Internship Report on

Financial Performance Analysis of JMI Syringes &Medical Devices Ltd.

By

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An internship report submitted to the BRAC Business School in partial fulfillment of the requirements for the degree of
Bachelor of Business Administration

BRAC Business School

BRAC University

August 25th, 2019

Declaration

It is hereby, declared that

1. The internship report submitted is my/our own original work while completing degree at BRAC University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain any material, which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I/We have acknowledged all main sources of help.

Student's Full Name & Signature:

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Supervisor's Full Name & Signature:

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Imtiaz Alam Nayeem
Lecturer, BRAC Business School
BRAC University

Letter of Transmittal

Imtiaz Alam Nayeem

Lecturer,

BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

Subject: Internship report entitled “Financial Performance Analysis of JMI Syringe & Medical Devices Ltd”.

Dear Sir,

This is my pleasure to display my entry level position provide details regarding' Financial Performance Analysis of JMI Syringe & Medical Devices Ltd ', which I was appointed by your direction.

This report helped to collect significant knowledge and sensitive data about the surgical device market in Bangladesh as a whole. I have attempted my best to finish the report with the essential data and recommended proposition in a significant compact and comprehensive manner as possible.

Sincerely yours,

____

Ratul Saha

15104107

BRAC Business School

BRAC University

Date: August 16th ,2019

Non-Disclosure Agreement:

This non-disclosure agreement is entered into by and between Ratul Saha and “JMI Syringe & Medical Devices Ltd.” for the purpose of preventing the unauthorized disclosure of confidential information. Now, therefore, the parties hereby agree to the following terms and conditions:

1. The recipient will get the needed information for his project and the company shall disclose the information to the recipient.
2. The recipient agrees to handle the disclosed information with reasonable care to avoid leak of those information for a period for 4 years from the date hereof.
3. The recipient shall be liable for unauthorized disclosure or failure to exercise such reasonable care.
4. Recipient agrees to return to company all written information received hereunder upon completion of its use.

As a prove, the parties have signed to make the agreement valid:

DISCLOSING PARTY

RANJIT CHAKRABORTY

Signature ____________________________

RECEIVING PARTY

RATUL SAHA

Signature_____________________________

Acknowledgement

It took extensive study and effort to create this report. As this report is financial analysis of the company, I had to collect huge amount of data to create all these ratios, ratio analysis, reasons for these changes and what they mean. This report will not be possible to make without the help and support from the people whom, I approached during making this report. Firstly, I would like to express my gratitude to my supervisor Imtiaz Alam Nayeem, Lecturer, BRAC Business School, BRAC University, for his valuable directions, advice, assistance and encouragement. Without his constant help, this report would have been impossible to create.

I am extremely grateful to my supervisor Mr. Ranjit Chakroborty, DGM, JMI Company Ltd. He helped me a lot during this report. I got valuable insights about the internal relations of JMI Syringe and other financial information. He also helped me understand the organization better. Apurba Lal Saha and Bashar Shek gave me many sources form where I got sensitive information, which gave my report a more defined look. So, I would like to extend my gratitude towards them. Finally, I would like to thank all individuals in the organization also outside of the organization who help me with information, guidance and direction, which helped me to complete this report.

Executive Summary

In Bangladesh, Surgical device market had great value. Even some years back we used to import most of your surgical equipment and devices from foreign countries. But now few companies are producing those necessary devices here for which we don't have to import those devices anymore and that's making our like easier. JMI Syringe & Medical Devices Ltd. is one of those companies. For the production of these devices now Bangladesh is doesn't have to import most of the surgical devices, moreover they are actually exporting these devices to many countries which is highly contributing to our developing economy.

JMI Syringe & Medical Devices Ltd.'s age is comparatively less than it's competitors. They started their journey in April 1999. But even being a recent company, JMI Syringe have great potentials. Their best product which is Auto Disable Syringe was their main reason of success.

That's why I have selected JMI Syringe & Medical Devices Ltd. For my report. This report shows the financial analysis of this company through Ratio Analysis, comparison with industrial average. Also, some suggestions for this company and operations.

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List of Acronyms

CSE = Chittagong Stock Exchange

EPI = Expanded Program on Immunization

AD = Auto Disable

PQS = Performance Quality Safety

WHO= World Health Organization

DSE = Dhaka Stock Exchange

ROE=Return on Equity

ROA=Return on Asset

NPM=Net Profit Margin

APP= Average Payment Period

ACP= Average Collection Period

ROWC= Return on Working capital

EPS= Earnings per share

REPS= Retained Earnings per share

Chapter 1: Introduction

1.1 Company Overview:

JMI Syringe & Medical Devices Ltd. is a pharmaceutical company who produces different sorts of medical devices. They are the leading manufacturer of precision safety syringes and medical devices in Bangladesh serving the health care community both here and across our borders. They believe in the highest quality of product at the best possible price in order to save lives and extend the lives of their customers and users. JMI Syringe & Medical Devices Ltd. is a joint venture company. They are joint ventured with Republic of Korea. JMI Syringe is well known for their Auto Disable Syringe as well as blood transfusion set, Intra Venous Cannula and so much more. In order to produce these product or devices they need high quality raw materials which they purchase from local and internationally reputed sources. All these products are exported to many foreign countries such as Myanmar, Singapore, Thailand, Portugal and Spain.

1.2 History:

JMI Syringe & Medical Devices Ltd. started their journey in April,1999 as a private limited company. In 2002 they were converted to public limited company and started exporting their licensee products to Syria, Nepal and Pakistan. They won a prestigious "Best Customers Award" from Janata Bank in 2003. In that same year they also Applied for listing of CSE as a public limited company. Around 2006 they started to produce their most well-known product, Auto Disable Syringe. During 2007 they became the pioneer manufacturer of auto disable syringe in Bangladesh and started as a regular supplier to EPI. From 2008 to 2011 they expended their infrastructure, started production of different types of AD syringe, construction of their building and much more. In 2012 they discovered the new surgical product in Bangladesh which is "Eye Gel Set". They also increased their authorized capital to Tk.100 crore and changed the face value of their shares from Tk100 to Tk10.

In 2013 they got the prestigious certificate “PQS” from WHO, which is a great achievement for any company. They also got the honor to start business with WHO in the same year. Moreover, they got listed with DSE in that year too. In 2014 their Sales and Export crossed 100 crore and 50 crore mark, also expansion of factory building. They started production of Blood Lancet and Feeding Tube for the first time in 2015. From 2016-2018 they came up with new pioneer products (JMI Toomey Syringe, Wound Drain Tube, 3way Stopcock), expended sales over 200 crore mark, developed quality awareness policy and expanded security system for factory safety. Those are some of the achievements of JMI Syringe & Medical Devices Ltd.

