

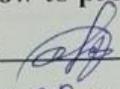
MINISTRY OF HIGHER AND SECONDARY SPECIAL EDUCATION OF
THE REPUBLIC OF UZBEKISTAN

BUKHARA ENGINEERING TECHNOLOGICAL INSTITUTE

Faculty: «Electrical engineering and informational communication
technologies in production»

Department : "Management "

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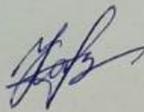
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FINAL QUALIFICATION WORK

Theme: Main factors and ways to improve efficiency of company in
condition of modernization of economy
(On example of "Delux Fabric" LLC.)

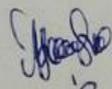
(Основные факторы и пути повышения рентабельности
предприятия в условиях модернизации экономики
(На примере ООО "Delux Fabric"))).

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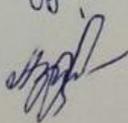
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Introduction

A general criterion for the economic efficiency of production is the profitability index. Profitability (from him rentabel - profitable, profitable), the coefficient of economic efficiency of production in enterprises. Comprehensively reflects the use of material, labor and currency resources. A profitable enterprise is considered to be profitable. In the basis of consideration of mediocre degrees of profitability it is possible to establish which types of products and which business units provide significant profitability. This becomes especially important in today's market conditions, where the economic opportunity of the company depends on the specialization and concentration of production.

The study of the profitability of production makes it possible to reveal a huge number of development trends, it is intended to indicate the way of effective formation to the company's management, points out mistakes in economic activity, and in addition reveals an increase in income, which ultimately allows the company to more successfully carry out its activities.

The essence of the problem of increasing the profitability of production is to increase income in the process of using existing resources of financial results for each unit of tasks. Therefore, economic science has a goal: to strengthen interest in analyzing profitability as an economic phenomenon.

With the help of profitability, it is possible to assess the efficiency of enterprise management, thus obtaining a high profit and a sufficient level of profitability largely depends on the correctness and rationality of management decisions. Therefore, profitability can be considered as one of the criteria for quality management.

By the value of the degree of profitability, one can assess the company's long-term prosperity, that is, the company's ability to make a profit for a sufficient investment. For long-term creditors of investors investing in their fixed assets, this coefficient is the most reliable index, rather than the characteristics of economic stability and liquidity, determined on the basis of the ratio of individual items of equilibrium.

Establishing a link between the amount of profit and the amount of invested capital, the profitability indicator can be used in the process of forecasting profits. In the process of forecasting with actual and expected investments, the profit that is expected to be received for these investments is compared. The estimated profit is based on the level of profitability for the previous periods, taking into account the projected changes.

Profitability is a complex category. It shows how profitable the company is, and, consequently, the higher the profitability indicators, the more successful the activity. For this reason, the company needs to find new ways to improve profitability in order to ensure the highest possible performance.

Factors for increasing the profitability of production can be defined as follows: the greater the income and the more with the lower cost of fixed assets and working capital it has reached and more effectively they are used, the higher the profitability of production, and hence the higher the economic efficiency of the industry. And vice versa.

The key ways to improve profitability are to increase the absolute amount of profit and reduce the cost of production. This is facilitated by the extensive use in the production of the results of scientific and technological progress, leading to an increase in the productivity of social labor and a reduction on this basis of the unit cost of resources used in production.

Alternative search for ways to improve profitability is determined by the variety of its characteristics. It should also be taken into account that when analyzing ways to improve profitability, it is important to share the influence of external and internal conditions. To external conditions is the expansion of the market for the sale of products by reducing the price of the goods offered. Internal conditions are most significant than external ones. These include: increasing production volumes, reducing the cost of production, increasing the return on fixed assets, etc.

An equally important condition affecting profitability is the company's debts and debts. The most optimal is the situation when an enterprise resorts to additional loans to upgrade equipment or assortment.

Any trading institution and company seeks to develop and expand its activities. The growth and development of the enterprise, in particular the industrial enterprise, are tightly integrated with the research and implementation of the strategy and tactics of managing the process of formation, increase and distribution of profitability. In the concept there are different views and opinions on the process of increasing this indicator, various combinations to the implementation of this process.

The indicator of profitability of production has a particularly significant role in modern, market conditions, when management needs to regularly take a number of extraordinary solutions to ensure profitability, and therefore, the economic stability of the company or firm.

Taking into account the way passed and the results achieved during the years of independence, and also taking into account the requirements of the present, Uzbekistan was faced with the main goal-to identify the most important priorities and clear guidelines for further deepening democratic reforms and accelerated development of the country.

To implement this task, the State Program for the implementation of the Strategy of Action for further development of the Republic of Uzbekistan was established in the Year of Dialogue with the People and Human Interest. This strategy consists of five parts, the third of which is devoted to the development and liberalization of the economy. According to this strategy, development and liberalization of the economy aimed at further strengthening macroeconomic stability and maintaining high economic growth rates, increasing its competitiveness, modernizing and intensively developing agriculture, continuing institutional and structural reforms to reduce the state's presence in the economy, further strengthening the protection of rights and the priority role of private property, stimulating small business development and private entrepreneurship, integrated and balanced socio-economic development of the regions, regions and cities, actively attracting foreign

investment in the economy and regions of the country by improving the investment climate.¹

At present, the textile industry occupies a special place in the economy of Uzbekistan. In addition, thanks to the decree of President Shavkat Mirziyoyev, the textile industry enterprises received a number of customs and tax privileges and preferences until 2020.²

Uzbekistan now ranks fifth in the global export market for raw cotton and is the second exporter of ready-made textile products.

At the end of 2016, the total amount of attracted investments was \$ 187.3 million, which is more than the indicators of 2015 by almost 3%. New enterprises of the textile industry were created.³

The textile industry today provides a fifth of GDP. One third of the industry workers of the republic are concentrated there. The revenue part of the state budget in different years is 25-28%.

The subject of the thesis is of obvious theoretical and practical interest. The relevance of the topic is explained by the fact that the market economy determines the need to increase the efficiency of production primarily at the micro level, i.e. At the level of individual enterprises, since it is enterprises (with any form of ownership) that constitute the basis of a market economy.

The aim of the thesis is to develop ways to increase the profitability of production.

Achieving this goal implies the solution of the following tasks:

1. To study theoretical aspects, essence and concept of profitability of the enterprise;
2. Identify the main indicators of profitability;

¹ Указ Президента Республики Узбекистан «О Стратегии действий по дальнейшему развитию Республики Узбекистан»

² Постановление Президента Республики Узбекистан «О Программе мер по дальнейшему развитию текстильной и швейно-трикотажной промышленности на 2017 — 2019 годы

³ Data of the State Committee on Statistics of the Republic of Uzbekistan

3. To study the calculation methodology and ways to improve the profitability of the enterprise.
4. Conduct an analysis of the financial and economic activities of the LLC;
5. Propose measures aimed at increasing profitability

The object of research is LLC Delux Fabric. The subject of the study - organizational and economic relations associated with increasing the profitability of the enterprise.

The research period in the thesis work from 2014 to 2016, used reporting for a given period of time.

As sources of information, the normative legal acts, the works of domestic and foreign scientists devoted to the problem under study, periodicals, annual reports, accounting and reporting documentation of LLC "Delux Fabric" were used.

1.1. The essence, purpose and objectives of assessing the profitability of the enterprise

The most important indicators of the final results and the overall efficiency of production in a market economy are profit and profitability (profitability). Profitability management (planning, justification and analysis-control) are at the center of the economic activity of enterprises operating on the market. The level of profitability depends primarily on the size of profit and size. Profit in the market is the ultimate goal and driving motive of production in the enterprise. The optimal addition to the profit indicator would be the allocation, including the specific weight of the increase in profit obtained by reducing the cost price. It should also be noted that with the formation of civilized market relations, the enterprise will have only one way to increase profits: an increase in output, a reduction in the cost of production.

Profitability is a relative indicator that determines the level of profitability of a business. Profitability indicators characterize the efficiency of the enterprise as a whole, the profitability of various activities (industrial, commercial, investment, etc.); They more fully than profits characterize the final results of management, because their value shows the relationship of the effect with cash or consumed resources ⁴ The term profitability is derived from "rent", which literally means income. Thus, profitability in the broadest sense of the word means profitability, profitability

Today, in the conditions of economic modernization, the question of profitability of the enterprise becomes one of the most urgent. In Uzbekistan, in particular, all the necessary conditions are created for the development of enterprises, ensuring their efficiency and competitiveness in national and international markets, as well as measures to develop the country's export potential.

In order to further develop the economy, as well as ensure a decent standard of living and well-being of the people, the President of the Republic of Uzbekistan, Shavkat Mirziyev, developed and proposed the Strategy for further development of Uzbekistan.⁵

⁴ Blank IA «Financial management» - К.: Nika-center, Elga, 2015. page. 38.

⁵ Указ Президента Республики Узбекистан от 7 февраля 2017 года «О Стратегии действий по дальнейшему развитию Республики Узбекистан»

The strategy, which includes the most urgent tasks for improving state construction and the judicial and legal system, liberalizing the economy and developing the social sphere, strengthening interethnic friendship and harmony in the country, has become in fact a global "road map" for the Reform of the country for the next five years

To implement the measures indicated in the third direction of the strategy - "Development and liberalization of the economy", it is envisaged to further strengthen macroeconomic stability and maintain high economic growth rates, increase its competitiveness, modernize and intensively develop agriculture, continue institutional and structural reforms to reduce the state's presence in the country. Economy, further strengthening of the protection of rights and the priority role of private property, stimulating the development of small business and the hour Comprehensive and balanced social and economic development of regions, regions and cities, active attraction of foreign investment in the economy and regions of the country by improving the investment climate;

In 2017-2021, it is planned to implement sectoral programs providing a total of 649 investment projects worth \$ 40 billion. As a result, in the next 5 years, the production of industrial goods will increase by 1.5 times, its share in GDP - from 33.6 percent to 36 percent, the share of processing industry - from 80 percent to 85 percent.

All these measures will contribute to improving the efficiency of the economy at the macro level, as well as increasing the efficiency and profitability of each individual enterprise at the micro level

Profitability (from him rentabel - profitable, profitable), the indicator of economic efficiency of production in enterprises. Comprehensively reflects the use of material, labor and financial resources. A profitable enterprise is considered to be profitable.

Separate profitability as a general - percentage ratio of the balance (total) profit to the average annual total value of production fixed assets and normalized working capital; And the profitability is calculated - the ratio of the estimated profit to the

average annual cost of those production assets from which fees for funds are charged. The indicator of the level of profitability to current costs is also used - the ratio of profit to the cost of goods or products sold.

Each enterprise independently carries out its production and economic activities on the principles of self-sufficiency and profitability. The enterprise has certain expenses for the manufacture of products and its implementation. These costs represent the cost of production of the enterprise (cost price), or individual costs. However, the costs of an individual product for enterprises may deviate from the average costs of the industry, which are taken for socially necessary costs or the cost, the monetary expression of which is the price of the product. The presence of individual costs, generates the isolation of another part of the cost of production - the profit, and therefore its relative dimension - of profitability.⁶

Either way, profitability is the ratio of income and capital invested in the creation of this income. Linking profit with invested capital, profitability allows you to compare the level of profitability of an enterprise with the alternative use of capital or the profit received by the enterprise under similar risk conditions. More risky investments require higher profits to make them profitable. Since capital always brings profit, to measure the level of profitability, profit, as a reward for risk, is compared with the amount of capital that was needed to generate this profit. Profitability is an indicator that comprehensively characterizes the efficiency of the enterprise.

With his help, you can assess the effectiveness of enterprise management, as the receipt of high profits and a sufficient level of profitability largely depends on the correctness and rationality of management decisions. Therefore, profitability can be considered as one of the criteria for quality management.

By the value of the level of profitability it is possible to assess the long-term well-being of the enterprise, i.e. The ability of an enterprise to receive a sufficient return on investment. For long-term creditors of investors investing money in the

⁶ Krylov EI, Vlasova VM, Zhuravkova IV Analysis of financial results, profitability and production costs: training. - Moscow: Finance and Statistics, 2010. - 717 p.

company's equity, this indicator is a more reliable indicator than the indicators of financial stability and liquidity, determined on the basis of the ratio of individual balance sheet items.

Establishing a link between the amount of profit and the amount of invested capital, the profitability indicator can be used in the process of forecasting profits. In the process of forecasting with actual and expected investments, the profit that is expected to be received for these investments is compared. The estimated profit is based on the level of profitability for the previous periods, taking into account the projected changes.⁷

In addition, profitability has great importance for making decisions in the field of investment, planning, in drawing up estimates, coordinating, evaluating and monitoring the activities of the enterprise and its results.

In conditions of market relations, the importance of profitability indicators of products characterizing the level of profitability (loss) of its production is of great importance. Profitability indicators are relative characteristics of financial results and efficiency of the enterprise. They characterize the relative profitability of an enterprise, measured as a percentage of the cost of funds or capital from various positions.

It is common knowledge that the performance of enterprises can be estimated by various indicators, such as the volume of output, sales volume, profit.

Characterizing the financial or production result, the listed indicators are not able to assess the efficiency of enterprises. This is due to the fact that these indicators are absolute characteristics of the enterprise, and their correct interpretation of the performance evaluation can be carried out in conjunction with other indicators that characterize the funds invested in the enterprise.

An analysis of the profitability of certain types of products, as well as the whole of it, will help to identify the internal reserves of reducing the cost of production, ways to improve product quality for a possible corresponding increase in prices,

⁷ Cooke, William N. (a) "Improving Productivity and Quality Through Collaboration," *Industrial Relations*, Vol. 28. No.2, Spring 2011, 299-319.

which in any case will increase the profitability of production, and thus improve the financial, socio-economic position of the enterprise.

The importance of analyzing the profitability of certain types of products is due to the fact that the enterprise must control the costs of its production and sale. If the market has a sufficiently high demand for products with a low level of profitability, an enterprise can make the production of such products profitable only by reducing the costs of its production

The level of profitability of industries is directly dependent on the profitability of associations and enterprises. The higher the profitability of associations, enterprises, the higher the level of profitability of industry and the entire national economy as a whole.

The profitability of production is the most general, qualitative indicator of the economic efficiency of production, the efficiency of the functioning of enterprises. The profitability of production just commensurate the value of the profit received with the size of the means by which it was obtained (fixed assets and current assets). These means used to produce a known profit are, as it were, its price. And the lower this price, i.e. The less the required funds at the same value of the profit received, the more efficient the production, and the enterprise functions with great effect.

The profitability of production in the most general form is determined by the formula (1.1)

$$R = \frac{P}{(FA+CA)} \times 100 \% \quad (1,1)$$

Where R - profitability,%;

P - the amount of profit;

FA - the value of fixed assets;

CA - cost of current assets;

The profit is accepted in the form of the general, balance amount. In addition, we must take into account all the used cost of working capital - own and borrowed.

As can be seen from the general formula for the profitability of production, growth factors will be:

-the amount of profit;

- cost and efficiency of use of fixed assets;
- cost and efficiency of using working capital;

The period of operation of the enterprise may be different - a month, a quarter, a year, so the value of fixed assets and working capital is calculated on the average. The profitability of production can generally be determined in any time range, at any period of the target operation, in order to know the effectiveness of the conducted production operations. As a rule, with stable functioning, it is calculated for the quarter and for the year.

The higher the profit than the lower cost of fixed assets and working capital it is achieved and more effectively they are used, the higher the profitability of production, and hence the higher the economic efficiency of the enterprise.

Efficiency of the main activity of the enterprise in the production and sale of products, works, services is characterized by an indicator of cost-effectiveness. It is determined by the ratio of profit from the sale of products to the total cost of sales.

$$Rc = \frac{P}{C} \quad (1.2)$$

Where Rc - profitability of costs;

P - profit from the sale of products;

C - a total sum of cost for manufacture and realization of production.

This ratio indicates the level of profit for one sum buck and is calculated for the whole company, and its individual units of product types.

Thus, the profitability of the production factors and follow the path of its increase. The main ways of increasing the profitability of production are to increase the specific weight of specialized production, to apply modern methods of organizing production and labor in accordance with the requirements of scientific and technical progress, to accelerate the introduction and development of new, more advanced machinery, increase labor productivity, reduce production costs, improve its quality, strengthening of an economy in the expenditure of material, labor and financial resources, and increase the material interest of Deeds s in the results of their labor.⁸

⁸ Бляхман Л.С. Экономика фирмы: Учебное пособие. – СПб.: Изд-во Михайлова В.А., 2014г.

