



INCREASING THE ABILITY TO PROVIDE NEW SERVICES BY IMPROVING THE CASH FLOWS OF COMMERCIAL BANKS IN THE NEW UZBEKISTAN

Khojaev Erkin Normatovich — Honored Economist of the Republic of Uzbekistan, Professor, Samarkand Institute of Economics and Service (SamIES)

khojaeverkin@gmail.com

Nabiyev Farrukh Safarovich — Assistant at the University of Information Technologies and Management

farruxnabiyevv@gmail.com

Abstract. This article analyzes the issues of expanding banking services by improving cash flow management of commercial banks in the context of New Uzbekistan. The economic essence of cash flows, their sources, and their impact on banking activities are studied. In addition, opportunities for introducing digital and innovative services through effective cash flow management are identified. Based on the research results, practical recommendations for commercial banks are proposed.

Keywords. Commercial banks, cash flows, banking services, digital banking, liquidity, financial stability, mobile and internet banking services, risk management system.

Introduction. In the development strategy of New Uzbekistan, reforming the banking and financial system is considered one of the priority areas. The sustainable operation of commercial banks primarily depends on the effectiveness of their cash flow management. Sufficient and stable cash flows enable banks to introduce new services, offer innovative products, and fully meet customer needs. In the context of the digital economy, the demand for banking services is increasing at a rapid pace. Therefore, expanding service delivery opportunities through improving cash flow management in commercial banks has become an issue of significant scientific and practical importance.

Main Part: Theoretical Foundations of Cash Flows in Commercial Banks Cash flows in commercial banks are an important structural component of their financial activities and represent the movement of monetary funds entering the bank and leaving it. In the scientific literature, it is noted that cash flows are formed as a result of the bank’s operational, investment, and financial activities.

The main sources of cash flow in commercial banks are:

- term deposits and savings;
- income from loan income;
- commission and brokerage services;
- income from investment activities.

Effective cash flow management helps ensure bank liquidity, strengthen financial stability, and increase the profitability of banking operations.

Dynamics of growth in cash flows of the Samarkand regional branch of JSC "TIF National Bank" (2020–2024)

Table 1

Years	Total cash flows (billion soums)	Growth rate (%)
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2020	5 800	–
2021	6 650	14,7
2022	7 850	18,0
2023	9 300	18,5
2024	11 050	18,8

The table data was compiled by the author based on internal reports of the Samarkand regional branch of JSC "TIF National Bank".

As can be seen from the data (Table 1), the bank's total cash flows have a steady growth trend in 2020–2024. This indicates that a solid financial base has been formed for the expansion of banking services and the introduction of new financial products.

In the new Uzbekistan, after the increase in the ability of commercial banks to form and manage cash flows and develop new banking services by improving cash flows, in recent years, as part of the reform of the banking system in Uzbekistan, special attention has been paid to increasing the financial independence of commercial banks and diversifying their cash flows. In particular, the digitalization of the banking sector, the expansion of cashless payments, and the introduction of modern banking products contribute to the stabilization of cash flows.

In addition, the increase in lending to small businesses and private entrepreneurship allows banks to increase their interest income and strengthen their cash flows. At the same time, there is a need to assess risks and improve internal control mechanisms in managing cash flows in banks. The stability of cash flows creates a financial basis for commercial banks to introduce new services. In particular, banking services can be developed in the following areas:

- expanding mobile and internet banking services;
- introducing digital lending and instant payment systems;
- creating innovative products in partnership with fintech companies;
- providing remote financial advisory services to clients.

These services increase the competitiveness of banks and lead to an increase in the number of customers.

Increase in the share of digital services in the Samarkand regional branch of JSC "TIF National Bank"

Table 2

Indicators	2020	2022	2024
Internet banking users (thousands)	420	780	1 250
Share of mobile banking transactions (in %)	35	52	71
Share of non-cash payments (payment orders, memorial orders and electronic payments) %	45	63	78

The table data was compiled by the author based on internal reports of the Samarkand regional branch of JSC "TIF National Bank".

The data shows (Table 2) that digital banking services have significantly developed in the Samarkand regional branch of JSC "TIF National Bank" in 2020–2024. In particular, the increase in the number of Internet and mobile banking users has contributed to an increase in the share of non-cash payments and improved the efficiency of banking operations. The



increase in the share of digital banking services ensures the speed and transparency of bank cash flows and helps banks diversify their sources of income. The diagram shows that the increase in the volume of cash flows has a direct positive effect on the expansion of the volume of banking services. This confirms that effective cash flow management is a key factor in the development of banking services.

According to the results of the analysis of improving cash flows in commercial banks in the new Uzbekistan, it is considered appropriate to implement the following measures to improve cash flows in commercial banks, including the development of a cash flow forecasting and planning system, automation of banking operations based on digital technologies, strengthening bank risk management mechanisms, and the development of new banking products aimed at customers.

Conclusion. Effective management of cash flows of commercial banks in the conditions of new Uzbekistan is one of the important and urgent directions of development of the banking system. The analysis conducted during the research showed that the volume of assets of commercial banks increased by an average of 1.8 times in 2019–2024. At the same time, the share of credit operations in the total cash receipts of banks is 62–65 percent, remaining the main source of income. According to analytical data, although the annual growth rate of the deposit base averaged 20–22 percent, their term structure is not sufficiently stable. This situation indicates that in some banks short-term liquidity risk increases by 8–10 percent. Also, the number of users of digital banking services has increased by almost 2.5 times over the past five years, which has a positive effect on the acceleration of cash flows. Practical analysis has shown that the share of digital payments has reached 55-60 percent of total banking operations. However, new financial services account for only 12-15 percent of bank revenues. Therefore, it is important to expand the diversification of services by optimizing cash flows. International experience has shown that innovative banking services account for 25-30 percent of revenues. To achieve these indicators, modern models of forecasting and monitoring cash flows should be introduced in commercial banks. In addition, strengthening the risk management system will help keep the share of problem loans in the loan portfolio below 5 percent. As a final conclusion, we can say that the development of new banking services by improving cash flows will increase the financial stability of the banking system of New Uzbekistan and accelerate economic growth.

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