

CREDIT OPERATIONS OF COMMERCIAL BANKS AND THEIR INFLUENCE ON BANKING ACTIVITIES

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Bank loans occupy a high place in the share of assets of commercial banks operating in the Republic of Uzbekistan. Total assets of banks as of August 1, 2025 In their composition, 576.247.0 billion soums, or 67.6% of the total assets, are accounted for by credit operations, amounting to 852.381.0 billion soums[1]. This requires a deep analysis of credit operations and related indicators when studying the activities of commercial banks.

As noted by the renowned economist O.I. Lavrushen, "the effectiveness of a bank in the field of lending is a holistic characteristic of it not only economically, but also socially and organizationally. Economic efficiency, in turn, as the core of the entire model, is a qualitative, not a quantitative, result of the bank's activity in the field of lending. Among the most important economic characteristics (indicators) of lending efficiency, it is important to include not only income, but also the growth of capital value, the quality of credit products, etc. Indicators of the economic efficiency of credit activities can be such qualitative indicators as the profitability of bank loans (loans and borrowings), the growth of the market value of bank bonds, and the ratio of the bank's operating expenses to its operating income in lending.

Indeed, the above opinion is important for the economy and banking system of the Republic of Uzbekistan. From January 1, 2021, lending to projects within the framework of state programs is carried out primarily through JSC "People's Bank," JSCB "Microcreditbank," and JSCB "Agrobank" at the refinancing rate of the Central Bank of the Republic of Uzbekistan. This represents the social function of bank credit.

Today, the low indicators of the economic efficiency of bank loans have a direct negative impact on the activities of commercial banks.

In particular, according to the recommendations of World Bank experts, the norm for problem loans in the loan portfolio of commercial banks should not exceed 3%, and the amount of reserves allocated for problem loans should not exceed 1%. It is substantiated that in case of non-compliance with high standards, the interest income of commercial banks decreases and the liquidity risk increases.

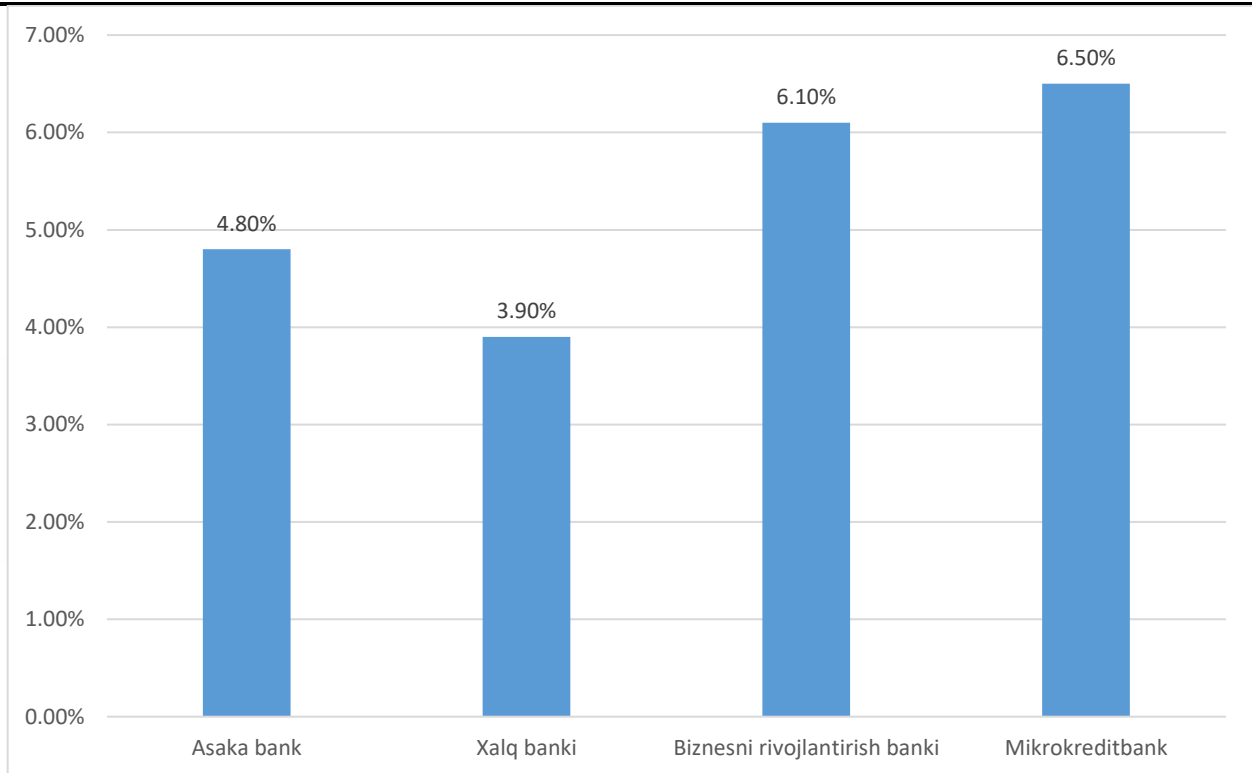


Table 1. As of 01.08.2025, the share of non-performing loans in the loan portfolios of Asakabank, Xalq Bank, Biznesni rivojlantirish banki, and Mikrocreditbanks [3]

From the data of Table 1, it can be clearly seen that during the analyzed period, the share of non-performing loans in the loan portfolio of the largest banks of our country, such as Asakabank, People's Bank, Business Development Bank, and Microcredit Bank, occupied a large share. This can lead to a decrease in the quality of the loan portfolio in these banks, liquidity risk in the bank, and a decrease in the investment attractiveness of the bank.

In this scientific study, we proposed several economic solutions to eliminate the above situations, and they are as follows:

1. Improvement of loan portfolio diversification in banks, that is, the total amount of loans allocated to one sector should not exceed 25% of the loan portfolio;
2. It is necessary to improve the practice of credit monitoring and constant collateral valuation in banks;
3. It is necessary to prevent the deepening of the risk of transformation in banks, that is, it is necessary to allocate short-term loans at the expense of attracted short-term resources, it is advisable to attract long-term, stable resources for the purpose of providing long-term loans;
4. Improvement of the practice of covering problem assets through an insurance organization and selling problem assets to factoring companies in an attractive way in order to reduce the amount of reserves allocated for problem loans in commercial banks.

List of used literature:

1. <https://cbu.uz/ru/statistics/bankstats/2735830/>
2. Credit Relations in the Modern Economy: monograph / collective of authors; edited by Prof. O. I. Lavrushin, Prof. E. V. Travkina. - Тошкент, 2019. - 334 p.
3. The drawing was created by the author based on the bank's accounting report.

