

Economic essence and importance of investments in economic development**Kuzieva Nargiza Ramazanovna****Professor of the Tashkent Financial Institute, Doctor of Economics**

Development of enterprise, improving production and increasing its efficiency are directly related to investment activities' run. The problem of investment activities realization became one of the most important ones in the process of economic reform in country. Adopting the effective investment decisions becomes an important task herein. Making an investment decision is impossible without taking into account such factors as the investment type, the investment project value, the existence of alternative projects, limiting the financial resources available for investment. Specific feature of investment decisions is that they are associated with uncertainty and risk, provides for a mandatory use of special tools (risk analysis).

The definition of "investment decision" is discussed in scientific studies of foreign scientists: Kurelenko T.P., Khrustalev V.V., Gavrilova N.V. , Vlasyuk T., Atamas P.Y. , Petrun J.E.. Determining the term "investment decision" the authors divided into two groups: the first one believes that "investment decision" is a kind of management decisions, the second is asserting that it is a decision with the financial losses issuing as a consequence.

Classification of the investment decisions represented is in scientific studies of: Gavrilova N.V., Cherep A.V. Kurelenko T.P., Khrustalev V.V., Petrun Y.E. Most extensive classification of investment decisions is presented at the manual "Knowing of investments" Cherep A.V.. Later this one has been developed and presented in the work of Kurelenko T.P. and Khrustaleva V.V. "The logic of decision-making investment character".

To describe and to analyze all the existing definitions of "investment decisions" notion forming a classification of investment solutions for industrial enterprises.

The term of "investment decision" is considered as a kind of management decision. The studies revealed a need for close considering and clarifying the meaning of "investment decision". Let us consider the existing definition of "investment decision". Authors Gavrilova N.V. and Vlasyuk T.M. believe that the investment decision represent is a type of management decisions that require significant expenditures and provide changes in social and economic development of the enterprise and its employees' state subsequently investing into real or financial objects. Also Vlasyuk argues that investment decision relates to the formation of the company's assets optimal composition and structure, by choosing the most appropriate options for investing.

By the opinion of Kurelenko T.P. and Khrustalev V.V. investment decision is:

- 1) a solution, with the effect of significant financial costs and changes in the position of the whole enterprise;
- 2) complex solutions that require collaboration of many people having different skills and different views on investment.

Atamas P.Y. gives the definition of "investment decision" and its characteristics as: the investment decision is a decision about current costs in order to generate income in the future. They have the following characteristics:

- the expenditures are usually preceding the benefits;
- those costs represent disposable and relatively large amounts, and benefits received as a stream of smaller amounts and for quite a long time;
- investment made the invested resources are tied for a long time and may not be used for other purposes or quickly return a profit;
- invested resources will be required to generate revenue during all period of the acquired assets' functioning, herewith rate of return should not be less than the returns of investments in other (current) assets;
- at the end of use the investment object may have some liquidation value.

Taking into account specific features of investment decisions the author formulates the following definition: an investment decision is a strategic decision designed for a long period

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time and associated with uncertainty and risk.

Primarily they relate to planning and financing of capital investments in the construction of new facilities, replacement of equipment, automation of production processes, the implementation of social programs, etc. Petrunya Y.E. gives the following definition: the investment decision is a decision associated with investing into assets in a certain period of time to obtain a benefit in the future.

Foreign scientists believe that the "investment decision" is this one regarding the options for the use of company's assets, such as the introduction of new products. Proceeding from the basic characteristics concept of "investment decision" suggest the following definition:

Thus, the essence of the concept of investment decision taken at the implementation stage of the project is not disclosed. The main stage represents the project implementation determined by the return of the investment project. That is why it is important to give the definition of "investment decision" on the implementation stage of the investment project. The next step of research is to determine the classification of investment decisions.

Most extensive classification of investment decisions has been presented by the author Cherep A.V., and later improved by Kurelenko T.P. and Khrustaleva V.V. at "The logic of decision-making investment character" being formulated as follows:

- 1) the decision for implementation forced (compulsory) investments, i.e. which are necessary for normal functioning of the company and continuation of its activities:
 - decision aimed to reduce the impact on the environment;
 - decisions aimed at improving the working conditions and compliance with safety rules.
- 2) the decision, which aim is to ensure the reduction of costs:
 - decisions regarding the improvement of used technologies;
 - decisions aimed at improving the organization of labor and production;
 - solutions to improve the quality of products and services.
- 3) The decision aimed at enlarging and modernizing the enterprise:
 - investment decisions of new construction (construction of facilities that will have legal status);
 - solutions whose aim is to improve the enterprise (creating objects investing in new areas);
 - decisions regarding the reconstruction of the company (carrying the construction works on existing areas of partial replacement of equipment and facilities);
 - decision on technical upgrading (replacing and upgrading equipment and facilities).
- 4) the decision regarding the purchase of financial assets:
 - decisions aimed at forming strategic alliances (syndicates, consortiums, etc.);
 - decisions about merger of other enterprises;
 - decisions regarding the use of complex financial instruments in transactions with fixed capital.
- 5) the decision on expansion of existing and developing of new markets.
- 6) the decision concerning the acquisition of intangible assets.

Tactical investment decisions usually operate small sums of money and do not involve drastic changes in the enterprise. In-depth analysis of real investment objects at the same time tends to be low.

Strategic investment decisions operate large sums of money and can cause significant changes in the enterprise. All these changes are calling for radical reconstruction and provide the enterprise restructuring.