



INCREASING THE EFFICIENCY OF USE OF PRODUCTION INVESTMENTS IN INDUSTRIAL ENTERPRISES

Qorabayev Shuxratjon Axmadjonovich,

Senior teacher at Namangan Engineering Construction Institute
Namangan, Republic of Uzbekistan
koraboyev@mail.ru

Annotation: The article describes recommendations for increasing the efficiency of the use of production investments in industrial enterprises. Including, the essence of investments, their types and forms, methods of attracting investments are explained in the article. At the same time, the article mentions the principles that should be followed to ensure the effectiveness of investment projects in industrial enterprises.

Key words: Investment, capital investment, real investment, financial investment, intellectual investment.

Introduction

Investment policy is an important structural component of the country's economic policy. Investments are an important means of modernizing the basic assets of production enterprises and strengthening the production potential of the country. Investments are materialized in practice on the basis of the investment policy implemented by the state on a national scale, and in microeconomics by enterprises and other economic entities equal to them.

Correctly selected tactics and strategies of investments allow industrial enterprises to successfully solve the tasks of modernization of production and to bring production processes and product production to meet scientific and technical progress and market requirements. The investment policy of the enterprise is related to the assessment of the economic efficiency of investments and the selection of the most effective investment options. Minimum costs and maximum results are the methodological basis for evaluating the economic efficiency of investments and investment projects. Today, it is important to attract investments for the continuous development and modernization of industrial enterprises. One of the most important tasks in increasing the competitiveness of the national economy is to improve the network structure of industrial enterprises, to increase production efficiency, to develop them comprehensively, and on this basis to create decent living conditions for the population.

Literature review

P.Masse [1] on the criteria and methods of optimal investment placement, A.Martynov [2], opportunities to increase investment efficiency, methods of comparing costs and capital investments in the economic evaluation of technical measures A.L.Lure [3] Methodological problems of evaluating the effectiveness of investment projects DS Lvov, VG Mednitsky, VV Ovsienko and others [4], analysis of the financial condition and investment attractiveness of joint stock companies in industry, construction and trade MN Kreynina [5], on the main areas of investment D.Garner,

15	ISSN 2319-2836 (online), Published by ASIA PACIFIC JOURNAL OF MARKETING & MANAGEMENT REVIEW., under Volume: 12 Issue: 06 in June-2023 https://www.gejournal.net/index.php/APJMMR
	Copyright (c) 2023 Author (s). This is an open-access article distributed under the terms of Creative Commons Attribution License (CC BY). To view a copy of this license, visit https://creativecommons.org/licenses/by/4.0/

R.Owen, R.Convey [6] and the basic principles of distribution of the company's income E.Graut [7], the interdependence of the main directions of the company's investment policy I.A.Blank [8], world experience and modern development of market economy in Russia The most promising development of investment projects on the basis of public-private partnership SP Sazonov [9] investment policy - the introduction of software, through which the implementation of investment policy E.E.Sidorova and D.I.Jivolup [10] conducted research and contributed to the development of the industry.

Y.Shumpeter [11], and K.Sonin [12] on the development of industrial production, increasing investment efficiency and the role of small businesses in it, R.Oakey [13] on high-tech industries in small business and private entrepreneurship in developed countries, small business entities play an important role in the country's economy and have its own characteristics L.Polishchuk [14], the mechanisms of influence of small business on the state and the development of competition were studied by V.G.Basareva [15], which are the most effective investment in industrial production management, no detailed research on sustainable economic development strategies has been conducted.

Research Methodology: In the process of research, methods of observation, sampling, statistical analysis, economic analysis, grouping, and systematic approach analysis were used to obtain and analyze statistical data.

Analysis and results

In fact, today there are 98,800 industrial enterprises operating in the republic, of which 16,800 (17.0% of the total number of registered enterprises) are in Tashkent city, 11.1000 (11.2%) in Fergana region, 10.0000 (10.1%) correspond to Tashkent region, 9.9 thousand (10.0%) to Andijan region and 8.9 thousand (9.0%) to Samarkand region¹.

