Directions of Development of Financial Resources of Textile Industry Enterprises

Yodgorova Shakhnoza Khayridinovna [1]

[1] Independent researcher of Navoi State, University of mining and technology

Abstract: This article describes the problems and solutions for the development of the textile industry in the Republic of Uzbekistan. In particular, the analysis of the development of indicators, as well as solutions to their tasks and the main directions of development of the textile, clothing and knitting industry in our country are presented.

Keywords: investment, innovation, export, competition, production.

1. Introduction

One of the critical issues facing our nation today is the development of the textile and knitting industries. Modernizing and diversifying this industry, as well as increasing the volume and variety of ready-made competitive products that are in high demand on international markets, are crucial in this respect.

In our nation today, textiles with significant production potential are in use. Facilities for the manufacturing of cotton fiber have been established in our nation in order to satisfy the demands of regional textile businesses.

First of all, the low profitability of the production of raw cotton, its processing, and the availability of finished products is caused by systemic issues with the establishment of the production of finished goods, the organization of network management, the distribution of resources and production capacities, and the lack of highly qualified personnel. resulting in limited exports and production.

2. Literature review

In our nation, concrete steps are being continuously taken to ensure the continued development of the textile industry. The President of the Republic of Uzbekistan's Decree No. PF-5989, dated May 5, 2020, "On Measures for Rapid Development of the Textile and Sewing-Knitting Industry," in particular, was adopted and outlines the first complex of high-quality measures to increase the production of textile products and market them internationally.

Scientific study is being conducted worldwide, not just in our country, on how to improve the textile sector further.

Our economist B. O. Tursunov did scientific research on the theoretical and practical elements of guaranteeing financial security in the light industry in Uzbekistan (2020), but the textile sector indicators of management and growth of financial resources of companies are not specified.

In the article titled "Strategy for the Development of the Textile Industry in Uzbekistan" by Bekmuradov A.Sh. (2006), the mechanisms for applying the cluster method in textile industry

enterprises are presented, along with information on how to analyze development indicators and manage financial resources which are not done.

The development and financial management of businesses in the Uzbek textile industry were not the main topics of N. L. Savchenko's 2019 theoretical and empirical research on the management of financial resources of firms. Additionally, G. E. Zakhidov (2017). Ziyaeva M.M. did academic research on the potential for the textile sector's growth in the republic's economy in light of its integration into the global economy. The issues and solutions related to the management of financial resources as well as the development indicators for this industry were not discussed in these scholarly research.

3. Methodology

Theoretical and methodological underpinnings of the study included concepts and hypotheses of the textile industry's future development that were based on the traditional and contemporary works of local and international economists.

4. Result and Discussion

The following key initiatives will help the textile sector in our nation develop further:

➢ to further raise the quantity, caliber, and economic share of textile products;

➢ a significant overhaul of the textile industry's management framework;

➢ continued development of the textile industry's standardization and certification system;

➢ widespread use of cutting-edge information and communication technology;

➢ the application of the cluster model for the growth of the textile sector;

➢ coordinating the development of the logistics and engineering infrastructure with the distribution of raw material resources in a balanced manner and the location of the network firms that are being developed;

➢ extensive use of cutting-edge, innovative technologies, expertise, design advancements, and local manufacture of contemporary fittings and accessory samples;

➢ A fundamental overhaul of the textile industry's personnel training, retraining, and advanced training system.

Keltirib o'tilgan yo'nalishlar ko'rsatib turibdiki bugungi kunda mamlakatimizda to'qimachilik sanoatini yanada rivojlantirish uchun kadrlar tayyorlash tizimini takomillashtirish, ishlab chiqarishni kengaytirish, texnologik jarayolarni modernizatsiya qilish va infratuzilmasini rivojlantirish, tashqi iqtisodiy faoliyatni faollashtirish, to'qimachilik sanoatiga xalqaro standartlarni joriy etish muhim ahamiyat kasb etadi.

