

# **A Research On The Analysis of Billing Process and Receivables to Generate Revenue at Redx Logistics Limited**

Submitted by

Afsana Yasmin Asha

ID: 17304111

Submitted to

Supervisor: Dr. Mohammad Mujibul Haque

Professor & Associate Dean (Acting Dean)

Brac Business School, Brac University

Co-Supervisor: Dr Saad Md Maroof Hossain

Assistant Professor, Brac Business School, Brac University

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Submission date: 17<sup>th</sup> September,2023

## **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 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:**

Afsana Yasmin Asha- 17304111

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**Student Full Name**  
Student ID

### **Supervisor's Full Name & Signature:**

Dr. Mohammad Mujibul Haque, Professor & Associate Dean (Acting  
Dean)Brac Business School

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**Supervisor Full Name**  
Designation, Department  
Institution

## **Letter of Transmittal**

Supervisor: Dr. Mohammad Mujibul Haque  
Professor & Associate Dean (Acting Dean)  
Brac Business School  
Brac University  
66, Mohakhali, Dhaka-1212

**Subject:** Submission of Internship Report on the Analysis of Billing Process and Receivables to generate revenue at Redx Logistics Limited

**Dear Sir,**

It is a great pleasure for me that I am submitting my Internship Report on the Analysis of Billing Process and Receivables to generate revenue at Redx Logistics Limited . Recently I have completed my internship at Redx Logistics Limited. This internship report was prepared with all of my hard work. I had an incredible chance to utilize my analytical skills in this training area by preparing my internship report.

I would really be thankful to you if you would read this report and leave a thoughtful feedback. Also, I will be here if you have any questions about the report. I am grateful for your help immensely.

Sincerely Yours

Afsana Yasmin Asha -1730411

Brac Business School, Brac University

Date: 17<sup>th</sup> September, 2023

## **Acknowledgement**

First of all , I want to convey my gratitude to Allah, the Almighty, for granting me the ability to make this report.

I would like to take a moment to share my sincere appreciation and respect to Dr. Mohammad Mujibul Haque, Professor & Associate Dean Of Brac Business School for his wonderful instructions, guidance, and constant assistance throughout the report.

For providing me the opportunity to work as an intern in a start-up, I would like to express my heartfelt thanks to Mr. Arif Bhuiyan, Assistant General Manager, Finance & Accounts, Redx Logistics LimitedI would like to express my gratitude to Redx Logistics Limited's full billing team once more for their excellent guidance and encouragement throughout my internship. Special thanks to Md. Reyad Arefin Shuvo, the billing manager, Md. Sibat Karim, the billing associate, and Rafia Siddique, the billing executive. Working with Redx Logistics Limited's wonderful, positive, and professional billing team was an absolute pleasure and an honor for me.

I put every effort to achieve the highest level of professionalism in the shortest amount of time. Some of the adverse outcomes include a lack of comprehensive data and a shortage of skills. Even if there remained a mistake, I want to express my apologies for that unintentional inaccuracy.

## **Executive Summary:**

The report explores Redx Logistics Limited's billing procedure and receivables in order generate revenue, with a main focus on receivables collection. Here, multiple strategies have been employed to do research on the company's various business segments. Additionally, the techniques that generate revenue as well as the financial performance are described here. In addition, a brief history of the business is provided here so that we can understand the core purposes of Redx Logistics Limited.

It begins by providing a report overview, outlining why I prepared the report, its objective, scope, obstacles, and methods. It also describes how I collected the information.

This report additionally includes an organizational overview, which contains the organization's profile, location, vision and mission statements, goals, organizational structure, management team, personnel, as well as the services the company provides.

At last, the analysis provided some recommendations and conclusions. I decided to make an effort to present the business some suggestions here. These ideas symbolize the outcome of the report. The suggestions I made are all based on my observations.

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## Chapter 1

### Overview of Internship:

#### 1.1. Student Information:

Name: Afsana Yasmin Asha

ID: 17304111

Program: BBA

Major: Finance

#### 1.2. Internship Information:

##### 1.2.1. Company name: Redx Logistics Limited

Period: 27<sup>th</sup> May-27<sup>th</sup> August ( 3 Months)

Department: Finance

Address: SKS Tower,7 VIP Road , Mohakhali, Dhaka.

##### 1.2.2 : Supervisor's Name: Md Sibat Karim

Position: Senior Associate

Finance & Accounts Team

Redx Logistics Limited.