1.2. Main classification indicators of profitability in the conditions of economic modernization

Profitability indicators characterize financial results and efficiency of the enterprise. They measure the profitability of the enterprise from various positions and grouped in accordance with the interests of participants in the economic process, market exchange.

Profitability indicators are important characteristics of the factor environment for profit formation of the enterprise. In the analysis of production, profitability indicators are used as an instrument of investment policy and pricing.

In the opinion of V.V. Kovaleva, the main indicators of profitability can be combined into the following groups⁹:

- 1) indicators of profitability of capital (assets),
- 2) indicators of profitability of products;
- 3) indicators calculated on the basis of cash flows
- 4) profitability of investments.

The first group of indicators of profitability is formed as the ratio of profit to various indicators of advances, of which the most important are all the assets of the enterprise; Investment capital (own funds + long-term liabilities); Equity

The discrepancy between the levels and profitability of these indicators characterizes the extent to which the company uses financial leverage to increase profitability: long-term loans and other borrowed funds.

These indicators are specific in that they meet the interests of all business participants of the enterprise. For example, the administration of an enterprise is interested in the return (profitability) of all assets (total capital); Potential investors and creditors - return on invested capital; Owners and founders - the profitability of the shares, etc.

Profitability of own capital is the most significant indicator in the activity of an enterprise, characterizing the efficiency of the use of property in its ownership. Based on this indicator, the owner of the assets can choose the place of their investment.

⁹ Kovalev AI, Privalov VP Analysis of the financial condition of the enterprise. - Moscow: Center for Economic Information, 2015.

The calculation takes into account not the operating income, but the final, net profit, which will be distributed among the owners (shareholders) of the enterprise. Calculated as the ratio of net profit to the average annual cost of equity.

In order to understand how and how the final return on equity is formed, a number of intermediate indicators should be considered:

The profitability of net assets is an indicator of the efficiency of the company's operating activities. Calculated as the ratio of operating income to the average annual net asset value where:

$$\text{Net assets} = E + L \quad (1.3)$$

Where E- equity ;

L- loans (long- and short-term);

On the other hand, the profitability of net assets is formed due to their turnover and profitability of sales:

$$\frac{\text{Operating profit}}{\text{Sales}} * \frac{\text{Sales}}{\text{Net assets}} = \frac{\text{Operating income}}{\text{Net assets}} \quad (1.4)$$

The profitability of net assets is used in assessing the effectiveness of financial leverage

The financial lever - a parity of own and extra means in structure of pure assets characterizes influence of crediting on efficiency of activity of the enterprise. The main criterion for assessing the effectiveness of financial leverage is the rate of bank credit. If the credit rate is lower than the profitability index of net assets, an increase in the share of loans will increase the value of return on equity, and vice versa.

The value of the financial lever shows how much the profitability of equity will increase / decrease with increasing / decreasing profitability of net assets.

The financial lever is calculated by the following formula:

$$\text{Financial level} = \frac{\text{Net assets}}{\text{Equity}} \quad (1.5)$$

Profitability of assets shows the profit brought by all without exception by the means of the enterprise, regardless of their type or source of formation. Calculated as the ratio of net profit to the total value of actin. Serves to assess the effectiveness of the business as a whole (and not only the effectiveness of equity).

The ratio of reinvestment of profit - characterizes the dividend policy of the firm, shows the share of net profit remaining at the enterprise, and, therefore, serving its further development. It is calculated as the ratio of net retained earnings (reinvested profit) to net profit of the enterprise.

Directly for the company's shareholders, the following profitability indicators will be of interest:

Profitableness of the share capital - the volume of profit (dividends) distributed among shareholders falling on 1 sum of the share capital.

Net income per share - the amount of net profit received by the enterprise, per share.

Dividend per share is the profit distributed between shareholders per share.

The profitability of the products shows how much profit is accounted for by the unit of sales. The growth of this indicator is a consequence of rising prices at constant costs for the production of products (works, services) or lower production costs at constant prices, that is, a decrease in demand for the enterprise's products, as well as a faster rise in prices than costs.¹⁰

Each of these indicators is easily modeled by factor dependencies

$$\frac{\text{net profit}}{\text{All assets}} = \frac{\text{net profit}}{\text{Sales volume}} * \frac{\text{Sales volume}}{\text{net profit}} \quad (1.6)$$

This formula reveals the relationship between the profitability of all assets, profitability of sales and asset turnover. Economically, communication is that the formula directly indicates ways to improve profitability with low profitability of sales, you must strive to accelerate the turnover of assets.

Let's consider one more factor model of profitability

$$\frac{\text{net profit}}{\text{Share capital}} = \frac{\text{net profit}}{\text{Sales volume}} * \frac{\text{Sales volume}}{\text{Aggregate capital}} * \frac{\text{Aggregate capital}}{\text{Share capital}} \quad (1,7)$$

As we see, the profitability of own (joint-stock) capital depends on the change in the level of profitability of production, the speed of turnover of total capital and the

¹⁰ Brigham U., Erhardt M. Analysis of Financial Reporting // Financial Management. Theory and Practice. - 10 th ed. / PPiter, 2012. - P. 131.

ratio of own and borrowed capital. The study of such dependencies is of great importance for assessing the influence of various factors on profitability indicators. From the above dependence it follows that, other things being equal, the return on equity increases with the increase in the share of borrowed funds in the aggregate capital.¹¹

The second group of indicators is formed on the basis of calculation of levels and profitability on profit indicators, reflected in the reporting of enterprises

$$\frac{\text{profit on realization}}{\text{Sales volume}} > \frac{\text{Balance sheet profit}}{\text{Sales volume}} > \frac{\text{Taxable profit}}{\text{Sales volume}} > \frac{\text{net profit}}{\text{Sales volume}} \quad (1.8)$$

These indicators characterize the profitability of the production of the reference and reporting periods. For example, the profitability of products on profit from sales is calculated by formulas:

$$K_0 = \frac{P_0}{N_0} \quad (1.9)$$

$$K_1 = \frac{P_1}{N_1} \quad (2.0)$$

Or by formulas

$$K_0 = \frac{N_0 - S_0}{N_0} \quad (2.1)$$

$$K_1 = \frac{N_1 - S_1}{N_1} \quad (2.2)$$

Where, K_1 , K_0 - profitability of production of reporting and base periods;

P_1 , P_0 - profit from the implementation of the reporting and reference periods;

N_1 , N_0 - sales of products (works, services) of the reporting and reference periods;

S_1 , S_0 - cost of products (works, services) of the reporting and reference periods;

¹¹ Балабанова, Т. В. Управленческий анализ прибылей образующих показателей / Т. В. Балабанова // Управленческий учет. - 2012

The change in profitability in the reporting period as compared to the base period is determined by the formula

$$\Delta K = K_1 - K_0 \quad (2.3)$$

The effect of the change in the volume of sales is calculated by the method of chain substitutions

$$\Delta K_n = \frac{N_1 - S_0}{N_1} - \frac{N_0 - S_0}{N_0} \quad (2.4)$$

Accordingly, the effect of changes in cost is

$$\Delta K_s = \frac{N_1 - S_1}{N_1} - \frac{N_1 - S_0}{N_1} \quad (2.5)$$

The sum of factor deviations gives a general change in profitability in the reporting period in comparison with the base period

$$\Delta K = \Delta K_n - \Delta K_s \quad (2.6)$$

The third group of indicators of profitability is formed similarly to the first and second groups, but instead of profit, a net inflow of money is taken into account. Consider the dependence

$$\frac{\text{Net cash inflow}}{\text{Sales volume}} > \frac{\text{Net cash inflow}}{\text{Aggregate capital}} > \frac{\text{Net cash inflow}}{\text{Net worth}} \quad (2.7)$$

These indicators give an idea of the degree of the company's ability to pay off creditors, borrowers and shareholders in cash in connection with the use of the available cash inflow. The concept of profitability, calculated on the basis of cash inflows, is widely used in countries with developed market economies. It is a priority, because transactions with cash flows, ensuring solvency, is an essential sign of the state of the enterprise. Profitability indicators are designed to assess the overall effectiveness of investing in an enterprise. They are widely used to assess the financial and economic activities of enterprises of all industries. In the opinion of L.V. Prykin, this is one of the most important indicators in assessing the activities of the enterprise, which reflect the degree of profitability of the enterprise

Profitability indicators are formed as follows:

1) The indicator of the overall profitability is the most common in determining the profitability of the enterprise and is calculated as the ratio of profit before tax to the proceeds from the sale of goods, works and services produced by the enterprise.

The indicator shows what part of the proceeds from the sale is the profit before taxation, is analyzed in dynamics and compared with the industry average values of this indicator. The indicator of total profitability is defined by the formula

$$\text{overall profitability} = \frac{\text{Profit before tax}}{\text{revenues from sales}} \quad (2.8)$$

2) Profitability of current assets is defined as the ratio of net profit (profit after taxation) to current assets of the enterprise. This indicator reflects the enterprise's ability to provide a sufficient amount of profit in relation to the circulating assets of the company. The higher the value of this coefficient, the more efficiently circulating assets are used. The profitability of current assets is calculated by the formula

$$\text{Return on assets} = \frac{\text{net profit}}{\text{The average annual value of current assets.}} \quad (2.9)$$

3) Profitability of production assets is defined as the ratio of balance profit to the average value of the sum of the value of fixed productive assets, intangible assets and working capital in commodity-material values.

The level of profitability of production assets is the higher, the higher the profitability of production (the higher the return on assets of fixed assets and the turnover of circulating assets, the lower the costs per 1 ruble of output and the unit costs for economic elements (means of labor, labor materials)). The profitability of production assets is calculated by the formula

$$\text{Profitability of production assets} = \frac{\text{Profit before tax}}{\text{Average annual cost of production assets}} \quad (3.0)$$

4) The profitability of the enterprise's assets is defined as the ratio of net profit to all assets of the enterprise

$$\text{Return On Assets} = \frac{\text{net profit}}{\text{balance currency}} \quad (3.1)$$

5) The profitability of financial investments is defined as the ratio of the amount of income from financial investments to the value of financial investments

Profitability of financial investments =

$$\frac{\text{Profit from financial investments for the period}}{\text{Amount of financial investments}} \quad (3.2)$$

6) Profitability of production is defined as the ratio of the gross profit to the cost of production

$$\text{Profitability of production} = \frac{\text{gross profit}}{\text{Cost of production}} \quad (3.3)$$

Payback period of equity. It is found by dividing the average annual value of equity by the net profit of the analyzed period. It is of great importance for owners and shareholders, because through an assessment of its magnitude and dynamics, they tend to draw conclusions about the effectiveness of their capital management.

The payback period of equity is calculated by the formula

$$\text{Payback period of equity capital} = \frac{\text{Average cost of equity}}{\text{net profit}} \quad (3.4)$$

One way to analyze profitability is factor analysis. Consider this type of analysis of profitability of production in more detail.

In connection with the transition of our country's economy to market relations, the attitude to information received from economic entities also changes. Information about the financial condition of the organization, its financial results becomes very important for a wide range of users, both external - tax inspections, commercial banks, shareholders, etc., and internal - administration, managers, internal financial services organization¹²

Having on hand accounting accounting for the reporting year or for a number of previous years, the shareholders of the company should evaluate the efficiency of using the invested capital, the profitability of the organization's assets, financial stability and development prospects for the future. For an accurate assessment of the organization's activities, it is necessary to use methods of economic analysis. With a set of tools for analyzing economic activities, it is possible to reliably and comprehensively assess the results of the economic activities of the organization

¹² Беспалов, М. В. Комплексный анализ финансовой устойчивости компании: коэффициентный, экспертный, факторный и индикативный [Электронный ресурс] / М. В. Беспалов // Финансовый вестник: финансы, налоги, страхование, бухгалтерский учет. — 2011. — № 5.

In economically developed Western countries, no investment project can do without a deep economic analysis. For this purpose, whole complexes for assessing the effectiveness of the organization's activities have been developed. This system includes various indicators: the coefficients of financial stability, profitability, solvency. As a result of numerous studies of the activities of successful and unprofitable companies, the optimal values of a number of coefficients have been developed, which make it possible to assess the dynamics of the organization's development and the prospects for its growth for the future

In order for economic analysis to have practical application, it must be, on the one hand, complex, that is, The analysis should cover all aspects of the economic process and comprehensively identify the causal relationships that affect the activities of the organization to some extent.

On the other hand, the analysis should provide a systematic approach, when each studied object is viewed as a complex mutable system consisting of a number of factors of the external and internal environment.

Any factor analysis begins with modeling a multifactor model. The essence of the construction of the model is to create a specific mathematical relationship between the factors.¹³

When modeling functional factor systems, several requirements must be met

1. Factors included in the model must really exist and have a specific physical meaning.
2. Factors that enter into the system of factor analysis should have a causal relationship with the indicator being studied.
3. The factor model should ensure the measurement of the influence of a particular factor on the overall result.

¹³ Греховодова М. Н. Экономика текстильного предприятия. Учебное пособие. – Ростов н/Д: «Феникс», 2011. – 192 с.

In factor analysis, the following types of the most commonly used models

1. When the result indicator is obtained as an algebraic sum or the difference of the resulting factors, additive models are applied

$$P = N - S_{ps} - KP - YP \quad (3.5)$$

Where P - profit from the sale of products;

N - sales proceeds;

S_{ps} - production cost of sales;

KP - commercial expenses;

YP - management costs.

2. Multiplicative models are used when the resulting indicator is obtained as the product of several resulting factors

Where Ra is the return on assets;

Rs = P / N - profitability of sales;

FO = N / A - asset recovery ratio;

A - the average value of the organization's assets for the reporting year.

3. When the result indicator is obtained by dividing one factor by another, multiple models are applied.

4. Different combinations of the above models give mixed or combined models.

In the practice of economic analysis, there are several ways to model multivariate models: lengthening, formal decomposition, expansion, reduction and dismemberment of one or more factor indices into composite elements.

Let's do the following modeling of net assets profitability index

$$R_{SA} = \frac{P}{SA} = \frac{P}{N} \times \frac{N}{OA} \times \frac{OA}{KO} \times \frac{KO}{DZ} \times \frac{DZ}{KZ} \times \frac{KZ}{ZK} \times \frac{ZA}{SA} = a \times b \times c \times d \times k \times l \times m,$$

Where a = P / N - the profitability of sales, this ratio characterizes the efficiency of sales of the organization. This indicator characterizes the influence of price policy and the indicator of sales volume.

B = N / OA - turnover of current assets in turnover, this factor shows how many turns during the reporting year it makes working capital in the process of production and marketing and procurement activities.

$C = OA / KO$ - this factor is called the coefficient of current liquidity. It characterizes the solvency of the organization provided all the stocks are sold and the receivables are returned.

$D = KO / DZ$ - the ratio of the organization's short-term liabilities to receivables. This ratio characterizes the degree of coverage of short-term liabilities of the organization by accounts receivable. It characterizes the financial sustainability of the organization.

$K = DZ / KZ$ - ratio of accounts receivable to accounts payable. This factor shows the degree of coverage of accounts receivable. It characterizes the organization's dependence on creditors and debtors. This indicator can also serve as an assessment of the organization's security against inflation: the lower this indicator, the greater the degree of protection.

$L = KZ / ZK$ - ratio of the ratio of the organization's payables to borrowed capital. This factor characterizes the structure of liabilities. Accounts payable - this is not all borrowed capital, although, as a rule, it is its main component.

$M = ZK / SA$ - ratio of the ratio of borrowed capital to net assets of the organization. This factor globally characterizes the financial stability of the organization. It shows the ratio of own and borrowed sources of financing activities of the organization.

Thus, we obtained a seven-factor multiplicative model of the profitability of the company's net assets, consisting of sufficiently diverse and diverse factors characterizing both the degree of utilization of the organization's assets and the degree of its financial stability.

The resulting factor model can be solved as in the previous example, by the method of chain substitutions using absolute differences

At the modern level of development of production and economy there are no casual and long-term successes. If success was achieved by chance, on an intuitive level, then it can not be long, since there will be people who will approach the problem with an economically correct decision, and they will win a competitive struggle. Success must be justified by a comprehensive and comprehensive analysis

of the economic activities of the organization, rational planning, knowledge and the maximum use of its advantages, concealing its shortcomings.

The indicator of profitability has a mathematical dependence on many indicators characterizing the efficiency of the use of assets, the pricing policy of the organization, the structure of liabilities and assets, financial stability, solvency and many others.