1.3 Products:

Here are some of the most well-known products of JMI Syringe & Medical Devices Ltd.

i. JMI Disposable Syringe: Leasing local and international health care institution of the country and the major users. Luer lock and Luer slip types. Versatile forms.

ii. JMI Auto Disable (AD) Syringe: “WHO” recommended brand. Produced under the technical collaboration with Star Syringe ltd and UK prevents transmission. Major provider to WHO, EPI, DGFP etc. Locking and breaking mechanism ensures single use. Superior sharpness and prevents wastage of vaccine. Medical grade raw materials are used to produce these syringes.

iii. JMI Insulin Syringe: For accurate dosing and patient-comfort its equipped with low dead space and superior needle sharpness. JMI is the major provider to WHO, EPI, Helm GMBH (Germany).

iv. JMI Urine Drainage Bag: Leak proof, non-sticky, latex free, easy to use.

v. JMI IV Cannula: First Bangladeshi brand of international standard. Unique design with kink resistance.

vi. JMI Disposable Needle: Superior needle sharpness, laser beam inspected. For single use. Sterile hypodermic single use needle.

vii. JMI Toomey Syringe: Suitable for feeding and irrigation. Prominent graduation ensures dosage accuracy. Pyrogen free and sterilized by EO gas. Safe and easy connection to universal funnel shape connector.

viii. 3-Way Stop Cock with Extension Tube: Three way stop cock integrated with Kink resistant PVC tubing. Minimum residual volume. Sterilized by EO gas. Leak proof body withstands pressure up-to ten bars when applied.

Chapter 2: Objective & Methodology

2.1 Objective of the Study:

The main objective of this report is to evaluate the financial performance of JMI Syringe & Medical Devices Ltd. based on the Finance and Accounting Department and the Annual Report of JMI Syringe & Medical Devices Ltd.

Specific objectives: There are some specific parts where I have focused more and those are given below,

1. To understand the financial performance of JMI Syringe's different areas such as liquidity, liability, profitability.
2. To assess the company's effectiveness, strengths and weakness in these segments.
3. Comment on the increase or decrease of the company's performance
4. To evaluate the ratio analysis and comment on that.
5. Construct a recommendation to improve in these areas where it is needed.

2.2 Methodology:

As I am doing a financial analysis, this report demanded a vast amount of data which I collected from both primary and secondary source. To construct the report properly I used different sources for different data. All these data were collected from various sources including:

i. Primary Data:
   - Personal Interview
   - Close ended questions
   - Interview via telephone
   - Observing organizational procedures

ii. Secondary Data:
   - Journals
   - Internet Research
   - Annual Reports

Chapter 3: Ratio

3.1 Liquidity Ratio:

i. Current ratio:

The current ratio calculates a company's ability to pay short-term liabilities with the short-term assets.

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

Year	2013	2014	2016	2017	2018
Current Ratio	0.67	1.22	1.26	2.52	1.96

Table 1: Current Ratio

ii. Quick ratio:

The quick ratio calculates a company’s ability to pay its short-term liabilities with its most-liquid assets. That is why this ratio excludes inventories and prepaid expenses from all the current assets.

(Current asset-inventory)/ Current Liabilities

Year	2013	2014	2016	2017	2018
Quick Ratio	0.33	0.49	0.88	1.64	1.35

Table 2: Quick Ratio

3.2 Profitability Ratio:

I. Gross Profit Margin:

Gross profit/ Net sales (%)

Year	**2013**	**2014**	**2016**	**2017**	**2018**
Gross Profit Margin (%)	31.73	30.76	30.67	29.20	29.19

Table 3: Gross Profit Margin

ii. Operating Profit Ratio:

Operating profit/ Sales revenue (%)

Year	**2013**	**2014**	**2016**	**2017**	**2018**
Operating profit margin (%)	21.91	22.19	21.80	18.86	18.40

Table 4:Operating Profit Ratio

iii. Net Profit Margin:

Net Profit / Sales revenue (%)

Year	**2013**	**2014**	**2016**	**2017**	**2018**
Net profit margin (%)	3.86	4.09	4.36	5.47	5.31

Table 5:Net Profit Margin

iv. Return on Asset:

Net Income/ Total assets (%)

Year	**2013**	**2014**	**2016**	**2017**	**2018**

Return on asset (%)	1.69	2.66	2.62	3.01	2.73

Table 6: ROA

v. Return on Equity:

Net income/Total Equity (%)

Year	**2013**	**2014**	**2016**	**2017**	**2018**
ROE (%)	6.40	9.12	7.45	10.02	9.63

Table 7:ROE

vi. Earnings per share:

Net income/No. of shares outstanding

Year	**2013**	**2014**	**2016**	**2017**	**2018**
EPS	2.95	4.46	4.81	6.78	6.86

Table 8:EPS

vii. Return on working capital:

Net income before interest and tax/ Working capital

Year	**2013**	**2014**	**2016**	**2017**	**2018**
Return on working capital (%)	-11.90	52.76	42.38	13.67	14.13

Table 9:ROWC

viii. Retained Earnings per share

Retained earnings/no. of shares outstanding

Year	2013	2014	2016	2017	2018
Retained earnings per share	3.99	7.70	15.88	13.67	14.13

Table 10:REPS

3.3 Financial Risk Ratio:

i. Debt to Equity ratio:

Total Debt/ Total Equity

Year	2013	2014	2016	2017	2018
Debt to Equity (times)	2.79	2.43	1.84	2.33	2.55

Table 11: Debt to equity

ii. Debt Ratio:

Total Debt/ Total Asset %

Year	2013	2014	2016	2017	2018
Debt Ratio (%)	74	71	65	70	72

Table 12:Debt ratio

3.4 Efficiency Ratio:

i. Inventory Turnover:

This ratio shows how many times a company's inventory is sold or replaced over a specific time-period.

