

DEVELOPMENT OF THE TEXTILE MARKET OF THE SAMARKAND REGION

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Abstract. *This article examines the profit from sales of products, the expansion of production and sales of textile products, the growth rate of net profit and programs to improve the production efficiency of Textile KTM LLC.*

Keywords: *enterprises, market, sales, production, textile products, benefit.*

Introduction. One of the main priorities of economic reforms in Uzbekistan is the implementation of the long-term strategic goal of the country's economic development and the continuation of the policy of structural changes and the rapid development of modern high-tech industries and industries aimed at ensuring competitiveness and strengthening its position in the world market.

Despite the fact that textile production in Samarkand is traditional, the industry still has significant potential for further effective and successful development.

Today, there is an accelerated dynamics of increasing the production of textiles and clothing: over four years it has increased in nominal terms by 2.8 times. In physical volumes, the production of cotton fiber increased by 17 percent, yarn - by 2.1 times, fabrics - by 2.9, knitted fabric - by 3.2, hosiery - by 7.1, sewing - by 5.6, knitted - 3.5 times. The share of the textile industry in the country's total industrial production increased from 7.5 percent in 2020 to 12.4 percent in 2023, which indicates its accelerated development relative to other sectors of the economy.

Research methodology. Systematic approach, abstract-logical thinking, grouping, comparison, factor analysis, selective observation methods were used in the research process

Analysis and results. In the production of textiles and clothing, serious structural changes have also occurred: a shift away from the sale of primary products at low levels of processing and a shift towards increasing production and sales of finished products at high levels of processing. If in 2020, revenue from yarn sales accounted for 52 percent of the total industry revenue, then in 2023 it was already 38 percent, despite the fact that yarn production continued to increase in these years, and the volume of revenue from its sales doubled. At the same time, the share of products from the 4th processing stage in the total industry revenue increased from 32 percent in 2020 to 42 percent in 2023. The share of products of the 3rd level of processing similarly increased from 16.5 to 19.4 percent. All this suggests that the industry is rapidly moving away from the production of mostly raw materials and semi-finished products and is reorienting itself towards production intended for the end consumer.

According to the Uztekstilprom Association, the volume of investments annually mastered by the industry increased from \$190 million in 2020 to 473.9 million in 2023. The favorable climate that is being formed is already attracting the interest of world brands to launch their production facilities in Uzbekistan.

After 2016, the transition to a model of complete processing of raw materials and cessation of their exports became accelerated. It was openly stated that from 2020, cotton exports from Uzbekistan would be completely stopped, and all raw materials would be processed within the

republic. Already in 2018, against the backdrop of an eight percent increase in cotton fiber production compared to 2016, the share of cotton exported sharply decreased to 18.4 percent, and 81.6 percent of the collected cotton was already processed within the country. Last year, this ratio was 11 percent for export and 89 percent for domestic processing. At the same time, against the backdrop of a decrease in cotton export volumes, export volumes of textile and clothing and knitwear products only grew. It should be noted here that the continued export of white gold is most likely due to the fulfillment of obligations under long-term export contracts. It is expected that in 2021, 99 percent of processed cotton fiber will already be used for the needs of domestic industry.



Figure 1. Structure of textile production in the Samarkand region for 2020-2023.

In January 2024, these products worth \$1 million were exported to Russia. When analyzing the production and economic activities of LLC "Textile KTM" First of all, it is necessary to study the state of sales.

Sales analysis Textile KTM LLC in 2020-2023

Table 1

| t/g | Index name | Unit | 2022 | 2023 | Differences | Growth rate, % |
|-----|-----------------------------|-------------------|---------|---------|-------------|----------------|
| 1 | Sales of goods in kind | A thousand pieces | 603.6 | 619.2 | + 15.6 | 102.6 |
| 2 | Product sales volume, incl. | Million soums | 1715.48 | 1929.29 | + 213.81 | 112.5 |
| 3 | On the domestic market | Million soums | 251.98 | 406.19 | + 154.21 | 161.2 |
| 4 | export | Million soums | 1463.5 | 1523.1 | + 59.6 | 104.0 |

The analysis shows that over the past two years, Textile KTM LLC has paid special attention to exploiting export opportunities. The growth in product sales in physical terms compared to 2022 amounted to 102.6% and amounted to 619.2 thousand units. Analyzing the sales

volume, in 2023 it amounted to 1929.29 million soums, an increase of 12.5% compared to 2022. Analysis of sales by market shows that the share of exports is declining. If in 2022 exports accounted for 85% of total sales, then in 2023 exports fell to 79%. In addition to household families, this was significantly influenced by the currency reforms carried out in our country and the consequences of the Covid -19 pandemic.