As can be seen from the stated goals and objectives, by advancing the textile sector in our nation and utilizing domestic raw materials, it is possible to increase GDP, increase output, generate new jobs, maintain population employment, and produce competitive exportable goods that can displace imports. As a result, we can examine development indicators for the textile and knitting industries in Table 1 below for the years 2017 to 2021. We can see from the statistics in the table that 40% of the cotton generated in our nation was recycled in 2017 and that 100% recycling was accomplished in 2021. This is proof of the growth of the textile and sewing-knitting industry in our Republic today.

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Table 1. Development indicators of the textile and sewing-knitting industry in 2017-2022 [1]

№	Indicator name	unit of measure	2017 nature	2017 amount	2018 nature	2018 amount	2019 nature	2019 amount	2020 natura	2020 nature	2021 power	2021 nature	2021 amount	2021 benefit from power. level
1	**Cotton fiber**	Thousand tn.	468,2		532,4		801,3		852,0		1 003,0			
	processing level	%	40%		63%		88%		93%		100%			
2	**Industrial products**	billion sums	22 871,5		32 567,4		39 112,5		44 154,2		64 791,1			
	share of high added value products	%	27,4%		34,5%		42,8%		44,0%		53,7%			
2.1	**Kalava yarn**	thousand tn..	412,3	8946,9	535,0	11609,5	635,0	14955,0	778,2	16888,7	1030,0	862,3	19447,8	83,7%
	processing level	%	49,6%		47,2%		40,0%		41,5%		40,6%			
2.2	Gassing	million. sq. m	370,5	1667,3	492,8	1973,5	645,0	2583,0	705,1	2782,4	9500,0	716,2	3 522,8	75,4%
2.3	Knitted fabric	thousand tn.	71,9	2525,4	122,6	4306,2	137,3	4822,5	160,5	5061,1	2600,0	203,8	7 012,4	78,4%
2.4	Sewing and knitting products	million.	452,2	5976,9	812,4	10741,4	1214,3	16055,3	1520,0	18689,0	2500,0	1997,8	32 720,9	79,9%
2.5	Hosiery products	million. pair	98,4	2955,6	1622,9	4894,4	2311,9	6966,7	4000,2	7344,5	5800,0	4588,4	2 087,1	79,0%
2.6	Other products	Billion sums		3459,4		3447,4								

The degree of processing applied to cotton fiber, cotton yarn, and cotton gauze determines the development indicators for the textile and sewing-knitting industries. As a result, our nation processed cotton fiber at a rate of 40% in 2017. It is evident that this indicator has risen over time as a result of the changes made by our nation's leader to advance the textile sector. For instance, a 60% growth in 5 years would be 63% in 2018, 88% in 2019, 93% in 2020, and 100% in 2021. Our nation is currently increasing manufacturing and supplying both domestic and international markets with competitive finished goods made from indigenous raw resources rather than imported ones. The percentage of value-added items rose as a result. In 2021, the share of value-added products increased from 27.4 percent to 53.7 percent, a 26.3 percent rise from 2017. The rate of processing kalava yarn was 49.6% in 2017, but by 2021 it had dropped to 40.6%, a 9.0% decline. Businesses in the textile and sewing-knitting industries are currently operating at over 75% of capacity and satisfying consumer demand for these items.

The export volume of goods from the textile and sewing-knitting industries was 1169.0 million dollars in 2017, and it will be 2931.2 million dollars in 2021, according to an analysis of export indicators. was 2.5 times the price of a dollar. O'tgan yilga nisbatan o'sish ko'rsatkichlari taxlil qiladigan bulsan 2018 yilda 11,4 %ga, 2019 yilda 26,9 %ga, 2020 yilga 21,2 %ga va 2121 ilda 56,9 foizga eksport xajmi oshgan. The information in the table indicates that our nation will export more goods, including kalava yarn, gauze, knitted fabric, sewing and knitting supplies, and other goods, steadily between 2017 and 2021. Compared to 2017, the amount of textile and sewing-knitting sector items exported grew by 2.5 times in 2021. This led to the creation of new jobs for the populace in our nation, and attempts were made to guarantee both the employment of the populace and the industry, i.e. It is possible to observe a blatant indication that the state is promoting the attention and conditions established for business entities in this sector in the context of the increase in textile industry products.

