
IMPORTANT ASPECTS OF MANAGING THE PROCESSES OF FORMATION OF FINANCIAL RESOURCES

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Abstract

Keywords:

*Joint-stock companies,
financial resources,
share capital,
additional paid in
capital, listing,
infrastructure bonds.*

The article analyzes the activities and the state of attracting financial resources of joint-stock companies operating in the country, and also draws conclusions and recommendations on the development of the industry.

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INTRODUCTION

Today, in the conditions of a sharp competitive environment in the world economy, innovative development, the expansion of the scope of the application of financial technologies, it is assumed to conduct scientific research at the international level regularly in order to effectively organize the practice of attracting additional financial resources for the implementation of new projects by corporate structures, to manage the financial resources at As a result, at the same time as the scientific circle, international financial organizations, rating agencies are also publishing the results of research on the issues of effective management of the financial resources of Joint-Stock Companies. The weakness of the importance and application of financial instruments in attracting additional funds from Joint-Stock Companies operating in Uzbekistan are the main problems in the management of their financial resources. As a result of this, in our country, over the next decade, the number of JSCs in the state of April 1, 2023 is 613, reduced by almost 3 times, while they are still operating, a number of urgent problems remain in the formation of financial resources, in addition, in attracting funds and free placement of their own funds. Another aspect of the problem is considered to be the funds formed at the expense of the state share of 84% of the total share capital of all joint-stock companies, the remaining 16% of the share capital corresponds to the contribution of economic management bodies and other shareholders, this process also indicates that administrative management and state intervention in the management of their financial resources Today, 613 joint-stock companies operate in our country, while the state share in 235 of them is 149.9 billion soums. On December 28, 2018, the president of the Republic of Uzbekistan paid special attention to "...in the management of the economy, it is necessary to sharply reduce state intervention. The fact that state participation in the fuel and energy, oil and gas, chemical, transport and banking sectors remains at a high level prevents them from developing on the basis of market mechanisms, attracting investments."

LITERATURE REVIEW

Some aspects of the development of the stock market and the improvement of financial management in corporate structures in the conditions of a market economy, including the management of the financial resources of joint-stock companies, were developed by foreign scientists A.S. Kokin, Dj.K. Van Horne, W.N. Yasenev, N.I. Yashina, T.Y. Mazurina, L.G. Skamay, Stoyanova E.S, A.D.Sheremet, R.S.Saifulin, LapustaM.It has been researched in the scientific work of scientists. From the economic scientists of our country Sh.Sh. Shahazamiy, B.Toshmurodova, O.Hamdakov, S.Elmirzaev's textbooks, teaching aids, monographs and scientific works spoke in detail about the importance of the financial market in the activities of corporate structures and the problems that arise in this area today.

RESEARCH METHODOLOGY

In the preparation of the article, systematic analysis of the literature on the basis of ways to improve the mechanism of formation of financial resources are studied. An analysis of Joint-Stock Companies in the Republic of Uzbekistan is carried out by fields and industries.

ANALYSIS AND RESULTS

In the context of financial globalization, it is important for Joint-Stock Companies to attract funds at the expense of sustainable sources, to introduce investment-financial mechanisms that will bring settlement and economic effect, as well as to manage financial resources. The uncertainties that arise, especially in the context of the globalization of Finance and consumer markets, the significant fluctuations in the prices of raw materials and thermal energy make these tasks a more urgent issue, in particular, the level of risk is increasing, obligations are increasing, and opportunities for income are decreasing. It is known that the effective management of financial resources of Joint-Stock Companies, as well as their formation at the expense of stable, relatively inexpensive and long-term resources, allows them to enter into free competition and serves to increase their solvency. All this, in turn, leads to an increase in the profits of Joint-Stock Companies and ensuring their financial stability.

