



Financial Potential Of Industrial Enterprises Andijan Region

Martabaxon Mahmudovna Dadajonova

Associate Professor Of The Department "Organization Of Industrial Production" Of The Andijan Machine-Building Institute, Uzbekistan

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

ABSTRACT

The article examines the problems of production of industrial enterprises and increasing their financial potential in the Andijan region. An assessment of the financial potential of industrial enterprises was made, as well as an analysis of the production of industrial enterprises in the region and the share of enterprises with foreign capital. Proposals are formulated to increase the output of industrial products and their competitiveness.

KEYWORDS

Industry, financial potential, investment, foreign capital, competitiveness, correlation.

INTRODUCTION

One of the most important components and a factor characterizing the investment attractiveness of regions and their territorial and sectoral elements is the financial component of the organization and implementation of the investment process in the region.

The systematic solution of tasks aimed at achieving a high level of socio-economic development of the Republic of Uzbekistan presupposes the need to intensify the processes of financial support for investment activities both at the level of the country as a whole and at the regional level. In modern

conditions, attracting investment is carried out on the basis of the active work of state authorities, the direction of which is associated with the effective formation and use of the financial potential of the region as the basis for the reproduction process of the economy.

As the President of the Republic of Uzbekistan Sh.M. Mirziyayev noted in his Address to the Oliy Majlis of the Republic of Uzbekistan, “We must fully support entrepreneurs who create jobs. The government should take measures to ensure the creation of new jobs within the framework of state programs and the growth of the number of business entities in industries, spheres, regions and districts ”[1]

The development of an industry, an increase in the number of enterprises in this industry and their ability to effectively manage their resources, actively attract foreign investors, and compete in the market is the most important condition for developing the

potential of any system. Consequently, this will ensure, in the current conditions, an increase in efficiency and competitiveness, on the one hand, and an effective management mechanism, on the other.

Knowledge of the problem posed. Due to the peculiarities of historical development, in the special economic literature and periodicals, on the development and formation of the financial potential of industrial enterprises, different opinions are expressed. (Table 1).

In general, in the speeches of the authors of the concepts of financial potential at industrial enterprises, it has been used since the formation of the budget and tax system, since it is one of the main elements of the financial potential of the region as a whole, but there is still discussion about its content, definition of the concept, which requires clarification of the existing approaches and their content [4].

Table 1
Interpretation of the content of the financial potential of industrial enterprises in the economic literature

№	Interpretation of the financial potential of business entities	Authors
Foreign authors		
1.	Part of the resources of the produced national income, which, after all the processes of redistribution, is embodied according to the material composition in the nature of the means of reproduction. The system of economic relations. Through which the process of reproduction in the region is carried out.	A.M. Volkov E.K. Konyarova
2.	The total amount of tax and other monetary receipts to the budget system from the territories of the region. The result of a market assessment of the potential income of factors of production in monetary form, possible to receive.	R.A. Expert V. N. Leksin A.N.Shchvetsova G.S.Merzlikina L.S. Shakhovskaya
3.	Part of the resources that ensure financial security, as an essential element of national	N.I.Klimova E. A. Gaffarova G.R.Sakhapova

	security affecting investment, demographic, food and other types of security.	T.I. Tyutyunnikova
Local authors		
4.	Основу распределения общегосударственных денежных средств между бюджетными звеньями составляют принципы независимости местных бюджетов, их государственной финансовой поддержки, формирования их доходов за счет территориальных источников.	A.V. Vakhabov G.A. Kasymova H.N. Zhamolov

RESEARCH METHODOLOGY

To solve the set tasks, the methods of systemic, correlation-regression, factorial, graphic, financial analysis, methods of constructing typological groupings, the dialectical method of cognition, as well as methods of mathematical modeling of economic processes were used.