Table 2. Export indicators of textile and sewing-knitting industry products in 2017-2022 [2]

№	Indicator name	unit of measure	2017		2018		2019		2020		2021		Growth compared to 2017, equal
			nature	amount	nature	amount	nature	amount	nature	amount	nature	amount	
	Export	Million dollar		1 169,0		1 302,3		1 541,3		1 868,4		2 931,2	2,5
1	Kalava yarn	min g tn.	207,7	529,1	282,3	725,0	381,1	880,9	455,4	947,3	562,6	1 618,7	
2	Gassing	mln. sq. m	86,8	39,5	184,5	75,4	215,5	73,8	296,5	103,9	318,5	145,6	
3	Knitted fabric	thousand tn.	10,8	43,1	16,2	63,0	20,4	79,3	33,2	139,5	46,1	238,3	
4	Sewing and knitting products	mln. doll.		228,8		313,1		486,3		648,0		882,3	
5	Hosiery	mln. doll.		0,9		14,1	74,6	21,2	119,8	29,8	167	46,3	

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2 Compiled by the author based on the data of the State Statistics Committee for 2017-2021

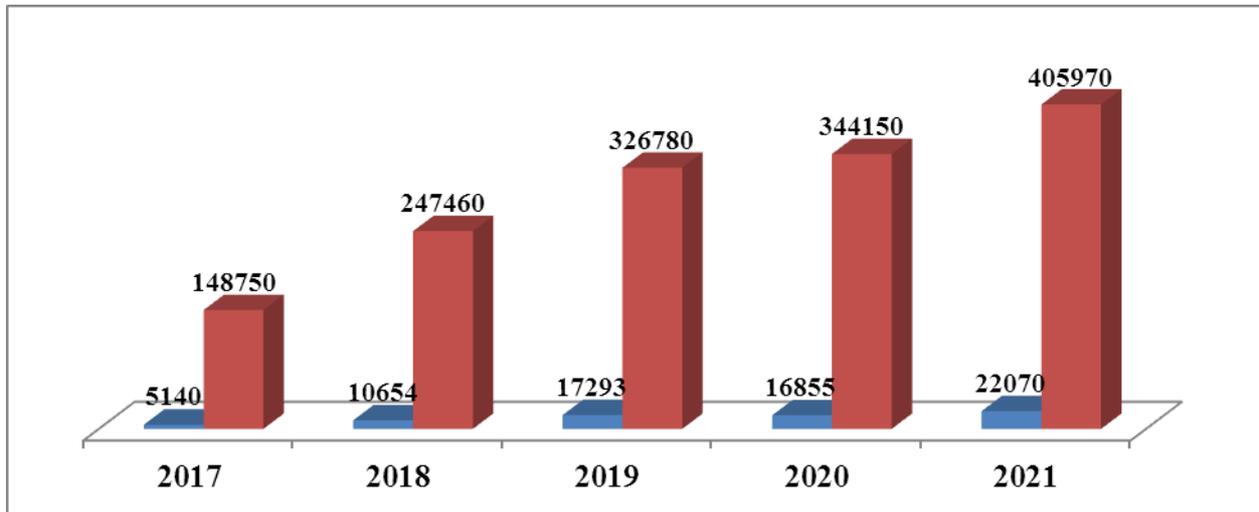|												
	produ cts										,3	
6	Other produ cts	mln. doll		327, 5		111, 7						
7	Locali zation	mlrd . sum s		22,9		30,2		169, 8		113 0		566,8

Figure 1. Jobs in the textile and sewing industry in 2017-2022[3]

