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Grouping And Evaluation Of Financing Sources Of Cotton-Textile Clusters

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ABSTRACT

This article talks about the external financing of cotton-textile clusters, as well as the main sources of financial relations between cluster member enterprises, the banking sector, various funds involved in the process.

Keywords:

cluster, financing, innovation

Introduction

Financing the activities of cotton-textile clusters plays a special role in achieving the goals set for the textile industry, since financing is one of the central factors in expanding production capacities, introducing new technologies, and increasing export potential. Currently, the world's textile industry employs about 75 million people, which is more than 1 percent of the world's population and 75 percent of women's employment.¹ In addition, it is worth noting that the production of 1 ton of cotton, which is the main raw material of the textile industry, provides 5 people with work for the whole year. Among the volumes of financing of industrial sectors, the volume of financial resources directed to the textile industry is increasing. However, the problem of strengthening innovations with financial support is considered urgent. The economic condition of the members of the cotton-textile clusters of Uzbekistan is not good. There are enough problems.

Review of literature on the subject

According to the American economist D. Kotua, production management is the process of

making and coordinating organizational decisions regarding the activities of a firm. In the process of corporate management of a cluster, some decisions related to financial activities or financing may conflict with the interests of individual enterprises that are its parts. The main reason for this is that these decisions are aimed at ensuring the corporate interests of the entire cluster, not individual participants. For the search for partners, preparation and conclusion of contracts, support of contacts in the external and internal environment, control over the fulfillment of obligations, accounting for them, and other operations aimed at realizing the interests of the cluster, there must be a cluster management center.

In her research, E.V. Dmitrieva highlighted the problems of developing the system of financing the investment activities of industrial enterprises and attracting investments based on their industry characteristics, as well as the development of modern mechanisms of financing the investment activities of industrial enterprises.²

¹<https://data.worldbank.org/indicator/NV.MNF.TXTL.ZS.UN>

²Dmitrieva E.V. "Application for Modernization. Systemic Financing of Investmental Deatelnoy Promyshlenniy

N.R. Kuzieva, having studied the directions of improving the financial and credit mechanism for stimulating the activities of enterprises with foreign investment, developed recommendations for conducting the activities of enterprises with foreign investment and improving their financial and credit mechanism in the context of the liberalization of the national economy . ³³ Scientific electronic journal "International Finance and Accounting". No. 1, February, 2020.

Research methodology

In the implementation of this research work, methods widely used in scientific research methodology were used. In the process of scientific analysis, observation, generalization, grouping, comparison, and synthesis and analysis methods were used in the scientific research methodology.

Analysis and results

Currently, the problem of financial support for innovations is urgent . The economic condition of the members of the cotton- textile clusters of Uzbekistan is not good . There are enough problems .

The differentiation of regions is explained, on the one hand, by competition between them and varying degrees of adaptation of their economies to the market, and, on the other hand, by the reduction of the state's managerial role.

Cluster financing systems should be considered as institutional mechanisms that ensure an increase in the market value of the firm. It is worth noting that cluster financing mechanisms should have an "early warning system" about the possibility of a decrease in the overall efficiency of activities. An effective financial management system of clusters allows for the early detection and prevention of cases of a decrease in economic efficiency in its activities, which is achieved without excessive expenditure of financial resources.

Creating and developing innovation clusters is a resource - intensive project. For this , various

sources should be involved in their financing , which together will create optimal conditions for the active growth of innovation clusters .

Taking into account the limited amount of funding of clusters from the budget, comprehensive measures are needed to encourage the development of extra - budgetary sources such as private capital investments, own funds of enterprises, credit products of commercial banks.

sources of financing of cluster enterprises include : authorized and additional capital, depreciation, undistributed profit, other contributions of legal and natural persons (targeted financing, increase of authorized capital due to founders' contributions).

Members of large public companies - innovation clusters who need investment can make an additional placement of shares using their initial public offering - Initial Public Offering (IPO).

important sources of self-financing of cluster enterprises is depreciation. They are included in the costs of the enterprise, reflecting the obsolescence of fixed and intangible assets, and are received as cash for products and services sold . Their main purpose is to ensure the normal, expanded and repeated operation of the enterprise . The advantage of amortization as a source of development is that it exists in any asset of the enterprise and always remains at its disposal.