According to preliminary data, in January-December 2022, 551.1 trillion will be spent by republican enterprises. Sums worth of industrial products were produced, and compared to January-December 2021, the physical volume index of industrial production was 105.2%.

Therefore, it is necessary to develop today's industry of Uzbekistan based on the requirements of the times, increase the competitiveness and increase the variety of products, sharply expand and deepen the localization of production in the regions, make effective use of the available raw materials in our country, and produce import-substituting and export products with the wide introduction of modern technologies in the production sector. release is one of the important tasks of the day. In the implementation of these tasks, one of the urgent tasks is to attract investments to industrial sectors and, on this basis, to increase the efficiency of their production and management activities.

In January-December 2022, 269.9 trillion will be allocated for the development of economic and social sectors in the Republic of Uzbekistan. Sums of investment were absorbed and made 100.9% compared to 2021.

¹ <https://stat.uz/uz/default/choraklik-natijalar/21516-2022>

Investments in fixed capital means a set of expenses aimed at the purchase and reproduction of new fixed assets. The dynamics of the volume of investments in fixed capital over the last 6 years shows that it has increased by almost 4 times and has a growing trend.

The term "investment" is derived from the Latin word "invest" which means "put", "mobilize funds", "capital investment". In a broad sense, investment refers to the mobilization of capital for the purpose of increasing and retrieving funds. In most cases, the concept of "investment" is defined as material and immaterial goods and rights related to economic and other activity objects. Investment means all kinds of national and intellectual wealth, which must be directed to the objects of business activity and bring income or achieve some positive effect. The main purpose of making an investment is to make a profit and achieve a positive social effect.

The Law of the Republic of Uzbekistan "On Investments and Investment Activities" defines investments as follows: "Investments are material and intangible assets and rights to them, including rights to intellectual property, as well as reinvestments, which are invested by the investor in the social sphere, entrepreneurship, scientific and other types of activities on the basis of risks, and may include:

- funds, including cash (including foreign currency), target bank deposits, shares, stocks, bonds, promissory notes and other securities;
- movable and immovable property (buildings, structures, equipment, machines and other material assets);
- intellectual property rights, including technical, technological, commercial and other knowledge formalized in the form of technical documents, skills and production experience, patented or unpatented (know-how), necessary for the organization of this or that type of production, as well as Other valuables not prohibited by the legislation of the Republic of Uzbekistan"².

Investments involved in the economic activity of industrial enterprises are divided into types according to a number of characteristics (Figure 1).

Each of these types of investments has a specific meaning according to the function it performs and the direction of attraction. Including:

- real investments are made in the form of long-term investments in material production areas, material activities, acquisition and increase of enterprise assets (movable and immovable properties);
- financial investments are made in various financial assets, including stocks, corporate, infrastructure and government bonds, as well as other types of securities;

² Law of the Republic of Uzbekistan "On Investments and Investment Activities". National database of legal documents, 26.12.2019, No. 03/19/598/4221. <https://www.lex.uz/docs/4664142>

- intellectual investments (investments in intangible assets) include investments in the development of scientific research, training of specialists, licenses for the use of new technologies, know-how, rights to use trademarks of well-known companies, etc.

