

## **INTERBANK COMPETITION FOR ATTRACTING IDLE FUNDS OF LEGAL ENTITIES AND INDIVIDUALS**

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<b>ABSTRACT</b>	<b>KEYWORDS</b>
The article describes measures taken by banks to attract funds from legal and natural persons, restrictions and privileges in providing deposits to the population, as well as the control of the activities of commercial banks in attracting deposits by the Central Bank, researches about laws and regulations will be covered.	population savings, depositor, deposits, bank resources, deposit operations, commercial banks.

### **Introduction**

The economic reforms carried out in our republic are causing serious changes in all sectors of the economy and in the regulation of macroeconomic processes. This, in turn, assumes the implementation of monetary policy in accordance with the new conditions and its qualitative improvement, as well as the implementation of clearly defined measures in this direction, and provides an opportunity for this. After switching to market relations, it is important to develop and improve the provision of banking services to the population.

Decree of the president of the Republic of Uzbekistan of May 12, 2020 “strategy for reforming the banking system of the Republic of Uzbekistan for 2020 — 2025” PF-5992 was adopted. According to him, the issues of reforming the banking system of the Republic of Uzbekistan for 2020-2025, further stimulation of the attraction of free money to its deposits by residents and economic entities, orientation of funds to bank turnover, expansion of the system of non-cash settlements were outlined [1].

Therefore, it is important to gain customer confidence in bank deposits and create all the facilities for them, as well as increase the type, quality and speed of services. For this, commercial banks are even more in need of the introduction of their modern services, the use of new technologies.

An important role in the structure of banking resources is played by the deposit of the population. They are put into full sum or in installments and can be issued. The linkage relationship between the depositor and the bank with the receipt of funds is confirmed by the issuance of a savings book. Banks accept a variety of targeted investments based on payment, term or demand, as well as funds that can be obtained.

Material and method. Banking resources can be divided into two large groups. These are the banks' own funds and the funds involved [7]. The attracted resources are divided into two-these are the attracted deposits, other obligations and purchased resources. These resources are used to carry out the active operations of the bank, that is, the bank's resources are placed in different areas for the purpose of generating income. Since the passive and active operations of a bank are closely related, the composition and character of the passives are in many ways reflected in the implementation of the active operations of banks. At the same time resources in turn are also affected by changes in the lending policy of banks. Deposit transactions are transactions of banks on the basis of their agreements with depositors for the purpose of deposit involving and maintaining funds of legal entities and individuals for a certain period of time. [8] in cases where the depositor has not been able to come to the bank or he cannot independently fill out the necessary documents on deposit transactions, transactions on his deposit are carried out by a trustee. Its authority must be based in accordance with current legislation. In the Republic of Uzbekistan, legal entities and individuals can be subjects of deposit transactions. Deposits can be made in cash or non-cash form. The minimum amount of a deposit made by a legal entity or an individual is determined independently by each bank. In the table below, we will analyze the deposit transactions of commercial banks of the Republic.

**Table 1. Balance of deposits in commercial banks (mlrd.so ' mda) [11]**

Date	All	in national currency			in foreign currency		
		total	of which:		jami	of which:	
			physical persons	legal persons		physical persons	legal persons
1	2	3	4	5	6	7	8
01.01.2022 y.	156 189,8	95 578,2	29 867,8	65 710,4	60 611,7	12 508,9	48 102,8
01.02.2022 y.	149 560,9	92 297,6	29 172,0	63 125,7	57 263,2	13 137,3	44 126,0
01.03.2022 y.	148 349,6	91 215,7	29 854,5	61 361,2	57 133,9	13 261,6	43 872,3
01.04.2022 y.	153 790,2	93 219,0	29 291,4	63 927,6	60 571,2	15 040,9	45 530,3
01.05.2022 y.	161 734,8	100 359,3	33 262,08	67 097,2	61 375,5	15 707,3	45 668,2
01.06.2022 y.	173 894,5	105 629,9	33 381,1	72 248,8	68 264,6	16 656,1	51 608,5
01.07.2022 y.	185 062,1	109 076,4	35 604,7	73 471,6	75 985,8	19 152,0	56 833,8
01.08.2022 y.	195 504,9	109 192,5	37 087,8	72 104,6	86 312,5	19 915,7	66 396,8
01.09.2022 y.	205 723,8	118 037,9	40 535,3	77 502,6	87 685,9	20 259,3	67 426,6
01.10.2022 y.	206 758,8	118 753,7	39 264,3	79 489,4	88 005,1	20 819,0	67 186,1
01.11.2022 y.	206 519,0	120 469,3	39 983,3	80 485,9	86 049,8	21 820,7	64 229,0
01.12.2022 y.	216 548,1	124 547,1	40 779,2	83 767,9	92 001,0	22 631,1	69 369,9
01.01.2023 y.	216 737,5	131 794,8	45 169,8	86 625,0	84 942,7	23 578,7	61 364,0

Deposits attracted as part of the obligations of the banking system are 156 trillion as of January 1, 2022. sum (42% of total liabilities), of which 24% or 37 trln. where the sum corresponds to the contribution of the population deposits, this figure is 217 trillion as of January 1, 2023. sum (39% of total liabilities). In turn, in exchange for an increase in population confidence in the banking system, their deposits increased to 68.7 trillion soums at the end of 2022. This has caused the share of the population's deposits to reach 32% in total deposits.

