



## Some Issues of Material Needs Management by the Example of SP LLC “Eurasia TAPO-Disk”

Gaziev Khaydarali Ortikovich

Candidate Of Economic Sciences, Associate Professor, Department Of Management, Fergana Polytechnic Institute, Fergana, Republic Of Uzbekistan

**Copyright:** Original content from this work may be used under the terms of the creative commons attributes 4.0 licence.

### ABSTRACT

This paper presents the results of a study of modern problems of the material resource needs management system at SP LLC Eurasia TAPO-Disk. We have studied in detail the organizational structure of the enterprise. Based on a comprehensive analysis and methodological approaches of the theory of planning and management, the content and the main components of the planning techniques are proposed that allow you to adjust the process of enterprise management in accordance with changing external conditions.

### KEYWORDS

Management, material resources, need, revolving funds, financial management

### INTRODUCTION

Uzbekistan is rich in natural resources. And all of them - land, water, forests and mineral resources - should be the inalienable property of the republic. But the one who thinks that it

is possible only through thoughtless use of natural resources to fully satisfy the demands and needs of a rapidly growing population is mistaken. Planning and purchasing of material

resources should be based on marketing research [1-3]. The enterprise must study the market for raw materials and materials, price movements in this market, suppliers, the cost of delivering material resources, the possibility of effective replacement of some materials for others. The organization of procurement of material and technical resources affects the activities of the enterprise: quality of manufactured products; labour productivity, production cost, profit. Without the use of raw materials and materials, no production can be organized, therefore, when considering any production, the question always arises of the effective planning of the need for material resources as a component of production efficiency in general [4-7].

This explains the relevance of the topic.

### MATERIALS AND METHODS

To replenish material resources and ensure uninterrupted production of products, Eurasia TAPO-Disc CJSC is planning material needs. Material resources at the enterprise are subdivided into:

- Basic;
- Additional;
- Auxiliary.

The main materials at the enterprise include:

- Hot rolled steel strips;
- Black metal;
- Black varnish;
- Silver varnish.

Additional materials include:

- Copper-plated welding wire;
- Welding grease;
- Carbon dioxide;

- Oil;
- Coolant;
- Chemicals.

Supporting materials at Eurasia TAPO-Disc CJSC:

- Stretch film;
- Packing tape;
- Container pallets.

The annual economic plan for the production of disks at the enterprise is drawn up with the plans for the production of products provided by the main customers - Eurasia Trans Disk and GM-Uzbekistan, as well as based on the number of products produced for the previous reporting period. The planning department develops monthly plans for the production of discs of various articles, most requested by customers for the next month. Auxiliary production is mainly designed for orders from GM-Uzbekistan. This enterprise provides a plan for the annual demand for products broken down by months, and on its basis, Eurasia TAPO-Disc CJSC plans ancillary production [1-9].

The documentation obtained during development and design is subject to ongoing analysis. The analysis includes:

- Carrying out alternative calculations;
- Carrying out or using the control and testing of product samples carried out earlier.

The planning of the need for material resources is carried out at the level of departments (production support, technical and production departments) in the form of schedules for the annual production of products in two main areas:

Domestic supply and export supply. Department plans contain:

- The level of quality to be ensured;
- Specific distribution of responsibilities and authorities at various stages of the life cycle;
- Specific procedures, techniques and work instructions;
- Necessary programs of tests, inspections, etc. during the corresponding stages of the life cycle;
- The way of making changes and transformations to the plans as the work progresses, at the stages of design and development, manufacturing, etc. ;
- Other activities are necessary to achieve the set goals.

The needs for production needs in domestic (imported) materials for production facilities, sites for the production of commercial products for the planned year at Eurasia TAPO-Disk CJSC are calculated by the Excel computer program, the calculation is signed by the economist of the Accounting and Finance Department, the head of the fixed nomenclature department, approved by the purchasing director or his deputy [10-14].

To calculate the need for raw materials and materials, the economist of the Accounting and Finance Department, based on a memo of the technological department on changing the consumption rates, enters codes for new raw materials and materials into the computer network of the Excel program. The transfer of information by codes for new materials to interested subdivisions of Eurasia TAPO-Disk CJSC is carried out automatically via a computer network. Subdivisions 45 days before the beginning of the planned year send

to the Department of Production Support applications for the need for domestic (imported) materials, rolled metal products for the release of marketable products for the planned year, approved by the head. These demand requests are the basis for concluding contracts for the purchase and supply of raw materials and materials, rolled metal for branches. Calculations of the need for auxiliary and operational needs, applications for the purchase of auxiliary materials are sent by the divisions of CJSC Eurasia TAPO-Disk to the Production Support Department 45 days before the beginning of the planned year in any form (in the form of memos, letters), signed by the head or manager subdivisions of the branch, indicating:

- Names and designations of the material in accordance with the Normative Documentation for the material;
- Needs for the planned period;
- Consumer subdivisions.

