

Profits of Commercial Banks and Ways to Increase Them

Boykobilova Iroda Jontemir¹

Abstract

In the conditions of the digital economy, commercial banks, like other economic entities, receive income from their activities. Bank income can be classified according to various characteristics.

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¹ Samarkand Institute of Economics and Service, teacher of the Department of Accounting and Auditing in Other Sectors

The income of commercial banks is formed from the interest received on short and long-term loans to customers, and the high rate of interest specified in the contract from customers due to non-repayment of loans on time. These incomes of banks are referred to as loan business income and constitute the main part of the income.

Commercial banks open and maintain accounts, currency and other accounts for their clients. They receive an appropriate amount of fees for performing operations on these accounts. The income they receive for these services is determined by the mutual agreement between the commercial bank and the client on the provision of accounts or other accounts. is determined.

The income of commercial banks is further divided into operating income, income from non-core activities and unexpected income.

In addition to the above types of income, income related to operations includes income received for performing letter of credit, factoring, and trust operations, service fees received for various services rendered to a company, income received for performing the placement of government securities, income received from securities trading operations in the stock market. , dividends received on securities owned by the bank, positive exchange rate differences on banking operations in foreign currency, etc.

Commercial banks' income from non-core activities includes income from property rental, leasing operations, cash and other wealth collection.

Unexpected income of commercial banks includes the surplus from the account in the registration (inventory) carried out to determine the balance of funds and other assets in the bank's cash registers, various fines and penalties collected from debtors, repayment of debts forgiven by the bank in previous years, income of banks from the liquidation or sale of fixed assets and is among those.

One of the conditions for the healthy operation of commercial banks in the market economy is the variety of services they provide to clients. Today, along with traditional banking services, the types and volume of non-traditional banking services of the banks of our republic are increasing. As a result of the fact that the banks are engaged in financial and investment activities in addition to their main activities, the income from them is increasing significantly. Recently, one of such banking services that began to be used in the practice of commercial banks is leasing. operations.

combines rental relations, elements of secured credit financing, debt obligations and other financial mechanisms . Leasing operations have many advantages for banks and customers, the main of which are as follows:

1. Unlike a loan, leasing reduces the risk of non-return of investment funds in the form of property.
2. A bank loan is usually granted to a certain part of the purchased equipment, while leasing provides full crediting and does not require immediate payments, and provides an opportunity to update the company's material and technical base with minimal financial difficulties.
3. Leasing shortens the period of organization of production, it will be possible to cover the cost of the leased property by expanding the possibilities of putting the product on the market.
4. The terms of the leasing agreement are somewhat more flexible than the credit relations, because they allow to develop a convenient system of mutual settlements. The type of leasing

service is rapidly developing as it is convenient and favorable for both clients and commercial banks.

Another advantage of the leasing operation for the bank is that its efficiency is sufficiently high. Leasing payments will be a qualitatively new source of replenishment of the bank's income by receiving commission payments for the services provided to lessees. In addition, commercial banks can develop the leasing business and save money due to the relatively simple accounting of leasing operations compared to long-term lending operations.

Leasing operations are developing in our republic, and as a result, the volume of leasing is decreasing. The growth of leasing operations carried out by commercial banks was influenced by the Decree of the President of the Republic of Uzbekistan on August 28, 2002 "On measures to promote the development of leasing activities". This opens up the possibility of increasing their income.

Therefore, the income from leasing operations is one of the sources of income from non-traditional banking services of commercial banks. The amount of interest calculated on the lease depends on the value of the leased object and the amount of the interest rate, and is calculated on the balance of the principal debt under the lease. It should be noted separately that the interest on the lease the amount is calculated for each month and its amount decreases from month to month due to the fact that the interest of the lease is calculated on the principal balance.

The lessee becomes the owner of the leased property as a result of timely payment of lease payments and interest. As a result of various services provided by banks to clients, they have a certain income, which helps to increase the overall profitability of the bank.

Due to the increase in the share of commercial banks in the leasing operation during the last years, commercial banks are gaining a strong position in the republican market.

By the end of 2009, the leasing of fixed assets in Uzbekistan amounted to 8.2 billion US dollars. The share of leasing from local sources in the structure of investments was 4.15 percent compared to 2008. At the same time, in 2009, 58 billion soums were allocated from the special fund account established for the leasing of agricultural machinery.

Thus, it shows that leasing operations are developing in our republic, which creates a basis for the increase of the income of banks from leasing.

In general, offering new banking services and products is of particular importance in increasing the income of banks. For example, when preparing a business plan and other documents for attracting investments and leasing, organizing investment activities, providing cashier services, the latest information for customers Banks will have an additional source of income by providing useful advice on the use of their products, technical formalization of customer contracts.

All this makes it possible to achieve maximum efficiency in cooperation between the bank and clients, to further strengthen this cooperation.

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