

THE IMPORTANCE OF DEPOSIT BANKS IN COMMERCIAL BANKS

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Abstract. *Today, Uzbekistan is carrying out reforms in almost all areas. Especially in the last 5 years, the reforms in the banking sector are clearly visible. In this article, the authors discussed the ongoing reforms in the banking sector, the opportunities brought by the liberalization of currency conversion, and the importance of deposits in banks.*

Keywords. *Banking, reforms, currency, deposit, banking sector, conversion, bank, financial system.*

As a key component of the financial system, banks effectively allocate funds from depositors to borrowers. They provide financial services, which reduces the cost of obtaining information about savings and borrowing opportunities. These financial services will help make the overall economy more efficient. It's not just an academic exercise; many former eastern block chain countries began to face this question as they began to create financial markets and develop market-oriented banks and other financial institutions.

Banks work by borrowing money: usually by accepting deposits or borrowing in the money markets. Banks borrow from individuals, businesses, financial institutions and governments with excess funds (funds). They then use these deposits and loans (bank liabilities) to make loans or buy securities (bank assets). Banks provide these loans to businesses, other financial institutions, individuals, and governments (when funds are needed for investment or other purposes). Interest rates provide price signals for borrowers, lenders and banks. The banking system helps to effectively divert funds from savings to borrowers by receiving deposits, lending and responding to interest rate signals.

Banks also serve a wide range of borrowers, from credit card companies to large corporations that finance \$ 100 or \$ 1 billion in corporate mergers. This shows that the main sources of funds of banks are deposits - checks, savings, money market deposit accounts and term certificates. The most widely used purpose of these funds is to provide real estate, commercial and industrial loans. The assets and liabilities of individual banks may differ from those of the network, as some institutions provide specialized or limited banking services.

In a market economy, the resources created play an important role in the rational implementation



of economic activities of commercial banks. Attracting new customers in the formation of the resource base is an integral part of the resource base. Resource is derived from the French word "Resurs", which means money, opportunity, reserve, source of income, raw materials, etc. In economic sources, the word "resource" often occurs in different senses. According to the Russian scientist O. Lavrushin, the resources of commercial banks or "resources of banks" are the sum of the bank's own and borrowed resources, which are used to carry out its active operations. For example: natural resources, financial resources, economic resources, human resources, etc.

Based on this, economic resources can be considered as one of the key elements of economic opportunities. It is distributed at all stages of society's development. The resource is used to achieve specific goals of economic and social development. Most of the economic resources are financial resources, which are monetary and tax resources and serve to support economic development.

The main sources of financial resources are temporarily vacant funds, taxes, funds of individuals, funds related to the issuance of check deposits, etc. We will consider banking resources, which are an integral part of financial resources. First of all, it should be noted that the obligations of banks and their resources are not the same thing. Bank liabilities are a source of bank resources. Therefore, the Bank's resources are reflected in the passive part of the bank's balance sheet. Their size depends on:

- banking activities carried out at its own expense;
- Monetary policy of the Central Bank and loans from banks and their structure;
- the amount of required reserves of a commercial bank in the Central Bank;
- other liabilities;

You can find different interpretations in economic sources and research on the formation of bank funds. In particular, such concepts as "Bank resources", "credit resources", "deposit resources", "Bank liabilities". According to Russian scientist Lavrushin, the resources of commercial banks, or "bank resources", are a combination of own and borrowed resources, which are used to conduct active operations in the bank. The need for banking resources arises in the formation of banks and the conduct of banking activities.

In the early stages of the establishment of banks, banks need to have their own capital and attract resources for future activities. Banks' own funds include the bank's authorized capital and equivalent assets, including reserve capital, special funds, incentive funds, various other established funds and retained earnings. Borrowings - deposits, savings, borrowed funds are reflected in current and correspondent accounts. Commercial banks, like other businesses, have a certain amount of money, should have the resources to support commercial and economic activities.

In addition, the scale of active operations depends on the volume of resources. This situation of attracting resources leads to the emergence of competition between banks. Based on this, banking resources serve as the basis for the activities of commercial banks, and it is an opportunity for the bank to have reserves and profits. One of the main tasks of the bank is to attract more free money and direct it to profit by investing it in other acceptable assets.

Bank resources are created through the passive operations of banks and are studied, in part, by dividing them into two major groups. Liabilities of the bank's balance sheet are: own funds and borrowed funds. The main part of the bank's resources is the funds of bank customers. The resource base of



commercial banks can be divided into the following groups by type of resource: These are own funds, borrowed and bank loans.

Liability and asset liability management is one of the most important tasks of the bank. Both operations related to the attraction or placement of funds are important in the activities of banks. Their effective organization allows to achieve high results in the activities of banks. The bank's resources are formed through its passive operations.

Therefore, operations related to the formation of bank resources, the increase of funds in its passive accounts or active-passive accounts are called passive operations of banks. In managing the financial resources of commercial banks, the main focus is on the sources of funds on the liabilities of the bank's balance sheet.

These funds are divided into two major groups - liabilities and capital. Liabilities are formed at the expense of funds raised by the bank, and capital is formed at the expense of the bank's own funds. The formation of these funds from stable sources will ensure the efficient operation and economic viability of commercial banks. Stages of turnover of bank resources:

1. Cash.
2. Credit allocation.
3. Loan and interest payments.

It is necessary to further increase the volume of investment in the development of the real sector, to offer investors new investment projects, to form new production sectors based on innovations and direct investment in the real sector, to improve the legal protection of investors, to further improve the mechanism of attracting investment.

In conclusion, the sustainable development of the national economy is achieved by ensuring a balance between the real and banking sectors of the economy. The funds raised in the banking system will be used to finance real sector enterprises and lay the foundation for their sustainable development.

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