Complex analysis of the financial state of the organization does not end there, and can be continued with an analysis of the effectiveness of the use of labor resources, material resources, fixed assets. A detailed study of each of these areas will identify specific mechanisms for influencing the final financial performance of the organization.¹⁴

Analysis of the financial condition of the organization and the identification of reserves for its further sustainable growth should also continue with an analysis of solvency ratios, financial stability, asset turnover, analysis of payables and receivables, cash flow analysis, analysis of net assets, equity, etc.

Thus, profitability indicators are used to compare the performance of individual enterprises and industries that produce different volumes and types of products. These indicators characterize the received profit in relation to the spent production resources. The most commonly used indicators are the profitability of production and profitability of production.

¹⁴ Ермолович Л.Л., Сивчик Л.Г., Толкач Г.В., Щитникова И.В. Анализ хозяйственной деятельности предприятия: Учеб. пособие / Под. общ. ред. Л.Л. Ермолович. - Мн.: Инетерпрессервис; Экоперспектива, 2011.-576 с.

1.3. Profitability of production and ways to increase it

Profit is the final indicator of the activities of industry enterprises. This is also an important economic indicator. However, profit does not show, does not characterize, at what price it is achieved, by what amounts of means. The profit does not reflect the size of the productive potential with which it was obtained.

To measure the size of profits and the amount of funds used to achieve it in the sectoral economy, the profitability of production is used.

Profitability of production is the most general, qualitative indicator of the economic efficiency of production, the efficiency of the functioning of enterprises in the industry. The profitability of production just commensurate the value of the profit received with the size of those funds - fixed assets and working capital, with the help of which it was obtained. These means used to produce a known profit are, as it were, its price. And the lower this price, i.e. The less the required funds at the same value of the profit received, the more efficiently production is, of course, and the enterprise functions with great effect.¹⁵

The profitability of production in the most general form in the branch economy is defined as:

$$R = \frac{P}{(FA+CA)} \times 100 \% \quad (3.6)$$

Where R - profitability,%;

P - the amount of profit;

FA - the value of fixed assets;

CA - cost of current assets;

The period of the enterprise's functioning can be different - a month, a quarter, a year, and therefore the value of fixed assets and working capital is calculated on the average. The profitability of production can generally be determined in any time range, at any period of the target operation, in order to know the effectiveness of the

¹⁵ Кириллов, Ю. В. Экономико-математический анализ эффекта финансового рычага / Ю. В. Кириллов, Е. Н. Назимко // Финансовая аналитика: проблемы и решения. - 2014. - № 34 (220)

conducted production operations. As a rule, with stable functioning, it is calculated for the quarter and for the year.

$$Pp = \frac{Ps}{Pc} = \frac{P - Pc^{\wedge}}{Pc^{\wedge}} * 100\% \quad (3.7)$$

Where Pp- profitability of products,%

Ps - profit from sales of products, sum.

Pc - total production cost, sum.

If the product is one, the formula becomes:

$$Pp = \frac{Ps}{Pc} * 100\% \quad (3.8)$$

And the profitability of all sold (produced) products is calculated as the ratio of all the profits received from the sale of products to the full cost of sales.

This indicator is very important for making current and strategic decisions. This indicator during the analysis shows the profitability or profitableness of the products, the degree of their profitability and loss-making. In a market where the goal of entrepreneurial activity is to maximize profits, the enterprise should make the appropriate decision after such an analysis - to get rid of unprofitable and low-profitable products and, conversely, to increase highly profitable products. If the branch is subsidized or individual products are subsidized, then certain adjustments should be made.¹⁶

The analysis of the profitability of certain types of products, as well as the whole of it, will help to identify the internal reserves of reducing the cost of production, ways to improve product quality for a possible corresponding increase in prices, which in any case will increase the profitability of products, and thus improve the financial and socio-economic situation of the enterprise sector.

As can be seen from the general formula of profitability of production

$$R = \frac{P}{(FA+CA)} \times 100\% \quad (3.9)$$

¹⁶ Когденко, В. Г. Методика комплексного анализа показателей рентабельности по данным консолидированной отчетности / В. Г. Когденко // Экономический анализ: теория и практика. - 2013. - № 24.

Its growth factors will be:

1. The amount of profit
2. Cost and efficiency of use of fixed assets.
3. Cost and efficiency of using current assets

The higher the profit than the lower cost of fixed assets and working capital, it is achieved and more effectively they are used, the higher the profitability of production, and hence the higher the economic efficiency of the industry. And vice versa.

Thus, from the factors of profitability of production, the main ways of increasing it also follow.

In the branch economy, the following are the most general ways to improve the profitability of production.

1. All the ways that increase the amount of profit.
2. All the ways improving the efficiency of the use of fixed assets.
3. All the ways improving the efficiency of the use of working capital.

In economic practice, many specific indicators of profitability are used. All of them play a role in the economy. However, for the sectoral economy, for a general view of economic processes, the indicators presented here are quite sufficient and correct.

With a normally functioning economy, the level of profitability of production in industry is in the range of 20-25%, and in agriculture - 40-50%.

1.4. Factors of profitability increase at the enterprise in the conditions of the market

The determining factor in the content of the concept of "profitability of production" is the amount of profit. In this regard, the establishment of factors of profitability is, first of all, the establishment of factors that affect the formation of profits. The profit factors can be divided into two groups:

- factors of internal order, depending on the manufacturer of products and having a subjective character;
- factors of external order, independent of commodity producers and are objective.

Factors of internal order include the quantity of products sold, its quality, production costs¹⁷

The number of products sold depends on the volume of gross output and the level of its marketability. With an increase in the volume of gross output, an increase in the output to be sold occurs, since the growth rate of its domestic consumption is generally lower than the growth rate of gross output, which creates the conditions for raising the level of marketability and increasing the cash proceeds on this basis. The quality of products affects the amount of profit also through cash revenue, since higher quality products provide a higher selling price.

Finally, the amount of cash proceeds depends on the timing of the sale of products, its structure and sales markets. For example, early vegetables and potatoes are sold at higher prices than later potatoes. At different prices, products are sold depending on the sale channels: when it is sold to the state, consumer cooperation, on the collective-farm market.

An important factor in profit is the cost of production. The reduction or increase in production costs has a significant effect on the amount of profit.

¹⁷ Чочаев, А. Х. *Выбор критериев экономической эффективности* / А. Х. Чочаев, Н. П. Кононов // Вестник Московского государственного университета леса - Лесной вестник. - 2012. - № 5

External factors include market demand for products. E proposal and competition of manufacturers. High or low demand for this or that product, as well as the presence or absence of competitors, determine both the quantity of products sold and the price level for it, which ultimately affects the amount of profit.

Factors of profitability of production can be extensive and intensive. Extensive factors affect profitability by changing the number of products sold, and intensive ones - to increase sales prices and reduce production costs.

Thus, the theoretical analysis of the profitability of production has shown that the problem of profitability, methods of its quantitative measurement is constantly in the focus of attention in the development of methodological and instructive materials. In this regard, the proposal of economists to introduce the classification of profitability indicators into absolute and relative, deserves attention, depending on the way of their quantitative expression.

Absolute profitability indicators are gross and net income. However, the absolute sizes of net income, profit and gross income do not allow to fully compare the economic results of the production activity of enterprises. The farm can receive a profit of one thousand rubles and a million. In both cases, production is cost-effective, and the efficiency may be different, because it depends on the size of the production, the structure of the product, the cost of production, and so on. Therefore, in order to characterize the economic efficiency of production, relative profitability indicators are also used, which are expressed as the ratio of two commensurable values: gross, net income, profit, and indicators of the effectiveness of the use of particular production resources or costs.

Relative profitability indicators can be calculated in monetary terms, or, more often, in percentages. With their help, the profitability of production can be expressed both by gross and by sales (commodity) output.¹⁸

¹⁸ Бессмертный С., Садовой Л. Анализ существующего положения и пути развития финансово-промышленных групп – Деловой экспресс – 2013. - №11;

In turn, the definition of reserves for improving the profitability of production is reduced, on the one hand, to determining the reserves of increasing cash proceeds from sales, and on the other hand, to reserves for reducing the cost of production.

Factors of growth in the level of profitability depend on unified economic processes and phenomena:

- improvement of the production management system in a market economy based on overcoming the crisis in the financial and credit and monetary systems;
- Increasing the efficiency of the use of resources by enterprises on the basis of stabilization of mutual settlements and the system of settlement and payment relations;
- indexation of working capital and a clear definition of the sources of their formation.

In addition, the increase in the level of profitability is achieved by increasing the profit of the enterprise, i.e. Due to the increase in the volume of production and sale of goods, works, services and at the same time reducing costs for the production of goods, works, services.

The change in economic indicators for any time period occurs under the influence of many different factors. The variety of factors influencing profit requires their classification, which at the same time is important for determining the main directions, searching for reserves to improve the efficiency of management.

Factors affecting profits can be classified according to different characteristics. So distinguish external and internal factors. Internal factors include factors that depend on the activities of the enterprise itself and characterize the various aspects of the work of this team. External factors include factors that do not depend on the activity of the enterprise itself, but some of them can have a significant impact on the growth rates of profit and profitability of production.

In turn, internal factors are divided into:

- productive;
- non-productive.

Non-productive factors are mainly related to commercial, environmental, claim and other similar activities of the enterprise, and production factors reflect the availability and use of the main elements of the production process involved in generating profits - these are the means of labor, labor and labor itself.

For each of these elements, groups of extensive and intensive factors are distinguished.

Extensive factors include factors that reflect the volume of productive resources (for example, changes in the number of employees, the value of fixed assets), their use over time (changing the working day, the ratio of equipment change, etc.), as well as non-productive use of resources (materials costs for marriage, Loss due to waste).

Intensive are factors that reflect the effectiveness of the use of resources or contribute to this (for example, staff development, equipment performance, the introduction of advanced technologies)

In the process of carrying out the production activity of an enterprise related to the production, sale of products and the production of profit, these factors are in close interconnection and dependence.¹⁹

The primary factors of production affect profit through a system of generalizing factor factors of a higher order. These indicators reflect the volume and effectiveness of the use of their consumed part, involved in the formation of production costs.

Thus, it can be concluded that the same elements of the production process, namely the means of labor, the objects of labor and labor, are considered, on the one hand, as the main primary factors for increasing the volume of industrial output, and on the other hand, as the main primary factors determining Production costs.

Since profit is the difference between the volume of output and its cost, its magnitude and growth rates depend on the same three primary factors of production that affect profit through the system of indicators of the volume of industrial output and production costs.

¹⁹ Буряк П.Ю. Экономический анализ на промышленном предприятии – Львов 2014

In conclusion, it should be reiterated that profitability is a relative indicator determining the level of profitability of a business. As a relative indicator, profitability has advantages over absolute indicators, since it is practically not influenced by inflation. At present, many different profitability indicators have been developed, which group into different groups. Factors for improving profitability depend on unified economic phenomena and processes.

2.1. History of the enterprise and analysis of technical and economic indicators of LLC "Deluxe Fabric"

The main goal of the company was to provide the population with quality weaving and clothing products. With the attainment of independence, the textile industry has developed tremendously. As our President noted: "In order to develop the textile industry and provide jobs for young professionals and produce high-quality products that meet world standards, plants and factories are being reconstructed in the Republic, modern advanced equipment is being supplied, new technologies are being mastered, production automation, Assortment of quality products. Delux Fabric was commissioned on April 26, 2011. Despite such a short period of existence, to date, production has doubled. To produce high-quality products, modern automated equipment was purchased and installed. Namely: weaving equipment "Pinacol" (Belgium), sewing equipment "Zukker Müller" (Germany), the reamer "Benninger" (Germany). Thanks to this purchased equipment and improvement of the technological process, the profitability of the enterprise in 2013 increased by 10-13%.

To meet the needs of the population, the cost of raw materials and finished products was reduced. After the purchase of raw materials in 2014 (December) new sewing machines, new jobs were created. And by March 2016 36 people were employed. A large assortment of men's and women's handkerchiefs is produced in the sewing workshop. The enterprise exports a wide range of products. By mid-2012, new contracts have been drawn up for export. "Delux Fabric" LLC, purchasing yarn, produces semi-finished products of various kinds of coarse calico in weaving shops. Our semi-finished products go to factories, where they are painted, print flowers, put kofyazhazh and other drawings, then the goods enter the market.

If in the second half of 2012 the factory had 24 employees, then in 2016 there were 126 people. In addition, there are always various incentives, material assistance, excursions to the holy places of our Republic.

All activities of Delux Fabric LLC are aimed at meeting the needs of the population, improving livelihoods and increasing well-being, and the company is making every effort to prosper our independent Motherland.

**Analysis of technical and economic indicators of LLC "Deluxe fabric"
for three years.**

Table 2.1.1

The name of indicators	Unit of measurement	2014 year	2015 year	2016 year	2016 year com.to 2014, %	2016 year com.to 2015, %
Commodity production:						
A) in comparable prices	mln sum	3786,3	7999,6	8526,5	225,19	106,6
B) In current prices	mln sum	3087,5	7120,3	8230,3	266,56	115,6
For export	thnd dollar	158,3	253,2	333	210,36	131,5
Volume of textile in physical terms. Total, including:		1190,8	2515,9	2681,6	225,19	106,6
A) Dense textile	trm	796,9	1761,1	1856,3	232,94	105,4
B) Plain textile	trm	393,9	754,8	825,3	209,52	109,3
Handkerchiefs	thnd piece		2400	6523,0		271,8
The average number of workers in the RFP	person	53	128	151	284,9	117,9
Including workers	person	33	108	131	381,82	190,9
Net proceeds from the sales of products	mln sum	2974,48	7044,56	8166	274,54	115,9
Wages fund	thnd sum	193492,2	437250	886455	458,13	202,7
Productivity of labor	thnd sum	71439,6	62496,8	56466,8	79,04	90,3
Average wages	thnd sum	3649,7	3416,0	5870,6	160,9	171,9
Costs for production and sales	mln sum	2390,8	5999,3	7125	298,02	118,8
Expense from financing activities, including:	mln sum	433,26	509,85	276,05	63,7	54,14
Expenses in the form of percent	mln sum	302,50	500	248,04	81,9	49,6
Foreign exchange loses	mln sum	130,76	9,85	28,01	21,4	284,3
Expenses for 1 sum of CP	tiyin	77,43	84,26	86,57	111,80	102,7
Balance sheet profit	thnd sum	155591,5	653652,9	804834,5	517,27	123,1
Net profit	thnd sum	45032,8	301424,9	371588,7	825,15	123,3
Average annual value of fixed assets	mln sum	2563,3	3456,6	4771,4	186,14	138,03
Capital productivity	sum	1,20	2,06	1,72	143,21	83,7
Current assets	mln sum	1626,3	1856,2	1980,9	121,80	106,7
Total property	mln sum	4189,6	5312,8	6752,2	161,17	127,1
Productivity of the capital	%	3,71	12,30	11,92	+8,21	-0,38
Turnover of current assets	times	1,83	3,80	4,12	+2,29	+0,32

According to the table, it is possible to draw conclusions about the relatively dynamic development of the enterprise under study. Thus, commodity output in current prices in 2016 as compared with 2014 increases by 166.5%, that is, more than a half, and compared to 2015 - only by 15.6%. Thus, in 2016 - is the most effective in the period under study.

Commodity production in comparable prices - this indicator serves to exclude the influence of inflation and other price factors on the amount of output, so it directly reflects the dynamics of textile products in physical terms. For the study period, the volume of commodity output in comparable prices in 2016 compared to 2014 increased by 125.1%, and compared to 2015 increased by 6.6%. The results of this indicator do not correspond to the results of the previous one, from which it can be concluded that the quantitative increase in revenue is largely due to a rise in prices. The volume of products in kind in 2016 in comparison with 2014 is increased by 110.3%, and in comparison with 2015 it increases by 31.5%. The dynamics of this indicator accurately reflects the dynamics of the volume of services provided 32 in comparable prices.

The number of industrial and production personnel is changing significantly - there is a consistent increase in this amount by 18% in 2016 compared with 2015. This is explained by the expansion of production and the increase in the volume of manufactured products. Consequently, there was a need to increase the number of industrial and production personnel. The table shows that the number of workers in 2016 compared to 2014 increased by 98 people, and compared to 2015 by 23 people.

If to judge the productivity of labor, calculated on the basis of the data of the volume of services rendered in comparable prices, then the growth dynamics is disappointing. Thus, labor productivity in 2016 relative to 2014 fell by 20,96%, and compared to 2015 it decreased by 9,7%.

The labor compensation fund in 2016, compared with 2014, increases by 358.13% in and compared with 2015 - the increase was only 102.7%. The increase in average annual wages is less than the increase in the wage fund: in 2016, compared to

2014, the increase is 60,9%, and compared to 2015 - only 71,9%. This situation is largely due to the increase in the number of employees.

