000 the profit of the businessman (investor) =  $500\,000 \times 1/2$  (the volume of investments in a total amount in coefficients) = \$250 000.

Example 2 (at account that there was not a proportional volume of investments): Invests \$700 000 in the investment Bank project, and the businessman (investor) of \$300 000. Terms of the contract and the general profit are similar to the term and profit from last example:

Profit of bank =  $\$500\,000 \times 7/10$  (share of investments in total amount in coefficients) = \$350 000.

Profit of the businessman (investor) =  $\$500\,000 \times 3/10$  (share of investments in total amount in coefficients) = \$150 000.

Example 3 (the volume of invested funds doesn't matter): The investment project after 3 years hasn't given any profit, it was unprofitable. The investor and Bank have received only invested funds, receiving them monthly (it has been so stipulated in the contract).

Profit of bank = 0.

Profit of the businessman (investor) = 0.

It should be noted that this form of mutually beneficial cooperation can be considered by any country as a certain way on which investors from Gulf States can enter free economic zones of the Republic of Uzbekistan. Financial means which holders are the Arab billionaires can join in large quantities national economy, in the form of investments in various perspective business projects. As practice in many countries shows a huge number of all investment initiatives shown by any companies or venture funds are extinguished by the huge level of mistrust. In this situation the investor will be protected by proportional division of all profit and losses. Understanding that in case of negative succession of events all participants will lose means gives rise to the certain shred of trust so necessary presently.

The following product which it would be desirable to consider, in view of initial proximity to previous is the contract “mudarab”. He represents the partner agreement in which one part (rabbal mal: <http://finlit.online/mirovaya-ekonomika-kniga/partnrskie-zaymyi-15029.html>.) provides the capital, and another (mudarib) uses him in the business purposes. Under the terms of the agreement, profit will be shared between the parties, and losses, in case of their emergence, will become covered at the expense of means rabbal mal if only they haven't been caused by violations of the contract from a mudarib [4]. This main distinctive mudarab property with which representatives of all schools of an Islamic thought agree. Lawyers in early Islam showed concern on the fact that the mudarab system could leave opportunities for her abuses of one of the parties. For this reason, lawyers have developed a number of conditions of validity of the contract “mudarab” for protection of interests rabbalmal, and a mudariba. On some of conditions views of lawyers differ. Among scientists there is a popular belief that at application of the concept of “mudarab” to modern realities it is necessary to stipulate the next moments:



1) The bank — *rabbal mal* won't be small to interfere with current affairs of a *mudarib*. *Mudarib* will provide to bank the regular reporting on a condition of business. It should be noted that practice within which the investor invites to work in the invested organization of the accountant, or the person who is responsible for accounting of all income and expenses for the purpose of an exception of any disagreements under any financial articles is very widespread. This practice allows to exclude need for additional control of activity of the businessman.

2) *Mudarib* can raise own funds under this project only with permission to it of *rabbal mal*. In the same way *mudarib* can raise funds from other sources on the terms of “*mudarab*”. The first investor (*rabbal mal*) has the exclusive right of definition of a circle of investors who will wish to participate in the project. The *Mudarib* can be compared to the hired worker who is responsible for that work has been handed over qualitatively and in time.

3) *Mudarib* can't issue the credits from the means received on the *mudarab* system without the permission on it from outside *rabbal mal*. For attraction of financial resources from other sources similar restrictions are applied to a *mudarib*. Within the concluded agreement, any changes aren't welcomed if they after all take place (at *rabbal mal* there aren't enough own means, or expenses on implementation of the project have increased), then they can come into force or by agreement (if it is both about technological process, and about financial investments, or only with the consent of *Rabbal mal* (if the speech only about finance)

4) Financial responsibility *rabbal mal* it is limited to his contribution except for cases when it has increased the obligations, having allowed a *mudarib* to borrow means on its own behalf from other sources (it should be noted that it in many cases is understood as a contribution not only financial investments, but also time expenses connected with assessment of expediency of investments in this project).

5) The profit got from the *mudarab* system will be distributed in advance stipulated proportions between *mudarib* and *rabbal mal*. At the same time it is necessary to consider that proportions depend on the size of work of these or those goods spent for production or providing this or that service. For example, if the firm is carrier or delivery, proportions will be one — in which, most likely, the main profit will be got by the investor as the cargo transport which is the main source of profit belongs to the investor. If it is about a jewelry, or about any individual work, art or the work connected with unique personal or professional qualities of workers, then at the most part of profit the last usually gets.

