

Improving Pricing Process of Leasing Services

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Abstract: The article describes the formation of prices for leasing services, the factors influencing it. The importance of effective leasing rates in the formation of prices for leasing services is highlighted. There are scientific proposals for the formation of prices for leasing services.

Keywords: Price of leasing services, lease payment, effective leasing rate, cost of leasing services, commission.

Introduction

Changes in the economy as a result of improving market relations, the requirements of scientific and technological progress in the renewal of fixed assets, as well as the growing importance of targeted use of financial resources require the use of new methods of modernization of production base, creating a favorable investment and business environment. It is known from international practice that one of such unconventional and sufficiently effective methods is leasing. It is the leasing that serves to stimulate the production, investment and technical re-equipment process, enabling businesses to rapidly modernize their fixed assets and produce high-quality, modern products without excessive financial pressure.

The market of leasing services (supplied jointly with equipment suppliers, banks and leasing companies) consists of supply and demand (enterprises - lessees interested in replacing equipment). At the same time, the main focus should be on the price of leasing services, its formation and the factors influencing it. Prices for leasing services are formed taking into account the most important factors of the credit market. In other words, leasing services are formed under the influence of price-forming factors. This determines the relevance of the topic.

Literature review. There is still no single scientific decision on the formation of prices in the market of leasing services. The views of Russian scholars on this topic are noteworthy. In the scientific work of V. A. Goremykin [1], L. Prilutskiy [2], E. N. Chekmareva [3], O.V.Pavlov, E.A. Fudobina [4], B.E. Lujansky [5], the formation of the cost of leasing services is approached from the point of view of lease payments, V.D. Gazman [6], D.V. Leletskiy [7], M. I. Leshchenko [8] paid special attention to the issue of efficiency in the formation of the cost of leasing services in the choice of one or another type of financing.

Main Part

The use of a leasing mechanism for equipment suppliers will help businesses sell their products. For lessors, leasing is one of the types of business activities. This type of activity expands the range of services provided to customers by financial institutions.

For lessees, leasing is a means of operational renewal of the production fund. The lessor provides the lessee with the following types of services: he buys the property from the supplier at full price, and then the lessee covers it at the expense of periodic payments. Leasing services have four main characteristics: intangibility, indivisibility, variability, and maintenance.

For consumers of leasing services, certain uncertainty conditions arise when calculating the actual increase in the cost of leased equipment. In the work of theorists and practitioners, there are no single views on the elements that make up the structure of lease payments. This is why there is no single opinion on the leasing rate.

Lease payments are the total amount of payments made by the lessee to the lessor during the entire term of the contract; is the price of leasing services, which has its own cost and market value, which is formed on the basis of supply and demand. This is reflected in the ratio of the price increase of the leased object for the entire period of the contract to the purchase price of the object, i.e. the real increase in the contract price.