COGS or Sales Revenue / Average Inventory

Year	2013	2014	2016	2017	2018
Inventory Turnover(times)	1.39	1.83	2.23	2.63	2.13

Table 13: Inventory Turnover

ii. Fixed Asset Turnover Ratio:

Sales / Fixed Asset

Year	2013	2014	2016	2017	2018
Fixed asset turnover (Times)	0.78	1.14	1.10	1.15	1.18

Table 14:Fixed Asset turnover

iii. Total Asset Turnover:

Sales / Total Asset

Year	2013	2014	2016	2017	2018
Total asset turnover (Times)	0.44	0.65	0.60	0.55	0.51

Table 15:Total Asset turnover

iv. Average Payment Period:

(Accounts Payable/ COGS) X 365

Year	2013	2014	2016	2017	2018
Average Payment Period (Days)	110	58	12	46	42

Table 16:APP

v. Average Collection Period:

(Accounts Receivables/ Sales) X 365

Year	2013	2014	2016	2017	2018
Average Collection Period (Days)	79	40	71	79	86

Table 17: ACP

Chapter 4: Analysis of Ratios

4.1 Liquidity Ratio:

1. Current Ratio:

   This ratio shows us how much current asset a company has against its' current liability. From the chart we can see that in 2018 the ratio was 1.96 which means they JMI had 1.96 taka worth of current asset against 1 taka worth current liability. Usually 2:1 is the standard of current ratio so JMI is already in a good position. Plus, their current ratio has increased from 2013-2016. Tough the current ratio of 2017 was higher than 2018, I think the present situation is better as they don't have unnecessary cash lying around. It proves that they are using their current assets more efficiently.

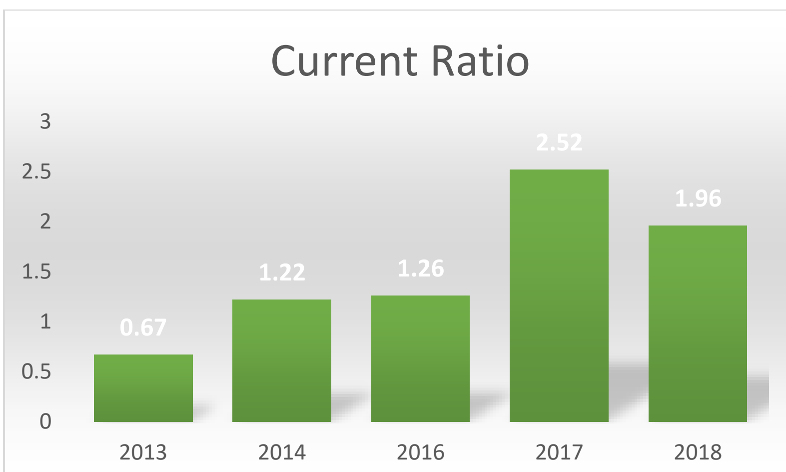

Figure 1:Current Ratio

2. Quick Ratio:

   Quick ratio or acid test ratio generally shows a company's ability to pay the short-term liability with their most liquid assets. As inventory sometimes takes longer to sell, it's deducted from the current assets for the purpose of this ratio. Here we can see that in 2018 the quick ratio was 1.35 which means for every 1taka liability there was 1.35taka worth quick asset. As the ratio is higher than 1, I would say it's in a good position Also 2018's ratios is higher than 2013 to 2016 but less than 2017 but still their position is not bad.

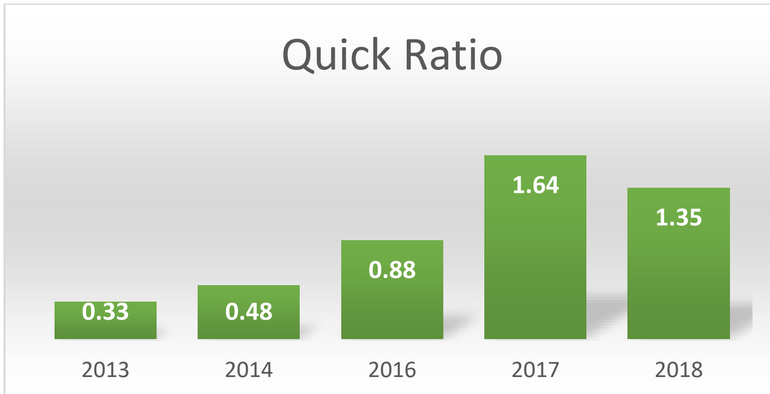

Figure 2:Quick Ratio

4.2 Profitability Ratio:

1. Gross Profit Margin:

As we can see the ratio shows a decline in the recent years. 2013 had the highest GPM, on the other had 2018 had the lowest. There is no universal standard for this ratio but higher amount of GPM is better for a company. A higher gross profit margin indicates that the company has maintained its cost of sells under control. I think JMI should increase their selling price or decrease the cost of selling their products.

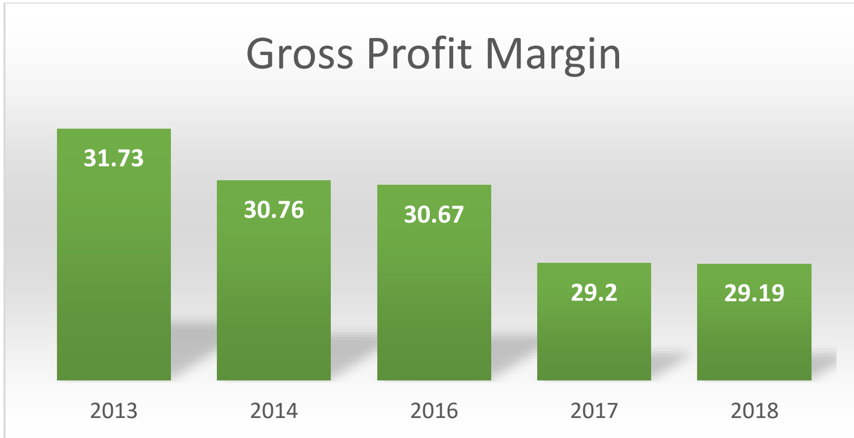

Figure 3:Gross Profit Margin

2. Operating Profit Margin:

   This ratio shows how much operating profit a company has against the sales revenue. As we can see the operating profit margin is decreasing from 2014 and in 2018 it was the lowest. The main reason its decreasing is because the operating expenses of JMI syringe is increasing every year. Though the sales revenue is also increasing but it's not increasing at a sufficient rate to increase the operating profit ratio. Here JMI needs to maintain their operating expenses and minimize those.