The increase in the volume of long-term deposits, especially in the national currency, is explained by the provision of macroeconomic stability in the country, in particular, the stable formation of

the national exchange rate, a downward trend in the inflation rate, and the significant preservation of real profitability on deposits.

In banking practice in general, the maximum amount of deposit attracted by the bank is not limited. All deposits are accepted in the style of current funds and are paid on this basis. If deposits come in tratta, checks, money orders, state Treasury guarantees and other forms, they are accepted on the condition that they are charged, however, the amount is not considered included in this deposit until it comes to the bank's account. Deposits can be accepted from individuals, and at the same time from young people who have reached the age of 14. Underage youth who have made a deposit in their name, from 14 to 18 years old, independently dispose of their deposits. Any qualified individual can make a deposit in the name of an immature person. Any guardian and trustee can also open a deposit account in the name of the person entrusted to his guardianship.

Banks have limited opportunities to attract funds, and in all countries this process is regulated by the central bank. The attracted funds make up the bulk of the credit resources of commercial banks. On June 19 of this year, the proposals of the Lower House of parliament prepared by the Committee on Budget and economic reform on the involvement of free funds of the population in the real economy were discussed with the participation of representatives of the factions of political parties. According to the parliamentary website, the issue of attracting free money to the economy of the population in order to develop the real sector of the economy, increase confidence in the financial and banking system and develop the capital market has become the center of attention of Deputies.

Experts believe that in order to attract funds being converted in the "foreign economy", they will be legalized, the announcement of a "capital amnesty" for the specified period will give a good result. This practice was adopted in the form of a law in Russia, Georgia, Kazakhstan and other states as a "financial amnesty". Therefore, in the opinion of the deputies, it is also advisable for capital amnesty to be adopted by parliament in the form of law in Uzbekistan. A document adopted in the form of a law will inspire more confidence in citizens and become an object for parliamentary control.

Today, increasing the confidence of the population in the banking system and offering attractive bank deposits are the main factors in attracting free money. According to MPs, savings interest should be established by the market itself based on real inflation rates. It is also important to develop a system of protection of population deposits, and the response to international templates will increase the confidence of the population in the banking system.

Results. According to the publication of the central bank on the balance of payments, international investment status and foreign debt of the Republic of Uzbekistan, the balance of deposits for the last three years of legal entities and the population operating in the country today is 11.5 billion. US dollars. It is noted that this amount consists of remittances sent from abroad in the last three years, the main part of which may be circulating in the "khufiyona economy", which is kept in the House of residents or today is mainly estimated to be more than 50% in share without official sale to banks.

In addition, the participants discussed a committee proposal to introduce a system of compulsory declaration of citizens' income in the Republic. This system provides social support for the population, creates a system of fair taxation and helps to identify an informal economy. Also, the process of mandatory declaration will help to fight corruption and the foreign economy while

replenishing the state treasury, and the growth of the International Social Development rating of our country.

Conclusions and suggestions. In our opinion, in further perfecting interbank competition for attracting vacant funds of legal entities and individuals, it is advisable to do the following:

it is necessary to further strengthen the linkage of deposit, credit and other operations to ensure the stability of the bank, as well as to diversify resources to reduce risks;

deposit portfolio categorization (by customers) so as to conduct an individual direction of customers by type;

in the context of the transition of monetary policy to the active stage, it is necessary to constantly conduct open market operations in ensuring the compatibility of liquidity in the banking system with target operating indicators. In addition, by launching a single electronic platform of the interbank money market, it is possible to summarize the data on the free money of commercial banks to a single platform and create an opportunity to track the dynamics of interest rates for market participants, which will serve to form interest rates based on market mechanisms.

the correct appointment and distribution of powers of the Bank's employees. That is, if in commercial banks the appointment of employees taking into account their prospects and the correct distribution of labor capacity and powers, this leads to the development of the bank. In a narrow sense, it is advisable to use knowledge and skills when developing a bank deposit policy, it is necessary to attract qualified personnel.

In conclusion, we can say that in all countries based on a market economy, commercial banks occupy a leading place in the payment mechanism of their economy. The problem of the organization of banking resources is the first level for conducting banking activities in one go. Bank resources are formed through passive transactions carried out by banks and are maintained in the passive part of the bank's balance sheet. Term deposits provide the bank with a stable resource base compared to other types of deposits. From this it is also necessary to pay attention to the guarantee of deposits when viewing issues of resource stability.

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