The cost of production in 2016 compared with 2014 is increased by 198.02%, and compared to 2015 - by 18.8%, respectively. The dynamics of the increase in prime cost primarily reflects the dynamics of the growth in the volume of commodity output in current prices.

Expenses for 1 sum of commodity output are quite high: in 2014, 91,5 tiyin of costs accounted for 1 sum of revenues, in 91,4 tiyin in 2015, and 89.9 tiyin in 2016. From which it can be concluded that by the end of the analyzed period the level of expenses is slightly increasing, the level of net profit is also slightly changing.

In the dynamics of growth of balance sheet profit, there is a gradual increase in 2016 compared to 2014 - by 417.27%, and then compared to 2015 - a slight increase - by 23.1%.

The dynamics of net profit growth is similar to the previous indicator. Fixed assets increase by more than half in 2016 compared with 2014, and compared to 2015 decreased by 16.3%

The aggregate of current assets in 2016 as compared to 2014 is increased by 21.8%, and compared to 2015 - increases by 6.7%. The property of the company is growing consistently, and its growth in 2016 compared to 2014 amounted to 61.17%, and compared to 2015 - only 27.1%, that is, the property of the enterprise for the whole period is increased by 88.2%. During the analyzed period, the assets of the enterprise relative to past years were inefficiently used. Thus, it can be seen from the table that the profitability of capital relative to 2014 increased by 221.2%, compared to 2015 decreased by 3.1% Turnover of current assets in 2016 as compared to 2014 is increased by 2.29 turnover, and compared to 2015 - by 0.32 turnover. In general, based on the data, it can be concluded that the most productive year for the analyzed enterprise is 2016. In 2016, only a small part of the indicators indicates a deterioration in the dynamics. These are indicators such as: labor productivity and profitability of capital. The enterprise should focus on increasing the volume of manufactured products by employees, as well as on more efficient use of capital.

2.2. Analysis of profitability and financial results of OOO "Deluxe Fabric" for 2014-2016

Profit and profitability are among the most important indicators that characterize the efficiency of the enterprise's production and economic activities. Profit reflects the results of all aspects of the enterprise. Its magnitude is affected by the volume of products, its range, quality, cost level, fines, penalties and other factors.

The profit influences such generalizing indicator, as profitability, a condition of own circulating assets, solvency and the sizes of incentive funds

The identification of reserves of growth and profitability can be established through a system of interrelated directions of economic analysis. The analysis of the profit and profitability of the enterprise allows us to identify a large number of development trends, is called upon to point out to the company's management the ways for further successful development, points out mistakes in economic activity, and also to reveal reserves of profit growth, which ultimately allows the enterprise to more successfully carry out its activities.

The task of this analysis is to assess the overall profit and its composition, to verify the feasibility of the plan and its implementation by the amount of profit to the level of profitability, to disclose the influence of a number of factors on the deviation of the actual profit from the planned profit, and to reveal reserves of profit and profitability growth.

The sources of the analysis are: Form № 1 "Enterprise Balance Sheet", form № 2 "Statement of financial results."

The data presented in the table characterize the overall results and efficiency of production and economic activities of LLC Delux Fabric for the period 2014-2016. And serve as the basis for a comprehensive economic analysis

**Analysis of the profitability of the enterprise "Deluxe Fabric"
for 2014-2016 years**

Table 2.2.1

The name of indicators	2014 year	2015 year	2016 year	Deviation 2016 from 2014 (+, -)	Deviation 2016 from 2015 (+, -)
Profitability of sales	26,7	18,8	16,3	-10,4	-2,5
Economic profitability	1,04	4,7	6,6	5,56	1,9
Gross profitability	5,23	9,2	9,8	4,57	0,6
Net profitability	1,51	4,27	4,55	3,04	0,28
Profitability of equity capital	3,71	12,3	11,92	8,21	-0,38
Profitability of permanent capital	1,71	7,4	9,6	7,89	2,2
Profitability of fixed assets	1,81	4,3	15,4	13,59	11,1
Cost-effectiveness	36,4	23,2	19,5	-16,9	-3,7

The method of calculation and calculation of profitability indicators is indicated below:

Calculation of profitability indicators

Tab 2.2.2

The name of indicators	Method of calculation	Calculation
Profitability of sales	$P_1 = \text{sales profit} / \text{Sales proceeds, \%}$	2014y.= $(795046,6/2974476)*100\%=26,7\%$ 2015y.= $(1326032/7044559,7)*100\%=18,8\%$ 2016y.= $(1336075,5/8166016,3)*100\%=16,3\%$
Economic profitability	$P_2 = \text{net profit} / \text{Average cost of property, \%}$	2014 y.= $45032,7/((1565492,6+7028478)/2)=1,04\%$ 2015 y.= $301424,9/((7027766,4+5632068,7)/2)=4,7\%$ 2016 y.= $371588,7/((5632068,7+5540472,8)/2)=6,6\%$
Gross profitability	$P_3 = \text{Gross profit} / \text{Sales proceeds, \%}$	2014 y.= $155591,4/2974476,1=5,23\%$ 2015 y.= $653652,9/7044559,7=9,2\%$ 2016 y.= $804834,5/8166016,3=9,8\%$
Net profitability	$P_4 = \text{net profit} / \text{Sales proceeds, \%}$	2014y.= $45032,7/2974476,1=1,51\%$ 2015 y.= $301424,9/7044559,7=4,27\%$ 2016 y.= $371588,7/8166016,3=4,55\%$
Profitability of equity capital	$P_5 = \text{net profit} / \text{Average cost of equity, \%}$	2014y.= $45032,7/((691796,4+736829,2)/2)=6,30\%$ 2015 y.= $301424,9/((736829,2+1443999,5)/2)=27,6\%$ 2016y.= $371588,7/((1443999,5+2348834,1)/2)=19,5\%$
Profitability of permanent capital	$P_6 = \text{net profit} / \text{Average cost of equity + average cost of long-term liabilities, \%}$	2014y.= $45032,7/(714312,8+1911614)=1,71\%$ 2015y.= $301424,9/(1090414,35+2940155,7)=7,4\%$ 2016y.= $371588,7/(1896416,8+1982907,9)=9,6\%$

Profitability of fixed assets	$P_7 = \text{net profit} / \text{Amount of fixed assets, \%}$	2014 y.=45032,7/((1249984+3723152,2)/2)=1,81% 2015y=301424,9/((3723152,2+3295081,3)/2)=4,3% 2016y.=371588,7/((3295081,3+1523047,1)/2)=15,4%
Cost-effectiveness	$P_8 = \text{sales profit} / \text{Costs of production and sales of products, \%}$	2014y=795046,6/2179429,5=36,45% 2015y.=1326032/5718527,7=23,2% 2016y.=1336075,5/6829940,8=19,5%

Evaluation of the profitability of the enterprise OOO Delux Fabric showed that the profitability of sales for 2015 compared to 2014 decreased by 10 points, which was 40%. In 2016, the gap from 2015 decreased by 2.5 points and amounted to 86%. It is worth noting that the possible reasons for the decline in sales were high cost, and in consequence and price of the goods. Low sales volume and at the same time a significant increase in the price of goods, the presence of preferential taxation allowed to increase net profit. As a result of net profit increase, the economic profitability of the enterprise in 2016 compared to 2014 increased almost 6 times and compared to 2015 increased by 40%.

There is a positive dynamics in gross profitability, by 87% compared to 2014 and by 6.5% compared to 2015.

This analysis showed that in 2016 own capital was used less efficiently than before. For example, in 2015 the return on equity increased 3-fold, while in 2016 this profitability index decreased by 30%.

The increase in net profit and the decrease in the cost of fixed assets as a result of the deterioration of machinery had a significant impact on the increase in the profitability of fixed assets 3.5 times in 2016.

In general, the enterprise has an ambiguous dynamics of development. Since, we can conclude that the main obstacles were the decrease in sales and inefficient use of equity, but at the same time, due to the increase in net profit, such indicators as: gross profitability, economic profitability, profitability of fixed assets.

For further conclusions, we will study the state of profitability of the enterprise LLC Delux Fabric. Here, the structure of profits is examined, the influence of factors

on the change in profit is determined, and the indicators of the financial state and stability of the enterprise are calculated. Calculated data are presented in the following tables.

The property of the enterprise consists of long-term and current assets. Long-term assets are fixed assets and other non-current assets, current assets are the amount of reserves and costs of the enterprise and cash. The financial position of the enterprise directly depends on their ratio.

**Analysis of the profitability of the company LLC "Deluxe Fabric"
for 2014-2016 years**

Table. 2.2.3

The name of indicators	2014 year	2015 year	2016 year	Deviation 2016 from 2014 (+, -)	Deviation 2016 from 2015 (+, -)	Growth rate 2016 relative to 2014	Growth rate 2016 relative to 2015
Net sales revenue	2974476	7044560	8166016	5191540	1121457	274,53	115,91
Cost of sales	2179430	5718528	6829941	4650511	1111413	313,38	119,43
Gross profit from sales of products	795046,6	1326032	1336075,5	541028,9	10043,5	168,05	100,75
Expenses for implementation	211347,2	172653,7	295069,2	83722	122415,5	139,61	170,9023
Income from financial activities	5157,6	10125,1	39881,7	34724,1	29756,6	773,26	393,88
Balance sheet profit	240715	653652,9	804834,5	564119,5	151181,6	334,35	123,12
Taxes paid out of profits	35096	352228	433245,8	398149,8	81017,8	1234,45	123
Net profit	205619	301424,9	371588,7	165969,7	70163,8	180,71	123,27

This analysis showed that the company has a positive development dynamics. Thus, net sales from sales in 2016 relative to 2014 increased by 174.53%. Relatively to 2015, the gap is decreasing, but in general it continues to increase. The growth rate is 15.9%. While the cost of production relative to 2014 increased by 213.3%, and compared to 2016 increased by 19.4%. Gross profit from the sale of products shows

that the greater part of the increase in net proceeds was the result of an increase in the cost price, and consequently, of the commodity price. Thus, the gross profit of 2016 compared to 2014 increased by only 68.05%, while net revenue increased by 174.5%. With respect to 2015, we can say that the dynamics is insignificant. As, the gain is less than 1%. Therefore, it can be concluded that as a result of the increase in production costs, the sales volume decreased, which affected the gross profit from the sale of products.

The cost of sales increases year by year. For example, relative to 2014, the increase was 39.6%, and compared to 2015, the increase was 170.9%. Revenues from financial activities increased 7-fold relative to 2014, and 3.9-fold relative to 2015, respectively. The book profit in comparison with 2014 increased by 564119.5 thousand soums (224.35%) and in comparison with 2015 by 151181.6 thousand soums (23.12%).

Net profit relative to 2014 increased by 80.7%, and compared to 2015 increased by 23.7%. In general, the dynamics are positive. Since despite the increase in the cost of production and the cost of its implementation, the main indicators that characterize the profitability are growing.

2.3. Calculation and analysis of financial ratios by group

Financial ratios represent relative indicators of a financial condition of the enterprise. They are calculated in the form of ratios of absolute indicators of a financial condition or their linear combinations. The analysis of financial ratios consists in comparing their values with basic values, as well as in studying their dynamics over the reporting period and over a number of years. The system of relative financial coefficients in the economic sense is divided into a number of characteristic groups.

I. Assessment of the profitability of the enterprise:

1.1. Total profitability of production:

Profitability of production is a coefficient equal to the ratio of total (balance) profit to the average annual cost of the basic production and standardized working capital. The data for its calculation is the balance sheet. Or represents the amount of profit attributable to each sum of the cost of goods sold (production costs).

$$\text{Total profitability of production} = \frac{\text{profit before tax}}{\text{Fixed assets} + \text{current assets}} * 100 \% \quad (4.0)$$

$$\text{2014 year: } \frac{155591,4}{7028472} * 100\% = 2,2\%$$

$$\text{2015 year: } \frac{653652,9}{5632068,7} * 100\% = 11,6\%$$

$$\text{2016 year: } \frac{804834,5}{5540472,8} * 100\% = 14,5\%$$

As we can see, the overall profitability of production is growing every year. In 2016, compared to 2014, the increase was 12.3%. And relative to 2015, the overall profitability increased by 2.9%. This was achieved as a result of an increase in profit before tax. In addition, as a result of accumulated depreciation, the value of fixed assets decreased, which affected this picture.

1.2. Net profitability of production

Net profitability is a coefficient equal to the ratio of the book profit from sales to the average annual value of the total invested capital. The data for its calculation is the balance sheet.

$$\text{Net profitability of production} = \frac{\text{net profit}}{\text{Fixed assets} + \text{current assets}} * 100 \% \quad (4.1)$$

$$2014 \text{ year: } \frac{45032,7}{7027766,4} * 100\% = 6,4\%$$

$$2015 \text{ year: } \frac{301424,9}{5632068,7} * 100\% = 5,3\%$$

$$2016 \text{ year: } \frac{371588,7}{5540472,8} * 100\% = 6,7\%$$

Net profitability of production changes annually. In 2015, the profitability decreased by 1.1%. In 2016 the indicator again leveled off and amounted to 6.7%. Relative to 2015, the indicator increased by 1.4%. An important factor here was the increase in net profit as a result of preferential taxation.

1.3 Net Return on Equity

Return on equity (ROE) is a measure of net profit in comparison with the organization's own capital. This is the most important financial indicator of the return for any investor, the owner of the business, showing how effectively the capital invested in the business was used. Unlike the similar indicator "profitability of assets", this indicator characterizes the efficiency of using not all the capital (or assets) of the organization, but only that part of it that belongs to the owners of the enterprise.

$$\text{Net return of equity} = \frac{\text{net profit}}{\text{the average value of equity}} * 100\% \quad (4.2)$$

Net return on equity:

$$2014 \text{ year: } \frac{45032,7}{714312,7} * 100\% = 6,3\%$$

$$2015 \text{ year: } \frac{301424,9}{1090414,35} * 100\% = 27,6\%$$

$$2016 \text{ year: } \frac{371588,7}{1896416,7} * 100\% = 19,5\%$$

Most effectively, equity was used in 2015 and its profitability was 27.6%. In 2016 this indicator decreased by 8.1%. The decrease in the return on equity was

influenced by the growth of the average value of equity by increasing the share of reserve capital by almost 2 times.

1.4 Total profitability of production assets

The profitability of production assets shows how effective the return of funds is:

$$\text{Total profitability of production assets} = \frac{\text{profit before tax}}{\text{The average value of fixed assets and tangible assets}} * 100 \% \quad (4.3)$$

Total profitability of production assets:

$$2014 \text{ year: } \frac{155591,4}{4296985,3} \times 100\% = 3,62\%$$

$$2015 \text{ year: } \frac{653652,9}{6329917,55} \times 100\% = 10,3\%$$

$$2016 \text{ year: } \frac{804834,5}{5586270,75} \times 100\% = 11,4\%$$

This calculation clearly showed that the overall profitability of production assets is growing every year. In 2016, compared to 2014, this indicator increased by 7.78%. Relative to 2015, the indicator increased by 1.1%. This was achieved by increasing profit before tax (reduced financial costs and interest costs).

II Evaluation of product profitability

2.1. Net income in the sum 1 turnover

The net profit for 1 sum of turnover shows how much net profit was received for 1 sum of sold products (share of profit in the price of the product).

$$\text{Net profit for 1 sum turnover} = \frac{\text{net profit}}{\text{revenues from sales}} * 100 \% \quad (4.4)$$

$$2014 \text{ year: } \frac{45032,7}{2974476,1} * 100\% = 1,5\%$$

$$2015 \text{ year: } \frac{301424,9}{7044559,7} * 100\% = 4,2\%$$

$$2016 \text{ year: } \frac{371588,7}{8166016,3} * 100\% = 4,5\%$$

This indicator in 2016 compared with 2014 increased by 3%, compared to 2015 by 0.3%. There is a growth, but it is almost insignificant. This is explained by the fact that the net profit in 2016 as compared to 2015 increased by 23%, and the sales proceeds by only 15%. Thus, it can be concluded that the sales proceeds grow more slowly than the net profit.

