



DEVELOPMENT OF CORPORATE GOVERNANCE IN COMMERCIAL BANKS

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Annotation

This article discusses the necessary organizational system to improve the system of corporate governance in commercial banks and control over their achievement, as well as the issues of improving the efficiency of the system of corporate governance in the period of socio-economic reforms carried out in our country and improving the corporate governance of the Joint-Stock Companies on the basis

Keywords: commercial banks, corporate governance, competition, management system, shareholders general meeting, shareholders' society, corporate governance mechanism.

1. Introduction

Currently, in the practice of commercial banks, the criteria of trust, transparency and accountability inherent in corporate governance are important in improving the investment climate, ensuring financial stability and sustainable economic growth. The level of openness of information in the management of commercial banks is seen as one of the main features of international corporate governance principles.

During the period of socio-economic reforms carried out in our country, certain works are being carried out on the basis of individual approaches to improving the efficiency of corporate governance of commercial banks and shareholders of the society. However, the socio-economic potential of enterprises and the level of attraction of investments remain low due to the fact that the system of corporate governance mechanism is not sufficiently established in the stock societies. Therefore, it was noted by the president of the Republic of Uzbekistan Shavkat Mirziyoyev that "corporate governance should be widely introduced in companies because many of our companies are facing issues such as financial reporting, internal control and audit, introduction of independent members to management", as well as "enterprises have a number of problems that do not give full performance of their duties and In addition, in the strategy of actions for further development of the Republic of Uzbekistan are defined such tasks as: "introduction of modern standards and methods of corporate governance, strengthening the role of shareholders in strategic management of enterprises". In order to carry out these tasks effectively, it is important to develop scientific proposals and practical recommendations on improving the system of corporate governance of Joint-Stock Companies.

2. Analysis of literature on the topic

As the main aspects of the corporate governance framework in commercial banks, in order to form an atmosphere of social interaction between all participants of the enterprise and to increase confidence among them, compliance with the principles of conduct in corporate governance and the transition to transparency-based systemic governance are being developed. Taking into account the several



millennial history of the development of the system of corporate governance, the process of formation of the present-day corporate governance system should be studied, as well as the emergence of a common sense of purpose and ownership among the participants in the partnership relations, their unification behind one goal, the result achieved on the basis of partnership, and the

Meanwhile, different views have also been formed on effective corporate governance. In particular, the essence of effective corporate governance is manifested in ensuring the establishment of reliable relations between the corporation and its stakeholders (Arguden, Y. 2011).

It should be noted that, as a result of the analysis of literature on the topic, issues of corporate governance were considered in different interpretations when moving to the process of transformation of the economy.

In particular, American Scientists H. Sarpa, A. Supremanian and K. Subramanian developed such a theory in which they showed how the internal and external dimensions of corporate governance affect innovation. They have proven that external corporate governance practices (corporate control market) affect the level of innovation development by managers in the company in relation to internal corporate governance practices (management contracts) (Sarpa, Subramanian and Subramanian, 2014).

American scientist H. In his study, Shadab studied issues such as management structure, equity and capital value, internal control in the study of innovation and corporate governance, as well as how US corporate law affected the innovation activities of corporations (Shadab, 2008).

Scientists of our country T.K. Madiyorov explained that "the activity of corporate governance in the development of production, the rational use of available material, financial and labor resources is carried out in harmony with the numerous involvement of capital funds in new techniques and technologies" (Madiyorov T.K. 1993), Sh.N. Zaynutdinov and D.N. Rakhimova "corporate governance is a joint action of interested parties with a view to obtaining income" (Zaynutdinov Sh.N., Rakhimova D.N. 2007), the definition was cited.

The authors considered that in the implementation of omillarni, corporate governance mechanism did not focus enough on system processes.

Admittedly, in the system of corporate governance of commercial banks observed a lot of interventions by state bodies on the current economic activity, therefore, there was insufficient adaptability and sensitivity to market trends in them. In particular, tasks such as the development of marketplaces for corporate governance of state-of-the-art enterprises, the introduction of modern corporate governance bodies are set.

