

LEGAL BASIS OF THE MECHANISM OF ACTIVITY OF THE UZBEK STOCK EXCHANGE

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Abstract: *The article analyzes the legal bases of the stock exchange's activity in Uzbekistan, the system of securities trading in the stock exchange system, its functioning, improvement, and the development of exchange trading systems.*

Key words: *stock exchange, market economy, depositories, clearing houses, dealers, investment advisers, investment funds, investment companies, management companies.*

Introduction

In the conditions of globalization all legal and organizational conditions have been created in the country for the transition to a market economy, in particular, the development of the securities market. The stock market of the Republic of Uzbekistan aimed at improving the securities market of the Republic of Uzbekistan "On the mechanism of functioning of the securities market", "On joint stock companies and protection of shareholders' rights". Special laws of the Republic of Uzbekistan were adopted to regulate, regulate, and regulate the securities market of the Republic.

Secondary market prevails in the market of securities of the Republic. The development of the secondary stock market will, first of all, improve the formation of the market for enhancing the liquidity of securities, helping to reduce costs and costs in the handling and servicing of securities, and to enhance market transparency.

In the spring of 1991 by the decision of the government of Uzbekistan the first stock exchange of the Republic of Uzbekistan was organized in the modern history of the republic. The authorized capital of the exchange is 10 million rubles. However, the rapid growth of stock markets at the end of spring and early summer of 1991 necessitated an increase in stock exchange capital and the expansion of its stock market. In August of the same year, the Uzbek Commodity Exchange was transformed into the Republican Universal Commodity Exchange of Uzbekistan, where the first official organization of the securities market - the Fund Division - was opened.

Main part

In January 1992, the Stock Exchange of Tashkent Stock Exchange was the first in the country to conduct regular trading of securities. In 1992, the Tashkent Stock Exchange had a turnover of \$ 26 million rubles, which is comparable to the same index of popular Russian stock exchanges. The trades included bank shares, brokerage stocks of various exchanges, as well as emerging stocks of the earliest commercial joint stock companies.

In accordance with the Decree of the President of the Republic of Uzbekistan dated April 8, 1994, the Republican Stock Exchange "Tashkent" was created based on the classic principles of stock exchanges. From the very first days of its activity, the stock exchange has been actively engaged in the creation of an electronic trading system with the involvement of organizations specializing in the development of network software, as well as encouraging investment in the national economy through stock exchanges and acquisitions.

The Republican Stock Exchange "Tashkent" is organized in the form of an open joint-stock company. The General Meeting of Shareholders is the supreme governing body that can be an investment institution. In the period between the General Meeting of Shareholders, the Stock Exchange Supervisory Board is responsible for the

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management of the stock exchange. Below we will examine the organizational structure of the Tashkent Stock Exchange (Figure 2).

All functional units of RSE "Tashkent" can be divided into two groups. The first group is a business unit. These include: the Department of Works, the Finance Department, the Legal Department, the Publishing Service, the Media Services, and Department of Information with Foreign Service. The functions of these subdivisions are the same as those of any other business entity. The second group is only those stock exchanges that have certain stock characteristics. These include:

- bidding. The procurement and transfer department is responsible for equipping brokers in the entire set of trading arrangements, until they complete all transactions related to the conclusion of transactions and the preparation of relevant documents. These include:

- service for preparation and sale of bids, which includes the entire process of preparing, organizing and selling trades, ranging from brokers' applications for purchase of securities to special software and hardware trading complexes. conducts sales service;

- Service of registration and registration of deals, which deals with the registration of exchange deals, their conclusion at the final stage of trading;

- Department of interaction with shareholders, stock exchange members and coordination of activities of affiliated companies, work with shareholders, registration of exchange, accreditation of brokerage offices, control of passports, observance of organizational requirements. Carries out functions on registration of brokerage premises rent, withdrawal from exchange members, and also control over activity of regional branches of the exchange;

- Maintenance Department includes stock exchange services, office equipment maintenance and communication services.

The Exchange's systems provide for the proper functioning of the existing securities trading system, monitor its functioning, and work to improve it. The development of exchange trading systems can be monitored from the initial stage, intermediate stage of the Exchange activity and up to the present stage.

Monitoring the creation and constant improvement of normative and legal documents in this field for the smooth and safe handling of securities, compliance with the law by all securities market participants, from ordinary citizens to government agencies It is necessary to have a harmonizing system. The system should be aimed at protecting and preserving the rights of investors, because they are the most vulnerable and numerous elements of the securities market. In this system, the crisis can be improved or the imbalances occurring in the economic relations between different segments of the stock market participants, in the interconnection of the stock market and other sectors of the market economy, cannot be corrected in the securities market. Particular attention should be paid to the implementation of measures aimed at examining the factors that can cause damage and undermine existing stability.

Regular and safe handling of securities in the stock market, creating conditions for investing in the economy through the purchase and sale of securities, minimizing the potential losses on investment by traders and organizers ensuring stable functioning of the stock market professional participants. With the stabilization of the stock market, the state will create conditions for cash flow from one sector to another, which will strengthen the economy and the smooth functioning of the securities market will have an impact on the economy.

During the securities market coordination process, the state performs the following main tasks:

1. The task of the legislature is to develop the concept of development of the securities market, the program of its implementation, program management - to determine the goals and main directions of the development of the stock market relations, the principles of securities market relations establishment of the basic legal norms concerning the status of professional participants and organizers of trades, protection of the rights and interests of investors.

2. Definition of "Rules of the game", i.e. requirements for issuers, investors, professionals, operation and accounting standards.

3. Supervision of financial stability and security of the market - registration of securities, control over financial condition of investment institutions, control of compliance with legal and ethical standards, imposition of penalties.

4. Informing stock market participants about the condition of this market, ensuring disclosure of information by issuers, investors, investment institutions, and stock exchanges and so on.

5. Development of measures to protect the rights and legitimate interests of investors in the stock market, including registration of emissions, admission of foreign securities to the national markets, issuers and securities market professionals control over the activities of its participants, as well as the adoption of legislation on securities market.

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