

FACTORS AFFECTING THE EFFICIENT USE OF PRODUCTION COSTS IN FARMING

Yuldasheva Shaxnoza

Andijan Institute of Agriculture and Agrotechnologies Teacher of the Department of Economics

Qobuljonov Sardor

Andijan Institute of Agriculture and Agro-Technology, 1st-level student of Economics Education

Abstract

The article analyzed the work of systematically increasing the economic efficiency of existing agricultural enterprises in the conditions of the digital economy, and improving the quality of competitive products.

Key words

economic efficiency, profitability, key indicators, system, profit, material costs, income, cultivated area, gross product, productivity.

INTRODUCTION

In the conditions of the digital economy, it is considered an objective necessity to regularly increase the economic efficiency of existing agricultural enterprises. The reason is that the population of our country is growing year by year. This requires effective use of intensive production methods. The final result of intensive methods is a competitive product. A competitive product is a product of high quality and low cost.

A number of scientific studies have been conducted on the issue of product quality improvement and practical results are being obtained. But cost reduction has become a central issue in today's economy. Because today there is a huge disparity in the growth of the state purchase prices of the products grown in agriculture and the purchase prices of the resources used for the production of these products. On this basis, optimizing production costs in agriculture, achieving economic efficiency by establishing the production of the most and quality products at the expense of the lowest costs in the network is one of the most important economic issues.

In the process of reforms, a number of measures are being taken by our state in this matter. The strategy of agricultural development of the Republic of Uzbekistan for 2020-2030 was adopted by Mirziyoyev's decree.

It defined a number of important measures to diversify production, create a favorable agribusiness environment and a high added value chain, and apply advanced technologies in the field. On January 28, 2022, the Decree No. PF-60 of the President of the Republic of Uzbekistan "On the Development Strategy of the New Uzbekistan for 2022-2026" was signed and the new Development Strategy of Uzbekistan was adopted with this decree.

LITERATURE ANALYSIS AND METHODS

A number of leading agrarian economists and theoreticians of our republic, including: A.A.Abdug'aniev, A.A.Shokirov, A.Zhoraev, A.Z.Zokirov, A.S.Samutali, D.Q.Ahmedov, N.S.Khushmatov, R.V.Abdullaev, R.Kh. Khusanov, F.Q.Qayumov, F.Kh.Nazarova, CH.M.Murodov, E.J.Yusupov, O'.P.Umurzakov, Q.A.Khasanjanov, Q.A.Choriev and others conducted scientific research.

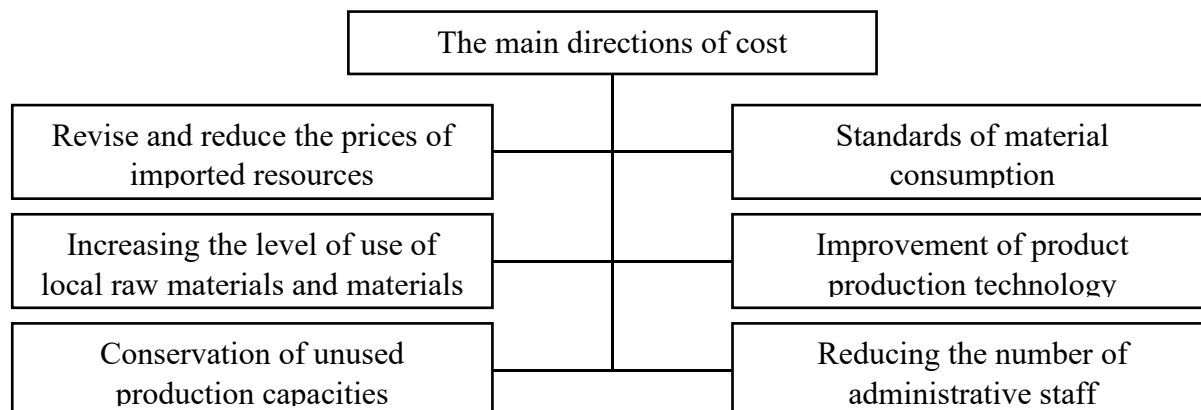
RESULTS

One of the most important factors in ensuring the efficiency of production in the course of agrarian economic reforms in agriculture is the reduction of the cost of manufactured products and services. In order to solve this problem, first of all, it is necessary to determine the factors of cost reduction based on a deep analysis of the costs incurred in each farm. As a result of the grouping of the expenses that are being implemented and should be increased by economic elements, the amount of the salary given for labor expenses and its composition, the amount of material (material) expenses spent, the amount of monetary expenses (by objects) spent for various purposes, and an opportunity for in-depth analysis is created.