### **1.2.3 : Job Scope: Duties & Responsibilities:**

- Here, preparing correct and timely invoices for the services offered to clients was my main duty. I played a part in the gathering of data from several company departments. For instance, shipping, warehousing, and transportation, to provide detailed invoices that accurately convey the services performed.
- I also followed up with customers to update them about payments that were due and monitored the collection process.
- I also played a significant part in identifying and fixing any cash flow concerns by maintaining an eye on the aging of accounts receivable. By focusing collection attempts, this investigation shed light on consumer payment patterns.
- I handled with the client payments that came in. I did my utmost to match up payments with the correct invoices. To make sure appropriate financial reporting and account reconciliation, I worked with the finance department.
- Managing customer credit limits and ensuring that credit terms were followed are other duties of mine. For the purpose of handling credit risks and assess the financial stability of new clients, I also interacted with the credit department.
- My role was to accurately enter data into the company's systems. Invoices, payments, and interactions with clients are all verified by me as well. Additionally, I was in charge of maintaining accurate records, which are crucial for monitoring financial operations and auditing functions.
- I communicated with consumers as an employee to resolve any billing-related questions, problems, or disputes. I kept clear and effective lines of communication accessible, which is crucial to preserving good customer relations and quickly addressing any challenges that arise.

### **1.3. Internship Outcomes:**

### 1.3.1 : Student's contribution to the company:

- I made improvement in operational & financial sector. I made a contribution to the successful management of duties like managing inventories, processing requests, cargo monitoring, and logistics. The reduction of errors and delays is monitored for the accuracy of the tasks.
- I had the chance to provide recommendations for enhancing current procedures and processes. I can spot areas where operational efficiency could be improved using our new viewpoint which is really helpful for the company.
- I helped by assisting with billing, tracking shipments, and timely communication to accomplish the tasks quickly.
- I also participated in ongoing projects by gathering information, analyzing it, and creating reports. This was so important that it made sure projects progressed swiftly and efficiently.
- My efforts to build a culture of collaboration and high performance at work by illustrating collaborative work, integrity, and an optimistic mindset had a good impact on the workplace.
- I enjoyed taking part in projects for process improvement. In addition, I offered advice on methods to improve the efficiency of logistics operations by streamlining processes and minimizing bottlenecks.
- I provided cooperation with the making of documentation, presentations, and reports for various stakeholders. I contributed to ensure that everyone was informed about ongoing initiatives and developments.

### **1.3.2 : Benefits of the student:**

- I obtained firsthand experience of the logistics sector's operations, challenges and volatility due to the internship program. If I choose to opt for a career in logistics, this experience can prove useful to me.
- I communicated with employees of the logistics company as well as potential clients during my internship. This encouraged me in creating a professional network that will be useful for my potential future job opportunities.
- I developed valuable knowledge and abilities in the areas of shipping, transportation, warehousing, inventory control & financial management. Along with these other abilities, which are very beneficial to my future development, are analytical skills, problem-solving, communication, and the management of projects.
- As an intern, I worked on practical projects like order processing, package tracking, inventory control, and route planning. This hands-on learning experience improved the understanding of the logistics procedures.
- I had the opportunity to put the theoretical knowledge we acquired in the classroom to use in actual logistics situations. It helped us to realize how ideas function in real-life circumstances.
- I communicated with coworkers, clients, and suppliers, which helped to strengthen the writing and verbal communication skills as well as the ability to adapt in varied working environments.
- During my internship, I had to overcome difficulties like unknown issues with logistics operations. I was nevertheless able to overcome these difficulties, and it taught me significant lessons about problem-solving and persistence.

### **1.3.3. Difficulties:**

- I'm an intern, thus I did not have any prior knowledge of the logistics sector. It was difficult for me to comprehend complex procedures and processes in the corporate sector.
- I frequently had to handle several responsibilities and jobs at once, which was challenging and involves efficient time management. To keep pace with the limited time I had to struggle a lot as a newcomer.
- In logistics, clear communication is vital. Effective interaction with the staff, clients, suppliers, and other stakeholders was difficult for me. It took me few weeks to make a proper professional interaction with the colleagues.
- Decisions must be made immediately in the hectic atmosphere that logistics frequently operates in. I experienced a sense of overload due to the pace and volume of the work in this atmosphere.
- Conditions of the weather, delays in traffic, and unexpected events are just a few examples of the variables that can make logistics operations unpredictable. It was tough for me to get used to last-minute changes as an intern.
- Collaboration between different departments, including operations, sales, and customer service is an important aspect of logistics. Understanding these cross-functional interactions was tricky for me.
- I was initially unfamiliar with the terminologies and acronyms used in the logistics industry. The instruction curve that emerged made communication difficult for me. I faced difficulties to learn all those terms which were fundamental for completing the tasks.