2.2. Profit from sales per one sum of turnover

The profit from sales per one sum of turnover shows how much profit is accounted for per unit of sales.

$$\text{Profit from sales per one sum of turnover} = \frac{\text{profit from sales}}{\text{revenues from sales}} * 100 \% \quad (4.5)$$

$$2014 \text{ year: } \frac{795046,6}{2974476,1} * 100\% = 26,7\%$$

$$2015 \text{ year: } \frac{1326032}{7044559,7} * 100\% = 18,8\%$$

$$2016 \text{ year: } \frac{1336075,5}{8166016,3} * 100\% = 16,3\%$$

In 2016, profit from sales for 1 sum of turnover in relation to 2014 decreased by 10.4%, and by 2015 decreased by 2.5%. This is explained by the fact that the profit from sales was sharply reduced as a result of an increase in the cost of production by 19.4%.

2.3. The total profit for 1 sum of turnover

The total profit for 1 sum of turnover shows how much gross profit is accounted for 1 sum of sold products

$$\text{The total profit for 1 sum of turnover} = \frac{\text{profit before tax}}{\text{Profit from sales}} * 100 \% \quad (4.6)$$

$$2014 \text{ year: } \frac{155591,4}{2974476,1} * 100\% = 5,2\%$$

$$2015 \text{ year: } \frac{653652,9}{7044559,7} * 100\% = 9,2\%$$

$$2016 \text{ year: } \frac{804834,5}{8166016,3} * 100\% = 9,8\%$$

Changes in 2016 relative to 2015 are insignificant. Relative to 2015, growth was less than 1% (namely, 0.6%). This growth was achieved as a result of an increase in profit before taxes due to an increase in profits from general economic activity and a decrease in expenses for financial activities

III. Evaluation of business activity.

3.1 Total capital productivity

Capital return is an indicator reflecting the turnover of the company's core and working capital. The estimation of capital-output allows to determine the effectiveness of managing the company's current and non-current assets.

$$\text{Total capital productivity} = \frac{\text{revenues from sales}}{\text{Average cost of property}} \quad (4.7)$$

$$2014 \text{ year: } \frac{2974476,1}{4296985,3} = 0,69 \text{ sum}$$

$$2015 \text{ year: } \frac{7044559,7}{6329917,55} = 1,11 \text{ sum}$$

$$2016 \text{ year: } \frac{8166016,3}{5586270,75} = 1,46 \text{ sum}$$

The total capital productivity is growing every year. In 2016 compared to 2014 there was an increase of 0,77 UZS and 0,35 UZS in 2015, respectively.

3.2 Turnover of current assets

The turnover of current assets (assets) shows how many times in the analyzed period the organization used the average available balance of current assets.

$$\text{Turnover of current assets} = \frac{\text{revenues from sales}}{\text{Average value of current assets}} \quad (4.8)$$

Turnover of current assets:

$$2014 \text{ year: } \frac{2974476,1}{1810417,2} = 1,64 \text{..Turnover}$$

$$2015 \text{ year: } \frac{7044559,7}{2820800,8} = 2,49 \text{ Turnover}$$

$$2016 \text{ year : } \frac{8166016,3}{3177206,5} = 2,5 \text{ Turnover}$$

Turnover of current assets in 2016 shows that the turnover is increasing yearly. Compared to 2014, the increase was 0.86 turnover and, compared to 2015, 0.01

turnover. Dynamics show that the increase in turnover is reduced. This was significantly influenced by an increase in the average value of current assets.

3.3 Inventory turnover

Inventory turnover shows how many times in the analyzed period the organization used the average available stock balance. This indicator characterizes the quality of reserves and the effectiveness of their management, it allows to reveal the remains of unused, obsolete or substandard reserves. The importance of the indicator is connected with the fact that profit arises with each "turnover" of stocks (ie use in production, the operational cycle).

$$\text{Inventory turnover} = \frac{\text{revenues from sales}}{\text{Average inventory value}} \quad (4.9)$$

Inventory turnover:

$$\text{2014 year: } \frac{2974476,1}{291447,5} = 10,2.\text{turnover:}$$

$$\text{2015 year: } \frac{7044559,7}{1010210,4} = 6,9.\text{turnover:}$$

$$\text{2016 year: } \frac{8166016,3}{1980561,3} = 4,1.\text{turnover:}$$

In relation to 2014, inventory turnover is reduced due to an increase in the average cost of inventories.

3.4 Turnover to equity

Products (turnover) / average value of equity.

Relative financial indicators can be expressed in terms of both coefficients and percentages.

$$\text{Turnover to equity} = \frac{\text{revenues from sales}}{\text{the average value of equity}} \quad (5.0)$$

Turnover to equity:

$$\text{2014 year: } \frac{2974476,1}{714312,8} = 4,16..\text{Turnover}$$

$$\text{2015 year: } \frac{7044559,7}{1090414,35} = 6,46\text{Turnover}$$

$$\text{2016 year: } \frac{8166016,3}{1896416,8} = 4,3..\text{Turnover}$$

Own capital was most effectively used in 2015. In 2016, this indicator decreased by 2.16% due to an increase in the average cost of equity.

IV. Estimation of market stability.

4.1 The coefficient of autonomy

The coefficient of autonomy (the coefficient of financial independence) characterizes the ratio of equity to the total amount of the organization's capital (assets). The ratio shows how the organization is independent of creditors. The smaller the value of the coefficient, the more the organization is dependent on borrowed sources of financing, the less stable its financial position.

$$\text{Coefficient of autonomy} = \frac{\text{Sources of own funds}}{\text{Balance total}} \quad (5.1)$$

$$2014 \text{ year: } \frac{510000}{7028478} = 0,07$$

$$2015 \text{ year: } \frac{1443999,5}{5632068,7} = 0,25$$

$$2016 \text{ year: } \frac{2348834,1}{5540472,8} = 0,42$$

The coefficient of autonomy is increasing year by year. This means that the company increasingly becomes independent of creditors and other external organizations.

4.2 Ratio of loan to equity

The economic meaning of the ratio of debt to equity is to determine how many units of borrowed financial resources account for a unit of sources of own funds.

The recommended value of the coefficient is less than 1. The lower the value of the indicator, the higher the financial stability and independence of the enterprise from borrowed capital and liabilities.

$$\text{Debt – to – equity ratio} = \frac{\text{Liabilities of the enterprise}}{\text{Sources of own funds}} \quad (5.2)$$

$$2014 \text{ year: } \frac{6291648,8}{736829,2} = 8,5$$

$$2015 \text{ year: } \frac{4188069,2}{1443999,5} = 2,9$$

$$2016 \text{ year: } \frac{3191638,7}{2348834,1} = 1,35$$

The ratio of debt to equity falls annually. As compared to 2014, the indicator decreased by 5.6. In 2016, the indicator almost reached the norm ($Ko \leq 1$). Reserve capital was created, due to which it is possible to cover liabilities.

4.3 Coefficient of supply and cost of own sources of formation

Coefficient of supply of material resources by own means - coefficient equal to the ratio of the value of own sources of coverage of reserves and costs to the cost of stocks and costs. The data for its calculation is the balance sheet.

$$\text{Coefficient of supply and cost of own sources of formation} = \frac{\text{Own circulating assets}}{\text{Stocks and costs}} \quad (5.3)$$

Own current assets = equity + long-term liabilities - fixed assets and non-current assets

$$2014 \text{ year: } \frac{418527,2}{340920} = 1,22$$

$$2015 \text{ year: } \frac{839470,9}{1679500,7} = 0,49$$

$$2016 \text{ year: } \frac{844438}{2281621,9} = 0,53$$

The analysis showed that the company today can afford to purchase stocks and goods for its own funds. In 2015, this indicator began to fall, but in 2016 due to the increase in equity capital, this indicator increased by 0.04.

4.4 Coefficient of industrial property

The property ratio of production purposes shows the share of production assets in the assets of the enterprise.

$$\text{Coefficient of industrial property} = \frac{\text{Fixed assets, capital investments, production stocks, work in progress}}{\text{Balance total}} \quad (5.4)$$

$$2014 \text{ year: } \frac{4000321,6}{7028478} = 0,56$$

$$2015 \text{ year: } \frac{4322983,5}{5632068,7} = 0,76$$

$$2016 \text{ year: } \frac{2917009}{5540472,2} = 0,52$$

The largest share of production assets in the assets of the enterprise was observed in 2015. In 2016 this indicator decreased by 0.04 relative to 2014 and by 0.24 relative to 2015, respectively.

The assessment of market stability characterizes its current state and degree of dependence on market factors.

V. Assessment of the solvency of the enterprise.

5.1. Absolute liquidity ratio

The absolute liquidity ratio shows how much of the short-term debt can be covered by cash and cash equivalents in the form of marketable securities and deposits, i.e. Almost completely liquid assets.

$$\textit{Absolute liquidity ratio} = \frac{\text{Most liquid assets}}{\text{Term liabilities} + \text{short-term liabilities}} \quad (5.5)$$

$$2014 \text{ year: } \frac{54,2}{3077795,8} = 0,008$$

$$2015 \text{ year: } \frac{16716}{1521610,9} = 0,01$$

$$2016 \text{ year: } \frac{49850}{1892281,} = 0,026$$

The coefficient of liquidity ratio ($K \geq 0.2$) was fulfilled only in 2016. That is, in 2016 the enterprise was fully able to meet its obligations by 26%, which is the norm. The lowest indicator is for 2014 (8% of liquidity), in 2015 the figure was 10% of liquidity, that is exactly half. This situation is explained by the fact that in 2014 and 2015 there was a small amount of cash and a large amount of short-term and urgent liabilities.

5.2. Coefficient of coverage

The total coverage ratio shows the company's ability to repay current (short-term) liabilities at the expense of only current assets. The higher the value of the coefficient, the better the solvency of the enterprise. This indicator takes into account that not all assets can be realized urgently.

$$\text{Coefficient of coverage} = \frac{\text{Cost of current assets}}{\text{Short-term liabilities}} \quad (5.6)$$

$$\text{2014 year: } \frac{3305325,8}{3077795,8} = 1,07$$

$$\text{2015 year: } \frac{2336987,4}{1521610,9} = 1,53$$

$$\text{2016 year: } \frac{4017425,7}{1892281,1} = 2,12$$

The coverage ratio of liabilities in 2016 compared to 2014 increased by 1.05 and by 2015 increased by 0.59. This progress can be explained by the high cost of working capital.

The analysis data are presented in Table No.2.3.1.. and the dynamics of the development of the main coefficients of profitability of the “Delux Fabric” LLC

Analysis of financial ratios

Table 2.3.1.

The name of indicators	2014 year	2015 year	2016 year	Deviation 2016 from 2014 (+, -)	Deviation 2016 from 2015 (+, -)
I. Assessment of the profitability of the enterprise:					
1. Overall profitability	2,2	11,6	14,5	12,3	2,9
2. Net profitability	6,4	5,3	6,7	0,3	1,4
3. Net return on equity	6,3	27,6	19,5	13,2	-8,1
4. Total profitability of production assets	3,62	10,3	11,4	7,78	1,1
II. Evaluation of product profitability:					
1. Net income in the sum 1 turnover	1,5	4,2	4,5	3	0,3
2. Profit from sales per one sum of turnover	26,7	18,8	16,3	-10,4	-2,5
3. The total profit for 1 sum of turnover	5,2	9,2	9,8	4,6	0,6
III. Business activity evaluation:					
1. Total capital productivity	0,69	1,11	1,46	0,77	0,35
2. Оборачиваемость оборотных активов	1,64	2,49	2,5	0,86	0,01
3. Inventory turnover.	10,2	6,9	4,1	-6,1	-2,8
4. Turnover to equity	4,16	6,46	4,3	0,14	-2,16
IV. Estimation of market stability:					
1. The coefficient of autonomy	0,07	0,25	0,42	0,35	0,17
2. Ratio of loan to equity	8,5	2,9	1,35	-7,15	-1,55
3. The coefficient of supply of resources and costs of own sources of formation	1,2	0,49	0,43	-0,77	-0,06
4. Coefficient of industrial property	0,56	0,76	0,52	-0,04	-0,24
V. Assessment of the solvency of the enterprise.					
1. Absolute liquidity ratio	0,008	0,01	0,026	0,018	0,016
2. Coefficient of coverage	1,07	1,53	2,12	1,05	0,59

2.4. Factor analysis of profitability indicators of the enterprise

To identify the main factors affecting the profitability of the enterprise, we use the method of factor analysis. Factor analysis refers to the methodology of integrated and systematic study and measurement of the impact of factors on the magnitude of the effective indicator.

For factor analysis of the profitability of sales, use the following formula:

$$P_{\text{sales}} = (P_s - C - CE - MC) : P_c \quad (5.7)$$

Where: P_s - proceeds from the sale;

C - cost of sales;

CE - commercial expenses;

MC - management costs.

Profitability of sales depends on the cost of sales, as well as the amount of commercial and management costs. The algorithm for calculating the influence of factors on the profitability of sales is presented in table 2.4.1

Methodology for calculating the influence of factors on the indicator of profitability of sales

Table 2.4.1.

P_s	C	CE	MC	$P_{\text{sales}} = (P_s - C - CE - MC) : P_c,$
Basic level	Basic level	Basic level	Basic level	$P_{\text{sales 1}}$
Reporting level	Basic level	Basic level	Basic level	$P_{\text{sales 2}}$
Reporting level	Reporting level	Basic level	Basic level	$P_{\text{sales 3}}$
Reporting level	Reporting level	Reporting level	Basic level	$P_{\text{sales 4}}$
Reporting level	Reporting level	Reporting level	Reporting level	$P_{\text{sales 5}}$

Change in profitability of sales due to:

- 1) Proceeds from sales $P_{\text{sales 2}} - P_{\text{sales 1}}$
- 2) Cost of sales $P_{\text{sales 3}} - P_{\text{sales 2}}$
- 3) Commercial expenses $P_{\text{sales 4}} - P_{\text{sales 3}}$
- 4) Management costs $P_{\text{sales 5}} - P_{\text{sales 4}}$

The initial data for factor analysis of the profitability of sales of LLC Delux Fabric for 2014-2016. Are presented in Table. 2.4.2

The initial data for factor analysis of the profitability of sales in LLC "Deluxe Fabric" for 2014-2016.

Table 2.4.2

Indicators	Years			The change (+, -)	
	2014	2015	2016	2016 to 2014	2016 to 2015
Proceeds from the sale of goods, works, services, thousand sums	2974476,1	7044559,7	8166016,3	5191540,2	1121456,6
Cost of goods, works, services sold, thousand sums	2179429,5	5718527,7	6829940,8	4650511,3	1111413,1
Administrative expenses, thousand sums	39718,9	76247,7	102203,3	62484,4	25955,6
Profit from sales, thous. Sum	795046,6	1326032	1336075,5	541028,9	10043,5
Profitability of sales,%	26,7	18,8	16,3	-10,4	-2,5

In our case, there are no commercial expenses, so the formula for factor analysis is:

$$R_{Psales} = (Ps - C - MC) : Pc,$$

Calculation of the influence of factors will be performed by the method of chain substitutions, denoting by the index "0" - data of the base period (2015), index "1" - data of the reporting period (2016). $P_{sales_0} = (Ps_0 - C_0 - MC_0) : Pc_0 =$

$$= (7044559,7 - 5718527,7 - 76247,7) / 7044559,7 = 17,7\%;$$

$$P_{sales_1\ Con} = (Ps_1 - C_0 - MC_0) : Pc_1 =$$

$$= (8166016,3 - 5718527,7 - 76247,7) / 8166016,3 = 29,03\%;$$

$$P_{sales_2\ Con} = (Ps_1 - C_1 - MC_0) : Pc_1 =$$

$$= (8166016,3 - 6829940,8 - 76247,7) / 8166016,3 = 15,4\%;$$

$$P_{sales_1} = (Ps_1 - C_1 - MC_1) : Pc_1 =$$

$$= (8166016,3 - 6829940,8 - 102203,3) / 8166016,3 = 15,1\%;$$

$$\Delta R_{\text{продаж}} (BP) = P_{sales_1\ Con} - P_{sales_0} = 29,03\% - 17,7\% = + 11,33\%;$$

$$\Delta R_{\text{продаж}} (C) = P_{sales_2\ Con} - P_{sales_1\ Con} = 15,4\% - 29,03\% = - 13,63\%;$$

$$\Delta R_{\text{продаж}} (\text{КР}) = P_{\text{sales}_1} - P_{\text{sales}_2} \text{ Con} = 15,1 \% - 15,4 \% = -0,3 \%$$

In 2016, compared to 2015, the profitability of sales decreased by 2.6% due to the factors:

- Increase in sales revenue	+11,33 %
- Increase in cost of sales	- 13,63 %
- Decrease in commercial expenses	-0,3 %

Total: -2,6%

The efficiency of the use of the capital of an enterprise (both fixed and circulating) is influenced by such factors as the efficiency of the use of fixed capital (capital intensity - the index, the reverse return on capital productivity) and the efficiency of the use of working capital (the coefficient of fixing is the indicator opposite to the turnover factor of circulating assets).