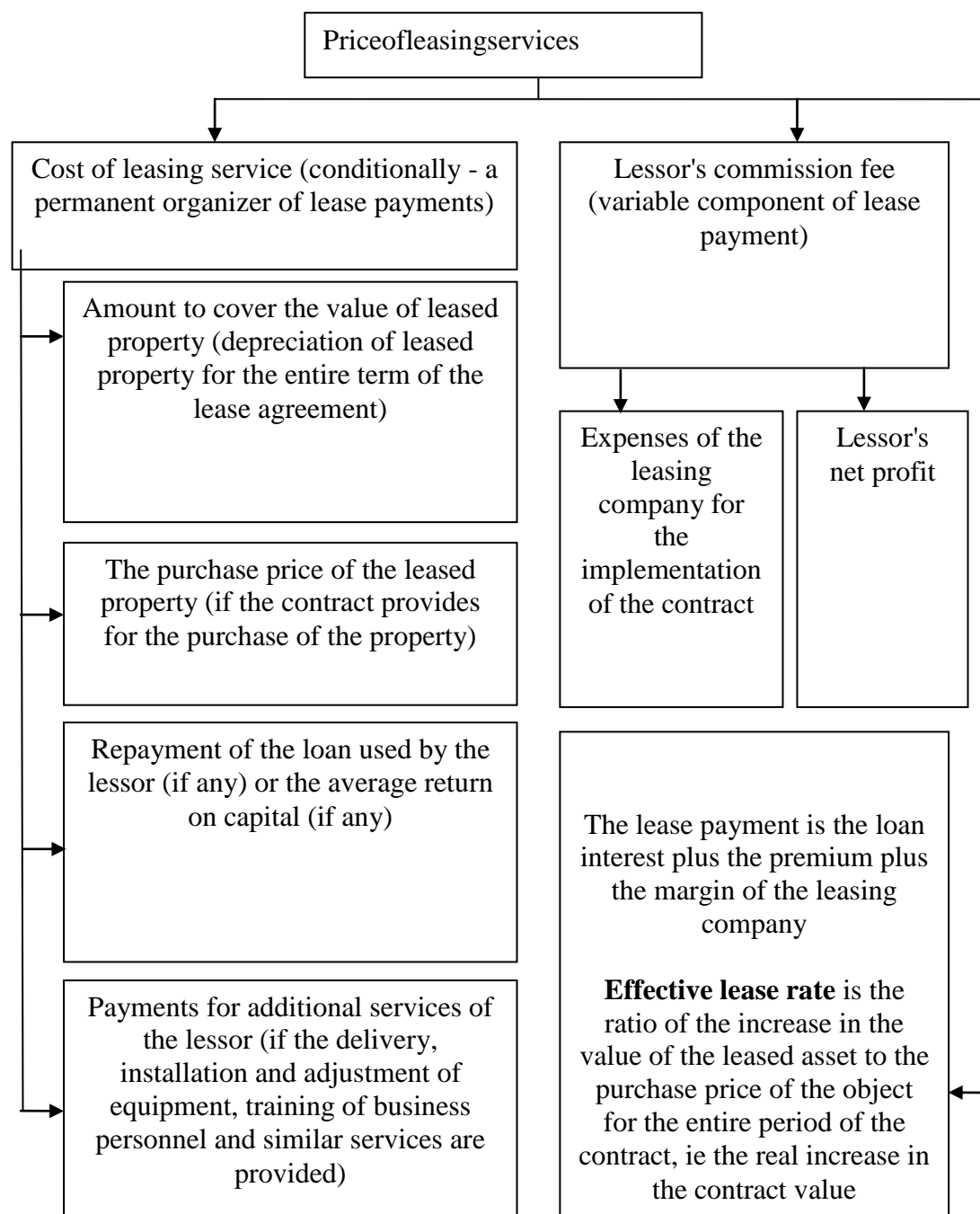


Figure 1. Organizational elements of the price of leasing services

The effective lease rate is used to compare credit and leasing services. In order to make this indicator more accurate, it should be calculated for the entire period of the transaction or for one year (Formula 1):

$$I_{\text{eff}} = \frac{LP - P_b}{T * P_b} \quad (1)$$

Here:

LP- lease payments VAT (for companies that pay VAT) with bank charges and time differences

(when lease payments are made in different variants), UZS;

P_b - purchase price of equipment with VAT, UZS;

T- the term of the lease agreement, years.

In order to make the calculations more accurate, it is necessary to deduct from the image of this formula the amount that can be saved on income tax (if any), taking into account the planned income of a particular enterprise and the time difference during the term of the lease agreement.

The influence of commercial banks in optimizing the prices of leasing services is significant. The development of a practical and methodological framework for addressing the development of leasing operations of commercial banks will lead to the improvement of leasing services. In this case, the correct application of interest rates on leasing services is of particular importance. At the initiative of the President, the interest rate on microcredits issued to small businesses through Microcreditbank has been halved, and their term has been extended. This will increase the access of small businesses to microcredit bank loans. The higher the interest rate, the lower the demand for bank loans by lessees (including lessors). In addition, rising interest rates will lead to higher prices for bank loans, which will limit the demand for leasing services and reduce the creditworthiness of self-employed lessees. This will also lead to an increase in inflation, which is one of the factors that negatively affects banks' leasing operations. High inflation leads to an increase in leasing by commercial banks, as well as the real interest rate. In turn, this process will lead to an increase in the cost of leasing and, consequently, a decrease in demand for them.

This creates the basis for equipping leasing with modern equipment and technologies, production of world-class consumer goods, filling our domestic markets with quality products and improving the quality of leasing services to further increase the export potential of the country.

From the above considerations, it can be concluded that the pricing of leasing services plays an important role in keeping track of their future income and expenses. Leasing companies help to conduct convenient business activities, to overcome economic crises with minimal losses. It will also lead to an increase in the number of customers and a competitive environment among leasing companies. To do this, perform the following tasks:

Firstly, to improve the regulatory framework in this area in our country. Develop a single Regulation on the calculation of lease payments and thereby achieve regulation of leasing prices.

Secondly, in order to easily manage each service in leasing companies, it is necessary to create an electronic program that stores information about the services provided and their tariffs. After all, one of the main tools that help leasing companies today is modern computers and computer software.

Thirdly, each leasing company needs to further develop the activities of departments and divisions, such as marketing, strategic planning, attracting highly qualified marketers. This is important in a thorough study, accurate analysis and conclusion of internal and external factors affecting the leasing market.

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