### **1.3.4 : Recommendation:**

- Redx needs to arrange training that goes through principles of the industry, business procedures, as well as relevant technologies. The interns' understanding with the logistics sector can benefit from this.

- Redx should regularly evaluate the work of its interns. They can improve and acquire knowledge from experiences with support of this kind of constructive criticism.
- Access to appropriate sources, particularly industry journals, instruction materials, and online courses, should be made readily accessible to interns by Redx for better learning.
- Redx needs to promote question-and-answer sessions. They should provide an atmosphere where interns feel free to ask questions. This can encourage active learning and aid the interns in better understanding how the business runs.
- At the completion of their internship, they should let their interns present their work or experiences. This can recognize their efforts and provide them practice speaking in front of an audience, both of which can help them advance in their careers.
- They should arrange regular meetings to go talk about the intern's progress, challenges and targets. These periodic reviews can provide them the chance to get feedback and make sure they're on pace. This can provide them more chances to be on track.

## **Chapter 2:**

### **2.1. Introduction:**

In Bangladesh, the freight and logistics sector was established between 1991 and 1992. Along with the ongoing increase in imports and exports, it has been expanding for years. There are around 1,000 local and 20 foreign logistics and freight forwarding companies influential in Bangladesh's freight and logistics market. The most often used logistics services among them include Sundarban courier, Continental, Paperfly, e-courier Redx, Pathao Courier, Delivery Tiger, DHL, Bidyut, E-desh, and E-logistics, among others.

Redx is a component of ShopUp's ecosystem and the last-mile logistics solution that was created to lower the logistical obstacle for small business owners. ShopUp has numerous business divisions, including Redx logistics, Unicorn Distribution, Mokam, Baki, ShopUp- e-loan, and ShopUp store.

Redx launched its adventure in March 2019 as a logistics division of ShopUp and quickly rose to prominence as one of the major players in the market for next-generation logistics. Redx Logistics Limited has expanded its operations to 493 Upazilas throughout all of Bangladesh. Even so, it is growing its operations in the nation. delivers its items to clients in those places, supporting its merchants. where numerous other logistics cannot access. Redx offers both B2C and B2B services. B2B offerings include transportation services, business freight, bulk shipments, storage facilities, load-unload, and line rentals for trucks, a hall, etc. Courier or package delivery services are examples of B2C services.

### **2.2..Company Overview:**

Shop Up's logistics department is called Redx. In February 2016, Shop Up (formerly known as Shopfront) began its adventure. Shop Up was formed by Afeef Zaman, Siffat Sarwar, and Ataur Rahim Chowdhury with the goal of transforming young entrepreneurs into successful ones by utilizing numerous Facebook services and technological developments. Ataur Rahman Chowdhury learned about the numerous issues with the product delivery services in the e-

commerce platform while working with Smash board (used to work with question management through social media). With his two coworkers Afeef Zaman and Siffat Sarwar, he had a discussion on the issue. The three then founded Shop Up as a company to manage Facebook sites and place orders for and oversee the management of merchandise for Facebook pages. A technologically driven logistics company called Redx performs industrial logistics services all over the nation, from the distribution of SME products to the delivery of personal documents and packages to huge corporations. Redx is a business-to-business (B2B) marketplace that unites mills and manufacturers with small and medium-sized businesses (SMEs). It is committed enough to deliver SMEs with an advantage by supplying them with simple B2B sourcing, the best offers, financial markets, and transportation ( Abudheen K, S. 2023, February 10).

Redx is expanding every day. Redx initially offered C2C (individual personal parcel delivery service) and B2C (business to consumer) parcel delivery services. It began offering corporate cargo-truck transportation services in April 2021. Both its sales volume and consumer base are significantly improving each month. With the \$75 million in extra funding, the company plans to broaden its logistics function outside of the nation (Tahmid, 2021).

### **2.2.1. Mission:**

Redx's goal is to establish itself as the largest and quickest logistics network in the nation which encourages small company owners throughout Bangladesh and stimulates the growth of innovative industries by offering tech-first logistics support to both online and offline organizations.