To analyze the profitability of the enterprise's capital, calculated as the ratio of net profit to the amount of the average annual value of the company's non-current and current assets, we use the following factor model:

$$P_c = P : (F + E) = P/N : (F/N + E/N) = P \text{ sale} : (FE + KZ), \quad (5.8)$$

Where P is the profit from sales;

F - average annual value of non-current assets;

E - average annual value of current assets;

$P / N = P \text{ sale}$ - profitability of sales;

$F / N = FE$ - capital ratio (indicator, the reverse return on capital);

$E / N = KZ$ - the coefficient of fixation (the indicator inverse to the turnover ratio of circulating assets).

The methodology for calculating the influence of factors on the return on equity is presented in table. 2.4.3.

Methodology for calculating the impact of factors on the return on equity

Table 2.4.3

P sale	KZ	FE	$P = P_{\text{sale}} : (KZ + FE)$
Basic level	Basic level	Basic level	$P_{\text{Capital 1}}$
Reporting level	Basic level	Basic level	$P_{\text{capital 2}}$
Reporting level	Reporting level	Basic level	$P_{\text{capital 3}}$
Reporting level	Reporting level	Reporting level	$P_{\text{capital 4}}$
Change in profitability of capital due to:			
1) Sales profitability $P_{\text{capital 2}} - P_{\text{capital 1}}$			
2) Coefficient of fixation $P_{\text{capital 3}} - P_{\text{capital 2}}$			
3) Capital ratio $P_{\text{capital 4}} - P_{\text{capital 3}}$			

Gradually replacing the level of the previous period of each factor by the level of the reporting period, you can determine how much the level of profitability of the company's capital has changed due to the efficiency of using fixed capital (capital intensity), through the efficiency of using working capital, as well as through the market efficiency of the enterprise (profitability of sales).

Data for factor analysis of the capital of LLC Delux Fabric for 2014 - 2016. We will present in tab. 2.4.4

From the data of Table. 2.4.4 it follows that the profitability of the company's capital (calculated on the basis of profit from sales) increased from 21.3% in 2015 to 24.3% in 2016, an increase of 3%. There is also a decrease in capital intensity from 0.49 sum. Up to 0,29 sum. (Increase in capital productivity) and a decrease in the coefficient of fixed working capital from 0.39 to 0.38 (an increase in the turnover ratio of working capital).

The initial data for factor analysis of the return on equity of LLC "Deluxe Fabric" for 2014 - 2016.

Table 2.4.4

Indicators	Years			The change (+, -)	
	2014	2015	2016	2014	2015
1. Proceeds from the sale of products, goods, works, services, thous. Sum.	2974 476,1	7044 559,7	81660 16,3	5191 540,2	11214 56,6
2. Profit from sales, thousand soums	7950 46,6	1326 032	13360 75,5	5410 28,9	10043 ,5
3. Average annual cost of current assets, thous. Sum	1810 417,2	2820 800,8	31772 06,5	1366 789,3	35640 5,7
4. Average annual cost of the enterprise's capital, thousand sum	7143 12,8	1090 414,3 5	18964 16,8	1182 104	80600 2,45
5. Profitability of sales,%	26,7	18,8	16,3	-10,4	-2,5
6. Capital ratio, sum	0,80	0,49	0,29	-0,51	-0,2
7. Coefficient of fixed working capital	0,58	0,39	0,38	-0,2	-0,01
8. The profitability of the company's capital, calculated on the basis of the profit from sales,%	19,3	21,3	24,3	55	3

Calculation of the influence of factors on the company's return on capital in 2014-2016. We will make in tab. 2.4.5, using the calculation algorithm presented in Table. 2.4.5

Calculation of the influence of factors on the return on capital index of LLC Delux Fabric for 2014-2016

Table 2.4.5

P sale	KZ	FE	$P = P_{\text{sale}} : (KZ + FE)$
18,8	0,39	0,49	21,3
16,3	0,39	0,49	18,5
16,3	0,38	0,49	18,7
16,3	0,38	0,29	24,3

The increase in return on equity by 3% was due to:

1) Sales profitability	18,5-21,3=-2,8
2) Coefficient of fixation	18,7-18,5=+0,2
3) Capital ratio	24,3-18,7=+5,6
Total:	+3 %

From the calculations made it follows that an increase in the profitability of the enterprise's capital was facilitated by a decrease in the capital intensity, i.e. Increase in capital productivity and a decrease in the ratio of fixed assets (increase in the efficiency of using current assets). Reduction of profitability of sales (reduction of market efficiency of the enterprise) led to a decrease in the profitability of the company's capital. Delux Fabric LLC has reserves to improve the profitability of the company's capital by increasing the efficiency of the use of fixed assets.

The relationship between the indicators of profitability of working capital and its turnover is expressed as follows:

$$P_{ca} = F_{ca} \times P_{sale}, \quad (5.9)$$

Where: P_{ca} - profitability of current assets;

F_{ca} - factor of turnover of current assets;

P_{sale} - profitability of sales (the ratio of net profit to sales revenue).

We perform a factor analysis of the profitability of working capital, presenting the data in Table. 2.4.6

**Initial data for factor analysis of the return on working capital of LLC
Delux Fabric for 2014-2016.**

Table 2.4.6

Indicators	Years			The change (+, -)	
	2014	2015	2016	2014	2015
Return on working capital, %	48,86	71,44	67,1	18,24	-4,34
Coefficient of turnover of circulating assets	1,83	3,80	4,12	2,29	0,32
Sales revenue, thousand soums	297447 6,1	704455 9,7	816601 6,3	519154 0,2	112145 6,6
Net profit, thousand sum	45032, 7	301424 ,9	371588 ,7	326556	70163, 8
Profitability of sales, %	26,7	18,8	16,3	-10,4	-2,5

Calculation of the influence of factors will be made in the manner of absolute differences:

$$\Delta Pca (Fca) = (Fca_1 - Fca_0) \times Psale_0 = (4,12 - 3,80) \times 18,8 = 6,02$$

$$\Delta Pca (Psale) = Fca_1 \times (Psale_1 - Psale_0) = 4,12 \times (16,3 - 18,8) = -10,3$$

The decrease in the profitability of current assets in 2016 compared to 2015 by 4.28% occurred under the influence of factors:

a) Increase in turnover ratio	+6,02%
b) Increase in sales profitability	-10,3
Total:	-4,28

Thus, the factor analysis of profitability indicators allows us to conclude that the enterprise has reserves to increase profitability. The profitability of sales can be increased by reducing the cost price. The decrease in the profitability of the company's capital was facilitated by a decrease in the profitability of sales (a decrease in the market efficiency of the enterprise's operations). Increase in profitability of current assets will be facilitated by accelerating turnover of working capital and increasing profitability of sales

3.1. The basic directions of increase of profitability of manufacture of the enterprise of LLC "Delux Fabric"

Based on the analysis of the profitability of the enterprise and its dynamics, the following conclusions can be drawn:

1. Analysis of calculated data for the analyzed period shows that, on the whole, there is a positive dynamics of development. In most cases, profitability indicators have increased. There is a decrease in profitability of sales, a decrease in the return on equity. This is due to the fact that in 2016 there was an increase in equity nearly 2 times (due to the growth of reserve capital and retained earnings). As the analysis showed, this capital was used ineffectively. In addition, the cost of production sharply increased, which affected the growth of the price of the goods, and in consequence - and the decrease in sales volumes.

2. An important indicator is cost efficiency. It allows you to determine what proportion of the profit is accounted for 1 sum of costs. This indicator relative to 2014 fell by 16.9 points, compared to 2015 / by 3.7 points. This is primarily due to the fact that as a result of the increase in cost, the gross profit from sales is reduced and the costs for production and sales are increased.

3. With respect to profitability, the enterprise has a positive trend. Despite the increase in operating and administrative expenses, revenues from financial activities also increased, which had a positive effect on net profit. Compared to 2015, the increase in net profit was 23.27%. Among other things, the company is absolutely liquid, that is, its liquidity is 26%.

The analysis made it possible to identify the main problems of the enterprise: increase in production costs, decrease in sales and labor productivity.

Based on the definition of the level of profitability of production, we can conclude that there are two principal directions for improving profitability:

- due to the growth of prices at constant cost price - while the profit grows, and hence, profitability;

- due to lower costs, higher profits and a corresponding increase in profitability.

The second way - cost reduction - is more justified economically. It leads to a constant, albeit not so significant, improvement in production indicators, its quality

growth, lower costs and higher profitability. However, this path is associated with the need for constant, painstaking, planned work to improve the various aspects of production, improve the quality of products, labor, the introduction of various innovations, etc.

One of the ways to increase profit is also the saving of electricity during the operation of energy-intensive industries, as well as a more carefully developed technology that allows to significantly reduce the production waste

According to one of the many approaches, the growth of the profitability of an enterprise is facilitated by the manipulation of three factors characterizing its profitability:

- 1) acceleration of business activity;
- 2) a reduction in the mass of costs;
- 3) an increase in the rate of profitability by increasing the cost.

The main purpose of analyzing the level of profitability of the enterprise is to identify reserves and ways to increase it. An important factor in increasing profitability in modern conditions is the work on resource saving. It leads to a reduction in costs and cost, and so to an increase in profits.

Reducing the cost of production can be achieved by:

- reduction of material consumption of products by introducing new,
- economical types of structures;
- application of resource-saving equipment and technology,
- low-waste technologies,
- modern forms of automation and information technologies;
- use of progressive types of materials,
- elimination of costs during processing, storage, transportation of materials,
- strengthening control over the storage of materials,
- elimination of shortage and loss of materials; Reuse of material resources;
- increase in productivity of work,
- maintenance of a favorable social microclimate in the work collective;

More efficient use of production equipment.

To improve profitability, you also need:

Expand the scope of activities, possibly by attracting new borrowed funds, reduce the material consumption of products, apply new advanced technology and technology, increase the productivity and skills of employees, the efficiency of the use of equipment;

Thus, the ways of increasing the profitability of the enterprise are the reduction of the cost of services, the increase in sales volumes, the corresponding growth in profits, as well as increased efficiency and more rational use of current and fixed assets, own and borrowed capital.

3.2. Activities that improve the profitability of LLC Delux Fabric and their feasibility study

1 Cost-cutting models

As already noted, the main factor determining the level of profitability in LLC Delux Fabric is revenue. Therefore, all issues of improving profitability are mainly due to increased sales profit. The main factors that determine the amount of profit from sales are revenue and cost of sales. Revenue, in turn, depends on the volume of production, production costs and prices for products. The cost of production is directly dependent on the cost of its production and in the reverse - on its gross volume.

One of the most important values in the process of struggle to reduce the cost of production in LLC Delux Fabric is the direction of the company's activities to comply with the strictest regime aimed at saving resources in all areas of the company's production and economic activities. With the successive implementation of the saving regime, the first is to reduce the costs of material resources per unit of output, reduce the share of costs for production and management services, eliminate losses from marriage and other unproductive expenses.

The final cost of production is usually changed as a result of changes in output, level of variable costs and the amount of fixed costs. To carry out a more objective analysis of the company's activities in terms of full detection of reserves, including the analysis of the cost of production, one should take into account the influence of such an external factor as inflation.

During the analysis, special attention should be paid to the structure of costs relative to their economic content, that is, to cost elements.

One of the main conditions for reducing the amount of raw materials and materials spent to produce a unit of production is usually considered to be measures to improve the technological regime of production, the use of various progressive materials, and the introduction of economically and technically sound standards for spending on material values.

An important factor in minimizing costs is the increase in labor productivity of workers. The level of labor costs depends on the technologies used, the degree of mechanization of work, the forms of division and labor cooperation. Therefore, to reduce the level of labor costs is the introduction of advanced technologies.

The most important factor in reducing labor costs for the production of products is the improvement of the forms of its organization, the introduction of technically sound norms, rational working and rest regimes for workers, and other measures for the scientific organization of labor.

The decrease in the cost price largely depends on the effective use of fixed assets, material consumption.

Reduces production costs by reducing production and management costs. The size of these costs per unit of output depends not only on the volume of the released energy, but also on their absolute amount. The lower the total cost of organization and management in the organization as a whole, the other things being equal, the cost of production is lower.

The implementation of measures for the use of material resources and the improvement of material and technical supply are reflected in the reduction of the norms for the consumption of raw materials and materials, reducing the cost of their material costs by reducing storage and procurement costs. The amount of transportation costs is reduced in the process of reducing the amount of costs for the delivery of materials and raw materials from the supplier's point of sale to the warehouse premises of the enterprise, as well as from the warehouses of the enterprise to the places of their consumption.

Certain reserves of cost reduction are included in the elimination or reduction of costs that are not necessary in the normal organization of the production process (excessive consumption of materials, fuel, energy, additional payments to workers for deviation from normal working conditions and overtime, payments for regressive claims). Identifying these unnecessary costs requires special methods and attention of the enterprise team. They can be identified by carrying out special surveys and one-time accounting, analyzing the data of the standard accounting of production costs,

Careful analysis of planned and actual production costs. Reducing the cost of production maintenance and management is also facilitated by the economical use of auxiliary materials used in the operation of equipment and for other economic needs. The cost reduction also occurs with the improvement of the use of fixed assets as a result of improving the reliability and durability of equipment; Improving the system of preventive maintenance; Centralization and introduction of industrial methods of repair, maintenance and operation of fixed assets. Savings are calculated as the product of absolute cost reduction (excluding depreciation) per unit of equipment (or other fixed assets) by the average number of equipment. The scale of identifying and using reserves to reduce the cost of production largely depends on how the work is done to study and implement the experience available at other enterprises.

There are three main models for increasing the cost-effectiveness:

- "clean" cost reduction - with cost reduction does not decrease

Revenue (ie, the main economy is due to fixed costs);

- "Intensification" of costs - with a slight increase in costs, the revenue also significantly increases. As a rule, this means in practice that the introduction of new equipment, technology allows to increase the productivity of equipment, and consequently, the revenue;

- "fixing" costs - with increasing revenue, costs do not increase. As a rule, this means either a primitive increase in the price of products, or an equivalent increase in productive costs and a decrease in unproductive.

Of course, these are just models. In a real environment, Delux Fabric performs various activities, interacts with a multitude of suppliers, partners, customers, it employs staff with a certain qualification, etc., so it's best not to follow one model while reducing costs, but apply them differentially, depends on a situation.

Whatever option of cost reduction Delux Fabric LLC chooses, in any case it is necessary to begin with a reduction of the so-called unproductive costs. These are costs that do not add value (quality) to the finished product (works, services) demanded by the consumer. These include: overproduction of products; Defects and

alteration; Movement and movement of materials, parts, tools; Stocks; Excessive processing; expectation.

To eliminate or minimize each of these types of unproductive costs, it is necessary to apply different methods depending on the cause of their occurrence. General approaches to reducing non-productive costs are given in Appendix E.

Reducing costs should not be chaotic, but systematically and have an appropriate methodological basis. To this end, the organization must develop a program to reduce costs and implement it in accordance with their goals, conditions and constraints.

To successfully implement the program of measures to reduce costs, you need:

- quality planning and execution of the project to reduce costs;
- independent examination of activities with the involvement of external experts and consultants;
- staff support and high management interest in the implementation of the program;
- attraction of reliable sources of financing for implementation of costly measures.

Implementing a cost reduction program and creating a mechanism for regular cost optimization will allow Delux Fabric to increase its business efficiency or use low product prices as one of the key competitive advantages.

2 Increase of profit and profitability of the enterprise

Determining the size of the reserves of profit growth, it is necessary to use the methodology for their calculation, mobilization and implementation. As a rule, three stages are allocated in the directions of this activity: analytical, organizational and functional stages.

At the first stage, reserves are determined and quantified;

On the second, engineering, technical, economic, and social measures are developed to ensure the use of identified reserves;

At the third stage, measures are implemented and monitoring is carried out.

The growth of services provided by LLC Delux Fabric is due to: a decrease in the cost of services and improvement of their quality through the introduction of new technologies and equipment in production, which will consolidate market positions and increase the company's share in the market.

To determine the size of the reserves of growth in the volume of production of services and reduce production costs, we use the method of deterministic factor analysis (chain substitution).

The size of the reserves of growth in the volume of production of services and the reduction of costs is determined by three groups:

1. improving the use of labor resources;
2. improving the use of fixed assets;
3. improving the use of raw materials and materials.

Directions for improving the use of labor resources, above all, include: the creation of additional jobs, reducing losses of working time, increasing the level of labor productivity.

