DEVELOPMENT PROSPECTS OF ISLAMIC WINDOW SERVICES IN THE ACTIVITIES OF COMMERCIAL BANKS

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Abstract: *This article discusses ways to develop Islamic banking services in commercial banks, including analyzing existing problems and improving development prospects. The article also reflects existing problems in the prospects for the development of the use of Islamic banking services in the activities of commercial banks of the Republic of Uzbekistan, as well as the author's approaches and proposals for eliminating them.*

Key words: *Commercial banks, Islamic finance, musharaka, sukuk, mudaraba, murabaha, financing, Islamic banking, Islamic banking services.*

Today, the "Islamic Corporation for the Development of the Private Sector" (ICD), which is a part of the "Islamic Development Bank" group in our national economy, has a large-scale plan to open branches ("Islamic branches") in several commercial banks of Uzbekistan that provide Islamic financial products and services. works in progress"[1].

Opening Islamic windows in Islamic banks is an important aspect of the development of the Islamic financial system. There are several reasons why:

Firstly. Compliance with Islamic principles: Islamic banking branches offer financial products that are compliant with Shariah principles. This includes avoidance of interest rates, risk sharing and equitable distribution of profits.

Secondly. Meeting the needs of Muslims: Opening Islamic windows allows Muslims to access financial services that are compatible with their religious beliefs. They can invest their money without violating the ban on receiving interest or engaging in unauthorized activities.

Thirdly. attracting new customers: opening of Islamic branches helps banks to attract new customers from the Muslim community. This can be especially useful for banks operating in Muslim-majority countries or those looking to expand their customer base.

From the fourth. development of Islamic financial system: the opening of Islamic windows will help the development of the entire Islamic financial system. This could lead to increased investment in Islamic funds, the development of Islamic insurance products, and the creation of new financing instruments.

From the fifth. building trust: Islamic branches in banks help to build trust among customers, especially in the Muslim community. Muslims are more likely to trust banks that offer financial products compatible with their religious beliefs.

Also, "Islamic branches are often established in countries where there is no Islamic financial system or legal and regulatory framework for Islamic finance. Because Islamic branches offer a limited number of services and products based on the existing laws and legal framework of a particular country as a product of a structural division of a traditional bank. Full-fledged Islamic banking services and products are usually provided after the relevant laws have been developed in that country. Islamic banking services branch is a separate structural unit that offers banking services based on Islamic principles within a traditional commercial bank, unlike an Islamic bank that does not provide traditional banking services at all.

"Islamic Banking Services Window" is available at America Express Bank, HSBC, ANZ Grindlays, BNP-Paribas, Chase Manhattan, UBS and many other first-tier banks. They have been providing all types of

[1] http://old.muslim.uz/index.php/maqolalar/item/8623-islom-banklari-faoliyati

banking services that are a complete alternative to traditional banking products in compliance with Sharia rules.

In order to legally develop Islamic finance in our country, on September 4, 2021, the Islamic Development Bank allocated a technical assistance grant in the amount of 265,000 US dollars to support the development of the legal framework of the Islamic banking and financial sector. The decisions of March 5, 2019 "On measures to further increase efficiency" and "On measures to further expand and deepen cooperation with the Islamic Development Bank Group and Arab Coordination Group Funds" serve as a legal basis for these reforms. Islamic branches that have started operating in commercial banks of our country are important in terms of the development of the banking system, the increase in the quality of financial services, the growth of the capacity of representatives of the private sector, the improvement of the standard of living of the population, and the contribution to the development of the country's economy. One of the most important and outstanding features of Islamic finance is its asset-backed nature. In the traditional form of financing, banks and financial institutions work only with monetary units. That is why they prohibit trade in goods/products.

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