### **2.2.2. Vision:**

Redx's vision is to use cutting-edge technology to transform Bangladeshi business & also to meet the needs of SMEs, large businesses, and individual couriers. Moreover, Their desire is to expand their business in different Asian countries along with India, Nepal, Bhutan etc. They are also working on it to expand their areas by developing different sectors.



### 2.2.3: Logo & Slogan:

Initially, Redx's tagline was "SOMOGRO Bangladesh." Its logo now features the new phrase, "Go the Distance," which was recently changed. With nationwide coverage and modern equipment, Redx aims to assist every client go the distance, according to its tagline.



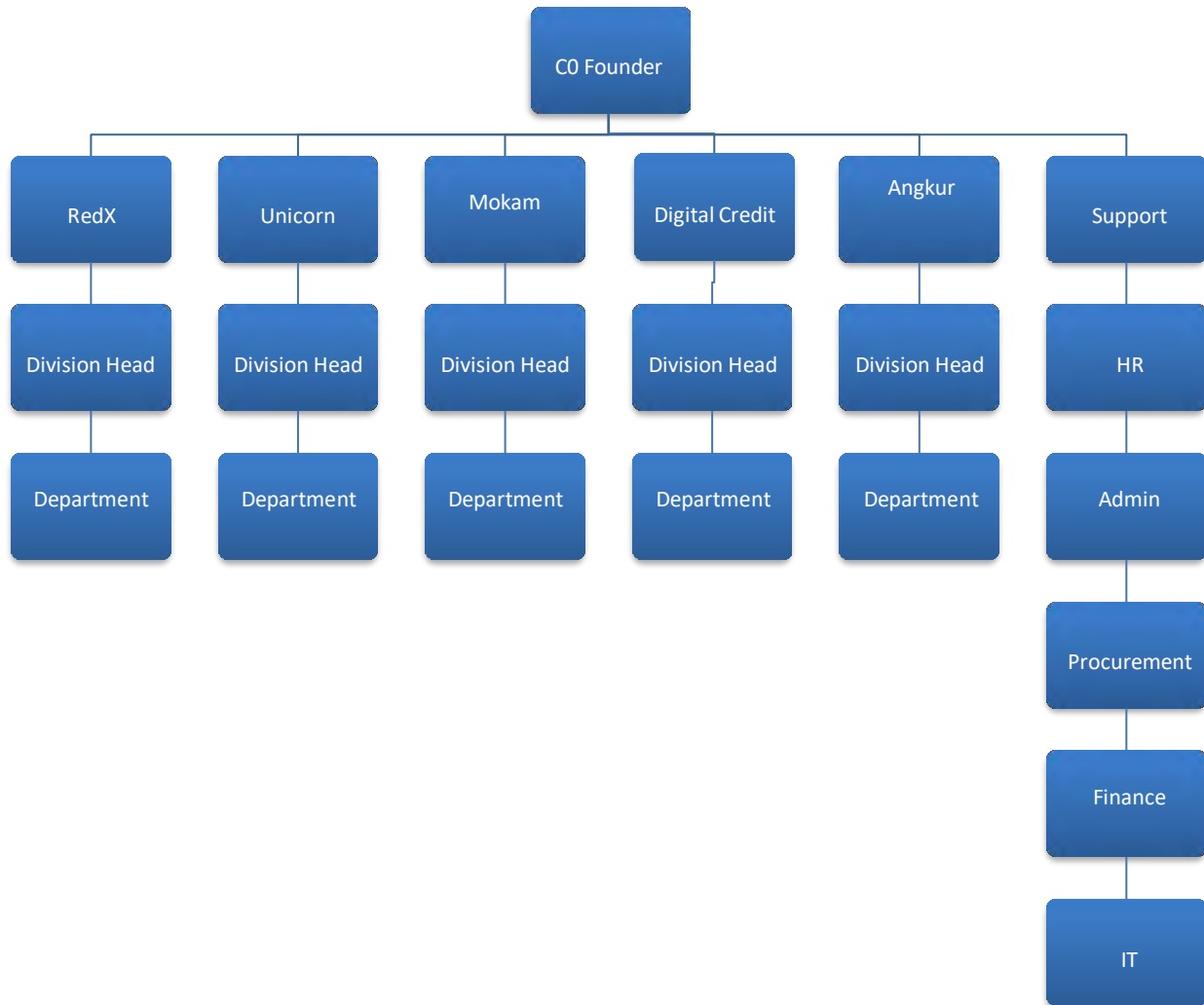
### 2.3. Management practices:

