

The Place of Investments in the Activity of Commercial Banks and Its Improvement

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Annotation: The article examines the issues of improving the accounting and auditing of investments, taking into account the improvement of the financial condition of commercial banks. Based on this, financial indicators of commercial banks in Uzbekistan were analyzed and conclusions and proposals were formulated.

Keywords: commercial banks, investment, stock market, investment portfolio.

Active participation of commercial banks in investment processes plays an important role in the modernization of the economy and the growth of the country's economic potential.

Attracting citizens, business entities and other investors to the capital of commercial banks, including free funds of foreign investors, increasing the level of capitalization of banks due to the issue of bank shares, actively placing them on the stock market, creating new modern production structures of commercial banks, developing competitive and exportable products ensures participation with its own capital in investment processes in the expansion of production and in increasing the employment of the population.

Banking organizations are engaged in lending operations to a large number of customers. Of course, in such circumstances, the financial situation of all clients cannot be considered the same, and timely repayment of the provided loans becomes a problematic issue.

In the conditions of modernization and stabilization of the economy, the development of commercial banks is carried out by actively expanding their investment activities. The investment introduces modern technologies, introduces resource-saving technologies, creates a production complex for the preparation of new types of products. Effective investment of resources in the capital of commercial banks can be carried out on the basis of accurate and complete information about the amount of expenses, the directions of using investment resources and the timely creation of investment objects.

In the legislation, investments are recognized as material and intangible assets and rights to them, including rights to intellectual property objects, as well as reinvestments, which are entered into social sphere, entrepreneurship, scientific and other types of activities on the basis of risks for the purpose of profiting by the investor [1].

Prof. A. Vakhobov substantiated the proposal to increase the volume of credit deposits, including the volume of investment loans, by strengthening the resource base of commercial banks [2].

The concept of investments is understood differently in accounting, auditing and a number of areas in economic entities.

First, investments are considered as an ongoing investment process (investment operations).

Second, it refers to the sources of investment or the meaning of objects of investment forms.

Thirdly, investment means the target direction (investment activity) of an economic entity [3].

The financial account records the business operations of commercial banks in the past periods. This situation makes it possible to use this information to make investment decisions.

The development of the management audit of investment activities in commercial banks creates the need to systematize the methods used by audit organizations in the process of evaluating investment projects, developing investment strategies, and determining the results of the implementation of investment projects.

Investment accounting in commercial banks is developed in accordance with the laws of the Republic of Uzbekistan "On the Central Bank of the Republic of Uzbekistan", "On Banks and Banking Activities", "On Auditing Activities", "On Accounting" and other legal documents, and internal audit in commercial banks organization must comply with the requirements set by the Central Bank.

In the legislation, the Bank Council should monitor the audit service, evaluate the effectiveness of the audit service based on the quality of assets, credit and investment portfolio and other indicators of the bank's activity [4].

Investment portfolio management includes:

- portfolio planning;
- analyzing the composition of the portfolio and keeping it in order;
- follow the necessary level of liquidity to form a portfolio and maintain it;
- reducing costs in portfolio management, etc.

The transformation of commercial banks into large investment institutions, in turn, is important for achieving economic stability. The main purpose of investment activity by commercial banks is to ensure their profitability and liquidity. The investment policy of commercial banks of developed economies is one of the main areas of banking activity and plays a key role in ensuring banks' liquidity.

Investment activity of banks is an activity related to the bank as an investor investing funds to purchase financial assets, create and organize real assets [5]. The investment activity of banks differs from the activity of other investors in that they carry out the investment against the funds involved. That is why, on the one hand, the bank appears in the market as an investor, and on the other hand, it is a debtor. This situation makes liquidity an important issue for banks, which require proportionate management of assets and liabilities in terms of maturity, size and interest rates.

When it comes to the stable growth rates observed in Uzbekistan, the reason and factor for this is primarily the increasing capital funds and investments directed to our economy. Consequently, the republic has an active investment policy and is implementing consistent measures to modernize and renew economic sectors.

In developed countries, the main source of financing the investment activities of commercial banks is time and savings deposits attracted from customers. This is because, firstly, capital is a relatively expensive form of financing the activities of commercial banks; secondly, according to the nature of the activity of commercial banks, they are commercial organizations engaged in attracting temporary free funds of residents and enterprises to deposit accounts and placing them in the form of loans and investments; thirdly, interbank loans are a relatively expensive financial resource, therefore, their use in financing asset operations leads to an increase in the amount of interest expenses of commercial banks; fourthly, commercial banks do not have the right to use transaction deposits directly, that is, without concluding a term deposit agreement [6].

It is necessary to analyze the term of the loans in order to assess the qualitative changes occurring in the structure of the credit investments allocated to the economy by the commercial banks of our country. Long-term loans make up 76.8% of the loan portfolio of the banks of our republic [7]. This

situation indicates, firstly, that the lending activities of commercial banks are increasingly developing; secondly, it shows the active involvement of banks in the process of financing investment projects; thirdly, it indicates the growing demand of the population and business entities for loans from commercial banks for investment financing. The volume of investment loans of commercial banks of our republic is affected by such factors as the refinancing rate of the Central Bank, mandatory standards for deposit interest rates, interest rates on long-term loans, and the inflation rate.

Banks should increase the quality of expertise of investment projects and open credit lines for real effective projects. However, there are also unprofitable investment projects due to the fact that there is no demand for their products, they are not exported or they are exported in very small quantities, enterprises do not work at the capacity specified in the project, and they are not provided with enough raw materials, or their activities depend on foreign raw materials. depends. As a result, the loans taken for financing the investment project and their interest are not returned on time. If these loans are taken in foreign currency, it will be difficult for companies to repay them due to exchange rate changes. That is why it is advisable for banks to improve the quality of expertise of investment projects, to involve international experts in the expertise of large and complex projects. In particular, it is appropriate for these foreign banks to participate in the expertise of projects financed through foreign bank credit lines.

In the process of investing in commercial banks, it is advisable to implement the following measures:

- it is necessary to use information technologies and analyze data automatically in the investment activities of commercial banks;
- it is necessary to organize the constant collection of information from organizations and enterprises in investment operations;
 - business plans for receiving investments from new clients should be studied in detail;
 - to propose new types of investment projects in order to increase the bank's profit;
- it is necessary to appoint employees responsible for the work performed according to the document in order to conduct the account and audit in the bank;
 - it is necessary to carry out monitoring and audit (control) over the financial condition of clients who have received investment projects;
- it is necessary to further improve the practice of lending by commercial banks to financially stable enterprises.

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