Based on these directions, it is possible to determine the size of the growth reserve for this group, using the data in Table 3.2.1

Initial data for calculating the size of the reserves of growth in the volume of production by the first group

Table 3.2.1

Indicators	Actual level	Possible level	Reserve
1	2	3	4
Number of staff, person	151	170	+19
Productivity, sum / person.	56466,8	58960.72	+2493,92
Volume of products, thousand sums	8526500	10023323,3	+1496823,3

The reserve for the increase in the number of personnel was 19 people, the reserve for growth in labor productivity was 2493.92 sums / person, and the reserve for the growth in the volume of production was 1496823,3 thousand sums.

We will analyze the size of the reserves of growth in the volume of production of services for the first group (Table 3.2.2)

Analysis of the size of the reserves of growth in the volume of production of services for the first group

Table 3.2.2

Substitution	Factors		Reserve growth in output, thousand sum	Influence of factors, thousand sum
	S, person	Productivity, sum/person		
1	2	3	4	5
Zero	151	56466,8	8526500	-
First	151	62404.05	9423012	896512
Second	170	58960,72	10023323,3	896511

Table 3.2.2 shows that the reserve of increase in the volume of production of services due to an increase in the number of personnel in the amount of 19 people was 896511 thousand sum and due to an increase in labor productivity by 896512 thousand sum

The total reserve of increase in the volume of production due to the improvement in the use of labor resources amounted to 1496823.3 thousand sums

In addition to the generally accepted measures to improve the use of labor resources, in modern conditions of management it is necessary to use the directions for optimizing the use of labor resources, namely:

1. Differentiation of labor remuneration for workers performing work of varying complexity;
2. determining the dependence of the earnings of employees on the quality of services produced and the effectiveness of their activities, based on the criteria and indicators of such dependence;

3. Optimization of the wage structure of employees - determination of the criteria for calculating and the amount of incentive and compensation payments, the "social package", their correlation with the basic part of wages, also dependent on the complexity, quantity and quality of labor.

Indicators and efficiency criteria should be applied in the construction of workers' compensation systems as follows.

First, to the attention of the employee, labor functions, indicators and criteria for evaluating their performance, the amount of remuneration depending on the results of labor are brought to the attention.

Secondly, the remuneration is established taking into account the labor contribution of the employee to the result of the activity of the whole enterprise.

Thirdly, the conditions for obtaining remuneration should be clear to the employer and the employee and not to allow double interpretation.

To register all these conditions and efficiency criteria can be in the employment contract concluded with the employee.

The directions for improving the use of fixed assets, as a rule, include: the acquisition of modern equipment, the full use of the fund of working hours of equipment and increasing the intensity of its use.

To find the growth reserves in terms of improving the use of fixed assets, we use the data in Table 3.2.3

Initial data for calculating the size of the reserves of growth in the volume of production of services for the second group

Table 3.2.3

Indicators	Actual level	Possible level	Reserve
1	2	3	4
Fixed assets, thousand sum	1523047,1	1600806,08	+77658,98
Capital productivity, sum	5.6	6.3	+0.7
Volume of products, thousand sum	8526500	10023323,3	+1496823,3

The reserve of increase in the number of machines and equipment in the valuation amounted to 77658.98 thousand sum, the reserve growth of the return on assets – 0.7 sum, and the reserve of growth in the volume of production - 1496823,3 thousand sum

We will analyze the size of the reserves of growth in the volume of production of services for the second group (Table 3.2.4).

Analysis of the size of the reserves of growth in the volume of production of services for the second group

Table 3.2.4

Substitution	FA, thousand sum	CP, sum	Reserve growth in production, thousand sum	Influence of factors, thousand sum,
1	2	3	4	5
Zero	1523047,1	5.6	8526500	-
First	1600806,08	6.0	9632101.05	1105601,05
Second	1600806,08	6.3	10023323,3	687422,25

Table 3.2.4 shows that the reserve of increase in the volume of production of services due to the acquisition of machinery and equipment in the amount of 77658.98 thousand sum was 1105601.05 thousand sum, and due to an increase in the return on capital by 858 sum - 687422.25 thousand sum

The general reserve of increase in the volume of production due to the improvement of the use of fixed assets will amount to 1496823,3 thousand sum

It is necessary to pay attention to such direction of optimization as optimum "docking" of working processes of various divisions. Often it happens that each of them works by itself, which also leads to downtime due to technical or organizational reasons and inefficient costs.

The main areas for improving the use of material resources are: additional acquisition of raw materials and materials, reduction of regulatory waste, reduction of the consumption of materials per unit of output.

To find the growth reserves for this group, we use the data in Table 3.2.5

Baseline data for calculating the size of the reserves of growth in the volume of production of services for the third group

Table 3.2.5

Indicators	Actual level	Possible level	Reserve
1	2	3	4
Material costs, thousand sum	2281621,9	2309001,3	+273794
Material output, sum	3,7	4,3	+0,6
Volume of products, thousand sums	8526500	10023323,3	+1496823,3

The reserve for the increase in materials in the valuation was 273794 thousand soums, the reserve for the increase in material output was 0.6 sum, and the reserve for growth in the volume of production of services was 1496823,3 thousand sum.

We will analyze the size of the reserves of growth in the volume of production of services (Table 3.2.6).

Table 3.2.6 shows that the reserve of increase in the volume of production of services due to the acquisition of materials in the amount of 273794 thousand sum. Amounted to 890255.13 thousand sum, and due to an increase in material output by 0.6 sum - 902768,17 thousand sum

Analysis of the size of the reserves of growth in the volume of production of services

Table 3.2.6

Substitution	Factors		Reserve growth in production, thousand sum	Influence of factors, thousand sum,
	MC, thousand sums	MO, sum		
1	2	3	4	5
Zero	2281621,9	3,7	8526500	-
First	2309001,3	4.07	9416755,13	890255,13
Second	2309001,3	4,3	10023323,3	902768,17

The total reserve of increase in production volume due to the improvement of the use of material resources will amount to 1496823,3 thousand sum.

Attention should be paid to reducing inefficient costs. For example, this includes determining consumption standards and saving material costs, as well as eliminating temporary losses in the production process. By the way, this measure also includes energy saving measures.

However, the final conclusions need to be made only based on the analysis of the entire production process, otherwise cutting costs in one area of work can result in increased costs or a decrease in revenues on the other. In particular, the costs of promoting a product at first glance may seem unnecessary, and therefore subject to reduction, but in the end, a refusal to promote products will lead to a reduction in the number of their consumers.

Another mistake is that optimization is perceived as a one-off event - after the reduction and redistribution of costs, it is often considered to be completed. In reality, however, optimization of the enterprise's activities is a lengthy process. Inefficient spending in most cases is a consequence of internal work processes that have developed in the enterprise, and to reduce the first means to improve the second.

Calculation of the possible level of profitability of an enterprise at an event

Table 3.2.7

Indicator (thousand sums)	Actual level	Possible level	Difference (+,-)
Net sales revenue	8526500	10023323.3	+1496823,3
Cost of sales	6584240	8018659	+1434419
Gross profit from sales of products	1942260	2004665	+62405
Income from financial activities	1041006	1041006	-
Profit before taxes	804834,5	1473424	+668589,2
Income Taxes	433245,8	780914,6	+347668,8
Net profit	371588,7	692509,1	+320920,4

As the table shows, with an increase in the number of staff for 24 people, there will be an increase in the volume of goods produced and revenues from it by 1793023 thousand sum. In general, this event will have a positive impact on the increase in net profit. Under the circumstances, it is possible to increase the profit by 320,920.4 thousand sums

Thus, it is possible to draw conclusions about how the presented activities will influence the profitability of the enterprise

Values of profitability indicators after implementation of measures,%

Table 3.2.8

Indicator (thousand sums)	Actual level	Possible level	Difference (+,-)
Profitability of sales	16,3	20,1	+3,7
Economic profitability	6,6	12,3	+5,7
Net profitability	4,55	6,9	+2,35
Profitability of equity capital	19,5	24,6	+5,1
Profitability of fixed assets	15,4	16,9	+1,5

Analyzing the data of Table 3.2.8, it can be concluded that, in general, profitability indicators have a positive trend, which characterizes the increase in the efficiency of the analyzed enterprise.

3. Raising the level of profitability through the introduction of marketing strategy

The analysis in the second chapter made it possible to conclude that the quality of products, its range, brand awareness, and price factor are the determining factors that ensure not only the competitiveness of the products of the analyzed enterprise, but also the efficiency of the entire enterprise.

Therefore, the analyzed company should develop a marketing strategy, which includes the following directions;

1. Definition of marketing objectives:
 2. Preservation of consumer confidence in the company, which ensures the production of high-quality, fresh, useful, delicious products, the possibility of conducting tastings at points of sale;
 3. - introduction of a reasonable and flexible system of discounts in order to increase the loyalty of wholesale and retail customers;
 4. -increase in consumer demand through awareness of products through the media, holding exhibitions;
 5. - Strengthening coordination between production and marketing services in order to better meet the needs of customers;
 6. Increasing the recognition of products by maintaining a corporate identity.
 7. 2. Stimulation of the commodity policy:
 8. Increase in the proportion of dietary products on the market, as these positions provide profitability.
3. Improvement of the price policy:
- As a strategy to use the "price breakthrough" to enter new markets.
4. Maintaining an aggressive sales policy:
- Carrying out an aggressive sales policy, active advertising in the places of sales in the form of tastings, participation in exhibitions;

The introduction of a flexible system of discounts (the granting of bonuses based on the results of work);

Increase the authority of the enterprise as a producer of natural and quality products.

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13. The introduction of a flexible system of discounts (the granting of bonuses based on the results of work);

14. Increase the authority of the enterprise as a producer of natural and quality products.

5. Carrying out a product promotion policy:

Stimulation of the personnel of trading enterprises and the end user;

Take part in public mass events;

To carry out sponsorship activities.

The marketing strategy of Delux Fabric LLC is the introduction of price competition, taking into account the constant support of prices at the market level.

To this end, it is necessary to conduct weekly monitoring of prices in the city, regional market and the Orenburg region market. In addition, you must enter a planning system for discounts when buying on prepayment and when buying a large batch. Maintaining this price policy will additionally attract retailers, small wholesale and large wholesale buyers as buyers. It is also expected to sell products on credit, or with a deferred payment, which will also additionally attract buyers.

Sales of products will be made on the basis of concluded long-term contracts, as well as single orders. Availability of various schemes for the sale of goods will significantly expand the sales network through a personal approach to each client. Presence of buyers of various sizes and terms of delivery will allow to minimize risks on a debt receivable.

In order to increase profits, and, consequently, profitability indicators of the analyzed, it is proposed to carry out a set of measures aimed at improving the use of labor resources, fixed assets, and material resources. The measures presented will have a positive impact on the profitability of the enterprise.

4.1. Methods of motivating employees of Delux Fabric LLC to improve working conditions

Labor protection as a system for ensuring the life and health of workers in the work process can not be considered in isolation from the socio-economic position of the organization in which they work because it is closely related to the current state of the economy, fixed assets, the environment and the level of preventive treatment , Providing means of individual and collective protection of workers, with the quality of education and training, scientific and information potential.

With the increase in the growth rates of production volumes, and especially in organizations of traumatic and dangerous economic activities, the issues of creating safe and healthy working conditions and occupational safety become alarming. The situation is aggravated by the loss of labor potential, the growing cost of labor resources in the conditions of application of market management methods, including in the social and labor sphere. In these conditions, special attention should be paid to the main factor of increasing the efficiency of production - the growth of labor productivity. This is a reliable key to improving the quality of life. As a result of its growth, an increase in the wages of employees is ensured, the most important principle of which is differentiation, depending on the qualification of the employee, working conditions and the type of economic activity.

The labor of each employee is characterized by a certain complexity, special conditions of implementation and, naturally, for those employed in areas with difficult and harmful working conditions, it is paid much higher than the labor of workers having the same qualifications, but employed on sites with normal working conditions.

The level of competitiveness of modern innovative economy is increasingly determined by the quality of professional staff. The requirements of sustainable development provide for a support for the growth of labor productivity, which would bring citizens' incomes closer to the level of developed countries, ensure the growth of the role of human capital in social and economic development.

Maintaining high growth rates is possible only due to faster growth of labor productivity and efficiency of both the economy as a whole and individual Russian companies. And in this regard, it is necessary to pay attention to such an indicator as the reduction of occupational injuries and occupational morbidity. The unsatisfactory state of health of the working population negatively affects the country's economy.

Along with economic losses due to unsatisfactory working conditions, industrial injuries and occupational diseases, the country incurs great social costs. In this regard, employers are obliged to allocate funds for labor protection in full, provided for by state regulatory requirements under the law.

In industrialized countries, it has long been firmly recognized that occupational injuries, occupational diseases and the general morbidity of workers can not be satellites of successful business, economic and social development of the state, and this is reality proven by practice.

For the employer, the most cost-effective way to protect workers from harmful and dangerous production factors should be timely provision of quality work clothes, special footwear and other PPE. There is a need for more consistent evaluation and taking decisive measures to eliminate the factors of irresponsibility of officials and employers for the state of conditions and labor protection of organizations of different forms of ownership and types of economic activity. To ensure safe work in the workplace, there is a need for qualified personnel and responsible, interested attitude to the implementation of the constitutional rights of workers on the part, both employers and managers at all levels of government. The situation on the labor market requires the training of engineers and specialists with scientific knowledge, capable of implementing the goals of labor and environmental protection at various levels: in organizations, institutions, social and engineering services, to carry out methodological and research activities and aware of the social importance of their profession.

In connection with significant social and economic losses caused by occupational traumatism and occupational diseases, the importance of in-depth research, evaluation and development of new, improved management mechanisms

and methods of influencing working conditions and occupational risks is sharply increasing.

It is necessary to consider the production activity of a person not only in terms of quantity and quality, created by its consumer values, but also from the point of view of improving the person himself, his harmonious development and preservation of health. Decent workplace, its social usefulness and legal protection, fair remuneration based on labor results, professional growth and confidence in the future are the most important components of the quality of working life, which constitute a set of properties that characterize the conditions and organization of labor (production, life, recreation) from the standpoint of the best implementation of the worker's abilities (intellectual, creative, moral, managerial, etc.).

It seems advisable, along with the domestic one, to make fuller use of the experience of the countries of the European Union, where a model of the quality of the workplace has already been created, which provides for creating working conditions that are a prerequisite for the success of economic processes. The expediency of development and implementation of measures for labor protection is justified by economic efficiency according to such estimated indicators as the increase in labor productivity, the reduction in the cost of production, the conditional annual economic effect, the growth of profit and profitability.

The effectiveness of the measures depends on the timing of its implementation, determining the procedure for taking into account the work performed, warning or corrective actions. It is necessary to substantiate in detail both the technical equipment of the workplace, and the financial and personnel support.

The adaptation of workers to the appropriate production environment is facilitated by training, including individual categories of insured people, using various measures to better understand the necessary amount of safety knowledge. The implementation of targeted measures will significantly reduce the number of casualties in production with a fatal outcome, reduce the rate of general industrial injuries and bring it closer to the level reached by developed European countries,

drastically reduce the proportion of workers employed in conditions that do not meet sanitary and hygienic standards.

One of the new activities is the formation of a system of social audit in the relations between enterprises and government bodies, which is an integral part of the system of social regulation of social processes in society, including the creation of safe working conditions.

The complexity of the tasks to solve the urgent problems will require the implementation of various kinds of activities, such as the creation of methodological developments, national standards and technical regulations, the preparation of legislative initiatives, the development of a number of software products, as well as organizational and many other events.

4.2. Dangerous and harmful production factors textile production

The main dangerous factors of technological process violation on textile machines are: breakage of weft and main threads; Violation of the norms for the arrangement of machine tools; Cluttering of passages with beams and goods rolls; Violation of the temperature-humidity regime.

The main dangerous unprotected sections of machine tools (design defects):

1. The drive of the machine is equipped with a guard that does not have a locking device and a not completely closed hazardous area.
2. The mechanism is equipped with a guard that does not fully cover the danger zone and is not equipped with a locking device.
3. The mechanism for tensioning the base is equipped with a fence that does not have a lock.
4. The mechanism of the commodity regulator is equipped with a fence that does not have a lock.
6. The primary tension flywheel is not equipped with a guard.