3. Research Methodology

In this article, scientific works of economists of Uzbekistan and foreign countries dedicated to the analysis of sources that provide for the development of the system of corporate governance in the conditions of New Uzbekistan are studied. Also, the activities of commercial banks on improving the system of corporate governance were used.



4. Analysis and Discussion of Results

Today, in the development of the system of the mechanism of corporate governance, the ownership of shares in each territory, the financial system and its sources, customs, existing market relations, the level of interference of the state in the management of enterprises are inextricably linked with macroeconomic stability and the duration and intensity of economic reforms. The factors listed above indirectly affect the wound of the system of the Joint-Stock Company.

At present, the study of the mechanism of corporate governance and the interconnectivity of the effectiveness of modernization processes in corporate enterprises is of great importance.

The mechanism of corporate governance of the International Financial Corporation has justified the classification of the process of positive impact on the activities of the Joint-Stock Companies with 4 stages of the management system.

At the first stage, it is shown that the introduction of the corporate governance system, first of all, the formation of normative-legal documents leads to a change in the positive image of the sickle enterprise. The effectiveness of the first stage will be the basis for the formation of the second stage, and at this stage the capital expenditure will be reduced, as the initial steps are taken to the corporate governance system. The effectiveness of these stages is based on the third stage, that is, on an advanced corporate governance system. Thanks to this, the enterprise will have the opportunity to enter the capital market. The International Financial Corporation said that in the fourth phase of corporate governance, it is expected that the stock Jas bodies will be able to rise to the level of leadership due to improved operational efficiency.

In addition, the broad possibilities of corporate organization and management of economic activities are based on the use of the advantages of corporations, making it possible to model the relations of the stockadorlik societies with each other, taking advantage of the many directions of their formation

While studying corporate governance in the Joint-Stock Companies, it became known that in our opinion, it is necessary to study the financial and economic situation of the Joint-Stock Company "Uzbekko'mir" on the indicators of information transparency with dividends in improving the mechanism system of corporate governance.

Table 1 The main indicators of the financial and economic situation of the "Uzbekko'mir" Joint-Stock Company

| Nº | Criteria | Formula | Minimum indicator | Real indicator |
|----|--|--|-------------------|----------------|
| 1. | Solvency or compensation coefficient (TQK) | $T_{KK} = A_2 / (\Pi_2 - Y_{MM})$ | 1.25 | 2.62 |
| 2. | Supply of own working capital (OAC) | $\check{Y}_{AK} = ((\Pi_1 + Y_{KK2}) - A_1) / A_2$ | 0.2 | 0.61 |
| 3. | The coefficient of profitability of assets (Ark) | $A_{PK} = C_{T\Phi} / \check{Y}_6$ | 0.05 | 0.093 |
| 4. | The coefficient of profitability of costs (XPK) | $X_{PK} = C_{T\Phi} / X$ | 0.05 | 0,018 |
| 5. | Ratio coefficient of own and short-term borrowed funds | $\check{Y}_{KK} = \Pi_1 / (\Pi_2 - Y_{MM})$ | 1> | 3.64 |
| 6. | The coefficient of wear (avec) of the main means) | $A_{B\Delta K} = \Delta / A$ | <0.5 | 0.36 |



Based on the table data, the ability to pay in the activities of the society (TCC), the availability of own working capital (OAC), the profitability of assets (Ark), the relative coefficients of own and short-term debt funds (OAC) testified that there is no financial risk in the JSC. The depreciation coefficient ($avec < 0,5$) of fixed assets showed that the fixed assets were not significantly outdated. However, the fact that the cost profitability of its society ($HRC < 0,05$) is at a low level indicates that the financial situation is not satisfactory.

The information transparency indicator in the society with the dividend indicator paid to shareholders of JSC "Uzbekko'mir" is presented on the 2nd shelf.