#### 2.3.1. Laissez-faire Leadership Style:

Redx has a very employee-friendly culture, and its employees are very enthusiastic about their work. This organization is run by many leaders. Here, it might be stated that the company's decision-makers are Indian investors. However, they have given the staff members adequate ownership. Therefore, it might be stated that they lead with a laissez-faire perspective. It is apparent that the leader's direct involvement and influence in their decision-making is declining day by day. They are in charge of managing a group or company. Leaders in this laissez-faire leadership style empower their team member's flexibility and autonomy. They enable people to take leadership of their duties and projects and make decisions of their own.

**Analysis:** Laissez-faire leadership is not a static approach; rather, it is a very continuous process, which makes it applicable for Redx in accomplishing their goal of becoming the fastest and largest logistics network in this country that promotes individuals and companies from all over Bangladesh and provides a large field of innovative business. For the Redx teams to be more flexible and responsive to changing customer wants, market conditions, and unexpected disruptions, laissez-faire leadership style is particularly effective. They are able to sustain a decent static working environment, which is crucial to achieve over the long term.

The organizational structure of shop Up is described here:



**The organizational structure of Shop Up**

### **2.3.2 : Recruitment & Selection process:**

Redx is concerned enough towards the qualified employee & for this reason they mostly go for external recruitment. Redx looks outside the organization for applicants to fill positions. They employ a variety of methods, including job posts, marketing, career fairs, and hiring agencies. Redx additionally employs temporary or contractual employees for particular projects or temporary need. The techniques for doing this involves recruiting companies.

**Analysis:** Redx is quite selective in which individuals they hire as staff. Most frequently, they pick permanent employees of fresh minds. However, they also pay attention to contractual work. The length of their contract is generally 10 months. For almost every department with intense work pressure, they hire temporary workers. Additionally, the organization offers the chance for temporary workers to become permanent personnel. Redx assesses the contractual workers and makes hiring decisions based on their performance. It becomes simpler for the business to evaluate and hire an employee as they become experts at their job.

### **2.3.3 : Compensation system:**

Redx has built salary structures that specify the range of compensation for each job based on hiring evaluations and market research. The consistency and fairness of compensation across the organization is preserved because to these layouts. Individual performance evaluation is additionally tracked here. Through periodical reviews, ratings, or goal-setting procedures, employee performance gets evaluated. Individual achievement, enhancement of abilities, teamwork, and contributing to the objectives of the company can all be considered as indicators of performance.

**Analysis:** The basic pay provides a foundation of Redx's compensation structure. Redx's base pay is competitive and considers the employee's position, expertise, and level of competence into

account. Performance-based bonuses are welcomed by Redx. These are frequently used to motivate workers to achieve or beyond established standards of performance. On-time the delivery process, savings in costs, and client satisfaction are just a few examples of the metrics included in Redx. When an employee accomplishes a goal, the line manager acknowledges the employee and gives the employee a rating. Redx has an independent online worksite place where employees can look over their performance reviews. Depending on what a great job an individual or a team does, the bonus amount can vary. This actually inspires that person to achieve the company's goals.

#### **2.3.4 : Training & Development Initiatives:**

Redx is quite concerned about the onboarding procedures that are set up for newly hired employees. These classes are structured so that a new employee can gain a thorough understanding of Redx's company culture. These courses concentrate on giving participants a thorough orientation so they are aware of the company's culture, standards, and necessities for their jobs. Redx also emphasizes training for specific skills including teamwork, leadership, problem-solving, and time management. programs that cultivate and develop leadership qualities, enabling staff members to assume management and leadership roles.

**Analysis:** Redx conducts programs for mentoring where senior staff members assist younger team members in developing their careers. For new employees to have a better understanding of the workplace, they organize programs on organizational culture. Additionally, they provide access to online training courses and e-learning resources in their online workplace so that employees can study the contents when it's suitable for them. Through its numerous training programs, Redx keeps its employees updated in this way.