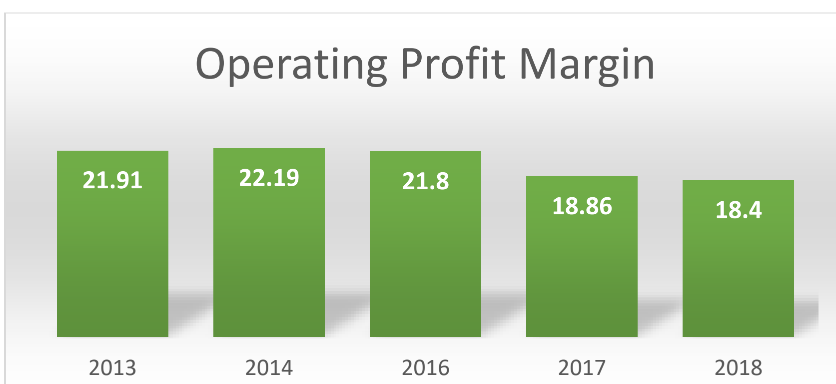

Figure 4:Operating Profit Margin

3. Net Profit Margin:

NPM shows how much net profit a company has against its sales revenue. As we can see here the NPM actually increased significantly form 2013 which is a good sign for JMI. Tough it is below the NPM of 2017, I would say it is in a good position. Its rising because the net income of JMI is increasing every year which is also pushing the ratio to go higher. Now they have to maintain this state and try to improve a little.

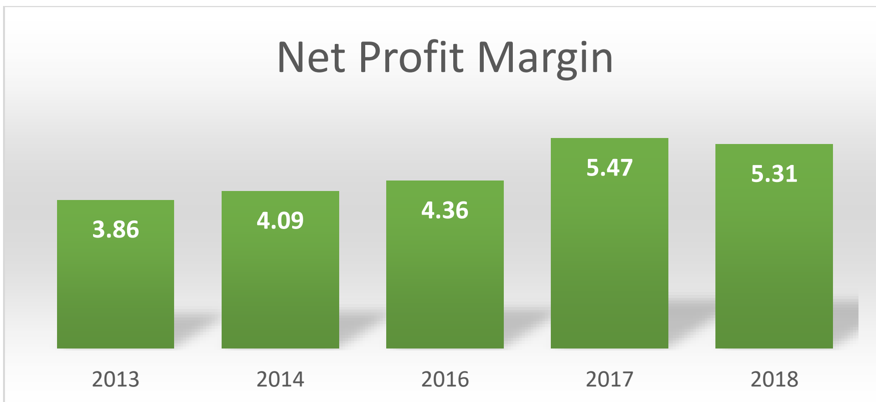

Figure 5:Net Profit Margin

4. Return on Asset:

This shows how efficiently a company is using its assets to earn a return on its investment in assets. From the chart we can tell the ROE is fluctuating between 2014 to 2018. It is because the net income and the Total assets are increasing at a similar rate which is making the fluctuation. But it shows that they are using their assets more efficiently than before.

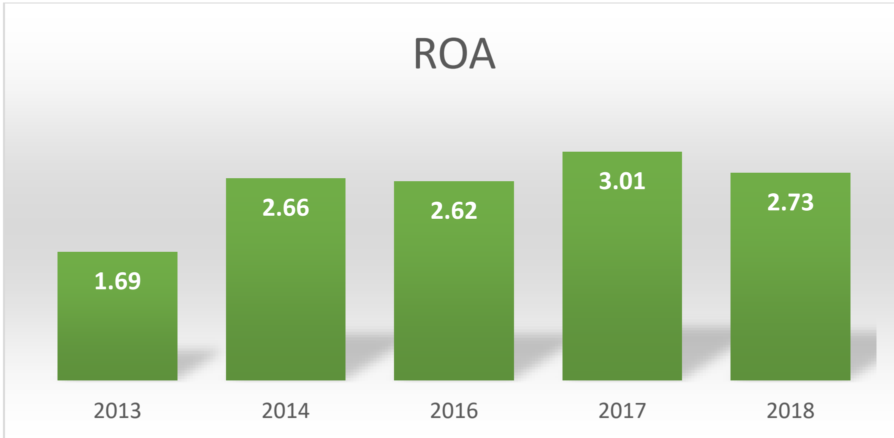

Figure 6: ROA

5. Return on Equity:

It shows how much net profit a company is generating by efficiently using their equity. As we see that JMI's ROE is increasing, we can say they are using their equities more efficiently. Tough they have a work a little harder to improve their current situation and surpass 2017's ROE.

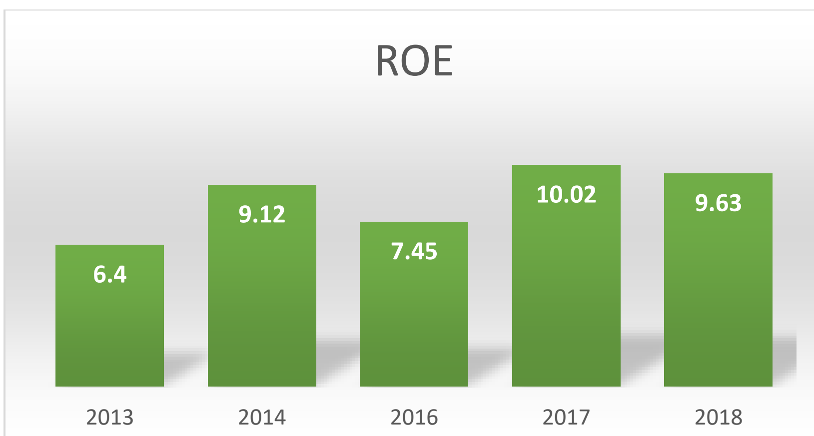

Figure 7: ROE

6. Earnings Per Share:

It shows how much a share-holder is getting or earning per share from this company. Better EPS is really important for a company as it attracts more investors towards the company.

So, more investors mean more capital. And higher EPS means the company is growing and generating profit. JMI's last EPS was Tk6.86 which is Tk3.91 more than 2013. That is a huge difference. So, we can say JMI is in a great position according to their EPS.