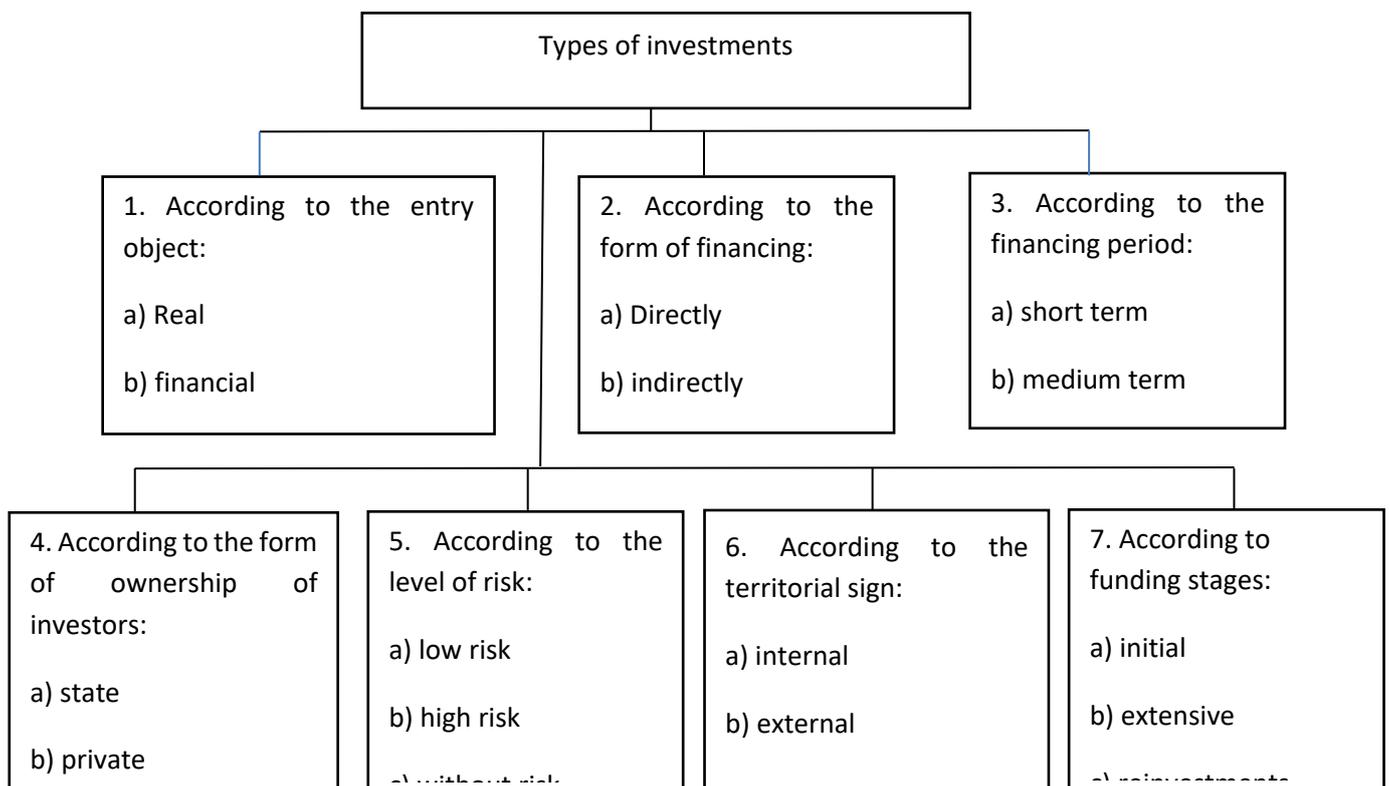


Figure 1. Investment types ³

Discussion

Investments made by enterprises for the development of economic activity should fulfill their ultimate goal, i.e. ensure high profits in the future. Therefore, the role of investments in increasing the efficiency of enterprises is as follows:

- the main source of formation of production capacity;
- the main mechanism for the implementation of the strategic goals of the economic development of the enterprise;
- the main mechanism for optimizing the structure of assets of economic entities;

³ Author development

- one of the mechanisms for solving social development issues;
- the main instrument of innovation policy implementation;
- the main mechanism for ensuring simple and extended production;
- an important condition for increasing the market value of the enterprise.

A number of conditions must be met to ensure investment efficiency. When making an investment, first of all:

- ensuring the independence and initiative of investment activity subjects;
- granting the status of investment to the imported material goods (items purchased by citizens to satisfy their needs cannot be investments);
- it is considered necessary to create an opportunity to carry out investment activities defined by law.

