INTERNATIONAL JOURNAL ON ORANGE TECHNOLOGY

https://journals.researchparks.org/index.php/IJOT e-ISSN: 2615-8140 | p-ISSN: 2615-7071
Volume: 7 Issue: 2 | May 2025

Theoretical Issues of Analysis and Evaluation of the Activity of Commercial Banks in Uzbekistan

Abdumutalova Gulrukh Shuhratjon's daughter

teacher, University of Business and Science,

Uzbekistan, Namangan

----------***----------

Abstract: This article discusses theoretical issues of analysis and assessment of the activity of commercial banks in Uzbekistan. In the article, the author revealed the level of research and analytical methodology of this topic.

Key words: banks, market, risk, credit, profitability, trade, management

Introduction

In the conditions of the market economy, the main goal of the analysis of the activity of any enterprise is to increase efficiency. The analysis of the bank's activity consists in assessing economic efficiency and ensuring financial stability. In order to achieve the main goal, all aspects of the bank's activity should be continuously analyzed, its results should be correctly and clearly interpreted and regularly presented to the Bank's Management for conclusions and decision-making. Determining the bank's strategy, the decisions of the Bank's Management Board, the Supervisory Board and the General Meeting of Shareholders are also based on the analysis of the bank's activity and determine the effectiveness of these decisions.

Materials and methods

Theoretical and practical aspects of improving mortgage lending practice of commercial banks by foreign economists - James A. Wilcox, Karr. J, Sherman, H. D, F. Gold , Yeh, Q. , Meyer .D.W, Weber, C. A., Markiewicz, M. K., Lindblom, T.; Von Koch, C., Badreldin, A. M., Banker, R. D.; Morey, R. C., Ayadi, O. F Researched in scientific works of O. Lavrushin.

Uzbek economists T.M. Karaliyev, O.B. Sattarov, I.F. In the scientific works of Sayfiddinov, Abdullayeva Sh., Berdiyarov B., Bobakulov T., Jumayev N. and others, special theoretical and practical issues of analysis and evaluation of the activity of commercial banks were studied.

The main goal of the analysis of the bank's activity is to achieve an increase in the efficiency of the bank's activity. In order to ensure an increase in the amount of net profit obtained as a result of the bank's activity, to gain the trust of depositors and creditors, and to increase the amount of dividends paid to bank shareholders, the bank's activity should be continuously analyzed. Nowadays, many factors affect the activity of banks. In particular, economic and social globalization, as one of the most important factors, prompts to review and improve the activities of commercial banks.

Copyright (c) 2025 Author (s). This is an open-access article distributed under the terms of Creative Commons Attribution License (CC BY).To view a copy of this license, visit https://creativecommons.org/licenses/by/4.0/

https://journals.researchparks.org/index.php/IJOT e-ISSN: 2615-8140 | p-ISSN: 2615-7071
Volume: 7 Issue: 2 | May 2025

To achieve the main goal of the analysis of the bank's activity, it is necessary to pay attention to the following:

- first, to protect the interests of bank creditors and depositors;

- secondly, effective use of the bank's own funds, which are involved in the banking business from abroad;

- thirdly, ensuring the stability of the bank's resource base and their rational management;

- fourthly, to ensure the implementation of the economic regulations established by the Central Bank;

- fifth, to fully control the composition and quality of bank assets;

- sixth, to achieve continuous provision of bank liquidity and solvency;

- seventh, to determine the optimal amount of bank income and expenses;

- eighthly, to ensure the attractiveness of bank securities;

- the ninth is to improve the image of the bank.

In short, the effectiveness of commercial banks directly depends on the comprehensive analysis of its activities, the study of results, future plans, the decisions made as a result of the analysis, and the quality of measures determined. Analyzing and evaluating the activities of commercial banks is crucial for the development and improvement of the financial system and the entire national economy.

Since the banking sector is considered an important segment of the modern economy, its efficiency is important. In order to ensure a healthy financial system and efficient economy in the country, the activity of banks should be continuously and continuously scientifically analyzed and evaluated. It would not be wrong to say that the problem assets increased as a result of shortcomings in the analysis and evaluation of the banks' activities even when the global financial and economic crisis occurred. Because the problem of mortgage loans in the United States, which has the highest economy, caused the global financial and economic crisis. As a result, many large banks and investors went bankrupt.

Results and its discussion

According to Zuzana Svitalkova, the analysis of bank activity is very important for assessing the practical situation of the bank. Financial indicators are an important analytical tool, and bank owners and customers use them to evaluate and compare the state of banks. In order to leave a positive impression on customers, banks pay great attention to traditional indicators.