6) In case of execution of losses, except for cases when losses have occurred on fault or negligence of a *mudarib*, incurs all losses *rabbal mal*. If after all there comes the conflict of interests, then the fault or negligence of a *mudarib* have to be proved. In bigger quantity of cases this fault is defined by the Sharia council which is responsible for carrying out transactions according to norms of Islam.

It is authorized to Islamic banks to take the corresponding pledge, those who apply for financing from their funds that is a guarantee from insufficiently diligent relation to the duties from their party. Pledge has to correspond at the cost and by the form the financed enterprise. Very often enterprise puts own buildings, sites, transport to assure the investor (bank) of the honesty and decency [5].

Control over implementation of the project begins right after decision about his financing, after the beginning of practical steps on his performance. Control is exercised in the course of visits by the corresponding employees of the building site or place of work, personal contacts with the partner of bank in concrete production needs, acquaintance with technical and accounting documentation, with a situation in warehouses. As already it has been told above, practice which in the organization whose activity it is necessary to monitor the accountant representing the party of

the investor employed is very widespread. He runs all financial business, supervises all expenses, accepts all income. This step allows to increase a limit of trust of Bank considerably.

If damage is caused not as a result of actions of the partner of bank, then all his sum is charged to the financing party (bank or the investor). It is supposed that the operator sustains losses because his costs of works and expenses are connected with it, aren't compensated. If he didn't receive firm payment for participation in the enterprise, and counted on the expected profit after its end (if the project long-term, differently is paid the fixed salary).

For brighter presentation, we will give an example:

The investor has invested \$500 000 in a workshop on production of footwear in which 2 masters and 1 worker work (a journeyman some kind of). Profit was shared in the following proportion: 30% of profit are shared between workers of a workshop, and 70% belong to bank. Following the results of the reporting period the master 1 has made 30% of total of the turned-out products, the master 2 has made 50% of total of production and working 20% respectively.

Following the results of the reporting period a profit of \$150 000 has been got. Distribution of profit will happen as follows:

The investor (bank) receives = \$500 000 (invested funds) + \$150 000 × 7/10 (70%) = \$605 000.

The master 1 receives = \$150 000 × 3/10 (30% of the general profit for a workshop) × 30% (his personal contribution to total amount of the released production workshop) = \$13 500.

The master 2 receives = \$150 000 × 3/10 (30% of the general profit for a workshop) × 50% (his personal contribution to total amount of the released production workshop) = \$22 500.

The worker receives = \$150 000 × 3/10 (30% of the general profit for a workshop) × 20% (his personal contribution to total amount of the released production workshop) = \$9 000.

This scheme clearly demonstrates prospect and transparency with which Islamic banks operate. Mutual distribution of responsibility influences the end result from the best party.

The following product provided by Islamic banks to the clients is Murabakh (from Arabic — resale, stockjobbing). It is some kind of one more tool offered the people who are strictly respecting the rules of Islam from financial institutions. It is applied to financing of any purchase by the client. The bank buys raw materials or the equipment on behalf of the client and subsequently resells to him by installments, but at the raised price. The difference makes a reservation in advance [2]. Both fixed assets, and current assets can act as goods.

It should be noted that this product is an analog of such products as car loans, mortgage lending and consumer crediting. If the traditional bank gives money under percent for the above-mentioned purposes, then in this case the bank buys the goods chosen by the client, and then, establishing the trade cape, resells it to the client. The trade cape is established by bank, a closing date of the contract and also all essential details of the transaction have to be defined before signing of the relevant document. Very important is a fact of lack of any sanctions for the client's exit to delay. However behind bank there is a right of involvement for payment of guarantors (if those were available at the time of the conclusion of the transaction) and also to assume mortgage obligations on balance (if those in turn took place at signing of the contract of Murabakh). About this product it will be told in more detail below as this product is offered to one of the secular banks which are carrying out the activity in the territory of the countries.

As it has been told above practically all products and services which we face daily and which are offered by the companies which are carrying out financing have the analogs in Islamic banks. Even such service as leasing of the equipment, has huge distribution in the Islamic countries.

Idzhara — one of the most widespread operations of Islamic banks. "Actually this agreement on leasing. The bank buys property, for example the plane or the equipment, and hands over them in leasing to the potential buyer (usually major companies, the companies, corporations act as clients).

In some cases this operation can be qualified as the leasing contract of purchase and sale according to which the client has the right to redeem property during operation of the contract for leasing” [2]. The Islamic bank can't lease personal and real estate if it is used by the tenant it is supposed for the purposes forbidden by Sharia, such as: the organization of pub, trade in alcohol, placement of bank of the western type (in case of rent), etc.