Table 2 Developed by the author in the framework of financial indicators of the "Uzbekko'mir" company

| № | Years | Dividend paid in (thousand soums) | Dividend paid in indicator of transparency of information in "Uzbekko'mir" stock company |
|-----|-------|-----------------------------------|--|
| | | Y | X |
| 1. | 2007 | 36 945 | 0,64 |
| 2. | 2008 | 38 786 | 4,064 |
| 3. | 2009 | 40 603 | 7,488 |
| 4. | 2010 | 45 851 | 10,912 |
| 5. | 2011 | 87 561 | 14,336 |
| 6. | 2012 | 149 218 | 17,76 |
| 7. | 2013 | 161 975 | 21,184 |
| 8. | 2014 | 88 132 | 24,608 |
| 9. | 2015 | 152 266 | 28,032 |
| 10. | 2016 | 279 109 | 31,456 |
| 11. | 2017 | 245 977 | 34,88 |
| 12. | 2018 | 244 250 | 41 |

In Table 2 data analysis (Y), dividend paid as a result factor was obtained as well as information transparency indicator (X) was obtained in the stockadorlik society as an influencing factor. Based on the processing of table data using a computer Microsoft Excel program, the following regression analysis results were obtained. Expressionalaydigan the correlation link between the causative factor and the factors that affect it will be possible to reflect the regression equation as follows using the "smallest squares" method:

$$\ln(Y) = 10,1371391 + 0,536778046 * \ln(x) \quad (1)$$

Thus, the analysis of the mathematical model t shows that the increase in the transparency of information in JSC "Uzbekko'mir" does not reduce the amount of dividends paid to shareholders of society, but rather increases.

Due to the low level of transparency of information in the system of corporate governance mechanism of the "uzbekkomir" Joint-Stock Company, it is difficult to find information for shareholders, investors and those who directly monitor the activities of the company, hence the increase in the level of



transparency of information on the website of the company can increase the confidence in the Innovation development strategy in order to develop the corporate governance system on the basis of a set of methodological and scientific-practical rules interrelated with the management of innovation processes, to adapt organizational structures to market conditions, it is necessary to make changes to the organizational structure of the company (Yuldashova g.2021).

5. Conclusion and Recommendation

In the summary, it should be noted that the analysis conducted in the development of corporate governance of the Joint Stock Companies to support them financially on the basis of various preferences and development strategies on the basis of modern requirements, to help them in the correct expenditure of funds for the social protection of employees and the population showed that the work Today, in many countries of the world, financial reports are conducted on the basis of generalized standards. These standards are accessible and easy for everyone. It has been revealed that the ease of carrying out financial statements in these standards is not only for the activities of the Joint-Stock companies, but also for those who are not indifferent to their activities leads to rapid retrieval of data and elimination of difficulties in analyzing the data obtained.

In addition, it is necessary to recruit highly qualified, experienced specialists from abroad in the development of corporate governance of the Joint-Stock Companies, to increase the professional level of specialists, to form corporate governance psychology and skills in the implementation of corporate governance system in accordance with international standards in our country on the basis of suggestions and experience on the improvement

In the development of the system of corporate governance of joint-stock companies, it is necessary to develop ways to ensure full and constant compliance with the concepts of capital value, capital composition, the value of money in the time unit, as well as the interconnectedness of the level of profitability and risk in ensuring the perfect development of the financial policy of enterprises and

Due to the low level of transparency of information in the system of corporate governance mechanism of the "Uzbekko'mir" Joint-Stock Company, it is difficult to find information for shareholders, investors and those who directly monitor the activities of the company, therefore, increasing the level of transparency of information on the website of the company is aimed at improving the system of their use.

In the system of corporate governance of the Joint-Stock Companies, it is also necessary to ensure that the shareholders have a low level of transparency from the management of the company, in turn, to timely provide reliable information to the shareholders about the improvement of the information system from the management of the company and that this information is transmitted in the primary The implementation of the above-mentioned proposals in practice, in our view, provides an opportunity for an increase in corporate governance in the development of corporate governance in the Republic of Uzbekistan, which in turn has its impact on the deepening of the process of shareholders in the Real production sector of Uzbekistan.



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