



DIRECTIONS FOR INCREASING ECONOMIC EFFICIENCY ON THE BASIS OF COST OPTIMIZATION IN FARMING

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Abstract. The article discusses the issues of increasing the economic efficiency of agriculture, fulfilling the requirements of the country's food strategy directions, and ensuring food safety. As a result of the analysis, it was analyzed that the quality of competitive products will be high and the cost will be low, based on the further improvement of the effective use of intensive methods of product production.

Key words: economic efficiency, profitability, main indicators, system, profit, material cost, income, cultivated area, gross product, productivity.

INTRODUCTION. The Decree of the President of the Republic of Uzbekistan dated October 23, 2019 No. PF-5853 "On approval of the strategy for the development of agriculture of the Republic of Uzbekistan for 2020-2030" was adopted. The decision of the President of the Republic of Uzbekistan dated March 6, 2020 "On measures to introduce market principles in the field of cotton", June 27, 2020 "Measures to improve the system of testing and certification of agricultural and reclamation techniques" "On", on the implementation of Decree No. PF-5853 of October 23, 2019 "On approval of the strategy of agricultural development of the Republic of Uzbekistan for 2020-2030" provision, including the introduction of market principles that ensure free competition in agriculture, cancellation of state orders in cotton and grain cultivation, increase of economic efficiency of production and interest of product manufacturers, additional work at the expense of wide attraction of investments The task of creating 'rinish is defined.

The main purpose of the above-mentioned legal documents is to ensure the stability of existing farms based on the production of more and better products at the expense of lower costs. The issue of reducing the cost of agricultural products has been studied by researchers and practitioners as a general economic problem.

In recent years, the discrepancy between the prices of the products grown in agriculture and the prices of 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 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 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.

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. Based on the opinions and opinions of scientists who have conducted research on the methodology of economic efficiency evaluation until now, they can be conditionally divided into two groups. Scientists belonging to the first group believe that the criterion indicator of economic efficiency should be the only one.

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 expenses 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.

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 less 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;
- increase the level of mechanization and automation of production processes as a result of the introduction of new techniques and effective technologies that save production costs, and reduce live labor costs;
- improvement of effective forms of labor organization and incentive system;
- to achieve an increase in the productivity of crops and the productivity of livestock;
- improvement of the most effective forms of labor organization and incentive system in farms;



- ensuring the competitiveness of agricultural products.

CONCLUSION. In conclusion, it can be noted that it is necessary to implement the process of modernization of agricultural production in Uzbekistan. This dramatically increases the supply of basic tools to the farm and increases the possibility of using effective technologies in the farm. This will lead to a radical change in the structure of production costs in the farm. In particular, the contribution of material costs and the use of equipment in the composition of costs increases, and the share of labor costs decreases sharply. The reason is that increasing the level of equipping the farm with equipment leads to a corresponding decrease in the demand for labor. The result should be that the amount of costs associated with the introduction of new techniques into production should be less than the amount of wages paid to the displaced labor force. Only then it is possible to prevent the rapid growth of production costs in the farm.

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