With the contract “idzhar” in case of rent with the subsequent repayment, i. e. financial leasing, the provision of the Islamic law which non-compliance involves “garar” is connected. From the point of view of Sharia rent and repayment of property are two various transactions connected among themselves, but at the same time. Inclusion in one contract will result them in ambiguity and will create a situation “garar”. Therefore two contracts are signed separately from each other and at payment of the rent at a rate of the cost of property including a share of bank, the property right passes to the client — the contract of purchase and sale is carried out [1]. Thus, if the client upon termination of the transaction of leasing refuses purchase of the rented goods, then the leasing company has the right to leave him in the property that happens extremely seldom.

In the contract of an idzhara the property is, as a rule, acquired according to the application of the client and leased for a certain term. As for rent payment, it is fixed both for the tenant, and for the lessor (him the Islamic bank most often acts). This payment is caused in the contract and doesn't depend on income or the profit of the tenant (unlike a musharaka or a mudaraba). The tenant at discretion can use leased property as for the commercial, production purposes, and for personal, non-productive — we will tell, rent of the house, the apartment, the car and other property.

It should be noted some restrictions connected with operations of rent or leasing. First, only expeditious leasing is recognized as lawful Islamic economy, and financial leasing (one of alternative types of crediting) is forbidden (as it is one of crediting forms). As Muslim economists explain this distinction, rent of property isn't equivalent to rent of money. The rented property has concrete consumer usefulness or benefit which is received by the tenant in the course of his operation. This usefulness (for example, the production capacity of cars) is notable and can be measured in a type of receiving the final product or service. In use the usefulness decreases, respectively, also property cost decreases that is called depreciation process. Means, the rent payment has to include depreciation charges. In case money is given on credit, the creditor assumes that their user will also have a certain benefit or income from use of this money, but any of them doesn't know for all 100% what income will be brought by these means. Therefore it is impossible to speak about in advance defined payment for use of these means, that is to establish bank percent for the credit. In other option when the payment for use of the credit is established, the borrower will face an element of a garar (uncertainty) as he can't tell in advance with full confidence what will be the profit sum. And as it has been told earlier, this element contradicts norms of Islam, according to the majority Islamic a scientific world.

Besides, even while the rental rate is fixed for the tenant, it doesn't mean that the owner of property or the lessor will have the fixed, certain profit on rent payments as in a case with payments on the credit which are stable for the creditor. The matter is that the owner of the rented property incurs expenses on maintenance of property in working order (maintenance), provides repair in case of need with the purpose the usefulness of property didn't decrease for the tenant. The risk of casual death, loss, damage of leasing property lies also on the owner of property. And any attempts to shift these expenses to the tenant, or to receive the rent at once for the entire period are considered in the contract of an idzhara as illegal. At the same time the tenant of property can't refuse payment of rent or demand to reduce her during validity, motivating it with the fact that he any time didn't use the working equipment. Irrespective of the period of operation or idle time the residual cost of the equipment decreases eventually, therefore, at rent payment refusal the lessor will incur a loss that is injustice and is forbidden in this contract [4].



The popularity of rent is caused by the fact that contractors are more and more convinced that it is much more favorable to use the rented cars instead of buying them even if on credit. At the same time possibilities of use of cars on which purchase aren't available means open, advanced technologies become available, need to have own repair shop, spare parts, to contain repair personnel disappears, there are losses of means from idle times of cars under repair significantly less and so forth. The private benefit of rent consists in it. It is possible to refer reduction of number of the used cars, increase in rates of works, increase in reliability of productions, improvement of quality of works, profit markup, financial stability, an opportunity to transfer the released means to other branches to the general benefits.

Very often it happens that the organizations suffering a shortage of working capital address to commercial banks. For this purpose Islamic banks provide service of Salam — the tool allowing the client, usually this large industrial enterprise quickly to receive working capital for purchase of means of production. In this case the bank bears essential risks as, in fact, gives money to the client on credit, and the debt can't be subject of the contract. The client actually sells, and the bank buys nonexistent goods. Therefore the structure of "salam" at first sight falls under the concept "garar", however Sharia shows "ability to be applied flexibly to real requirements of economy, considering features of a production cycle, in particular in branches with the expressed seasonality of demand for current assets. As it is about a physical product at the release of the contract, degree of "garar" is recognized as insignificant owing to high probability that to the marked term the goods will be present".

Regarding the state investments Istisna — the type of the contract offered by Islamic banks for modern large-scale industry is used. The bank in this transaction works as the general contractor in the construction project which will be transferred to the potential client, and the construction company acts as subcontractor who undertakes to finish the project in certain terms and for determined price for the end customer [2]. This form of the contract consists very seldom. It is often used under the "pilot" projects or projects connected with the interstate companies and frame contracts concluded between them.

