

**IMPROVING COST AND PRICING MANAGEMENT STRATEGIES IN  
TEXTILE INDUSTRY ENTERPRISES****Hasanova Sadoqat Bahodir qizi**

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**ABSTRACT.** The textile industry is one of the strategic sectors of the economy of Uzbekistan, playing a significant role in ensuring industrial growth, employment, and export diversification. The purpose of this study is to analyze the current state and development dynamics of textile industry enterprises in Uzbekistan, as well as to identify the key trends and prospects for further development of the sector. The research is based on statistical data from the association “Uztextileprom” and enterprise-level data from Osiyo Grand Tekstil LLC for the period 2020–2024, with forecast calculations up to 2030. The study applies analytical, comparative, and forecasting methods, including the compound annual growth rate (CAGR) approach to assess long-term development trends. The results demonstrate steady growth in production volumes, exports, and the diversification of textile products, with a gradual transition from raw cotton exports to the production of higher value-added finished goods. The findings indicate that further development of the industry requires modernization of production capacities, implementation of ESG practices, expansion of cluster-based production models, and improvement of cost management and pricing strategies.

**Keywords:** textile industry, global experience, cost management, export potential, industrial development, textile clusters.

**.INTRODUCTION**

Uzbekistan's textile industry is one of the key sectors of the economy, based on the country's status as one of the top 10 cotton producers in the world [4]. It is a strategic industry for the economy of Uzbekistan, providing a high level of employment and contribution to the economic and industrial international authority of our state. The unique geopolitical position of Uzbekistan allows us to be in a continuous economic dialogue with many countries and carry out mutually beneficial business cooperation with both European and Asian countries.

The textile industry is gaining momentum every year, and global experience shows that efficient supply chain management and cost control play a crucial role in increasing the

competitiveness of textile enterprises [9]. The introduction of new production technologies, the use of high-performance modern equipment, combined with effective management, ensures high labor productivity and an increase in industrial production volumes at industry enterprises. The components of such success were the attraction of domestic and foreign investment, the creation on their basis of new export-oriented industries equipped with modern equipment. The state, realizing that without the influx of foreign capital and technology it would be quite difficult to revive light industry, created an appropriate legal framework protecting foreign investment and provided investors with an effective system of benefits and preferences, which eventually became the basis for fruitful cooperation. [12]

## 2.LITERATURE REVIEW

The issues of strategic management, cost efficiency, and sustainable regional and industrial development have been widely discussed in contemporary economic research, particularly in the context of transition and emerging economies. Existing studies emphasize that improving management accounting systems, rational allocation of production capacities, and strengthening regional financial potential are key determinants of enterprise competitiveness and long-term economic stability.

Methodological issues of strategic management accounting and analysis by Khasanov and Nurmanov (2023) provides a comprehensive methodological foundation for strategic management accounting. The authors argue that traditional accounting systems are insufficient for modern enterprises operating under uncertainty and globalization. They propose analytical tools integrating budgeting, variance analysis, and strategic performance indicators, which enable managers to align operational decisions with long-term development goals. This framework forms the theoretical basis for linking accounting information with strategic efficiency.

Further extending the macroeconomic dimension, Academic Journal Research articles by Khasanov et al. (2025) and Iqtisodiy taraqqiyot va tahlil Hasanov et al. (2025) explore sustainable regional development and financial autonomy. These studies demonstrate that regional growth depends on strengthening fiscal capacity, diversifying local revenues, and improving financial governance mechanisms. The authors empirically confirm that enhanced financial independence increases investment attractiveness and supports balanced socio-economic development. Their findings highlight the importance of integrating enterprise-level efficiency with regional policy instruments.[14]

At the industry level, Hasanova (2024) [15] focuses specifically on the textile sector,

examining cost management strategies and price competitiveness. The research identifies process optimization, cost standardization, and marketing-oriented pricing as the main drivers of competitive advantage. By combining cost accounting with strategic marketing tools, enterprises can reduce production expenses while maintaining product differentiation. This approach strengthens the link between internal efficiency and external market positioning.