In the process of analyzing the expenses, special attention is paid to how much of them are spent on the technological processes of product production. The purpose of this is to determine the possibility of saving costs as a result of applying science and technology innovations to this or that process of production.

There is an inextricable connection between the growth of the expenses spent in agriculture and the growth of the prices of the grown products. Therefore, it is necessary to try to spend every soum rationally, in accordance with the purpose, that is, to save material, money, and labor costs, thereby achieving a reduction in the cost of produced products, performed work and services.

The formation of the calculated costs, the primary influencing factor on the cost, is of great importance in determining the factors for reducing the cost of agricultural products and services. The procedure for calculating the cost of production and sale of products (works, services) and dividing them into groups is carried out based on the requirements of the Regulation approved by the decision of the Cabinet of Ministers of the Republic of Uzbekistan No. 54 of February 5, 1999. This Regulation was developed taking into account the differences that arise in the accounting and calculation of costs in the determination of the taxable base in agriculture, and in order to determine the profitability and market competitiveness of the economic entity it creates the basis for calculating expenses, determining financial results and forming complete and accurate information about them. The expenses incurred by farms operating in agriculture are calculated on the basis of the requirements of the Regulation mentioned above, on this basis, it is necessary for each farm operating on this basis to clearly determine the directions of cost reduction based on the rational and effective use of expenses. For this, each farm should have a broad and deep understanding of the factors of cost reduction in its field of activity.

The main directions of cost optimization in the economy of our country ¹

In general, it is appropriate to pay special attention to the following as the main directions of cost optimization in the enterprises of our country (Fig. 1)

There is an inextricable connection between the increase in the costs of agriculture and the increase in the cost of the products. Product price reduction must be legal under any circumstances and for any production. Otherwise, it is impossible to have the opportunity to increase the volume of production. Factors affecting the reduction of product cost can be grouped as follows:

- factors that have a positive effect on increasing the amount of gross product. These include increasing productivity, determining the composition of cultivated areas, and maintaining the fullness of the cultivated products.

- factors related to saving production costs. These include effective use of land and fixed assets in production, effective use of production resources.

- factors related to the organization of production. These include factors related to material interests, specialization of production, improvement of production technologies.

We also believe that the following should be paid attention to in order to optimize the price of agricultural products:

- • to use all the means of production available in the farming and animal husbandry industries wisely and effectively throughout the year, to ensure timely and high-quality execution of all agro-technological activities;

- • further development of seed production based on the creation of quick-ripening, efficient varieties of crops that require little water, ensuring the breeding of productive breeds of livestock; reducing the disparity between the prices of industrial enterprises used in agriculture and agricultural products;

- • gradual reduction of the disparity between the prices of resources produced by industrial enterprises used in agriculture and the prices set for agricultural products;

¹ A.Abdug'aniyev. Qishloq xo'jaligi iqtisodiyoti (darslik). Toshkent, 2010.

- • increase the level of mechanization and automation of production processes and reduce live labor costs as a result of the introduction of new techniques and effective technologies that save production costs;
- • to ensure quality and effective solutions to issues related to irrigation, land reclamation and chemization;
- • improvement of effective forms of labor organization and incentive system;
- • to achieve an increase in the productivity of crops and the productivity of livestock;
- • to achieve an increase in the productivity of crops and the productivity of livestock;
- • ensuring the competitiveness of agricultural products, etc.