This article analyzes the main trends associated with the formation of financial resources of joint-stock companies operating in our republic, in which a special place is given to the status of their authorized capital and attracted resources, the size of foreign investments in the activities of Joint-Stock Companies, the interregional and inter-sectoral placement of these funds.

Table 1.

**Number of Joint-Stock Companies in the Republic of Uzbekistan
as of April 1, 2023**

№	Regions	Number of JSC	Total value of shares (billion.soum)	Number of shares (mlndona)
1	Karakalpakstan Republic	18	46,68	24,65
2	Andijan	35	1 749,08	22 082,02
3	Bukhara	35	205,67	252,19
4	Jizzakh	16	282,55	333,38

5	Kashkadarya	41	2 757,21	2 303 082,26
6	Navoi	16	16 141,86	18 223,86
7	Namangan	20	123,19	78,45
8	Samarkand	27	95,61	64,28
9	Surkhondarya	20	64,99	81,92
10	Sirdarya	15	180,45	163,96
11	Tashkent	47	6 116,15	143 249,70
12	Fergana	44	1 343,44	7 694,94
13	Khorezm	28	171,17	218,27
14	Tashkentcity	251	149 383,90	13 936 938,02
Total		613	178 661,95	16 432 487,89

Table 1 data shows that as of April 1, 2023, the shares issued by the Joint-Stock Companies of our country are 178.6 billion.soum.The number of shares issued was 16.4 trillion units. If we see the ratio of the authorized capital of Joint-Stock Companies of our country to the country's GDP as a private aspect, this figure is 20.0 percent, while 28 or 4.6 percent of all joint-stock companies (613 JSC) have 27.8 percent of the authorized capital of joint-stock companies with the contribution of Joint-Stock Commercial Banks. As we will see in the cross section of networks, 50 joint-stock companies are united in the structure of "Uzbekneftegaz" LLC, the share of the authorized capital of which is 38% of the Joint-Stock Companies within the total networks.

As can be seen from the above, the authorized capital of the commercial banks of our country and joint-stock companies within the OECD "Uzbekneftegaz" is 65.8% of the authorized capital of the total Joint-Stock Companies of our country. All this, the issue of financial resources of industries in the light and heavy industry, which offer products to the consumer markets of our country, especially the formation of their own funds, is one of the important issues.If we see the share of the state in the authorized capital of Joint-Stock Companies, then more than 83.0% in commercial banks, and more than 88.0% of the authorized capital of companies in the field of industries corresponds to the contribution of the state share. This is also an important aspect of the issue, and the reduction of the state's share in the structure of authorized capital of Joint-Stock Companies in a market economy to a minimum provides the opportunity to widely implement such market mechanisms as competition, supply and demand, private property, valuation and interest among them. As a confirmation of our above points, since August 1, 2018, the following benefits have been introduced in order to increase the volume of foreign investment in our country in accordance with the decree of the president of the Republic of Uzbekistan "on measures to radically improve the investment climate in the Republic of Uzbekistan"PF-5495:

- ❖ reducing the minimum share of foreign investment in the charter fund of enterprises with foreign investment from 30 percent to 15 percent;
- ❖ cancellation of the requirement that a foreign legal entity must participate as a participant in an enterprise with foreign investment. It should be noted that the introduction of this requirement in 2019 caused the liquidation of operating joint-stock companies to cause problematic cases when they were being formed anew, as a result of which in the following years their number was sharply reduced;
- ❖ reducing the minimum amount of the authorized fund of enterprises with foreign investment from 600 million to 400 million;

- ❖ the state registration of enterprises with foreign investment has introduced a number of benefits, such as a tripling of the amount of the state duty.