Operational efficiency of production capacities is addressed in earlier methodological studies. Khodiev et al. (2019) [17] propose quantitative indicators for evaluating the utilization of production capacities and develop an optimal control mechanism to minimize idle time and resource losses. Similarly, Kirill, Tursunov, and Ziedulla (2018) [18] present an estimation methodology based on performance coefficients and mathematical modeling to assess the effectiveness of capacity management. Both studies emphasize that efficient use of fixed assets directly affects productivity, cost reduction, and profitability in textile enterprises.

Despite the diversity of approaches, several common conclusions can be identified. First, strategic management accounting provides the informational basis for decision-making. Second, cost and price management enhance firm-level competitiveness. Third, optimal production capacity utilization ensures operational efficiency. Finally, regional financial strengthening creates a supportive macroeconomic environment for sustainable enterprise growth. However, the existing literature tends to analyze these factors separately. There remains a research gap in developing an integrated methodological framework that simultaneously combines accounting, cost management, capacity optimization, and regional financial sustainability.

Therefore, the present study aims to bridge this gap by proposing a comprehensive evaluation mechanism that synthesizes microeconomic (enterprise-level) and macroeconomic (regional-level) determinants of sustainable development, particularly within small and industrial businesses.

### 3. ANALYSIS AND RESULTS

Uzbekistan today undoubtedly has a number of conditions that are attractive to both domestic and foreign investors. Located in the very heart of Central Asia, at the intersection of communication routes from Southeast Asia to Europe and the Middle East, having a developed transport infrastructure, Uzbekistan can offer foreign investors a convenient mechanism for transporting manufactured goods. A number of other important factors are the low cost of energy resources, the availability of relatively inexpensive and highly qualified labor, a significant regional and domestic sales market and a developed system of banking and legal

services. [1]

The association “Uztextileprom”, under the terms of contracts, includes enterprises and organizations of various forms of ownership engaged in the processing of cotton fiber, the production of cotton yarn, knitted, sewing, hosiery, raw silk threads and other products, as well as other types of activities (table-1.).

**Table №1.**

**Dynamics of the main technical and economic indicators of the association's enterprises “Uztextileprom” for 2020-2024**

№	Indicators	Unitism.	2020 year	2021 year	2022 year	2023 year	2024 year	2024 In % to 2020.
	Commodity products	billion. sumov	13274. 1	17248. 8	21991. 2	33027. 6	38813 .4	2.9 times
2.	Cotton fiber	ton	533243	801289	8522 95	100650 0	10800 00	202.5
3.	Export volume	million dollars.	1302.3	1541.5	1868.5	2643.2	2927. 8	2.4 times
4.	Innovation and investment projects	pieces	60.0	91.0	71.0	64.0	88.0	146.7
5.	Number of jobs created	pieces	10654	17293	16855	21685	23455	220.1
6.	Total cost of projects	million dollars.	550.9	832.3	474.2	811.2	771.2	140.0

Since 2017, after the start of reforms to liberalize the economy, the sector has shown dynamic growth, especially in exports and finished products [2]. The 2020–2024 period was characterized by the impact of the COVID-19 pandemic at the beginning, a subsequent recovery through foreign investment and government support, but also a slowdown in 2024 due to global factors. The total contribution of the industry to GDP is about 5–6%, with an emphasis on diversification from raw material exports to finished goods (table№2).

**Table №2.**

## Dynamics of production of finished products by association enterprises

## “Uztextileprom” for 2020-2024

№	Indicator	2020	2021	2022	2023	2024
	s			year	year	year
1.	Production of finished textile products, trillion soums	10.4	13.6	17.3	23.1	33.8
2.	Growth rate,%	107. 2	118. 7	105. 8	112. 7	109. 4

From the data in Table №2 it can be seen that over the period 2020-2024, the production volume of finished textile products is growing at a steady pace significant growth in investment and exports, as well as a focus on sustainability and diversification. Despite obstacles such as water shortages and logistical challenges, the sector has shown steady growth, with production increasing 5-fold since 2017, exports — 4-fold, and employment exceeding 600 thousand in 2024. 2025 saw a further upswing, especially in ready-to-wear exports to Russia and other markets. At the same time, there are relatively low costs for the main factors of production - water, natural gas, fuel oil, gasoline, diesel fuel. In addition, the country has simplified the procedure for licensing and registering enterprises and certifying products in the textile industry [5].