Conclusion/Recommendations

Taking into account the above, it is recommended to follow the following principles to ensure the effectiveness of investment projects:

1. Considering the importance of all enterprise management systems. The formation of investment resources and their use should be aimed at increasing the efficiency of the enterprise as a whole.
2. Taking into account the strategic direction of the development of the enterprise. No management decision should be made without verifying its compliance with the adopted development concept.
3. Ensuring the relevance and dynamism of management decisions. Every decision should be made taking into account important indicators for the development of the enterprise - profitability, competitiveness, production volume, etc.
4. A comprehensive approach that implies precise coordination of the strategy of formation and use of investment resources.
5. Systematic approach. Any investment decision should take into account the interests of all project participants - contractors, investors, intermediaries, creditors, suppliers, customers, etc.
6. Flexibility in decision making. They should be ready to review and change the decisions made, taking into account the difficulty of making the only correct decision in the conditions of constantly changing external and internal factors..

References:

1. Masse P. Criteria and methods of optimal distribution of capital investments: Per. from French-M. : Statistics, 1971, 503 p.
2. Martynov A. Possibilities of increasing the efficiency of investment // *Economist*.-2000.-№9.-P.37-43.
3. Lurie A.L. Methods for comparing operating costs and capital investments in the economic assessment of technical measures.- In the book: Questions of the economy of railway transport.-M., 1948.-P.6-15.
4. Lvov D.S., Mednitskiy V.G., Ovsienko V.V. and other Methodological problems of evaluating the effectiveness of investment projects // *Economics and Mathematical Methods*.-1995.-Issue 2.-P.5-19.
5. Kreinina M.N. Analysis of the financial condition and investment attractiveness of joint-stock companies in industry, construction and trade.-M. : DIS MV-center, 1994.-272 p.
6. Garner D., Owen R., Conway R. Attraction of capital: Per. from English-M. : John Wiley and Sons, 1995.-464 p.
7. Graut E. Principles of engineering economy. -N.Y. : Ronald Press Co, 1950.
8. Blank I. A. Investment policy of the enterprise: eight main stages. http://www.elitarium.ru/2012/11/21/investicionnaja_politika_predpriyatija.html.
9. Sazonov S.P. On the issue of public-private partnership // *Izvestia of the Volgograd State Technical University*. 2011. No. 14 (87). S. 19–21.
10. Sidorova EE, Zhivolup DI Theory and practice of analysis of the efficiency of investment activities of an industrial enterprise // *Bulletin of the Volgograd State Technical University*. 2013. No. 5 (108). S. 53–58.
11. Schumpeter J. (1982). *Growth Theory: A study of entrepreneurial profit, capital, credit, interest, and the business cycle*. - M. : Progress.
12. Sonin K. (2000). *Inequality, property rights and economic growth in transition economies: theory and Russian reality*. - M. : EERC.
13. Oakey R. (1984). *High Technology Small Firms: Regional Development in Britain and the United States*. NY: St. Martin's Press.
14. Polishchuk L. (2001). *Small Business in Russia: Institutional Environment*. IRIS Working Paper, 240. College Park: IRIS Center, University of Maryland.
15. Basareva V.G. (2010). State regulation of small business development: is it always useful // *International scientific school-seminar named after academician S.S. Shatalina, "Systemic modeling of socio-economic processes"* - Zvenigorod, - pp. 56–57.
16. Brusov, P.N. ; Filatova, T.V. Cost and capital structure of a company in post Modigli ni Miller era. *Financ. Anal. Probl. Solut.* 2011.37, 2-12.
17. Mikhalev, O.V. *Economic Stability of Household Systems: Methodology and Practice of Research and Application Analysis*; Publishing House of St. Petersburg Academy of Management and Economy: St. Petersburg, Russia, 2010.