ANALYSIS AND RESULTS

The financial potential of the region is the ability of the economic system to form its maximum achievable result, including through

$$FPEORR = DC * RCFAEO + NPEO + MOBF * RCHMOBF$$

where, *FPEORR* – the financial potential of enterprises and organizations registered in the region;

DC – depreciation charges;

RCFAEO – rate of change of fixed assets of enterprises and organizations;

NPEO – net profit of enterprises and organizations;

MOBF – means of off-budget funds;

RCHMOBF – the rate of change in the means of off-budget funds;

the creation of effective conditions for the accumulation and the most efficient use of potential income of economic entities (institutional sectors of the economy). The systematization of the approaches to determining the financial potential of the region set forth in the available publications makes it possible to identify the main elements based on the resource approach. One of which is the financial potential of enterprises and organizations registered in the region - own free and attracted financial resources, which is determined by the following formula: [2]

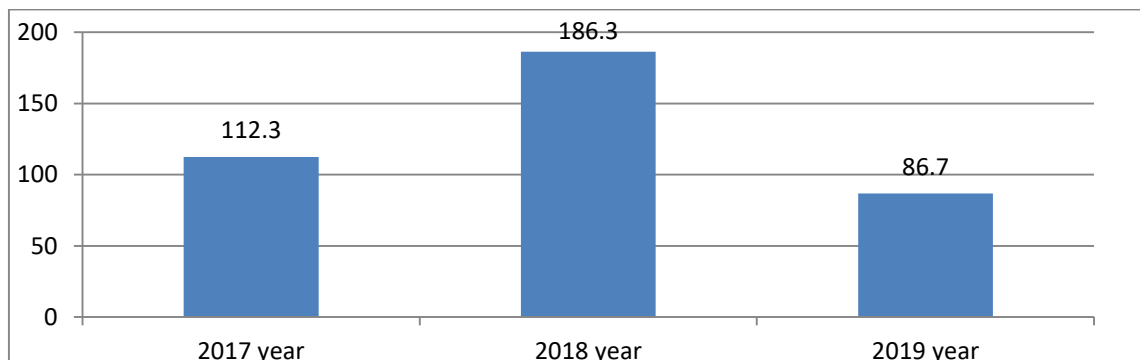


Fig. 1. Financial resources of enterprises and organizations of the Andijan region (in billion soums)

After examining the data shown in Figure -1, we see that the financial resources of enterprises and organizations of the Andijan region by 2019 have a downward trend, which, compared to 2018, decreased by 46%, and compared to 2017 by 23%.

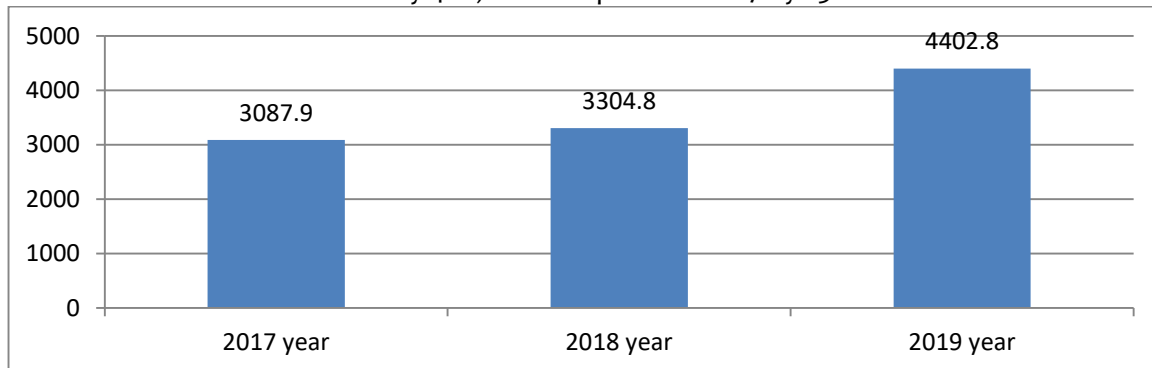


Fig. 2. The volume of production of industrial enterprises in the Andijan region (in billion soums)

Source: Main Department of Statistics of Andijan Oblast.

Based on the data in Figure 2, we see the volume of production of industrial enterprises in the Andijan region, which tends to grow. In 2019, industrial enterprises of the Andijan region produced products worth 4 trillion 402

billion soums, which compared to 2018 increased production by 109.7%. The main growth factor is the growth of the mining industry by 115.2%; growth in the electricity, gas, air conditioning sectors by 134.0%, growth in the manufacturing industry by 107.5% [3].