Table №3.

## Dynamics of production of products by main assortments by association enterprises “Uztextileprom” for 2020-2024

№	Species products	Unitism.	2020	2021	2022	2023	2024	2024 In
			year	year	year	year	year	% to 2020.
1.	Cotton yarn	thousand tons	410.4	575.2	629.8	749.6	782.2	190.6

2.	Ready-made fabric	million. sq.m.	235.5	268.3	406.0	549.8	605.4	2.6 times
3.	Nonwovens	million. sq.m.	40.2	40.8	42.3	43.7	45.1	112.2
4.	Knitted fabric	thousand tons	76.1	111.2	119.6	175.7	210.0	2.8 times
5.	Garment and ed products	million pieces.	312.1	432.0	548.1	710.3	836.0	2.7 times
6.	Sock products	million pairs	168.9	197.3	257.0	301.6	330.0	2 times

From the data in Table №3 it can be seen that for 2020-2024 the highest growth rates are observed in manufacturing knitted fabric, sewing and knitted products, as well finished fabrics, where the growth rates in 2024 compared to 2020 were 2.8 times, 2.7 times and 2.6 times, respectively.

Analysis data shows that the textile industry of Uzbekistan is demonstrating steady growth in production, with an emphasis on diversification from raw materials to finished products, which corresponds to global trends in the development of the textile and fashion industry [9]. Total production rose from \$4.5 billion in 2020 to \$9.7 billion in 2024, with a 2025 forecast of about \$7.3–8 billion. The structure of output has shifted towards added value, the share of finished products increased from 30% in 2020 to 49% in 2022, and in 2024, clothing in total production amounted to 27%.

The share of yarn production decreased from 40% in 2020 to 25–30% in 2023–2024, while ready-to-wear increased from 30% to 49%, reflecting cluster model of production organization.

Exports, by contrast, peaked in 2022–2023, but fell 6.7% to \$2.87–2.9 billion in 2024 due to a global decline in demand, with a recovery in 2025 (Table.№4).

**Table №4.**

**Dynamics of exports of products by main assortments by association enterprises  
“Uztextileprom” for 2020-2024**

№	Species products	Unitism.	2020 year	2021 year	2022 year	2023 year	2024 year	2024 In % to 2020.

1.	Cotton yarn	thousand. tons	282.3	381.1	455.4	433.3	409.5	1.5 times
2.	Ready-made fabric	million. sq.m.	184.5	215.5	296.5	349.1	305.8	1.7 times
3.	Knitted fabric	thousand. tons	16.2	20.4	33.2	41.5	50.4	3.1 times
4.	Garment and knitted products	million. doll.	424.8	486.3	648.0	1428.2	1283.3	3 times
5.	Sock products	Million. par	47.0	74.6	119.8	166.9	168.3	3.6 times

Exports cover 77–83 countries, the main markets are Russia (41–59%), Turkey (16%), Kyrgyzstan (16%), China (8%) reflecting the growing integration of Uzbekistan into global textile value chains [7][8]. Total exports rose from \$1.8 billion in 2020 to a peak of \$3.9 billion in 2023, a decline of 6.7% in 2024, but exports are expected to grow by \$629 million in 2025. Yarn dominates the structure of exports, but the trend is towards an increase in the share of finished products in total exports.