The basis for calculating the need for material resources for auxiliary and operational needs is the regulatory documentation for each name of the material. Applications for the purchase of rolled metal and materials are sent to the Production Support Department 45 days before the beginning of the planned year:

- from the divisions of CJSC "Eurasia TAPO-Disk" signed by the head of the division, agreed with the services of the Department of the Chief Mechanic, the Department of Supply of Production and approved by the Director for Technical Support. The economists of the Production Support Department, in accordance with the fixed nomenclature, draw up a consolidated application for CJSC Eurasia TAPO-Disk for the purchase of rolled metal and

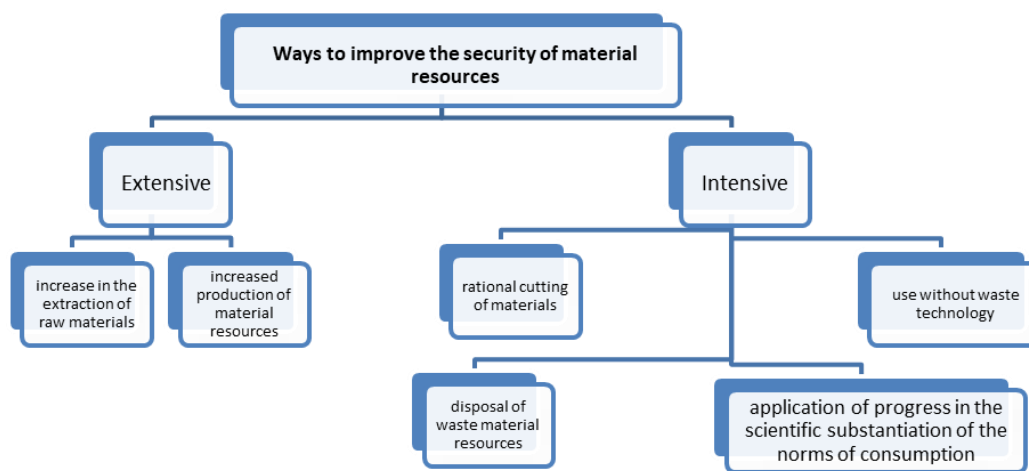
materials for the planned year, which is signed by the head of the department, the purchasing director, coordinated by the head of the production supply department and approved by the director of technical support. The consolidated application for the purchase of materials and rolled metal products are the basis for concluding contracts for the purchase and supply of materials and rolled metal products. The calculation of the need for basic materials for the production of disc wheels in 2019 at Eurasia TAPO-Disk CJSC is carried out based on the plan for the production of disc wheels in 2019, which is a summary of the number of discs ordered by GM-Uzbekistan and Eurasia Trans Disk and based on inventory data reflecting the number of discs available.

Due to the different nature of the consumption of dissimilar materials, the method for determining the need for them has some peculiarities. The need for basic materials is

determined based on the production program of an enterprise or workshop, material consumption rates and planned changes in stocks.

The need for basic, auxiliary materials and fuel at Eurasia TAPO-Disk CJSC is determined based on their consumption rates. Consumption rates of basic and auxiliary materials for the production of disc wheels are developed by the technologist together with the head of the Design and Technology Bureau, then agreed with the technical director and approved by the deputy general director.

The growth of the enterprise's need for material resources can be satisfied extensively (by purchasing or manufacturing more materials and energy) or by intensive (more economical use of available stocks in the production process), Fig. 1.



**Fig. 1. The main ways to improve the security of the enterprise with material resources**

Rationing of sheet material consumption (hot-rolled steel strips) at Eurasia TAPO-Disk CJSC is made based on working drawings and cutting maps. Using the drawing, the net weight of the

part is determined, taking into account its volume and the specific gravity of the material from which it should be made. If this type of part has already been manufactured before,

then the net weight is set as the average value obtained by selective weighing of a small batch of finished parts.

Summing up the net weights for all the parts included in this product and made from the same grade size of materials (taking into account the total number of parts of each item that make up the finished product), we obtain the consolidated consumption rate of this material per product by net weight, or, as it is commonly called, the norm is net. Each enterprise has reserves to reduce this rate through lighter construction, the introduction of economical materials and other methods. The net weight rate does not yet determine the total specific consumption of materials for the

manufacture of a product unit. Considering the technological process of manufacturing each part, it can be seen that, depending on the accepted method of obtaining the workpiece and on the nature of the further processing of the part, a different amount of waste is generated in the production process. So, if a part will be manufactured by mechanical processing on metal-cutting machines, then the dimensions of the workpiece must differ from the dimensions of the finished part by the amount of allowance, which corresponds to the surface layer of the metal removed during processing.

