Key indicators of banking activities

To date, it’s been established the activity of 42 branches, 48 points and 6 minibanks of the bank, that have large-scale banking services to more than 753 thousand customers with the status of legal entities and individuals.

As of December 31, 2016 the net assets of the bank amount to 5.417,0 bln. UZS, and they have been increased to 1.175,7 bln. UZS or 27.7 percent comparing in the beginning of the year. The share of bank assets in income-generating assets is 88.8 percent.

Bank credit investments in assets yielding income are 4.684,1 bln. UZS or 97.4 percent, interbank deposits - 120.3 billion. UZS or 2.5 percent and investments amounts to 5.8 billion. UZS or 0.1 percent.

It has been achieved an increase in total bank capital relative to the beginning of the year by 14.7 percent and amounts to 495.2 billion. UZS as a result of the policy to ensure the sustainability of the main indicators of the bank as liquidity, reliability, solvency.

As a result of the work carried out to ensure compliance with the requirements of the Decree “On measures to further improve the financial stability of commercial banks and the development of their resource base” of the President dated May 6, 2015, the total amount of deposits in relation to the beginning of the year increased by 221.9 billion UZS or 25.1 per cent, and at the balance sheet date amounted to 1.1061 trillion. UZS.

Bank Loans

In 2016, it paid special attention to increasing the scope, structure and profitability of bank assets which are the main source of income of the banking business. In this case, the close cooperation with customers gave good results and bank credit investments increased by 28.7 percent, or 1045.2 billion UZS in relation to the January 1, 2016 and as of December 31, 2016 it’s amounted to 4684.1 billion UZS

209.7 billion soums from all of the credit investments or its 4.5 per cent directed to the industrial sector, 265.9 billion soums, or 5.7 percent - to the trade and the public catering, 164.4 billion soums or 3.5 percent to the construction and transport sectors, 121.0 bln. UZS or 2.6 percent were directed to the agricultural industry. 3 650. 3 billion soums were directed to preferential mortgage loans and 272.8 billion. soums to financial support for various other sectors of the economy.

In the reporting period, the bank carried out some work to increase the volume of loans to further enhance the bank’s participation in the investment processes, which resulted in the total amount of loans allocated during 2016 amounted to 1.996,6 billion. UZS.
There have been continued efforts to ensure execution of the Decision “On measures to ensure reliable protection of private enterprise, small business and private entrepreneurship, the removal of obstacles in the path of accelerated development” of the President of the Republic of Uzbekistan dated May 15, 2015 and the bank paid special attention to the economic growth, the organization new jobs, accelerated development, promotion and support of small business and entrepreneurship which are very important as incomes rise and improvement of the population.

In the reporting period, the loans for the purpose of financial support of small businesses are allocated to the Bank’s own funds in relation to the corresponding period of last year increased by 200.8 billion soums and it’s amounted to 782.6 billion. UZS as of December 31, 2016.

The volume of the micro-loans of bank branches amounted to 234.7 billion UZS and these loans directed to the active part of the population in order to create conditions for their own businesses.

**Implementation of the State Program**

“Year of a healthy mother and a healthy baby”

“Qishloq Qurilish Bank” developed “Programme of activities undertaken in 2016 to ensure the implementation of the State program “Year a healthy mother and a healthy baby” in order to ensure compliance with the requirements of the President Decree “On State program “Year of a healthy mother and a healthy baby” dated February 9, 2016.,

It have been allocated loans amounted to 64.3 billion UZS in order organization of services in the rural areas of our country on the basis of the requirements of the Program, during the current year.

It’s been allocated consumer loans in the amount of 5.1 bln. soums for consumer goods and services rendered for the purchase of household and kitchen electric equipment, financing of weddings in order to facilitate domestic work and the creation of conditions of life for women.

Graduates of professional colleges were financed with preferential microloans amounting to 26.6 billion UZS for the organization of enterprise activity of graduates of professional colleges to establish their own business, and to finance projects related to entrepreneurship

During 2016, the bank allocated mortgage loans to young families which amounted to 71.7 billion UZS.

In this period, the economic entities managed by women entrepreneurs were granted with loans in the amount of 109.4 billion UZS for the purpose of moral support to women and young people.

The newly established business entities, family businesses, and home work get loans in the amount of 43.9 billion
Increasing of investment activity of the bank

In the reporting period, the bank carried out active measures relating to the financing of modernization, technical and technological renovation of production, along with the further development of economic and social infrastructure, in particular with the creation of modern residential houses in rural areas.

Bank allocated investment loans in the amount of more than 351.9 billion UZS to the expanding the real sector enterprises, ensuring their technical and technological modernization, modern equipment.