The export structure of the company's enterprises includes new types of textile products such as compact, melange and modal yarn, bamboo yarn, mixed yarn, finished sewing and knitted products of new models, designs and weaves, bed and table linen, labels, paplin fabrics, satin and terry, jacquard and lingel linen, children's shirts, and also provided with significant updating the range (taking into account market needs) of manufactured clothing and knitwear products, by changing views, models, weaves, styles. The share of goods with high added value in total exports is more than 50%. [14]

Production focuses on a chain from yarn to finished garments, with 100% domestic cotton processing since 2023. Main assortments: yarn, fabrics, knitwear and socks, ready-to-wear. The total volume in 2023 was \$8.2 billion, with a 15% increase in RMG (ready-made garments) to 2.3 billion units. In 2024, production reached 123.3 trillion. soums, 30% more than in 2023.

The output of finished products, depending on the current market conditions, can increase annually by an average of 15-18%. This will have a good effect on the saturation of the internal market in locally produced textile, knitwear and clothing products, and will also considerably satisfy the demand for low-cost and high-quality products from the sector. A significant expansion of the range of cotton products will create stable competition for imported products

in the domestic market of textile and clothing products. [13]

The empirical basis of the study is data from Osiyo Grand Tekstil LLC for 2020«2024. The forecast until 2030 is calculated using the average annual growth rate (CAGR) method, which allows us to assess long-term trends while maintaining the current development dynamics.

**Table №5.**

**Actual and projected cost figures (2020–2030)**

Year	Cost price	Period expenses	General costs
2020	6610808	11703 30	7781138
2021	1505 2663	2426891	17479554
2022	1006 24 00	1147243	11209643
2023	10565520	1094681	11660201
2024	11718527	1149382	12867909
2025	13521586	1144203	14592315
2026	15602071	1139049	16547805
2027	18002668	11339 17	18765348
2028	2077 26 30	1128808	21280059
2029	23968790	1123723	24131763
2030	27656724	1118660	27365618

Analysis of the data presented shows that in 2021 the company faced a sharp increase in costs due to the expansion of production capacity and increased export supplies. In 2022, there was an adjustment in cost policy, which led to a decrease in production costs. Starting in 2023, there has been a stabilization of costs and a gradual transition to strategic planning [6][11].

Forecast calculations show a moderate increase in costs and total costs until 2030. Effective cost management and supply chain coordination are considered key factors for improving the efficiency of textile enterprises [9]. If current trends continue, a gradual increase in costs is expected, which requires increased control over resources, the introduction of digital management tools, optimization of logistics and expansion of targeted costing practices.

To ensure sustainable growth until 2030, the company is recommended to intensify the implementation of ESG practices, expand the use of the cluster model for purchasing raw materials and apply econometric forecasting methods when forming a pricing strategy. An

integrated approach to cost management will improve the profitability and competitiveness of the enterprise in international markets.

An increase in the volume of production and sales of textile products will significantly increase the profits of industry enterprises, contributions to budgets of all levels, and will also create thousands of additional new jobs. [10]

The dynamic development of the textile industry will also contribute to the growth of production volumes in a number of related sectors of the economy, ensure the expansion of their activities, and increase the level of employment and income of the population.

The future of the Uzbek textile industry is directly related to the development of the clothing and knitting industry. In the manufacture of quality garments and knitwear, among other factors, the human factor is of particular importance. The quality of products produced and the demand for them in the market crucially depends on designers and fashion designers based on marketing research, as well as on the working conditions of employees. [11]

A limiting factor in the production of quality garments is the lack of production of a wide range of wool and semi-wool, mixed, shirts, jacket fabrics and fabrics made from natural silk. In addition, application materials fundamental to the clothing industry, such as doublet, non-woven fabric and other lining materials, are practically not produced.

Therefore, at present the primary task of the association's enterprises «Uztextileprom» is to ensure the production of high-quality fabrics for the clothing industry.