#### **2.3.5 : Performance Appraisal System:**

Redx has a regular check-in system so they can monitor the productivity of their staff. The managers and employees interact with each other frequently to discuss goals, challenges and progress. These spontaneous discussions improve formal evaluations. Additionally, Redx organizes thorough reviews that are completed annually or at specified intervals. These evaluations measure an individual's overall performance, accomplishments, strengths,

shortcomings, and areas for enhancement. Along with that they also use key performance indicator(KPI) which is a quantitative indicator to evaluate the performance of the employees.

**Analysis:** Redx measures specific performance metrics with KPIs for the purpose to measure progress, develop goals, and come to wise conclusions. Redx decides which KPIs are most important to the goals and objectives of the firm. These KPIs are made to be appropriate with specific performance metrics that they are seeking to monitor. For instance, they used KPI for the performance evaluation in the most recent quarter. Customer satisfaction was the KPI in that time interval. A customer satisfaction score of 90 or above was the goal they had set for business. For the purpose of getting a better understanding, the customers were interviewed. Redx monitors and tracks KPIs on a quarterly basis to achieve better evaluation. They are accurate enough to provide detailed data. By doing this, they can see clearly how satisfied their customers are with them. In order to be able to adapt their organizational priorities in response to changing markets, Redx updates the targets and strategies linked to each KPI. In that case, they can modify the new KPI to achieve their goals.

### **2.3.6. Summary & Conclusion:**

The efficient management of Redx ensures that business activities go smoothly, expenditures are kept under control, client requirements are satisfied, and the company maintains its competitiveness in a quick-moving sector. They are given flexibility as Redx nurtures a culture of creativity and problem-solving so they can come up with creative ways to improve processes and adjust to changes in the market. Additionally, Redx Advertises job openings through a variety of platforms, such as the business website, job boards, social media, forums related to the industry, and professional connections. They provide detailed application instructions and specify the application deadline. They carry out their hiring procedure in a way that allows them to choose employees who will work hard for the business. They always try their hardest to provide their staff with suitable training in order to help them develop more. They actually create their own resources through this process, according to their requirements & appreciate them for their best performance.

### **2.3.7. Recommendation:**

- Redx encourages autonomy, however they don't specify limits and boundaries in order to avoid confusion or misinterpretation. Redx should create that limitation in every department so that the employees do not create any misleading concept which can become barrier for achieving the goals of the company.
- Redx should provide a bit more importance in competency based interviews in selecting employees. They should modify their interviews implementing situational and behavioral questions to figure out how applicants manage particular situations as the logistics markets continue to fluctuate. That's how the company can find out more about the applicant and decide whether or not they are suitable for the company.
- Sometimes certain logistics positions might ask for particular training or certification. Redx, however, does not create pay plans for these roles that take consideration of the specific requirements for those certifications. As those employees work harder they should provide them more facilities.
- Redx focuses on performance appraisal in a quarterly basis. As the condition of the logistics market always fluctuates, the company should focus not only quarterly but also monthly so that they can figure out quickly which sector is lagging behind in fulfilling its target.

### **2.4. Marketing Practices:**

#### **2.4.1 : Marketing Strategy of Redx Logistics Limited:**

Redx's marketing plan is really effective. They offer a wide range of services. They practically entirely cover Bangladesh, which is excellent for their business. They maintain their prices so that their clients can depend on them for a longer time. Additionally, they delicately sell their services in order to compete successfully in the market.

#### **Product:**

#### **3PL:**

Third-party logistics, or 3PL, is the term used to describe businesses that outsource their management and shipment fulfillment to another company. A third-party logistics company, or 3PL business, offers supply chain management and logistics services to other businesses. These services can include a wide range of operations involving the movement and management of products, from distribution and inventory control to transportation and warehousing. For small to medium-sized businesses, a 3PL logistics supplier typically offers one or two specialized services. In order to open up the business owner to make decisions, a 3PL supplier handles warehousing, picking and packaging, transportation, and delivery.

The Redx 3PL services include:

1. Documents & parcel delivery
2. 7-day delivery guarantee
3. Door-to-door pickup as well as delivery
4. preserving things in warehouses.
5. SMS update
6. Cash on Delivery
7. Preventive Handling
8. Customized Strategy

### **Prepaid:**

Redx offers its B2C and C2C clients its 3PL services. It classifies its 3PL offerings into two groups. One is Postpaid, and the other is Prepaid.

