

## Factors Affecting Product Production Cost n Economic Subjects

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**Abstract:** In this article, the organization of production activities of economic entities and the systematic control of these activities, increasing the weight of income at the end of production, and determining the positive and negative factors affecting the cost of products, and the effective calculation of product costs methods are studied and illuminated.

**Key words:** Business entities, product costing, financial reporting, planning, production, capital costs, raw materials, strategic decisions, alternative resources, net profit, international standards of financial reporting, capital, world market.

**Introduction.** Today, many opportunities and privileges are provided in our country for enterprises engaged in production activities. These benefits will certainly serve to ensure the financial stability of enterprises in the future, to expand their activities, to increase the scale of production, and to create an opportunity to increase the number of additional workers.

Increasing the number of business entities in our country is important as it creates the opportunity to provide the population with permanent employment in the future. It should be noted that on the side of business entities, additional opportunities are being created not only for the production of products on the domestic market, but also for exporting the remaining part abroad. For this, it is very important that the products that are planned to be exported to the world market should be of high quality, that is, they should be able to compete equally with products produced in foreign countries, and they should be at favorable prices in terms of price.

The systematic solution of such issues is expressed in the Decree of the President of the Republic of Uzbekistan “On the Development Strategy for the Development of the Republic of Uzbekistan for 2022-2026”.

**Material and method.** A lot of research is being conducted by many economists working abroad and in our country to further improve the calculation of the cost of production, to use modern methods of cost calculation. The main goal is to reduce the cost by using modern methods of product costing. A legal basis is needed for the implementation of measures aimed at the realization of such goals. The Regulation of the Cabinet of Ministers of the Republic of Uzbekistan, approved by Resolution No. 54 of February 5, 1999, “On the composition of costs of production and sale of products (work, services) and the procedure for forming financial results” is an important regulation in this direction. are public legal documents.

The scientific research of A. Avlokulov, A. Karimov, A. Pardayev, O. Sobirov and others, among the leading economists of our country, on the control of product cost and related costs and the use of modern methods of calculating the cost of product production recognition is permissible.

**Results.** In the course of our research, we have studied and analyzed research on the calculation of the cost of production and its control, and in the end the following results were obtained:

- Calculating the cost of product production by calculating each of its stages;
- Assessing the labor productivity of the specialists employed in the enterprise and evaluating the efficiency indicators;
- To re-analyze and monitor the costs that make up the product cost, and to reduce the costs with a relatively high share by finding an alternative way, etc.

As a result of the above considerations, the increase in fixed costs will be avoided and attention will be paid to the production of the product at the expense of more local resources.

**Discussions.** Establishing production in areas with all-round favorable infrastructure created the basis for the minimum costs. When attracting investors, the above issues are the priority. For this, it is necessary to pay attention to the following:

- Giving priority to localization of some raw materials in the product instead of importing them from abroad;
- To further develop the activity of foreign investment funds by widening the production activity and increasing efficiency, etc.
- Our opinions are found in the activities of almost all enterprise managers, if such issues are resolved in time, opportunities for the production of high-quality products at affordable prices will be created.

**Conclusions.** Based on the results of research and analysis, we believe that it is important to implement the following tasks to prevent and reduce the cost of products:

- To identify the factors that affect the increase in the cost of products in enterprises and to develop measures to eliminate them;
- Reducing costs by prioritizing the wide use of local raw materials in product production;
- By developing a system of effective use of labor resources, opportunities to increase product quality and reduce costs are created;
- It is possible to prevent the production of defective products and to ensure the quality of products by involving modern innovation technologies in the production.

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