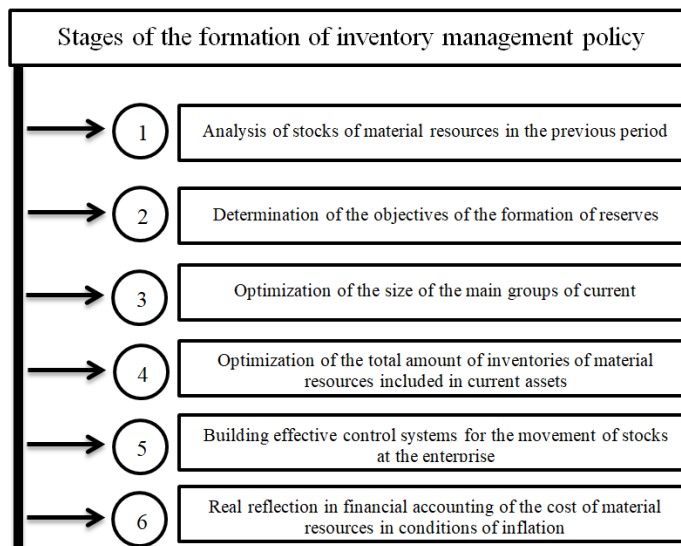


Fig 2. The main stages of the formation of the inventory management policy at the enterprise.

The size of the machining allowance should be taken as a minimum, and then it will provide the most economical use of materials. Accordingly, this rule is used by the designer at the ZAO Eurasia TAPO-Disk, and when developing new parts, stamping equipment, disc wheels, during design and calculations, allowances for its processing are put into the

part. It is advisable, in our opinion, to use the system of intrafirm planning at the enterprise in the medium and long term, since in the modern rapidly changing market situation it is impossible to achieve positive results of a commercial activity without planning specific actions to perform business operations and without predicting the consequences. This will

allow the company to quickly respond to changes in demand for finished products, to plan material requirements in such a way as to minimize the cost of purchasing raw materials and materials. We propose to implement the following inventory management scheme at the enterprise, Fig. 2.

For effective management of stocks at the enterprise, we propose that the balances of products by types in value and in-kind are recorded. It is necessary to compare the actual residues of materials with existing standards.

### CONCLUSION

To organize the profitable work of the enterprise, it is necessary to create a correct and real structure of the movement of the material resources of the enterprise. In modern management, there are a large number of options for managing the material resources of an enterprise. The supply of products with the necessary material resources is the initial link in the production process, and the sale of finished products is its completion. Obtaining the greatest effect with the lowest costs, saving labour, material and financial resources depend on how the enterprise solves the questions of planning material needs and how it manages the reserves of the enterprise.

### REFERENCES

1. Chuev I.N., Chechevitsyna L.N. (2006). Enterprise Economics: Textbook. 3rd ed., Rev. and add. 416 p.
2. Zimovets A.V. (2010). Rationing of working capital and indicators of the effectiveness of their measurement Taganrog: Publishing house NOU VPO TIUIE.
3. Gaziev, Kh.O. (2019). Strategic management in the context of anti-crisis management of the enterprise. Economics, (2 (40)).
4. Gaziev, Kh.O. (2020). Some questions of material need management on the example of Eurasia Tapo-Disc JV LLC. Eurasian Union of Scientists, (3-5 (72)).
5. Gaziev Kh.O. (2021). On the question of managing the material reserves of an economic entity. Collection of articles of the I International Scientific and Practical Conference. OMSK.
6. Hozhaev, A. S. (2017). Voprosy sovershenstvovaniya ispol'zovaniya statisticheskikh issledovaniy pri sbore informacii v sfere plodovodstva-ovoshhevodstva. Theoretical & Applied Science, (9), 8-13.
7. Xojaev A.S., Raxmatullaev S.A.. Mevasabzavotchilik sohasini ustuvor rivojlantirishning asosiy masalalari. Molodoj uchenyj, (16-2), 19-22.
8. Nilufar A. Yuldasheva, Ikboljon A. Toshpulatov. (2020). The Importance of Government Regulatory Mechanisms in Anti-crisis Management. Journal of Advanced Research in Dynamical & Control Systems. Vol. 12, No. 7, 738-744.
9. Achilov, A. N. (2019). Accounting for inventory at the chemical industry of the Republic of Uzbekistan. Theoretical & Applied Science, (11), 5-7.
10. Kambarov, J. X. (2016). Improving the anti-crisis innovation mechanism. Economics and Finance (Uzbekistan), (4).
11. Ashurov, M.S., Shakirova, Yu.S., & Turdibekov, O.I. (2019). Trends in the formation of a mixed economy in Uzbekistan. Bulletin of Science and Practice, 5 (12).



12. Payazov, M.M. (2019). Innovative policy as the main task of the modern economy. *Actual science*, (3), 59-61.
13. Najmiddin, T., & Saidalohonovich, K. A. (2020). About the origin and development of the universe, man, and accountability. *Journal of Critical Reviews*, 7(13), 1763-1769.
14. Atabaeva, Z. A., & Khojaev, A. S. (2020). Investment activity and analysis of investment projects. *ISJ Theoretical & Applied Science*, 5(85), 714-720.