During 2016, it was financed most of the investment projects of economic entities operating in all stable sectors of the economy. In particular, investment loans in the amount of 115.0 billion soums have been allocated for projects in the industrial sector, loans in the amount of 50.1 billion soums directed to the agricultural sector, 55.0 billion soums - to the transport and communication sector, 40,3 bln. Soums - to the construction industry, 70.1 billion soums - to the logistics and the provision of personal services, 21.5 billion. soums - to business entities operating in various spheres.

The Bank also organized an active work within the framework of the ongoing State programs. In particular, on the basis of “Programs on socio-economic development of the areas of the country in 2013-2016”, it has been determined 857 projects of enterprises serviced by JSCB “Qishloq Qurilish Bank” in 2016 and it’s been directed loans in the amount of 107.97 billion soums to these projects, which foreseen creation of 7158 new jobs.

Organization of construction of houses

On January 29, 2016, it’s been adopted Resolution of the President of Uzbekistan “On the Program for the building of residential areas for 2016 and measures for further development of the industrial base and location of the construction of individual housing on standard projects in rural areas”.

According to this Resolution and in accordance with the Programme for 2016, it has the planned construction of 13,000 residential buildings with a total area of 1823.7 square meters in 300 sites located in 151 rural areas of our country which will be cost 2 450, 5 billion soums.

In 2016, construction of 8512 of 13000 houses will be financed with the participation of JSCB “Qishloq Qurilish Bank”, 2 363 of them with the participation of FEA “National Bank” and 2125 houses by the help of JSCB “Ipotekabank” in order to enforce the above-mentioned Resolution.

In order to ensure execution of the abovementioned Resolution of the President, during the current year, the Bank implemented a number of works. In particular, citizens formed initial funds in full amount, which is $ 401.4 billion UZS for 8512 houses financed by JSCB “Qishloq Qurilish Bank”.
As of December 31, 2016, funds in the amount of total 1545.9 billion UZS, of which public funds in the amount of 499.3 billion soums and 1046.6 billion soums of preferential mortgage loan funds transferred to the special account of JSCB “Qishloq Qurilish Bank” to finance the contractors for the construction of 8512 residential buildings financed by JSCB “Qishloq Qurilish Bank”. At the same time, the final fee in the amount of 101.9 billion UZS formed fully, which is planned for the construction of houses financed JSCB “Qishloq Qurilish Bank” according to the Program for 2016.

Now, it’s been attracted funds in the amount of 780.5 billion soums from the state budget and means of foreign financial institutions in order to finance the construction of these houses. In particular, the funds provided by the direction of the Islamic Development Bank (IDB) in the amount of 20.7 million USD for 315 houses being built in Tashkent region on the program in 2016, and during the reporting period funds of the IDB in the amount of 58.835 billion UZS that is, 20.6 million. US dollars have been directed to this construction.

Also, in 2016, funds from the Saudi Development Fund in the amount of 60.0 mln. US dollars were attracted and for construction of 1,627 residential buildings in the Republic of Karakalpakstan and Khorezm region, the funds in the amount of 151.4 billion soums, that is 50.24 million. US dollars are fully disbursed.

Stabilizing the monetary circulation

To date, the Bank "Qishloq Qurilish Bank" is carried out effective work a certain extent, to ensure the execution of decrees and resolutions of the President of the Republic of Uzbekistan on improvement of cash circulation, reduce the off-bank circulation of cash and ensure uninterrupted cash payments from deposits' payslips in banks.

Joint-stock commercial “Qishloq Qurilish Bank” has introduced new deposits in order to ensure execution of the Decision of the First President of the Republic of Uzbekistan “On additional measures to further stimulate the attraction of free funds of population and economic entities on deposits in commercial banks” adopted on 6 April 2009, also to increase the capacity of long-term and savings deposits in the composition of bank deposits such as “Sog‘lom avlod uchun” (“Healthy Generation”), “Baxtli bola” (“Happy Baby”), “Vatan himoyachisi” (“Defender of Motherland”), “Orzular parvozi” (“Flight of Dreams”), “Fortuna” (“Fortune”), “Huquq himoyachisi” (“Defender of rights”).

Also, “Qishloq Qurilish Bank” introduced new deposits “Mulokot” ( “Dialogue”) and “Manfaat” ( “Interest” ) due to the fact that the 2017 year was declared the “Year of Dialogue with the people and the interests of people” by the President of the Republic of Uzbekistan Shavkat Mirziyoyev.

JSCB “Qishloq Qurilish Bank” has attracted 39 permanent types of deposits from population in order raise its funds, of which 29 are deposits in the national currency and the remaining 10 in foreign currency as of December 31, 2016.

As a result, as of December 31, 2016 the number of depositors amounted to more than 77 thousand, and bank investments amounted to 220.2 billion soums. With respect to the beginning of the year reached an increase by 44.1 billion soums or 25.0 percent.