As a result of the increase in the volume of foreign investment in the economy of Uzbekistan, modern technologies are introduced into enterprises, enterprises have an increased opportunity to export finished products to foreign countries, the unemployment rate of the population decreases, and the debts of enterprises to receivables and the state budget decrease. In our opinion, one of the main problems in managing the financial resources of Joint-Stock Companies of our country can be explained by the low or almost non-existent share of foreign capital in the structure of their financial resources. To do this, Joint-Stock Companies of our country should seriously consider and solve the issue of attracting foreign funds to the national economy at the moment, not only by entering the listing of local stock exchanges, but also by entering the listing of prestigious international stock exchanges abroad. As can be seen from the above figures, the level of attraction of financial resources to Joint-Stock Companies of our country is very low, and a number of problems with solving this issue remain. In particular:

- underdevelopment of the primary and secondary securities market in the country;
- weak infrastructure implementing the money market and money supply;
- underdevelopment of the practice of obtaining passive income of legal entities and the population and the lack of firm confidence in it;
- the weakness of the money supply by the country's megaregulator, the current level of monetary supply of the economy is 29.5 percent. This figure, which until September 2022 was around 24-25 percent, rose from this level to 29.5 percent due to the devaluation of the national currency as a result of the liberalization of currency policy, apparently 5.5 percent of this level occurred due to the devaluation of the national currency to foreign currencies;
- the lack of mutual balance in the cross-section of networks and territories for the sale of corporate securities, the flat placement of the financial resources of joint-stock companies in the regions and cities of our country, and this, in turn, does not give the opportunity to develop the networks and territories of our country in an even and interdependent way.

In the process of studying the above problems, we studied the financial statements of enterprises of the "Uzpakhtasanoat" JSC system.

Table 2.

The composition of the financial resources of JSC "Uzpakhtasanoat" and dynamics

(in interest account, as of January 1)

№	Source of financial resources	2019	2020	2021	2022
I.	Equity capital	80,1	77,9	76,8	40,5
	Including:				
	- authorized capital	1,1	1,0	4,2	26,1
	- added capital	0,0	0,0	0,0	0,0
	- reserve capital	7,9	7,6	7,1	8,9
	- unallocated profit	22,3	28,2	33,1	23,4
	- targeted receipts and funds	65,8	59,9	52,7	41,6
	- reserves for the coming period	2,9	3,4	3,1	0,1
II.	Liabilities	19,9	22,1	23,2	59,5
	Current liabilities	100	100	100	100
	Including:				
	- current creditor debts	93,6	84,1	63,1	98,3
	- short-term bank loans	6,4	15,9	36,9	1,7
	Total (I+II)	100	100	100	100

Table 2 presents data on the composition and dynamics of the financial resources of "Uzpakhtasanoat" JSC as of January 1, 2019 - 2022, according to which, as of January 1, 2020, the share capital in the passive structure of JSC was 80.1%, this figure was 93.5% as of January 1, 2023, or decreased by 39.6 points during this period. From the point of view of managing the financial resources of a joint-stock company, this indicator indicates a decrease in equity capital at this level over the next 3 years, a decrease in the position of its own funds in the structure of resources, as well as an increase in the level of society's dependence on attracted funds. However, it is worth noting that the share capital in the structure of the financial resources of JSC did not decrease in the absolute sum.

As a result of the analysis of the state of financial resources of JSC "Uzpakhtasanoat" (in interest accounting, as of January 1, 2019-2022) as a result of the state of financial resources of JSC "Uzpakhtasanoat" as of January 1, 2019-2022, it can be concluded that there are a number of problems in managing the financial resources of the society, the first of which in the following years Secondly, a significant decrease in the share of equity in the structure of JSC's resources reduces its chances of placing its own funds on independent and effective goals. On the basis of Table 2 above, we should note that JSC "Uzpakhtasanoat" should reduce the level of risk that may arise on obligations by diversifying debts to subsidiaries and dependent societies within obligations, as well as take measures not to reduce the volume of equity shares in resources by 75-80 percent.

Table 3.