In this regard, for a more complete provision of ready-made fabrics and applied materials to clothing enterprises of all forms of ownership of the large textile industry it is proposed to concentrate on investment projects and projects for localizing the production of wool, wool, jacket and other fabrics that are in demand on the market, as well also own chemicals, dyes and fittings. Great opportunities for expanding the range of textile products may open up for account modernization and expansion of finishing production, use of new dyeing methods. In addition to the usual printing widely used in the republic it is necessary to introduce thermoleresed printing and other, more modern technologies for artistic and color design of fabrics and canvases. [11]

At the same time, in order to further develop the textile industry, technical re-equipment and reconstruction are being carried out enterprises with the creation of mobile production, as well as the creation of new enterprises with a complete production cycle, up to finished products with high added value.

Economic incentives for investing in the textile industry of the republic are: the availability of basic raw materials, high-quality cotton fiber; low cost of energy resources; qualified and relatively inexpensive labor resources; practically untapped market for textile products.

At the same time, the attractiveness of the industry for foreign investors is determined by the support and special favorable conditions created by the leadership of the republic to attract foreign investment into the economy.

These are a stable legal framework for economic activities, simplification of licensing procedures, registration of enterprises and certification of products, a large number of different benefits and privileges for joint and foreign enterprises, and others.

To exploit the high potential of the textile industry and its contribution to the country's economic growth in the coming years, a significant increase in investment in the modernization and technical re-equipment of the industry will be required. The influx of foreign investment will be of great importance in the implementation of investment policy. [16]

The main goals and activities of the association "Uztextileprom" are:

-defining a long-term strategy for sustainable development of the industry, aimed at producing products that are competitive in the foreign and domestic markets, keeping in mind improving their quality and reducing costs in all technological processes - from yarn production to finished products;

-training, retraining and further training of personnel;

-pursuing a unified technical and investment policy in the sector, promoting the development of cooperation between enterprises in the textile, knitting and clothing industries, and localizing production in densely populated areas of the republic;

-creation of joint small, compact enterprises with foreign partners, as well as full assistance in matters of privatization and transfer of textile industry enterprises into private ownership, avoiding the creation of large-scale, bulky enterprises that are not adapted to market conditions;

-carrying out technical re-equipment and modernization of existing production, meaning the introduction of modern advanced equipment and technologies, primarily energy-efficient ones;

-in-depth study of the experience of countries with a leading position in the global market in the textile industry and organization of marketing research, paying special attention to the development of the industry's export potential and the promotion of goods to foreign markets;

-the introduction of modern information and communication technologies in the industry, the provision of information services to enterprises and organizations, the implementation of broad advertising activities, as well as the organization of exhibitions and fairs of manufactured products, including abroad. [10]

#### 4.CONCLUSIONS

The conducted research confirms that the textile industry of Uzbekistan has been demonstrating stable and dynamic development in recent years. The transformation of the sector from a raw-material-oriented model to the production of finished textile and garment products with higher added value has become one of the key directions of industrial policy. [2]

The analysis of statistical data for 2020–2024 shows a steady increase in production volumes, exports, and investment activity in the textile industry. Enterprises of the Uztextileprom Association play a central role in this process by expanding the production of yarn, fabrics, knitwear, and ready-made garments. At the same time, the structure of production has gradually shifted toward finished products, which significantly increases the competitiveness of Uzbek textile products in international markets. [1]

The forecast calculations for Osiyo Grand Tekstil LLC until 2030 indicate a gradual increase in production costs and overall expenditures. This trend highlights the necessity of improving cost management mechanisms, optimizing resource utilization, and implementing modern digital management tools. The use of econometric forecasting methods and targeted costing practices can significantly enhance the efficiency of enterprise management. At the same time, several challenges remain, including limited production of certain types of fabrics and auxiliary materials, logistical constraints, and global fluctuations in demand for textile products. Addressing these issues requires continued modernization of production capacities, expansion of investment projects, and the implementation of innovative technologies. [15]

In general, the further development of the textile industry in Uzbekistan should be based on the expansion of the cluster model, strengthening export orientation, increasing the share of products with high added value, and improving strategic cost management. The implementation of these measures will contribute to strengthening the competitiveness of national textile enterprises and increasing their role in the country's economic growth.

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