Based on the above, in the farms specializing in the production of agricultural products, the reimbursement of expenses incurred for the production of products and the provision of financial stability depend on the income received from this product. However, according to the current rules, the taxes paid by agricultural enterprises (mainly the single land tax) are compensated from the profit obtained without including them in the cost of production. Although this is theoretically correct (zero, tax is a social form of additional product), the application of this theoretical basis in the conditions of real economic management in farming causes a number of financial problems. In this regard, the final net profit and general profitability of farms specializing in the production of agricultural products cannot ensure the development of production. In some cases, the general activity of farms ends with a loss.

CONCLUSION

In recent years, the discrepancy between the prices of the products grown in agriculture and the prices of the industrial products produced in industry and used in agriculture indicates the need to further improve the state support measures for the industry in accordance with the market requirements and other similar issues are the reason why the cost of agricultural products exceeds the level of demand.

The development of the country's economy and the improvement of the material well-being of workers are directly related to the reforms implemented not only in the economic sphere, but also in many ways in the social sphere. In this matter, increasing the volume and quality of the products produced in the network, and most importantly, gradually optimizing the cost of the product, has a special place.

Therefore, the issue of education and upbringing has always been gaining urgent importance since the time when humanity began to live a conscious life.

Among the expenses included in the cost of the product, the material expenses constitute the main part of the expenses and have a special importance in the formation of the cost of the produced products. On this basis, positive resolution of the issues of effective use of material costs in the cultivation of cotton and wheat on the basis of state orders in farms is one of the main factors of ensuring optimal efficiency in farms. It is taken into account that the development of scientifically based and practical opinions, suggestions and recommendations on the solution of the above problems on the example of a specific farm is one of the most urgent issues of today.

LIST OF REFERENCES

1. Yuldasheva Shaxnoza, Olimjonova Farogat. (2023). AGRICULTURAL DEVELOPMENT POTENTIAL. INNOVATIVE RESEARCH IN SCIENCE, 2(3), 66–70.
<https://doi.org/10.5281/zenodo.7778308>

2. Yuldasheva Shahnoza, Faxriddinova Dilobar. (2023). ORGANIZING NEW TOURISM DESTINATIONS IN UZBEKISTAN. INTERNATIONAL BULLETIN OF APPLIED SCIENCE AND TECHNOLOGY, 3(2), 182–184. <https://doi.org/10.5281/zenodo.7683651>
3. Yuldasheva Shahnoza, Faxriddinova Dilobar. (2023). THEORETICAL AND METHODOLOGICAL ISSUES OF DETERMINING THE EFFICIENCY OF COTTON RAW PRODUCTION. INTERNATIONAL BULLETIN OF APPLIED SCIENCE AND TECHNOLOGY, 3(2), 58–61. <https://doi.org/10.5281/zenodo.7620997>
4. Yuldasheva Shaxnoza, Ismatova Nigora. (2023). IMPROVING THE STATE SUPPORT SYSTEM OF THE COTTON NETWORK. SOLUTION OF SOCIAL PROBLEMS IN MANAGEMENT AND ECONOMY, 2(2), 187–191. <https://doi.org/10.5281/zenodo.7676504>
5. Yuldasheva Shahnoza, Faxriddinova Dilobar. (2023). ORGANIZING NEW TOURISM DESTINATIONS IN UZBEKISTAN. INTERNATIONAL BULLETIN OF APPLIED SCIENCE AND TECHNOLOGY, 3(2), 182–184. <https://doi.org/10.5281/zenodo.7683651>
6. Yuldasheva Shahnoza, Faxriddinova Dilobar. (2023). THEORETICAL AND METHODOLOGICAL ISSUES OF DETERMINING THE EFFICIENCY OF COTTON RAW PRODUCTION. INTERNATIONAL BULLETIN OF APPLIED SCIENCE AND TECHNOLOGY, 3(2), 58–61. <https://doi.org/10.5281/zenodo.7620997>
7. Yuldasheva Shaxnoza, Ismatova Nigora. (2023). IMPROVING THE STATE SUPPORT SYSTEM OF THE COTTON NETWORK. SOLUTION OF SOCIAL PROBLEMS IN MANAGEMENT AND ECONOMY, 2(2), 187–191. <https://doi.org/10.5281/zenodo.7676504>