



## METHODOLOGICAL BASIS OF THE METHODOLOGICAL BASIS OF THE STUDY OF THE METHODOLOGICAL BASIS OF THE COSTS OF PRODUCTION ON THE FARM AND THEIR OPTIMIZATION DIRECTIONS

Rasuljon Saliyev

Teacher at Andijan Institute of Agriculture and Agrotechnologies

<https://doi.org/10.5281/zenodo.14724889>

**Abstract.** The article analyzes the issues of systematically increasing economic efficiency and effectively using intensive production methods in existing agricultural enterprises in the current economic climate.

**Key words:** economic efficiency, profitability, key indicators, profit, material cost, income.

**INTRODUCTION.** In the conditions of the digital economy, it is an objective necessity to systematically increase economic efficiency in existing agricultural enterprises. The reason is that the population of our country is growing from year to year. This requires the effective use of intensive methods of production. 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 improving product quality and practical results are being obtained. However, the issue of reducing costs has become a central issue of today's economy. Because today, there is a huge imbalance between the growth of state procurement prices for agricultural products and the purchase prices of resources spent on their production. On this basis, optimizing the costs of agricultural production and achieving economic efficiency by establishing the largest and highest quality product production at the lowest costs in the sector is one of the most important economic issues.

In the process of reforms, our state is implementing a number of measures in this regard. In particular, in order to further increase crop yields and labor productivity in the agricultural sector, the Strategy for the Development of Agriculture of the Republic of Uzbekistan for 2020-2030 was adopted by the decree of President Sh.M. Mirziyoyev.

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

**LITERATURE ANALYSIS AND METHODS.** As a result of scientific research conducted by N.S. Khushmatov, R.V. Abdullaev and E.J. Yusupov on the problems of increasing economic efficiency in agriculture in our country, the issues of increasing the efficiency of cotton fiber production and sales, the formation of inter-sectoral balance in the reform of the cotton growing complex, and the formation of inter-sectoral balance in the reform of the cotton growing complex were studied.

**RESULTS.** In the current conditions, special attention is paid to measures to modernize agricultural production, technical and technological renewal. In particular, the issues of modernization and raising agricultural production to a new level are becoming one of the

urgent tasks of the day. Reducing the costs of producing products on farms is one of the important factors. A number of scientists and researchers have conducted their research in this direction. At the same time, they have created their own theories and tested them in practice.

A certain amount of living and material costs are required to produce any type of product. These costs are in the form of labor, material resources, money, land, water, and their value is transferred to the cost of the product in various ways. In a market economy, it is also necessary to operate sectors, that is, a cost indicator. Cost is considered an economic category in a market economy. With its help, it is determined how much a unit of products produced, work performed, and services provided in agriculture costs farms.

The system of state support for grain cultivation:

1. Determining which areas to sow grain. Refusal of preferential loans from the Fund, provision of preferential funds to commercial banks on a tender basis by the state, direct loans to clusters with a full cycle of grain processing for up to 18 months and to grain growers for up to 12 months.

2. Provision of seed sorting and storage services by "Uzdonmakssulot" JSC. Until the full privatization of grain enterprises of "Uzdonmakssulot" JSC, use of storage warehouses for rent by producers, modernization of seed preparation plants together with the World Bank, organization of activities through external managers

3. Subsidies for water-saving technologies. Introduction of an open, transparent tender system for the introduction of water-saving technologies and attraction of companies with extensive experience and application of a mechanism for subsidizing design costs.

4. Subsidies for locally produced equipment. Compensation for part of the cost of purchasing all types of agricultural equipment, cancellation of duties and taxes on the import of equipment.

The digital economy is a new modern form of business, in which the main factor of production and management is a large set of digital data and the process of their processing. The practical use of the results obtained allows achieving much greater efficiency compared to traditional forms of business. Examples include various automated production processes, 3D technology, cloud technologies, remote medical services, production and delivery of products using smart technologies, storage and sale of various goods.

☐ By the transition to a digital economy, we mean the creation of a new type of society and economy based on computers and knowledge;

☐ As the main components of the transition to a digital economy, mobile social networks, cloud technologies, sensor networks, the Internet of Things, and artificial intelligence technologies that enable data processing can be cited as examples.