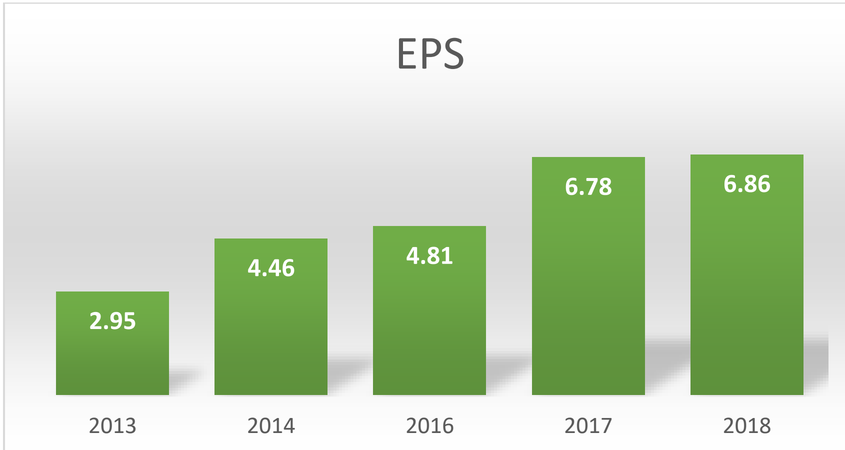

Figure 8: EPS

7. Return On working capital:

It shows how efficiently they are using the working capital. As we can see its not good at all and the fluctuation is very high. It is mainly because of the high current liability of 2013 that's why in 2013 the amount is showing a negative balance. They need to maintain current liability and current assets more strictly.

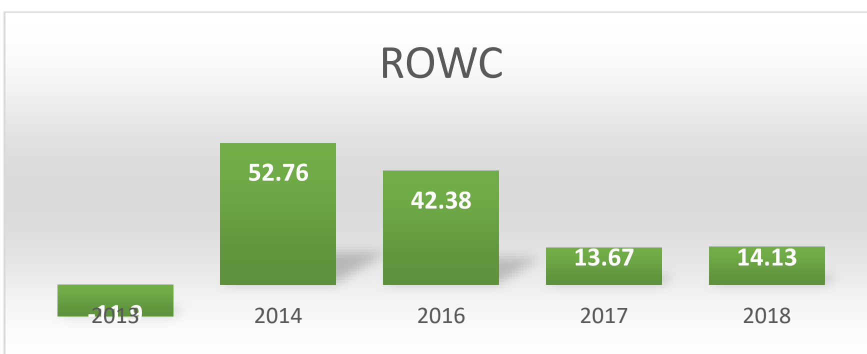

Figure 9: ROWC

8. Retained Earnings Per Share:

It shows how much retained earnings a company is saving per share. This is important to investors too. So, a higher Retained earnings per share is really beneficial. JMI has that benefit as we can see from the chart. It shows that in 2018 it was Tk24.66 and there is a huge difference between 2013 and 2018 which is Tk20.67. So that is a great achievement for them. They should keep this up.

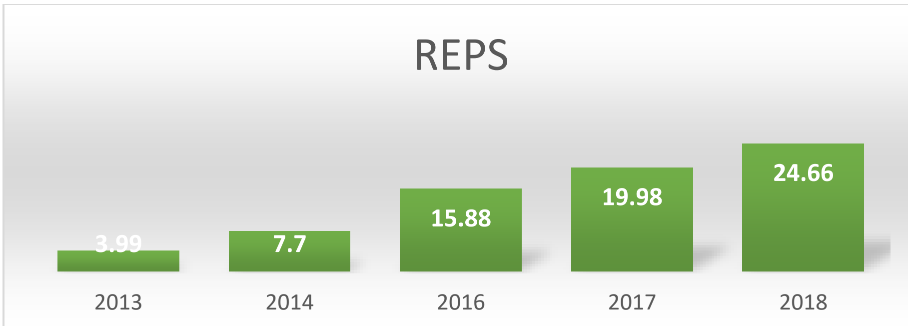

Figure 10: REPS

4.3 Financial Risk Ratio:

1. Debt to Equity ratio:

This ratio shows the percentage of companies financing that comes from the debt and equity portion or creditors and investors. Having a higher ration than 1 means the company is using more creditor financing than investor financing. As we can see JMI is also more creditor financed company as their ratio is higher. Higher creditor financing means they have to pay more interest to the creditors. So, they should decrease the amount of debt and become more investor financed company.

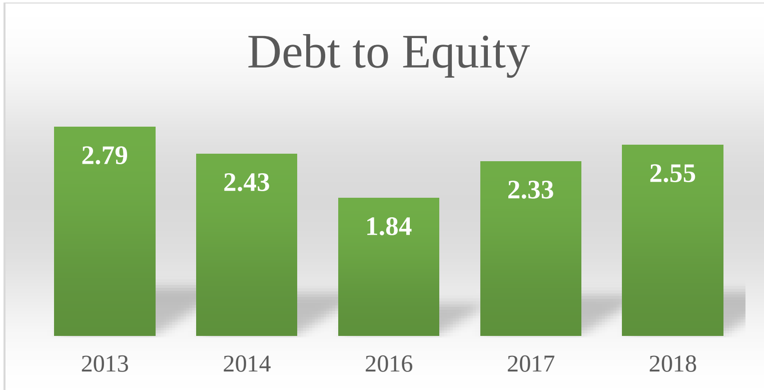

Figure 11: Debt to Equity

2. Debt Ratio:

It shows how much liability a company has against its assets or how much its assets are financed by debt. So, until its less than, we can say the situation is not too bad. But I think they need to decrease their debt and increase their equity as that will lower their cost of borrowing.

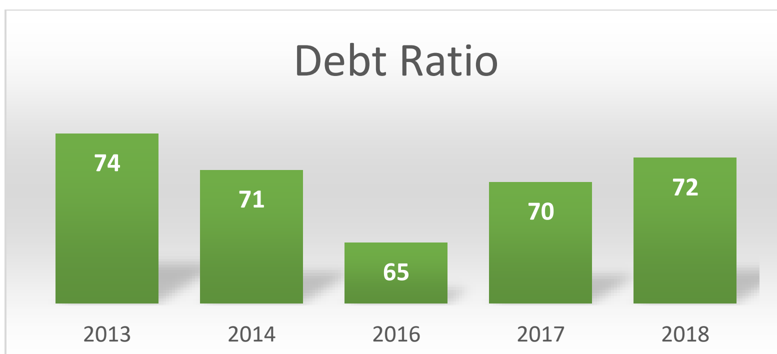

Figure 12: Debt Ratio

4.4 Efficiency Ratio:

1. Inventory Turnover:

   This ratio shows how many times a company can sell its average inventory during a year. As we can see JMI has always efficiently sold its inventory but in 2017 it sold its average inventory 2.63 times over and that decreased a little in 2018 which was 2.13 time. It was because of producing more inventory than before, that's why it took more time to sell those.