Redx divided their Prepaid customers into two groups. Positive clients are a one, and negative clients are another. Positive customers are those whose COD amount exceeds the delivery fee for their products. The Redx delivery person requests the COD amount from these satisfied customers. Redx delivers money to the clients' accounts after correcting the delivery charge after

some collecting, therefore there is no need to send the invoices to the clients. Redx generates vouchers via the website. Redx keeps the COD amount and invoices to the customer for the balance of the delivery charge if the delivery Charge exceeds the COD amount. The client does not have to pay any VAT here. VAT is incorporated in the pricing.

For example, a small business owner used Redx parcel service to send 6 parcels. The client's customers provided the delivery person 3000 taka COD. These 6 parcels will cost 600 for delivering. Redx takes 600 of the 3000 taka paid in this case and transfers the remaining 2400 to the client's account.

On the other hand, if the delivery person collected 600 Taka and the total delivery fee was 3000 Taka, Redx would keep the 600 Taka and send the customer an invoice for the additional 2400 Taka.

### **Postpaid:**

Redx further offers COD service for postpaid clients. Here, Redx sends all of the money it has received to the clients with no adjustment to the delivery fee. Redx charges the client for the delivery fee after a week or month. In this kind of billing, the client will be liable to a 15% VAT fee.

A perfect example would be Aarong, a postpaid client. On behalf of Aarong, it has delivered products made by Aarong to customers and collected COD 10,000 Taka. 1000 Taka was payable for delivery. RedX provides Aarong's account with the whole 10,000 taka COD collected. It prepares a bill and sends it to Aarong for the delivery fee after a week or month.

### **Corporate Cargo:**

Through corporate cargo services, Redx provides trucking and cargo services to its customers. the following corporate shipping services:

1. Bulk Shipment
2. FTL and LTL Line Haul
3. A warehouse
4. Rental of trucks and cargo services



## 5. Load & Unloading points

Redx gives its B2B clients truck rental services. For examples, National Polymer Limited, Square Textiles Limited, Meghna Group of Industries, Gazi Group etc are the main concerns of Redx Corporate cargo . Redx is now serving more than 150 B2B clients. Redx started offering truck rentals in April 2021, and since then, the company's B2B clientele has grown tremendously. The client and KAM must agree on an agreement over the truck prices.

### **Pricing Strategy:**

The Redx 3PL pricing method is highlighted in the table below. This table explains how delivery fees vary depending on the destination and weight of the items being delivered.

<b>Inside Dhaka</b>		<b>Outside Dhaka</b>	
<b>Weight in kilogram(KG)</b>	<b>Amount</b>	<b>Weight in kilogram(KG)</b>	<b>Amount</b>
Up to 1kg	70 Taka	Up to 1kg	120 Taka
1kg to 2kg	80 Taka	1kg to 2kg	130 Taka
2kg to 3kg	90 Taka	2kg to 3kg	140 Taka
3kg to 4kg	100 Taka	3kg to 4kg	150 Taka
4kg to 5kg	130 Taka	4kg to 5kg	160 Taka

**Table 1: 3PL Service Price**

### **Pricing Strategy for Corporate Cargo:**

According to the contract signed between KAM and the client, rental prices for corporate cargo are calculated for the truck size and load-unload point location. The cost of demurrage is an additional charge. The cost of delayed days between the truck's arrival and its departure while it is being loaded or unloaded is commonly referred to as demurrage. Depending on the actions, demurrage fees vary substantially from client to client. The following formula is used for determining Delaying Days:

In time	Out time	Demurrage	Days	Remarks
Before 3 pm	Before 7 pm (same day)	No	0	
Before 3 pm	After 7 pm (same day)	Yes	1	In cases where the truck exits the unloading point after 7 p.m. on Day 1, Day 2 will be counted as a rental point. There will be an additional fee imposed for the delay, and that fee will be added the next day as a demurrage charge.
After 3 pm	Before 7 pm of next day	No	0	
After 3 pm	After 7 pm of next day	Yes	1	In cases where the truck exits the unloading point after 7 p.m. on Day 1, Day 2 will be counted as a rental point. There will be an additional fee imposed for the delay, and that fee will be added the next day as a demurrage charge.

**Table 2: Calculation of Demurrage charge**

On the contrary, Any client who cancels a trip request after reserving a truck must pay Redx's refund fee. The common cancellation fee is 1000 taka. So that's how the pricing strategy is utilized by Redx Logistics Limited.