Takaful (from Arabic — mutual provision of a guarantee) — Islamic insurance. The system based on the principles of solidarity and mutual aid within which participants of the contract provide mutual support of each other in case of the damage caused to any of them (including, first of all, monetary compensation). According to Muslim jurists, unlike the traditional contract of insurance the contract of Islamic insurance (takaful) doesn't contain elements of a garar and a riba. The classical contract of a takaful has to include:

- special mechanism of mutual division of risks and granting a mutual guarantee;
- conditions of participation in the contract where holders of policies are co-owners of funds of a takaful;
- the conditions of management granting to holders of policies the right of participation in operations and the right of control over accounts;
- the investment conditions concerning use of the contributions paid by participants in the activity which isn't forbidden by Islam;
- conditions of distribution of results of financial activity between participants.

Musavamakh — trade in raw materials. It is similar to financing under the contract of the murabakh. Inquiries of clients of bank to acquire some assets or goods in third person. Unlike the murabakh (where the buyer knows the cost of a basic asset), the price of goods is specified in Musavamakh by the customer who can remain an unknown. The bank adds a certain sum of profit to goods cost and suggests to sell it to the client who has the right to accept him, to reject or agree about the price. If he decides to get, then pays the coordinated sum by installments. Musavamakh

usually consists when it is difficult to determine the cost of concrete goods or service or when the customer wishes to remain an unknown.

For observance of Sharia, there is a number of restrictions on Musavamakh:

- the basic asset has to keep the quality, being at the disposal of the seller at the time of sale.
- sales have to be immediate. Future dates of sale, are considered as invalid.
- assets have to matter and be useful.

It is possible to note also Muzaraat (with arab. it is possible to translate as “land tenancy”). It has historically developed that under muzaraaty the agreement of one person to process the earth of another for a certain percent from the cost of a harvest of the processed earth was understood. Now, this concept has received broader, modern sense — granting working capital on the basis of the section of profit by two parties. Has not such distribution as the previous products.

Musakat — the tool which is used for signing of the contract for short-term financing of agricultural sector [2].

Tavarak — the contract of sale according to which the buyer buys goods on credit and sells it to other person for in cash, but at smaller cost. The purpose of such transaction is receiving cash, but not commercial benefit [6].

Karz-al-Hassan — an interest-free loan. The bank provides to the person or the organization the interest-free loan returned in the stipulated time. The businessmen needing means can receive the necessary sum from bank funds. If the person isn't able to return a loan, then money is gratuitously provided from Zakyat fund. The bank can allocate an interest-free loan to the government or the organization for implementation of public projects (construction of the plants, factories, roads, the vital objects). It is some kind of social program which is carried out by means of banks.

As in any commercial bank a concept the credit has various forms and types, and Islamic banking products and services have the modifications or it is possible to tell derivative of above-mentioned transactions. For example, the contract “Bay Salam” — the transaction of purchase and sale in which the buyer pays the coordinated price for these or those goods as an advance payment goods then is delivered to the buyer by the seller in in advance stipulated time in the future (an analog of the transaction of Murabakh, meaning sale and purchase of goods by installments).

Also Islamic banks mediate assembled the Zakyat — banks create the House of the Zakyat for his collecting, an obligatory tax (2,5% or as it is accepted to speak the one fortieth part from total of means), collectable, according to the Koran, from property of wealthy Muslims. Zakyat it is aimed at providing poor, poor layers of Muslim society, providing projects of improvement of life and public works. However donations of Muslims also come to Zakyat's House besides an obligatory tax.

It is obvious that this tool kit based on instructions of Islam provides stability of Islamic society in general, and each member of this society in particular. The user of Islamic banking services has ampler opportunities in implementation of financial transactions and operations, than in a traditional banking system.

In conclusion of the matter that it is possible to tell the Islamic financial system has the huge potential for stability during economic shocks and crises. At the same time Islamic banks offer an extensive circle of tools for implementation of full range of services that does them competitive in a world banking system. All tool kit of an Islamic financial system prevents emergence of the crisis phenomena, both in a financial system, and in society. The resource has to remain enclosed, even her small share has to be used rationally for the benefit of all society, for creation of actual value added, for creation of new jobs, for creation of stable economic system.

Also it is necessary to recognize that, despite so small period of existence, Islamic banks could provide alternative traditional the banking services allowing to satisfy financial needs of each Muslim, regardless of the direction of financing, a form, a look and scales.

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