Debt financing of clusters includes secured loans, leases and bank loans. Bonded credit is one of the most effective means of attracting financing sources. The main advantage of the bond is that it is the most efficient and effective tool, which allows to collect investor funds and enter the capital market for cluster enterprises without redistribution of property .

Cluster enterprises are increasingly faced with the problem of finding and attracting long - term investments to expand their production facilities, purchase modern equipment, and introduce new technologies. In the absence of sufficient personal financial resources, leasing is

Predpriyati". Abstract dissertation na soiskannie uchenoy stepi doktor ekonomichiskiy nauk. M: Rossiyskaya akademiya predprinimatelstva, 2015. -46 p.

³³Kuzieva N.R. "Directions for improving the financial and credit mechanism for stimulating the activities of enterprises

with foreign investment". Abstract of the dissertation written for the degree of Doctor of Economic Sciences. T.: Banking and Finance Academy of the Republic of Uzbekistan. 2008.

one of the most convenient and effective methods of financing the development of production facilities.

banking sector is the main element of the financing mechanism, it guarantees the continuity of the movement of funds at all stages of the development of the cluster, maintains the balance in the circulation of goods and income, and ensures the timely arrival of financial resources necessary for expanding its scope. Iteration, development and implementation of innovations. Currently, the most common and popular form of interaction between the banking sector and clusters is lending.

In 2017, researchers and specialists of cluster researches analyzed more than 200 active innovation clusters and came to the conclusion that most of them are financed by the state . At the same time, it should be noted that the state can be the main investor only at the initial stage of cluster development . In the future, mixed (private and public) financing, including self - financing, should be possible and acceptable. the course of the research, the sources of cluster financing were assessed, taking into account the criteria of availability, potential opportunities, cost of involvement and level of risks (Table 1).

Table 1
Characterization of clusters ' active or passive resources

Money is the source of life	Evaluation criteria			
	openness	Size	Cost of recruitment	Level of risk
1	2	3	4	5
Own funds (profit, depreciation , etc.)	maximum	small	minimum	minimum
Securities and Exchange Commission	Medium (for large and highly profitable enterprises)	Medium	Medium	high school
Leasing	high school	high school	Medium	low
Credit transfer tools	low	high school	high school	high school
Venture capital investment , including funds from development institutions	low	high school	low	satisfactory
Budget funds	low	high school	low	low

The use of various sources should , in our opinion , be carried out subject to certain conditions and limitations:

- the possible period of use of the resource;
- the level of payment for using the resource;

- a pledge or pledge of funds raised resources.⁴ Table 2 presents the results of the analysis of the optimal direction of use of various types of financial and human resources of innovation clusters (marked with a "+" sign) .

⁴ Barabanova I.Yu. "Mechanism and methods of financing investment project enterprises" // Vestnik universiteta. M.: 2013

Table 2
Cluster financing sources grouping

Financial source of funds	Capital			New investments in the field of foreign exchange	Consumption costs	Financial reserve
	The right investments	Venture capital	Portfolio investments			
Profit	+	-	-	+	+	+
Depreciation allowances	+	-	-	+	-	+
Loan funds	+	-	-	+	+	-
Securities and Exchange Commission	-	+	+	-	-	+
Leasing	+	-	-	-	-	-
Ven chu ur moli ya la sh tiri sh	+	-	-	+	+	+
Budget funds	+	+	-	+	+	-

Thus, in order to ensure the extended production of repetitive work and effective activity, innovation clusters should diversify the sources of financial support of the participants. Knowledge clusters can and should be financed by attracting both budget and extrabudgetary funds. At the same time, Russian innovation clusters are currently financed mainly from the own funds of their participants.

Conclusions and suggestions

From the above considerations, it can be concluded that the formation of cotton-textile clusters, coordination of their work, and provision of the necessary financial resources a resource demanding process. This includes banks, various funds, investment centers are the main entities participating in the financing process, providing all processes, from raw material production to the production of finished garments and knitwear, with the necessary financial resources, as a result of which the continuity of activities in cotton and textile clusters is ensured.

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