18. Khudyakova, T.A. ; Shmidt, A.V. Uncertainty of external environment during the construction of the controlling system of sustainability. In Proceedings of the 26th International Business Information Management Association Conference-Innovation Management and Sustainable Economic Competitive Advantage: From Regional Development to Global Growth, Madrid, Spain, 11–12 November 2015; pp. 1607-1611.

19. Dadaboyev, T. Y., Qoraboyev, S. A., & Mullabaev, B. B. (2017). Corporate Management As The Factor Of Investment Attraction. *Научное знание современности*, (5), 77-80.

20. Корабаев, Ш. А., & Алабаев, С. И. (2017). ИШЛАБ ЧИҚАРИШ ҲАРАЖАТЛАРИНИ КАМАЙТИРИШДА ПЕРСОНАЛНИ БОШҚАРИШ ТИЗИМИНИ ТАКОМИЛЛАШТИРИШНИНГ АҲАМИЯТИ. *Научное знание современности*, (4), 165-168.

21. Qoraboyev, S. (2017). Specific features of the development of innovative processes in the national economy. *Научный прогресс*, (3), 22-23.

22. Ismatov, R. O., Dadaboev, T. Y., & Karabaev, S. A. (2019). Investment possibilities in agricultural networks. *Theoretical & Applied Science*, (2), 350-355.

23. Bulturbayevich, M. B. (2021). Challenges of Digital Educational Environment. *Academic Journal of Digital Economics and Stability*, 4, 54-60.

24. Bulturbayevich, M. B. (2022). TAXES AND THEIR TRANSFER. LOSS OF" DEAD" CARGO WHEN TAXED. *INTERNATIONAL JOURNAL OF SOCIAL SCIENCE & INTERDISCIPLINARY RESEARCH ISSN: 2277-3630 Impact factor: 7.429*, 11(05), 22-31.

25. Bulturbayevich, M. B. (2021). Development Of Innovative Activities Of Enterprises On The Basis Of Vertical Integration Processes. *Turkish Journal of Computer and Mathematics Education (TURCOMAT)*, 12(10), 5020-5031.

26. Mullabaev, B. B. (2018). Econometric Analysis Of Vertical Integration Of The Light Industry Enterprises Of The Namangan Region (On The Example Of The Republic Of Uzbekistan). *Scientific Review: Theory and Practice*,(8), 22, 36.

27. Bulturbayevich, M. B. (2021, February). Improving the mechanisms of strategic management of innovation processes in enterprises. In *Archive of Conferences* (Vol. 15, No. 1, pp. 130-136).

28. Mullabayev, B. B. (2020). Theoretical and Methodological Bases of Assessment of Innovative Potential of Industrial Enterprises. *International Journal of Progressive Sciences and Technologies (IJPSAT)*, 22, 11-18.

29. Bachtijarzhon, M. (2017). Development Of Light Industry Branches In Uzbekistan Based On Vertical Integration. *Бюллетень науки и практики*, (10 (23)), 178-184.

30. Bulturbayevich, M. B. (2023). Increase The Share Of The Population In The Economic Sectors Through The Development Of Small Business And Private Entrepreneurship. *Journal of Survey in Fisheries Sciences*, 10(2S), 2937-2943.

31. Bulturbayevich, M. B. (2022). THE ROLE OF SMALL BUSINESS ENTITIES IN THE DEVELOPMENT OF THE REPUBLIC OF UZBEKISTAN. *INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT, ENGINEERING AND SOCIAL SCIENCES ISSN: 2349-7793 Impact Factor: 6.876*, 16(11), 17-22.

32. Bulturbayevich, M. B. (2022). IN PRIVATE ENTREPRENEURSHIP EMPLOYEE INCENTIVES ISSUES. *ASIA PACIFIC JOURNAL OF MARKETING & MANAGEMENT REVIEW ISSN: 2319-2836 Impact Factor: 7.603*, 11(04), 21-27.