Indicators of economic efficiency of the activities of JSC "Uzpakhtasanoat"
(in the account of the coefficient)

№	Specification	Resultscalculatedfrom 2019-2022			
		2019	2020	2021	2022
1.	CIR — CostIncomeRatio	0,98	0,94	0,90	0,92
2.	ROCE — Return onCapital Employed*	0,009	0,081	0,121	0,084
3.	ROE — ReturnOnEquity	0,326	0,326	0,326	0,161
4.	Assetprofitability	0,008	0,068	0,099	0,013
5.	Absoluteliquidityratio	0,012	0,015	0,011	0,0009
6.	Financialindependencecoefficient	0,80	0,77	0,76	0,40
7.	Creditor debt turnover, on account of the day	51,0	63,4	58,7	389,8
8.	Receivables turnover, on account of the day	92,7	99,1	70,7	8,59
9.	Solvency	4,20	3,85	2,63	1,51

Taking into account the above, we analyzed in Table 3 the results of the assessment given by our government in 2015 to the financial results of JSC "Uzpakhtasanoat" on the basis of the criteria established by our government to determine the effectiveness of the financial and economic activities of Public Joint-Stock Companies. As can be seen from the data of Table 3, the main part of the income received in the activities of JSC "Uzpakhtasanoat" is spent as expenses. For example, this indicator is listed on the first line of the table, which during the analyzed 2019-2022 was no less than a coefficient of 0.90, especially since as of January 1, 2019 it was a coefficient of 0.98. Of course, the quoted coefficient in the ratio of the costs of JSC to income is very high, and all its income is directed to the cost recovery. In our opinion, as well as according to domestic and international practice, the fact that this indicator is at a coefficient of 0.80-0.85 is considered desirable for economic entities.

The second line of Table 3 shows the results of the analysis of the profitability of The attracted capital of JSC (total equity), according to which the figure was 0.0094 coefficient or 0.94 percent as of January 1, 2019, 0.13 coefficient or 13 percent as of

January 1, 2021, and 0.084 coefficient or 8 percent as of January 1, 2022. In this regard, too, there are problems with the JSC, this problem is such that there is no problem at the rate of Return of its total equity, but during periods it does not have a stable indicator, since, as can be seen from analyzes, its level of vibration is very high.

Based on the results of the analyzes and studies carried out on JSC's share capital and asset profitability, it can be noted that the results of the analysis on this issue of JSC "Uzpakhtasanoat", the indicators of the effectiveness of the share capital and the assets placed are positive. For example, the return rate of JSC's share capital was not lower than 0.32 coefficient or 32 percent, corresponding to 0.01.2019-2022, the return rate corresponding to the contribution of assets was also at 0.008-0.09 coefficient or at the level of 0.8 and 9.0 percent during these periods.

CONCLUSIONS

In conclusion, in the management of the financial resources of Joint-Stock Companies of our country, there are a number of pressing issues, in particular problems, the most important of which is the limitation of the powers of the board of Directors of the society in managing their activities and deploying resources, therefore, on the basis of the full use of the available.

It is advisable to put into practice the following proposals related to improving the efficiency of managing the financial resources of Joint-Stock Companies:

1. Strategic and tactical planning should be used effectively in the management of the financial resources of Joint-Stock Companies, strategic planning will be developed at least 2 years in advance for 10 years, and tactical planning will be developed for 6 months in order to gradually introduce strategic planning into practice.
2. The formation of the financial resources of Joint-Stock Companies at the expense of stable, relatively inexpensive and long-term resources serves to increase their solvency, while giving them the opportunity to enter into free competition.
3. JSCs do not have the opportunity to use some existing financial instruments to attract additional financial resources, in our opinion, the issuance of Infrastructure Bonds by some large state JSCs operating in our country at a rate not less than the central Bank refinancing rate will serve to attract additional financial resources. The funds received from the placement of infrastructure bonds can be used to finance large projects provided for by the decision of the president of the Republic of Uzbekistan or the Cabinet of Ministers of the Republic of Uzbekistan.

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