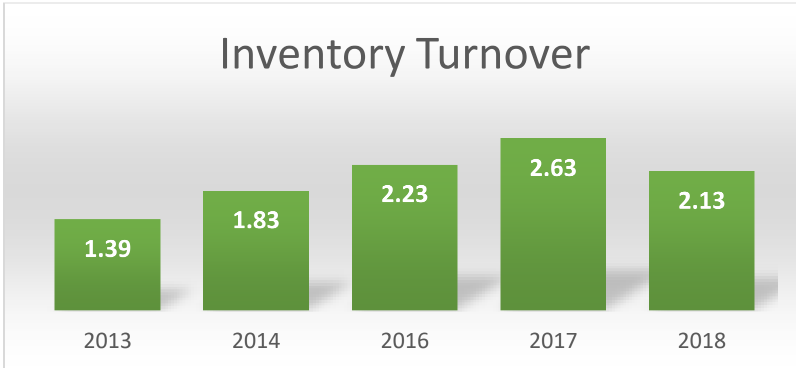

Figure 13:Inventory Turnover

2. Average Payment Period:

   This ratio shows the average days a company takes to pay its payables. It is always good to pay the payables late, as late as possible, but before getting any fine. Why a company is paying late, they can use that money somewhere else to earn money. JMI was going good on 2013 as they were paying after 110days which is nearly 4 months, they were using that money somewhere else. But in 2018 its really low, 42 days. Maybe it is because their employees are not efficient enough. So, they have to increase this ratio to earn more money efficiently.

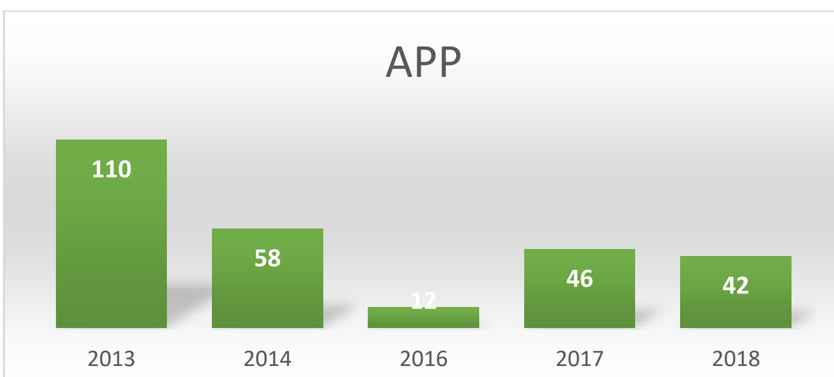

Figure 14: APP

3. Average collection Period:

This is the Opposite of APP as here we see how much time it takes for a company to collect its money form the sources who owes them. Unlike APP here a company should collect their receivables as soon as possible because if they can collect that amount of money faster then, they will be able to use that money to buy something or even repay the payables. JMI is again in a negative position according to this ratio. They are taking way more time to collect the money. They are taking 86 days to collect but paying their dues within 42 days. That means their employees related to this sector are not efficient or qualified. So, they have to decrease this number of days.

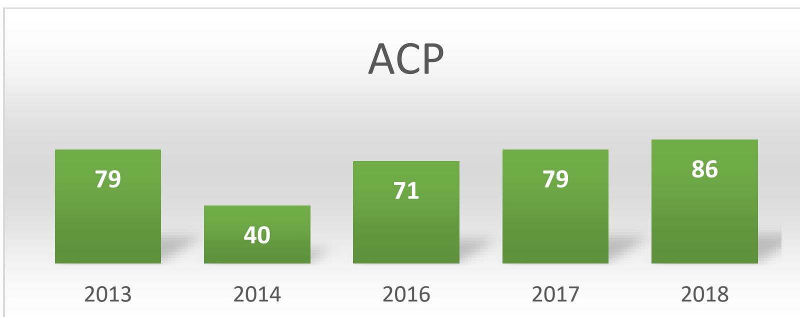

Figure 15: ACP

Chapter 5: Findings & Conclusion

5.1 Findings

From an investment perspective, Quantitative analysis or Financial Ratio analysis is considered to be the most important step. This analysis or study gives a third party about a company's current position on the market, financial situation and what is the future of the company. It also helps them to decide if they are going to invest on that company or avoid it. Their analysis also helps a bank to decide if they are going to lend money to that specific company. For doing this report I have taken the annual report of JMI Syringe and Medical Devices Ltd.'s for 2013, 2014, 2016, 2017, 2018. From those annual reports I have taken the Balance sheet, Income statement, Owners equity statement and other additional information to create the ratios of this company. After creating the ratios, I have analyzed them and by doing so I have found out the necessary information that I needed. Now I am going to share my findings here:

- ❖ JMI Syringe & Medical Devices Ltd. is a rapidly rising company compared to its recent start. In order to grow any company needs money and money comes from investors. As JMI syringe is a attractive company to the investors there will be much more investors willing to invest in this company. The main reason is their high EPS and retained earnings per share. These high values indicate that this company is rising and that will definitely take the focus of the investors.
- ❖ This company is also efficiently using their asset to generate the return which was invested on those assets. Their ROE and ROA is increasing which tells us that.
- ❖ JMI is having problem with maintaining their operating expenses which is getting higher and that is affecting their operating profit. Also, the gross profit is not increasing enough.

- Debt to equity and Debt to asset ratio shows that JMI syringe is mostly financed by their creditors. Which means they take more load to finance their activities, buy assets and maintain day to day activities. This is not good for a company as they have to pay a huge amount of interest for this debt and that is why their profit margin is going low.
- The employees of selling department of JMI Syringe are really productive and efficient as they can sell the average inventory in a year nearly 2.13 times over as we can see from inventory turnover ratio. This is a great plus point. It also shows that JMI has a huge demand for their product on the market. As they sell their products here as well as other foreign countries, this diversified market helps them too.
- JMI is lacking when it comes to paying their dues and collecting their receivables. Every company should have the practice of paying their dues as late as possible and collecting their receivables as soon as possible. This will give them some extra time to use that money. But JMI is doing just the opposite of that. They are paying their dues within 42 days and collecting their receivables within 86 days.
- The net profit of JMI is increasing every year which is a great sign also. It means they are becoming more efficient every year.