In order to implement the Decree of the President of the Republic of Uzbekistan “On additional measures to stimulate the development of the payment system using bank plastic cards” dated April 19, 2010, the bank
provides a consistent reduction of outside bank circulation of cash, improve the system of non-cash payments.

The number of plastic cards issued amounted to 624,126, the number of placed bank card terminals amounted to 10,425 as of December 31, 2016.

For the current year, it is planned to delivery and place of 2100 bank card terminals and issuance of 250,000 plastic bank cards. Also, during 2016, it’s been signed contracts for 1500 pieces of such terminals and they have been placed in bank branches. 105,000 bank plastic cards were issued in the current year in order to ensure uninterrupted operation of translation wages and similar payments.

The network of self-service kiosks of the bank consists of 151 self-service kiosks and 5 ATMs. This equipment adapted to operate 24/7, and it is possible to get information on plastic cards also carry a variety of payments by using them. JSCB “Qishloq Qurilish Bank” installed 125 information kiosks in densely populated places by December 31, 2016. Currently, work is carried out on delivery of the bank an additional 30 information kiosks.

In order to expand the types of services provided by these networks of info-kiosks, it’s been established the function of returns the principal debt and interest on bank loans. At the same time, individuals who are customers of the bank will be able to repay loans obtained from the Bank “Qishloq Qurilish Bank” and accrued interest any time as 24/7.

In addition, a new service - the system “P2P” for users of plastic cards is available now. “P2P” payments is the system providing to make transfers from credit cards of one individual on a plastic card of another individual through the banking system provided remotely, and other special sites, and mobile applications on the Internet, self-service terminals and ATMs. Also, in order to create favourable conditions and opportunities for bank customers, introduced a new service - the system “UPAY”. This new payment system provides the opportunity to carry out a number of different remote payments via special websites and mobile applications on the Internet.

To date, it’s been carried out continuous work on further improvement of the bank's activities in the system of payment “UZKART-EMV”, the expansion of a network of terminals, speeding up the introduction of cards in circulation “Smart-vista” running in online, improving services through them. In particular, bank cards’ users can enjoy services such as “SMS-banking”, “Internet-banking”, “Mobile Banking”.

Improvement of the bank’s activities

JSCB “Qishloq Qurilish Bank” implements regular work for the development of information technology infrastructure based on the Resolutions of the President and the Government of Uzbekistan on further wide introduction of modern information and communication technologies, the task on the widespread introduction of modern information and communication technologies in the economy, a radical acceleration of the creation of a system of electronic government, which are included to the top priorities of the State economic program in 2016.

Pursuant to the Resolution of the Cabinet of Ministers “On approval of the methodology for assessing the quality of public e-services” dated October 20, 2016, it have been implemented specific measures aimed at continuous improvement of the order and quality of public e-services provided by the bank.
JSCB “Qishloq Qurilish Bank” implemented electronic document management system with the Off budget Pension Fund in order to ensure execution of the decision of the Cabinet of Ministers “On measures for the introduction of a unified interdepartmental integrated information system of pension provision in 2015-2017” dated October 19, 2016.

The service of loan payments by individuals through self-service terminals is implemented in practice in the “Qishloq Qurilish Bank”.

It’s been implementing works on the implementation of services for physical persons “Mobile Banking” and “Internet Banking”. Customers will be able to obtain online data on the balance of funds on their current accounts via mobile phone or the Internet, transfer funds from one plastic bank card to another, to make payments for mobile communications services, Internet services (electricity, gas, water and hot water payments) with the help of these types of services.

In order to create further facilities for corporate clients using the service “Internet Banking”, the bank introduced a new “Corporate Internet banking” system.

The bank expands the scope of banking services as “Internet Banking”, “SMS-banking”, and the number of customers using the system “Internet Banking” amounted to 3417 people, the number of customers using the system “SMS-banking” amounted to 42760 people as of December 31, 2016. These types of services used by clients in the management of payslips being in their offices and obtain the necessary information.

It has been developed a new innovative project - the system “Depozit Banking” in order to strengthen the bank’s deposit base and accelerate the ongoing work on attraction of free funds of population in bank deposit. “Depozit Banking” provides bank depositors - individuals restructure their time and savings deposits, perform non-cash transactions within the funds in savings current accounts and obtain information on their personal deposit accounts through mobile phones, without coming to the bank institutions. To date, the system of “Depozit Banking” introduced in the practice.

On November 17, 2016, international rating agency “Moody's Investors Service” estimated the rating the riskiness of counterparties of the JSCB “Qishloq Qurilish Bank” at the B1 level, the long-term rating of deposits in national and foreign currency bank - at the B2 level, as the main credit rating at B3 level. It is noted that the outlook for all ratings are “Sustainable”.

Bank information service