The main dangerous violations of the rules of machine operation:

1. Operation of the machine with a faulty emergency stop button.
2. Absence or malfunction of guarding devices.
3. Operation of the machine with an open guard of the drive of the machine.
4. Operation of the machine with an open guard of the tension mechanism of the base
5. Operation of the machine with open fencing mechanism of the weft-fighting box.
6. Carrying out of works on cleaning, lubrication, elimination of breakages of threads on the working machine

In the process of the machine a dangerous zone arises, limited by the extreme points of movement of the working tool or moving parts. A hazardous zone can be caused by the escape of small particles of the processed material and by the presence of fumes, gases, dust in one or other apparatus or in the workplace. In these zones, factors that are dangerous to the life and health of the worker constantly or

periodically arise. Any moving part of the mechanism when the worker touches it (gearing of gears, rotating rollers, running branches of drive belts, protruding elements of machines - bolts, keys, various shafts with a smooth surface, etc.) pose a certain danger to workers. A properly designed machine completely prevents the worker from entering the hazardous areas. The smaller the number of protruding, moving parts of the machine, the less danger of capturing its limbs, clothes, hair working, leading to serious injuries. The methods of protection in these cases is the arrangement of gears with internal gearing instead of the outer one; Drowning of parts, etc. Protection from penetration of a machine working in dangerous areas, from the action of electric current and increased over the permissible pressure in the working units. A reliable system of fences of dangerous zones, protective blocking devices, as well as careful sealing, eliminating the release of harmful substances into the airspace of the workplace, are mandatory, progressive, the most effective technical means to combat injuries and occupational diseases in the workplace.

Work in the textile industry has been associated with many symptoms related to the respiratory tract, but the most common and most characteristic of them is byssinosis. A distinctive feature of the clinical course of byssinosis is the connection with the working week. A person who has worked for several years in the textile industry complains of difficulty in breathing, which starts on Monday afternoon (or the first day of the working week). The symptoms of Monday are accompanied by a weakening of lung function, which can be observed on other working days even in the absence of signs of dyspnea, but the physiological changes are not so pronounced.

In addition to classical absences, other complexes of symptoms are observed among workers in the textile industry; For the most part they are accompanied by a fever and are not associated with the beginning of the working week.

Fever is manifested in the form of fever, cough, chills and rhinitis at the first contact of the worker with the factory or on return after a long absence. It is believed that the cause of the disease is endotoxin, contained in plant dust. Fever of cotton factories belongs to the class of diseases that are now common in industries using

organic materials and are commonly referred to as toxic organic dust syndrome (ODTS).

"Cough weavers" is primarily an asthmatic condition, and is accompanied by a characteristic fever; It occurs both in new and old workers. Symptoms (as opposed to fever) may persist for several months. This syndrome is associated with the substances used for fiber processing, for example, tamarind seed powder and eucalyptus fruit resin.

Chronic bronchitis is very common among workers in the textile industry. It is necessary to distinguish the symptoms of chronic bronchitis and signs of classical abscess, although they are often superimposed on each other, and the workers of the textile industry are often manifestations of the same process - inflammation of the respiratory tract. Chronic pulmonary diseases are the main cause (or predisposing factor) of increased mortality, since among workers aged 45 to 64 years.

In addition to the well-studied respiratory syndromes that can be observed in textile workers, there are other hazards associated with working conditions and the presence of substances harmful to health.

With the textile industry is often associated with oncogenesis. A number of previous studies have revealed a high incidence of colorectal cancer among workers engaged in the production of synthetic tissues. On the example of various industries it was proved that the influence of azo dyes leads to the development of bladder cancer. A relationship has been established between bladder cancer and contact with acrylic fibers and polyethylene. In particular, workers engaged in dyeing yarns were at increased risk.

Trauma from periodically repeating movements is a characteristic danger in the textile industry, associated with high-speed production equipment.

Textile workers dealing with reactive dyes had allergic reactions, including eczema, hives and asthma.

Many factories use bleach solution of hypochlorite; In others, bleaching agent is gaseous chlorine or powdered bleach, which releases chlorine when backfilling into the reservoir. In any case, workers may be exposed to dangerous concentrations of

chlorine, which irritates the skin and eyes and is a strong irritant of the lung tissue causing delayed pulmonary edema. The interaction of gaseous chlorine with the body is accompanied by an irritating and cauterizing action. MPC in the air of industrial premises - 1 mg / m³. The irritating effect is noted when the concentration of chlorine in the air exceeds 3 mg / m³, in water 100 mg / l.

The use of caustic alkalis and acids and treatment of tissue with boiling liquid leads to the fact that workers are at risk of burns and scalding. In the dyeing process, both hydrochloric and sulfuric acid are widely used. Professional contact with vapors of strong inorganic acids, such as sulfuric acid, is classified by the cancer research agency as carcinogenic.

Aromatic hydrocarbons, for example benzene, toluene and xylene, naphtha solvents and aromatic amines, for example aniline dyes, are dangerous chemical compounds that may be affected by textile workers. Many dyes are skin irritants and cause dermatitis; In addition, workers often use harmful mixtures consisting of abrasive, alkali and bleaching agents to remove dye residues from the hands.

To prevent contact with these substances, appropriate personal protective equipment, including eye protection, should be used.

4.3. Socio-economic importance of labor protection

The social importance of labor protection is to promote the growth of the efficiency of social production by continuously improving and improving working conditions, increasing its safety, reducing industrial injuries and illness.

The social importance of labor protection is manifested in the influence on the change in the three main indicators characterizing the level of development of social production.

1. The growth of labor productivity as a result of the increase in the working time fund due to the reduction of intramuscular outages by preventing premature fatigue, reducing the number of microtraumas, reducing the daily losses of working time due to temporary incapacity for work due to injuries, professional and general morbidity.

2. Preservation of labor resources and increase of professional activity of workers at the expense of improving the state of health, increasing the average life expectancy, which is accompanied by an increase in the length of service; Increase the professional level, due to the growth of skills and skill in connection with the increase in the length of service; The possibility of using residual labor activity, experience and professional knowledge of pensioners on the available jobs for them.

3. Increase in the aggregate national product due to the improvement of the above indicators.

The economic importance of labor protection is determined by the effectiveness of measures to improve conditions and improve safety of labor and is an economic expression of the social value of labor protection. The economic importance of labor protection is determined by the results of changes in social indicators, which are determined by the following economic factors:

1. Increase the productivity of labor, and, consequently, the economic results of the enterprise by creating comfortable conditions for labor activity, for example, by ensuring optimal parameters of the microclimate, lighting and the light environment, taking into account the psychophysiological and ergonomic features of labor, forming

optimal working and resting regimes , Conducting therapeutic and prophylactic measures.

2. An increase in the working time fund due to a reduction in the time for non-attendance due to injuries and illnesses. You should pay attention to the fact that working conditions significantly affect not only the occupational morbidity, but also the emergence and duration of common diseases.

3. Saving of expenses for benefits and compensation for work in unfavorable working conditions. Such benefits and compensations, such as reduced working hours and additional leave, are associated with significant labor losses and are accompanied by payments of large sums of money for actually not worked time. Such varieties of benefits and compensations, such as higher tariff rates, preferential pensions, medical and preventive nutrition, free milk delivery, also require large amounts of money. Creation of conditions that correspond to acceptable regulatory requirements, allows to partially or completely reduce these costs.

4. Cost reduction due to staff turnover on working conditions. Hard work, unfavorable sanitary and hygienic working conditions, monotony of work, etc. is an important reason for the dismissal of workers at their own volition. The fluidity of the workforce causes significant economic damage to the enterprise, since the cost of money is required for the process of dismissal-hiring, the process of training and internships is again enrolled in the work. At the same time, until the acquisition of the necessary experience and skills, the labor productivity of the newcomer is small.

The economic mechanism for managing occupational safety is as follows:

- planning and financing of labor protection measures;
- Ensuring the economic interest of the employer in improving working conditions and introducing more sophisticated labor protection measures;
- ensuring the economic responsibility of the employer for dangerous, harmful and difficult working conditions; For the production and marketing of products that do not meet the requirements of labor protection; For harm caused to employees by an injury, occupational disease or other health damage related to the performance of their labor duties;

- providing employees with compensation and benefits for hard work and work with harmful and dangerous working conditions that are unrecoverable at the current technical level of production and work organization.

The set of measures planned to reduce occupational injuries and occupational diseases at work, increase labor productivity on this basis, necessarily includes:

Improving the management of labor protection and safety in organizations;

The organization on a continuous basis of an integrated assessment of workplaces from the standpoint of the requirements of ergonomics, sanitary and technical standards and government regulations on RT;

AWS on working conditions and introduction of a certification system for the organization of work on labor protection;

Creation of modern means of individual and collective protection, devices for monitoring harmful and dangerous substances in the work area.

We calculate the annual economic effect of the use of personal protective equipment, if after their application the number of days of incapacity for one worker decreases, and the number of working days increases from 228 to 231 due to this. The average amount of payments for temporary incapacity for work is 14,600 soums (average) per shift, An annual output of 8200 thousand soums per worker, a profit of 8% of the cost, a share of conditionally constant expenses in the cost of production - 40%, current costs for implementing the event - 1,140 thousand sum. in year.

Decision:

The economic effect (economic benefit B, sum.) In monetary terms of measures to improve working conditions is determined by the amount of prevented damage (economic consequences) U from occupational traumatism and occupational diseases, sum; Increase in the profit P of the enterprise due to the increase in labor productivity, UZS; Reduction in the costs of L for benefits and compensation for work in adverse conditions, sum:

$$B = U + H + L.$$

$$B = 3 * 14.6 * 54 = 2365.2 \text{ thousand soums.}$$

$$8200,0 * 0,08 = 656,0 \text{ thousand sum. For 1 worker;}$$

$656.0 * 54 = 35424.0$ thousand soums. For 54 people;

$35424,0 * 0,4 = 14169,6$ thousand soums. Expenses for the year;

Income for the year: $35424.0 - 14169.6 = 21254.4$ thousand soums income per 1 year.

The annual economic effect is determined by the formula:

$$EE y = B - C,$$

Where, C is the cost, sum.

We get: $EE y = 21254.4 + 2365.2 - 14169.6 = 9450.4$ thousand soums. / Year.

Therefore, only by using personal protective equipment and reducing the number of days of disability per worker is reduced by only 3 days, you can get an economic effect of about 9,450,400 soums per year.

Thus, labor protection increases the efficiency of production, i.e. Is an essential element of the enterprise's competitiveness.

It should be noted that now the enterprises are actively implementing the quality management systems (QMS) that have been tested worldwide in accordance with the international standard (MS) ISO 9001: 2000. Such a system is a universal management system that builds all business processes in order to optimize them and achieve the maximum level of enterprise competitiveness

Conclusion

The main objective of the production enterprise in the conditions of economic modernization is to obtain maximum profit at minimum costs. The search for reserves to increase the profitability of the enterprise is the main task of the manager.

Obviously, the effectiveness of the management of financial resources and the enterprise entirely depends on the result of the enterprise as a whole.

To increase the efficiency of the company's operations, it is of utmost importance to identify reserves of increasing profit and profitability.

Profitability indicators are especially important in modern market conditions, when the management of the enterprise needs to constantly take a number of extraordinary solutions to ensure profitability, and, consequently, the stability of the company's financial development.

Factors affecting the profitability of production are numerous and diverse. Some of them depend on the activities of specific groups, others are related to technology and the organization of production, the efficiency of the use of productive resources, the introduction of achievements in scientific and technological progress.

The object of the study in the final qualifying work is the enterprise of OOO Delux Fabric.

The purpose of the thesis project was: based on theoretical data and analysis of the main economic indicators of Delux Fabric LLC, to develop measures to increase profits and profitability, justifying their feasibility and cost-effectiveness.

This goal was achieved through the development of specific proposals: reducing production costs, increasing labor productivity and material output, improving the pay system, conducting market research and stimulating trade policy.

To do this, the research section examined: the essence of profit and profitability, their functions, types of profit, profitability indicators, factors affecting profitability.

In the analytical section, an analysis of the technical and economic performance of the enterprise was carried out. The analysis showed that it is possible to draw conclusions about the relatively dynamic development of the enterprise under study. Thus, commodity output in current prices in 2016 as compared with 2014 increases

by 166.5%, that is, more than a half, and compared to 2015 - only by 15.6%. Thus, in 2016 - is the most effective in the period under study.

If to judge the productivity of labor, calculated on the basis of the data of the volume of services rendered in comparable prices, then the growth dynamics is disappointing. Thus, labor productivity in 2016 relative to 2014 fell by 20,96%, and compared to 2015 it decreased by 9,7%.

The labor compensation fund in 2016, compared with 2014, increases by 358.13% in and compared with 2015 - the increase was only 102.7%. The increase in average annual wages is less than the increase in the wage fund: in 2016, compared to 2014, the increase is 60.9%, and compared to 2015 - only 71,9%. This situation is largely due to the increase in the number of employees.

The cost of production in 2016 compared with 2014 is increased by 198.02%, and compared to 2015 - by 18.8%, respectively. The dynamics of the increase in prime cost primarily reflects the dynamics of the growth in the volume of commodity output in current prices.

The aggregate of current assets in 2016 as compared to 2014 is increased by 21.8%, and compared to 2015 - increases by 6.7%. The property of the company is growing consistently, and its growth in 2016 compared to 2014 amounted to 61.17%, and compared to 2015 - only 27.1%, that is, the property of the enterprise for the whole period is increased by 88.2%.

During the analyzed period, the assets of the enterprise relative to past years were inefficiently used. Thus, it can be seen from the table that the profitability of capital relative to 2014 increased by 221.2%, compared to 2015 decreased by 3.1%

The turnover of current assets in 2016 as compared to 2014 is increased by 2.29 turnover, and compared to 2015 - by 0.32 turnover

Evaluation of the profitability of the enterprise OOO Delux Fabric showed that the profitability of sales for 2015 compared to 2014 decreased by 10 points, which was 40%. In 2016, the gap from 2015 decreased by 2.5 points and amounted to 86%. It is worth noting that the possible reasons for the decline in sales were high cost, and in consequence and price of the goods. Low sales volume and at the same time a

significant increase in the price of goods, the presence of preferential taxation allowed to increase net profit. As a result of net profit increase, the economic profitability of the enterprise in 2016 compared to 2014 increased almost 6 times and compared to 2015 increased by 40%.

There is a positive dynamics in gross profitability, by 87% compared to 2014 and by 6.5% compared to 2015.

The cost of sales increases year by year. For example, relative to 2014, the increase was 39.6%, and compared to 2015, the increase was 170.9%. Revenues from financial activities increased 7-fold relative to 2014, and 3.9-fold relative to 2015, respectively. The book profit in comparison with 2014 increased by 564119.5 thousand soums (224.35%) and in comparison with 2015 by 151181.6 thousand soums (23.12%).

In the project section, based on the results of the analysis and identified shortcomings, specific measures have been developed to solve the problem under study, in particular:

1) Improving labor productivity by attracting 24 new workers, increasing output and material output. This event will increase labor productivity by 1502.4 UZS, the volume of production at 1793023.3, an increase in the return on assets by 858 UZS.

2) Modeling and improvement of the wage system:

- Differentiation of labor remuneration for workers performing work of varying complexity;

-determination of the dependence of the earnings of workers on the quality of the services produced and the effectiveness of their activities, on the basis of the criteria and indicators of such dependence

- Optimization of the wage structure of employees - determination of the criteria for calculating and the amount of incentive and compensation payments, the "social package", their correlation with the basic part of wages, also dependent on the complexity, quantity and quality of labor.

3) development of marketing strategy, which includes the following directions:

-Investment of a reasonable and flexible system of discounts in order to increase the loyalty of wholesale and retail customers;

-increase in consumer demand through awareness of products through the media, holding exhibitions;

- Strengthening coordination between production and marketing services in order to better meet the needs of customers;

Increasing the recognition of products by maintaining a corporate identity.

- improvement of the price policy:

As a strategy to use the "price breakthrough" to enter new markets.

- conducting an aggressive sales policy:

Carrying out an aggressive sales policy, active advertising in the places of sales in the form of tastings, participation in exhibitions;

The introduction of a flexible system of discounts (the granting of bonuses based on the results of work);

Increase the authority of the enterprise as a producer of natural and quality products.

In the section "Labor protection and environmental safety", optimization of environmental protection costs as a reserve for cost reduction was considered.

Summarizing the proposed activities, it can be noted that by introducing them into the work of the enterprise, they will allow to optimize the sales of the enterprise, to fully realize the opportunity of production, to increase profit and profitability. In order to increase the profitability of the analyzed, it is proposed to carry out a set of measures aimed at improving the use of labor resources, fixed assets, material resources. The measures presented will have a positive impact on the profitability of the enterprise

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