Here are all the ratios to have a easier look:

Details	2013	2014	2016	2017	2018
Current	0.67	1.22	1.26	2.52	1.96
Quick	0.33	0.49	0.88	1.64	1.35
Gross Profit Margin	31.73	30.76	30.67	29.20	29.19

Operating profit margin	21.91	22.19	21.80	18.86	18.40
Net Profit margin	3.86	4.09	4.36	5.47	5.31
ROA	1.69	2.66	2.62	3.01	2.73
ROE	6.40	9.12	7.45	10.02	9.63
EPS	2.95	4.46	4.81	6.78	6.86
ROWC	-11.90	52.76	42.38	13.67	14.13
REPS	3.99	7.70	15.88	13.67	14.13
Debt to equity	2.79	2.43	1.84	2.33	2.55
Debt ratio	74	71	65	70	72
Inventory turnover	1.39	1.83	2.23	2.63	2.13
Fixed Asset turnover	0.78	1.14	1.10	1.15	1.18
Total Asset turnover	0.44	0.65	0.60	0.55	0.51
APP	110	58	12	46	42
ACP	79	40	71	79	86

5.2 Conclusion:

Bangladesh has a strong market which creates demand for pharmaceutical products that's why Surgical device and pharmaceutical product industry has all the possibilities to grow in this kind of environment. Pharmaceutical and surgical industry are one of the fastest rising industry in Bangladesh and "JMI Syringe & Medical Devices Ltd." is one of those. They have started their business only a few years back but compared to others they have already achieved so much. They have joint ventured with Japan. They are exporting their products to so many foreign countries and their Auto Disable syringe has the recommendation of World Health Organization also. This company is also playing a significant role in the developing economy of our country as they are generating so much foreign currency by exporting their products. Also, they are always expending their business so by doing this they are also creating huge job opportunities. For these reasons government has started to help pharmaceutical industries in many ways. It is estimated that within 2023, Bangladesh's pharmaceutical industries will hit $5.11b which is huge. Its because governments are focusing on this sector and so many local companies are investing in this sector too. From our analysis we can also come to the conclusion that these companies will rise as we saw that "JMI Syringe & Medical Devices LTD" has all the possibilities to attract new investors and these new investments will help them to grow at a faster rate than before.

5.3 Recommendation:

JMI is such a vast enterprise and a successful joint venture company, they are already doing great on their own but even the strongest sometimes need suggestions form others. That's what I am doing here. I have spotted some problem and now I would like to give some recommendation to the company:

- Maintain the current liabilities and their high operating cost. They have to decrease those in order to achieve higher profit margin. They need to cut on some operating and manufacturing cost or they can increase the selling price of their product.
- They need to become more investor financed company. As they are currently a creditor financed company, they are paying a high amount of interest which is why they are not making higher profit margins.
- They need to have specific experts to train their work force.
- They need to increase their promotional activities in Bangladesh.
- They need to start collecting their receivables as fast as they can.
- They should delay to pay their payables.
- As they have a high EPS they should exploit that to attract more investors to their company.

I think by following these steps they will become more successful than they already are.

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Appendix

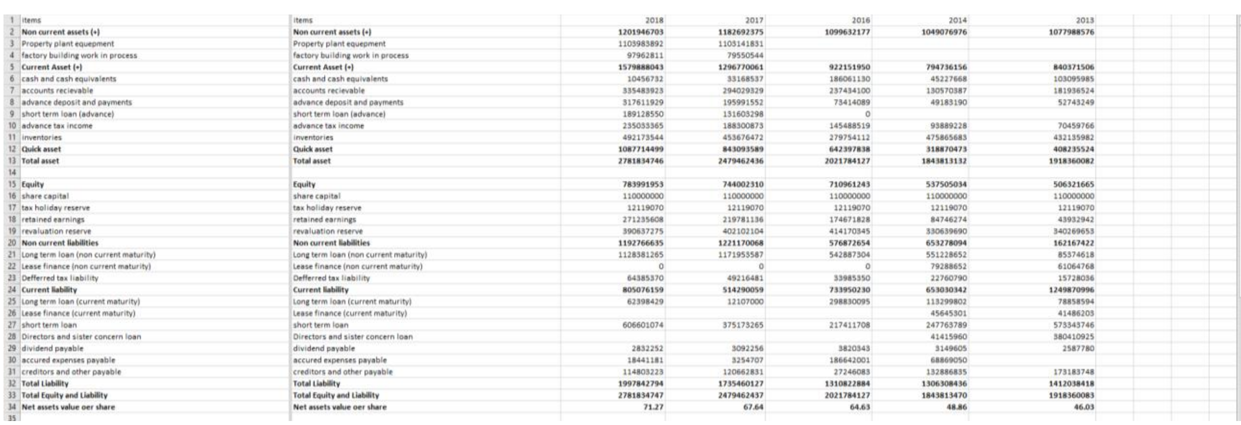
items	2018	2017	2016	2014	2013
Non-current assets (+)	**1201946703**	**1182692375**	**1099632177**	**1049076976**	**1077988576**
Property plant equipment	1103983892	1103141831			
factory building work in process	97962811	79550544			
Current Asset (+)	**1579888043**	**1296770061**	**922151950**	**794736156**	**840371506**
cash and cash equivalents	10456732	33168537	186061130	45227668	103095985
accounts receivable	335483923	294029329	237434100	130570387	181936524
advance deposit and payments	317611929	195991552	73414089	49183190	52743249
short term loan (advance)	189128550	131603298	0		
advance tax income	235033365	188300873	145488519	93889228	70459766
inventories	492173544	453676472	279754112	475865683	432135982
Quick asset	**1087714499**	**843093589**	**642397838**	**318870473**	**408235524**
Total asset	**2781834746**	**2479462436**	**2021784127**	**1843813132**	**1918360082**
Equity	**783991953**	**744002310**	**710961243**	**537505034**	**506321665**
share capital	110000000	110000000	110000000	110000000	110000000
tax holiday reserve	12119070	12119070	12119070	12119070	12119070
retained earnings	271235608	219781136	174671828	84746274	43932942
revaluation reserve	390637275	402102104	414170345	330639690	340269653
Non-current liabilities	**1192766635**	**1221170068**	**576872654**	**653278094**	**162167422**
Long term loan (non-current maturity)	1128381265	1171953587	542887304	551228652	85374618
Lease finance (non-current maturity)	0	0	0	79288652	61064768
Deferred tax liability	64385370	49216481	33985350	22760790	15728036
Current liability	**805076159**	**514290059**	**733950230**	**653030342**	**1249870996**