☐ The above technologies together allow the creation of "smart" objects and processes (smart state, smart home, smart city, healthcare, transport, and entrepreneurship). The digital economy is manifested in:

- ☐ This is the creation of new personnel and new jobs
- ☐ This is the creation of a new corporate culture
- ☐ This is the emergence of new management and control methods
- ☐ This is the achievement of large databases (big data) and accuracy
- ☐ This is the creation of artificial intelligence and intelligent management systems.

☐ This is due to the implementation of virtualization processes in education, production and management

☐ This is due to the development of e-commerce and e-business

☐ And other great opportunities are emerging.

The makers of the same color are innovative projects that outperform even the largest and most well-funded enterprises in terms of productivity, open source software, and thousands of volunteers scattered across the various places described by Wikipedia. Community members participate in them as a hobby, to communicate or express their values, or to satisfy personal needs.

By having systems of authority and other incentives, blockchain technology can increase their efficiency and reward those who create value. Cooperative societies can also provide, in the words of Harvard professor Joachim Benkler, "cooperative co-production using a shared information space." This system, called social production (also Benkler's term), implies that products and services are created outside the private sector of the economy and are not owned by any corporation or individual.

Currently, several hundred industries and sectors produce consumer goods and equipment necessary for the consumption of our people and the production itself. The largest sectors of production are industry, agriculture, transport and communications, construction, trade, manufacturing organizations, utilities and housing and communal services, various technical and other service sectors. Each country strives to create a structure of industries that are necessary and convenient for the current stage of its development. In this regard, taking into account the limited resources, special attention is paid to those industries that are extremely necessary for increasing production and meeting the needs of the people, allowing to strengthen the country's defense capabilities, and enhance cooperation with foreign countries.

The efficient and rational use of material, labor and financial resources depends on the level of excellent organization of production, reducing production costs, waste, increasing production profitability, income and profit. However, any skilled labor resources and modern equipment and technology, high-quality raw materials and materials will not by themselves turn into a finished product suitable for consumption, useful. For this, it is necessary to organize production, as well as labor. Labor organization is an integral part of the production process, a set of scientifically based measures aimed at creating safe, harmless working conditions in the workplace, facilitating the work of workers, saving their energy (working time), and improving labor culture.

The organization of labor uses achievements in the fields of technological, technical, biological, sociological and pedagogical sciences. Therefore, the availability of resources does not solve everything, the available resources should be directed to areas that provide maximum economic benefit. The Republic of Uzbekistan is a country rich in diverse natural resources, and this task must be solved by capital and management in the life of the country.

**CONCLUSION.** In conclusion, it can be noted that in the context of a market economy, in the process of economic reforms being implemented in the agricultural sector of our country, each business entity operating in the sector is required to have the theoretical knowledge presented above in order to successfully implement measures to reduce the cost of products produced and works and services performed based on the rational use of costs.

It is necessary to try to save costs in agriculture within the limits of possibilities. For this, it is necessary to apply scientific and technical achievements, new technologies, and advanced practices to production within the limits of possibilities. Saving costs ensures the implementation of other work and an increase in the amount of profit received. As a result, the profitability of the farm increases. An increase in the amount of profit creates an opportunity for the development of the farm on the basis of expanded reproduction.

According to Sh. Khudoiberdiev, economic efficiency has a somewhat narrower meaning than general efficiency. It characterizes the appropriateness of decisions made in business management and is defined in all cases as the ratio of the result to the costs (production resources) spent on achieving it. The lower the cost (without affecting the quality of the product), the higher the result, which means that economic efficiency also increases. Production efficiency is considered primary in relation to social efficiency: economic achievements help solve the social problems of the enterprise.

In our opinion, in the conditions of a market economy and competition, the main place in the system of indicators for determining the economic efficiency of production in an enterprise or sector is occupied by the level of profitability and the profit margin. The importance and advantage of these indicators is that they can be determined by the general economy, by individual sectors or by type of product.

### References:

1. Decree of the President of the Republic of Uzbekistan No. PF-60 of January 28, 2022 "On the Development Strategy of the New Uzbekistan for 2022-2026". Goal 30.
2. O.Murtazaev, G.B.Akhrorov. Economics of agricultural production. Tashkent-ILM ZIYO Publishing House-2017.
3. O.Murtazaev, F.Akhrorov. Economics of agricultural production. Textbook. Samarkand. MY TDU ASSIST LLC-2020, 527 pages.
4. R.X.Ergashev, Sh. Sh. Fayzieva, S.N. Khamrayeva. Economics of agricultural production. (textbook). Tashkent "ECONOMICS AND FINANCE"-2018