According to the information in Figure 1, there were 148,750 individuals working in the textile and knitting industries nationwide in 2017, and by 2021, that number had climbed to 405,970, or by a factor of seven. 5,140 new employment were generated in 2017, and 22,070 new jobs were produced in 2021. Additional employment totaling 27,210 were created in total.
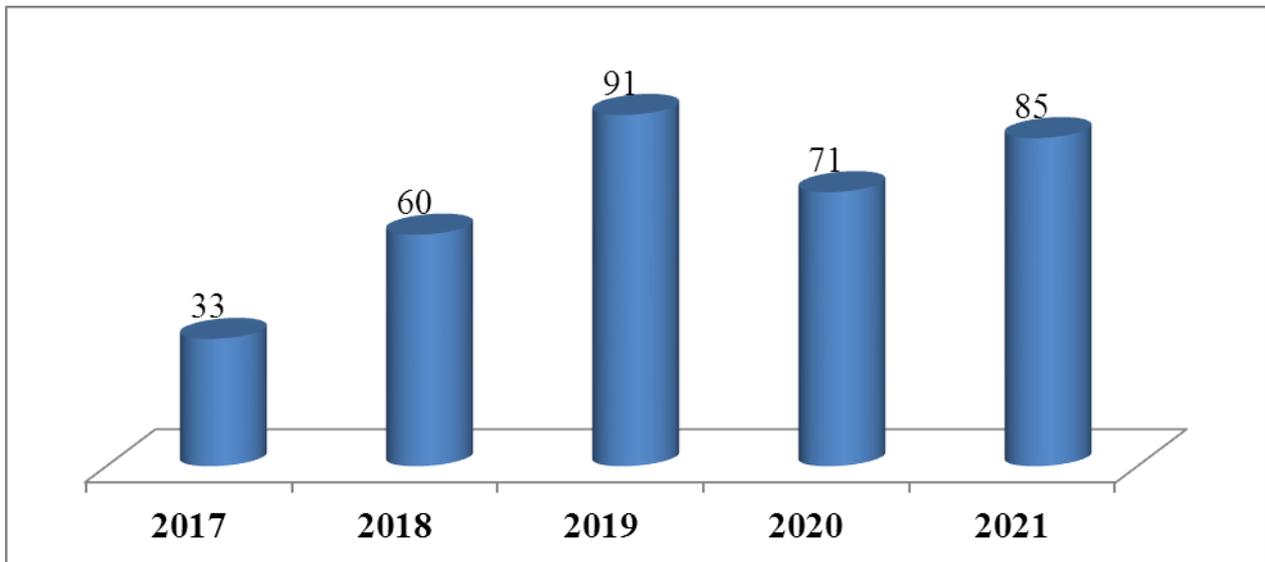
■Number of investment projects

Figure 2. The number of investments made in the textile and sewing-knitting industry in 2017-2022[4]

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[3] Compiled by the author based on the data of the State Statistics Committee for 2017-2021
[4] Compiled by the author based on the data of the State Statistics Committee for 2017-2021

The amount of investments made in the textile and knitting industries in our nation from 2017 to 2021 are depicted in Figure 2. 33 investment projects were announced in 2017, while 85 such projects were introduced in 2021.

Conclusion and recommendation

As can be seen from the analysis data above, there have been numerous efforts made to develop the textile and knitting industries. However, in order to further develop these industries, it is crucial to implement large-scale production in this sector while also learning from international experiences and using local raw materials. The organization of clusters is one of the most effective ways to develop the textile sector, according to the experience of other nations. This concept aims to establish a single manufacturing cycle that incorporates raw cotton cultivation, preliminary processing, additional processing in cotton gins, and the manufacture of high-value finished textile products. Therefore, it is crucial to establish and improve the cluster model in this industry in our nation.

In order to advance the textile and knitting industries, it would also be appropriate to carry out the following tasks.

✓ improvement of the financial resources management system in textile industry enterprises;

✓ improvement of the management system of textile industry enterprises, in particular, the gradual introduction of market mechanisms into the process of production, price formation, and sale of cotton; reduction of the volume of cotton exports and assurance of the growth rate of processing in the domestic market;

✓ improvement of the further development of this textile industry in our country.

✓ Additionally, this industry can flourish sustainably if the suggestions and recommendations made above are put into practice.

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