Long term loan (current maturity)	62398429	12107000	298830095	113299802	78858594
Lease finance (current maturity)				45645301	41486203
short term loan	606601074	375173265	217411708	247763789	573343746
Directors and sister concern loan				41415960	380410925
dividend payable	2832252	3092256	3820343	3149605	2587780
accrued expenses payable	18441181	3254707	186642001	68869050	
creditors and other payable	114803223	120662831	27246083	132886835	173183748
Total Liability	**1997842794**	**1735460127**	**1310822884**	**1306308436**	**1412038418**
Total Equity and Liability	**2781834747**	**2479462437**	**2021784127**	**1843813470**	**1918360083**
Net assets value per share	**71.27**	**67.64**	**64.63**	**48.86**	**46.03**

Income Statement					
revenue form net sales	1421378736	1362704616	1213192689	1199135889	839284712
(-) Cost of goods sold	1006514158	964819506	841163528	830279284	572976011
Gross Profit	414864578	397885110	372029161	368856605	266308701
(-) Operating expenses	153323121	140863882	107613076	102780678	82411031
administrative expenses	66196603	63236087	54380685	52327254	46968184
Mkt, selling and distributing expenses	87126518	77627795	53232391	50453424	35442847
Operating Profit	**261541457**	**257021228**	**264416085**	**266075927**	**183897670**
(+) Other Income	3783234	3612009	3668477	1694552	2683047
			268084562	267770479	186580717
(-) Financial expense	155820258	153664253	188331244	193008017	137854140
Net Income Before Adjustment of WPPF	109504433	106968984	79753318	74762462	48726577
(-) Workers profit participation fund	5214497	5093761	3797777	3560117	2436329

Net Profit before adjustment of income tax	104289936	101875223	75955541	71202345	46290248
(-) Income tax	28792363	27317096	23007404	22194857	13871181
Net Profit after tax	**75497573**	**74558127**	**52948137**	**49007488**	**32419067**
Other Comprehensive Income	0	0	0	0	0
Total comprehensive income for the year	75497573	74558127	52948137	49007488	32419067
Earnings Per Share (EPS)	6.86	6.78	4.81	4.46	2.95

ROE	0.027139489	0.030070279	0.026188818	0.026579422	0.016899365
Return on working capital	0.141330348	0.136705071	0.423765086	0.527589235	-0.118990568
Retained Earnings Per Share	24.65778255	19.98010327	15.87925709	7.704206727	3.993903818
Debt to equity ratio	2.548295026	2.332600455	1.843733251	2.430318515	2.788816904
Debt Ratio	0.718174506	0.699934027	0.648349577	0.708482011	0.736065367
Fixed Asset Turn-over	1.182563863	1.152205463	1.103271361	1.143038992	0.778565498
Total asset turn-over	0.510950098	0.549596798	0.600060448	0.650356518	0.437501134
Average Payment Period	41.63197911	45.64784713	11.82269554	58.41852941	110.3223639
Average collection Period	86.14989713	78.75566269	71.43419779	39.74377858	79.12312748



1	items	items	2018	2017	2016	2014	2013
2	**Non current assets (+)**	**Non current assets (+)**	**1201946703**	**1182692375**	**1099632177**	**1049076976**	**1077988576**
3	Property plant equepment	Property plant equepment	1103983892	1103141831			
4	factory building work in process	factory building work in process	97962811	79550544			
5	**Current Asset (+)**	**Current Asset (+)**	**1579888043**	**1296770061**	**922151950**	**794736156**	**840371506**
6	cash and cash equivalents	cash and cash equivalents	10456732	33168537	186061130	45227668	103095985
7	accounts recievable	accounts recievable	335483923	294029329	237434100	130570387	181936524
8	advance deposit and payments	advance deposit and payments	317611929	195991552	73414089	49183190	52743249
9	short term loan (advance)	short term loan (advance)	189128550	131603298	0		
10	advance tax income	advance tax income	235033365	188300873	145488519	93889228	70459766
11	inventories	inventories	492173544	453676472	279754112	475865683	432135982
12	**Quick asset**	**Quick asset**	**1087714499**	**843093589**	**642397838**	**318870473**	**408235524**
13	**Total asset**	**Total asset**	**2781834746**	**2479462436**	**2021784127**	**1843813132**	**1918360082**
14							
15	**Equity**	**Equity**	**783991953**	**744002310**	**710961243**	**537505034**	**506321665**
16	share capital	share capital	110000000	110000000	110000000	110000000	110000000
17	tax holiday reserve	tax holiday reserve	12119070	12119070	12119070	12119070	12119070
18	retained earnings	retained earnings	271235608	219781136	174671828	84746274	43932942
19	revaluation reserve	revaluation reserve	390637275	402102104	414170345	330639690	340269653
20	**Non current liabilities**	**Non current liabilities**	**1192766635**	**1221170068**	**576872654**	**653278094**	**162167422**
21	Long term loan (non current maturity)	Long term loan (non current maturity)	1128381265	1171953587	542887304	551228652	85374618
22	Lease finance (non current maturity)	Lease finance (non current maturity)	0	0	0	79288652	61064768
23	Defferred tax liability	Defferred tax liability	64385370	49216481	33985350	22760790	15728036
24	**Current liability**	**Current liability**	**805076159**	**514290059**	**733950230**	**653030342**	**1249870996**
25	Long term loan (current maturity)	Long term loan (current maturity)	62398429	12107000	298830095	113299802	78858594
26	Lease finance (current maturity)	Lease finance (current maturity)				45645301	41486203
27	short term loan	short term loan	606601074	375173265	217411708	247763789	573343746
28	Directors and sister concern loan	Directors and sister concern loan				41415960	380410925
29	dividend payable	dividend payable	2832252	3092256	3820343	3149605	2587780
30	accured expenses payable	accured expenses payable	18441181	3254707	186642001	68869050	
31	creditors and other payable	creditors and other payable	114803223	120662831	27246083	132886835	173183748
32	**Total Liability**	**Total Liability**	**1997842794**	**1735460127**	**1310822884**	**1306308436**	**1412038418**
33	**Total Equity and Liability**	**Total Equity and Liability**	**2781834747**	**2479462437**	**2021784127**	**1843813470**	**1918360083**
34	**Net assets value oer share**	**Net assets value oer share**	**71.27**	**67.64**	**64.63**	**48.86**	**46.03**
35							