In an attempt to analyze and evaluate the activity of banks, many economists and analysts used financial indicators (Ayadi et al. 1998). Asset profitability ROA (return on assets) and capital profitability ROE (return on equity) are the most widely used financial indicators in the analysis and evaluation of banks' activities. Capital profitability is the most analyzed financial indicator in many scientific works on the analysis and evaluation of

Copyright (c) 2025 Author (s). This is an open-access article distributed under the terms of Creative Commons Attribution License (CC BY).To view a copy of this license, visit https://creativecommons.org/licenses/by/4.0/

https://journals.researchparks.org/index.php/IJOT e-ISSN: 2615-8140 | p-ISSN: 2615-7071
Volume: 7 Issue: 2 | May 2025

banks' activities, analysts' reports or reports on financial results Lindblom and Von Koch (2002) and Wilcoxlar (1984), proposed by and endorsed by Badreldin (2009). It should be noted that return on assets and return on equity are interrelated and measure the state and trend of financial performance (Carr 2005). Berger (1995) studied the effect of capital on the performance of American banks and concluded that banks with high levels of capital have lower return on capital due to lower capital risk and lower returns to investors.

Uzbek economists N. Rizayev and S. Nosirov studied the requirements of the Basel BNBQ Committee on bank supervision in their research. According to their conclusion, the introduction of Basel III regulations in Uzbekistan will strengthen the measures taken by commercial banks to collect overdue loans and sell assets on the bank's balance sheet, and will create an opportunity to increase the financial stability of banks, ultimately improving the financial stability of commercial banks' depositors and creditors. serves to ensure further protection of interests

In short, there are various theoretical views on improving the practice of analysis and evaluation of banks' activities. In our opinion, most economists and the experience of developed countries recognize the effectiveness of BNBQ's Basel III rules and stress test analysis indicators in analyzing the activities of banks.

Conclusions

As part of our scientific work, we made the following conclusions related to the improvement of the analysis and assessment of the activities of commercial banks.

In the course of the research, the scientific-theoretical views expressed based on the concepts of "stability" and "financial stability" as a result of the scientific research of various economists were studied. As a result of studies of the practice of ensuring the financial stability of commercial banks of foreign countries, that is, Wells Fargo of the USA, Sberbank of Russia and ICBC of the People's Republic of China, scientific proposals and practical recommendations aimed at ensuring the financial stability of local commercial banks were developed.

In order to optimally form the composition of the assets of commercial banks of the Republic of Uzbekistan, following the rules of the "theory of moving assets from place to place", it was justified that there is an opportunity to increase the liquidity and profitability of banks by increasing the volume of transactions with securities. In addition, a scientific proposal and practical recommendations for ensuring the financial stability of commercial banks were developed in connection with this issue. As a result of the analysis of the ratio of loans to deposits of commercial banks, the effectiveness of independent resource attraction in commercial banks with a state share in the share capital was substantiated.

It was justified that bringing the volume of possible losses on loans of commercial banks and its ratio to the average amount of assets to the requirements of international norms serves to ensure their financial stability.

Financing of investment projects by commercial banks, analysis of their feasibility study, determination of net present value (NPV), improved calculation method of determination of the internal rate of return (IRR), which indicates the upper limit of the bank's interest rate on the obtained loan was developed.

Copyright (c) 2025 Author (s). This is an open-access article distributed under the terms of Creative Commons Attribution License (CC BY).To view a copy of this license, visit https://creativecommons.org/licenses/by/4.0/

https://journals.researchparks.org/index.php/IJOT e-ISSN: 2615-8140 | p-ISSN: 2615-7071
Volume: 7 Issue: 2 | May 2025

References:

1. Babaev B.B. Voprocы formirovaniya recurcov kommercheckix bankov i ix effektivnoe icpolzovanie. Avtoref. дис… kand. ek. nauk. – Tashkent: BFA. 2002.– 21 c.
2. Mirzaev F.I. O‘zbekistonda banklararo raqobatni shakllantirishning konseptual asoslari. Iqticodiyot fanlari doktori ilmiy darajacini olish uchun taqdim etilgan dissertasiya avtoreferati, –T.: BMA, 2009. 11 b
3. Omonov A.A. “Tijorat banklarining resurslarini samarali boshqarish masalalari” mavzusidagi i.f.d ilmiy darajasini olish uchun yozilgan dissertasiya. Toshkent: 2008 y. 264 b.

Copyright (c) 2025 Author (s). This is an open-access article distributed under the terms of Creative Commons Attribution License (CC BY).To view a copy of this license, visit https://creativecommons.org/licenses/by/4.0/