The main factor for the success of any enterprise in market conditions is its financial stability. Financial stability and sustainability allow an enterprise not only to be self-governing and self-sufficient, but also to be competitive. In particular, the analysis of financial indicators is of great importance for companies entering the international market. Analyzing the export potential of Textile KTM LLC, we tried to determine its sustainability based on the company's financial statements. To do this, we studied the company's key financial statements for three years, that is, the balance sheet and financial results of the company.

Balance sheets at the end of the year, Textile KTM LLC (thousand. sum.)

Table 2

| t/g | Indicators | Number by year | | | Changes in 2023 compared to 2021, +, - |
|-----|--|----------------|---------|---------|--|
| | | 2021 | 2022 | 2023 | |
| 1 | Total assets, incl. | 2597614 | 3091137 | 6406540 | +3808926 |
| 1.1 | Long-term assets | 1428272 | 1373776 | 1221654 | -206618 |
| | Including the residual value of fixed assets | 1425621 | 1315577 | 1194303 | -231318 |
| 1.2 | Current assets, incl. | 1169342 | 1717361 | 5184886 | +4015544 |
| | Reserves | 493692 | 1012558 | 2606425 | +2112733 |
| | Debt on accounts | 518708 | 695734 | 2212829 | +1694121 |
| | Money | 153392 | 9069 | 361052 | +207660 |
| 2 | Total liabilities, including | 2597614 | 3091137 | 6406540 | +3808926 |
| 2.1 | Sources of own funds | 2419632 | 2666081 | 3781934 | +1362302 |
| 2.2 | Liabilities | 177171 | 425056 | 2434062 | +2256891 |
| | Including long-term liabilities | 0 | 0 | 0 | |

This table shows that total assets over the past two years have increased 2.5 times and reached 6,406,540 thousand. Sumov. Such growth of the company is evidence of its aggressive policy and the success of the chosen strategy. Regular acquisition of assets in a company helps to increase its wealth and position. We see this in the picture below.

At the same time, the decrease in the volume of long-term assets in the assets of the enterprise shows that Textile KTM LLC is mainly focused on current goals. A significant increase in current assets may lead to increased risks. As can be seen from the figure below, the current assets of the enterprise are much larger than long-term assets.

To determine the level of risk, we analyze the composition of the company's liabilities as of December 2023. It can be seen that in terms of the volume of liabilities, own sources increased by 1,362,302 thousand soums and reached 3,781,934 thousand soums. This indicates capitalization of profits in the enterprise and low risk in the enterprise. In fact, we see that the composition of liabilities is much lower than liabilities.

LLC financial indicators "Textile KTM", (thousand sums)

Table-3

| No. | Indicators | Number by year | | In 2022 to 2023,% |
|-----|---------------------------------|----------------|---------|-------------------|
| | | 2022 | 2023 | |
| 1 | Net profit from product sales | 1221593 | 1700210 | 139.18 |
| 2 | Cost of goods sold | 947700 | 1183508 | 124.88 |
| 3 | Gross profit from product sales | 273893 | 516701 | 188.65 |
| 4 | Current expenses | 384803 | 641491 | 166.71 |
| 5 | Main advantages of the activity | 353308 | 830797 | 235.15 |
| 6 | Benefits of shared activities | 383710 | 830797 | 216.52 |
| 7 | Net profit | 342416 | 782285 | 228.46 |

From the table above, the following conclusions can be drawn. The fact that net profit from product sales in 2023 increased by 39,185 indicates that the company has expanded production and sales. At the same time, the cost of goods sold also increased, but the growth rate of net profit was much lower - by 24.88%. As a result, gross profit from sales "Textile KTM" almost doubled and in 2023 amounted to 516,701,000 soums.

Production efficiency programs have reduced costs and, as a result, increased net profits. If in 2022 net profit amounted to 342,416 thousand soums, then by 2023 its volume increased by 128.46% and reached 782,285 thousand soums. Successful work "Textile KTM" depends on many factors. It is a profitable enterprise with fairly high profits and great economic potential.

However, high profitability begins to fade into obscurity due to excessively hot weather, during pandemics or other sudden disasters. "Textile KTM" uses a time-based bonus wage system. "Textile KTM" is a modern enterprise, well equipped and with sufficiently qualified employees.

The enterprise is profitable, trade turnover is increasing year by year. As a result of the analysis of marketing activities "Textile KTM", the following was revealed: only an SMM specialist works in the marketing service.

Analysis of the pricing system showed that "Textile KTM". Here, the capabilities of the enterprise are not limited, but are used within extremely narrow limits. To implement the points discussed above, you need to hire an experienced marketer in "Textile KTM"

In future "Textile KTM" plans to expand its product range, this will entail an expansion of the sales service (additional qualified personnel).

Today it is necessary to attract the required personnel for the organization and train them, so as not to waste time in the future (when production begins) for training personnel. Already at the stage of developing new products, it is necessary to determine a sales policy.

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