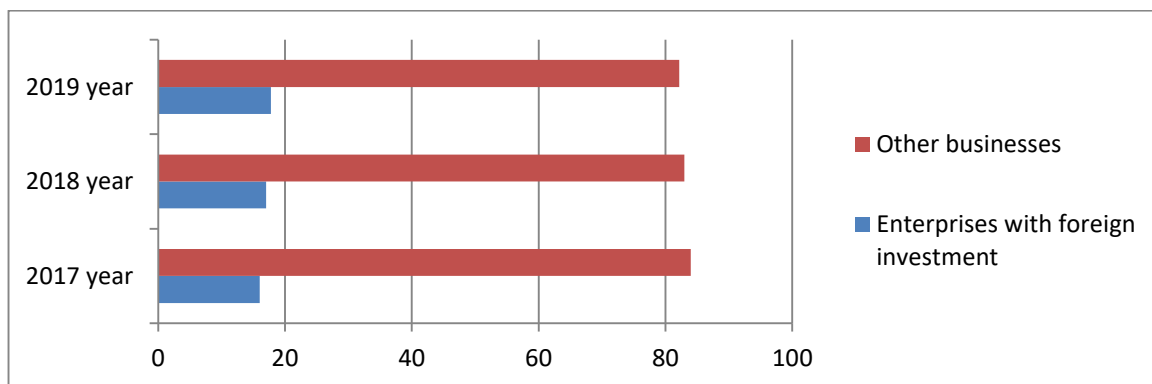


Fig. 3 The share in the total volume of industrial production of enterprises with the participation of foreign investments

Source: Main Department of Statistics of Andijan region.

Having studied the volume of industrial production of enterprises with foreign capital in the Andijan region, we also observe a growth trend as shown in Figure 3. In relation to 2017, in 2019, enterprises with foreign capital increased from 16% to 18%. The main reason for

this is the creation of the State Program to attract foreign investment to the region.

In the Andijan region, the financial potential has a very low quantitative assessment. When conducting a correlation between the elements, a feedback was revealed by enterprises and organizations of the region.

Table 2

Coefficients of pair correlation between financial potential, its structural indicators and the level of GRP of the Andijan region for the period 2017-2019.

Indicators	FPR	BHP	SFCS	FPEORR	FSH	VIIZ
GRP	0,999	0,978	0,998	-0,276	0,994	0,998

The table shows a close correlation with the GRP indicator, so a close directly proportional relationship is observed between the GRP and FPR, BNP, SFC, VliZ and FSN indicators in Andijan region. A close feedback has been established between GRP and FPEORR.

CONCLUSIONS AND OFFERS.

The author's analysis of industrial enterprises of the Surkhandarya region and its financial potential shows the current situation, which indicates the need for the development of industrial enterprises and the development of competitiveness, which can be carried out in the following areas:

1. Build-up of factors of production and competition based on it;
2. Greater attraction of investments in the industry due to internal and external investments;
3. Use of innovation (innovations) in industry and the production of new products, production processes and organizational solutions [5].

The construction of such forms of connection between the value of the financial potential of the region and the GRP indicator makes it possible to determine the expected volume of GRP based on the current value of the financial potential of the region. However, manufacturers of the industrial sector in a pandemic can only be saved in a difficult situation by state support.

REFERENCES

1. Sh.M.Mirziyaev. Message of the Oliy Majlis of the Republic of Uzbekistan 24.01.2020g.

2. Konyarova E.K. Upravlenie vosproizvodstvom finansovogo potentsiala regiona. Author's abstract on the study of the degree of candidate of economic sciences. Ijevsk 2005g.
3. Umarov I.Yu. Puti povysheniya effektivnosti predprinimatelskoy deyatel'nosti v povyshenii konkurentosposobnosti predpriyatij pishchevoy promyshlennosti. // Regional problems of preobrazovaniya ekonomiki. – M., 2019. №1. –S. 29-35.
4. Umarov I.Yu., Yusupova M. Osobennosti upravleniya tsifrovymi innovatsiyami v biznese / World science: problems and innovations: sbornik statey XXXI Mejdunarodnoy nauchno-prakticheskoy konferentsii. V 4 ch. Ch. 3. - Penza: MTsNS «Nauka i Prosveshchenie». - 2019. - C. 118-120
5. Umarov I.Yu., Buriboeva I.A. Puti povysheniya konkurento-sposobnosti predpriyatij pishchevoy promyshlennosti. SCIENCE, RESEARCH, DEVELOPMENT # 13, Economy. Management. State and Law, MONOGRAFIA POKONFERENCYJNA. – Berlin (Berlin): 2019 y. 30.01.2019-31.01.2019. –P. 39-41.