**Place:**

To maintain an uninterrupted distribution of goods and services, it is essential to choose vital locations. When selecting where they want to put their service centers, Redx take consideration of some important aspects. For example: Redx puts a strong emphasis on client demand and accessibility. To cut transportation expenses and offer quicker delivery times, they have set up service sites close to their consumers. Due to closeness to significant consumer densities and the fact that the majority of customers are from the capital city of Dhaka, service is fast and efficient. Additionally, they have reached nearly all of the districts and rural areas where they provide home delivery services. To ensure that all of the districts can access their services, they have built their

offices around the divisions. Redx is rapidly growing their business throughout Bangladesh in this way.

### **Promotion:**

Redx collaborates in social media platforms, enabling the business to interact with their audience, broadcast updates, and advertise its services. Redx presents company updates, reviews, and industry news on social media sites like Facebook and LinkedIn & promote their services. Moreover, Redx engages in email marketing, which is quite beneficial to their services. Targeted email advertising campaigns can be utilized to inform potential consumers about the company's services, achievement stories, and market dynamics. That is how they demonstrate that their services are superior to those of their rivals. Furthermore, they participate actively in a variety of trade shows & social activities, all of which enable them to advertise their services across Bangladesh.

**Analysis:** Redx offers its clients various types of logistical help such as distribution, warehousing, and transportation. Their customer service is of a good standard. They are in complete control of Bangladesh's logistics industry as a result. Additionally, Redx's customers depend on them for their quick delivery, affordable prices, and thoughtfully planned services. Moreover, they consistently work to suit the various needs of their different clients, which is another benefit of their business. They offer a scale for rating the service so that clients can express their opinions. Redx obtaining the highest ratings for their service across Bangladesh is extremely outstanding. Furthermore, I discovered through extensive market research that the pricing strategies of the other competitors are really different. Paperfly claims that they have reached to the every place of Bangladesh & competitive enough to sustain in the long run.(Rahman,S.2019).The clients are quite disappointed since they charge more than Redx. For instance, Paperfly, Redx's direct rival, charges more to deliver in the Outer areas of Dhaka such as Keraniganj, Savar, Narayanganj etc while Redx does not charge more to deliver within the city. This sets Redx apart from Paperfly. Redx also encourages customers to communicate their needs while they are receiving help. For instance, many customers want extra packaging added to their product deliveries, which can be expensive for Redx, yet they never charge more for that service. That is how Redx exceeds its rivals in the market. In addition with that while doing research on the place coverage of Redx I got to know that

they use different routes that connect the whole Bangladesh. Their different routes are Dhaka to Chittagong route, Dhaka to Sylhet route, Dhaka to Rajshahi route, Dhaka to Khulna route, Dhaka to Barisal Route. Along with that they have their local services in the southern part of Bangladesh which is quite flexible for the customers. Redx deliberately use these centers of transportation and routes to improve the flow of goods and materials. They ensure effective supply chain management and prompt consumer delivery. The type of cargo, the distance, the amount of time available, and the cost of the trip are all factors that play a role in the mode and choice of route. Redx also states that they are capable of handling a hectic period of year when they must put in extra hours. For instance, many logistics companies suffered losses during the shutdown era, but Redx was at its peak when it was supporting small-to-medium-sized businesses and capturing the whole market. Among its rivals, this view continues to rule. The fact that they did so safely at the time was a reference to the quality of their job, and they continued to do so throughout Bangladesh. At that time, they provided services with safety & kept doing their work all over Bangladesh. Along with that, Redx has a good communication channel which is really helpful to promote themselves in the market. Along with that, as logistics has the investors from India, the company participates in industry events in India which is really appreciated by the customers. Additionally, the investors host trade exhibits in India to advertise their operations in other nations. That is how they intend to carry out Redx's second goal, which involves growing their company internationally.

#### **2.4.2 : Target customers, targeting & positioning strategy:**

Redx's target market includes a large number of people. The vast majority of Redx's customers are manufacturers and distributors. Redx often handle the transportation of components, finished goods, and raw materials with manufacturers and distributors. Businesses in areas like electronics, consumer goods, and machinery for industrial use are among these clients. For example: Reedisha spinning mills, Meghna food & Beverage, AB Group Import, Square Textiles, S.A Salt Industries Limited are the major target customers of Redx. Moreover, To make sure that their products are delivered to clients on time, merchants and small online businesses need efficient logistics management and distribution services. Small businesses can rely mostly on Redx for order fulfillment and last-minute delivery in this case, making it a wonderful choice. That's how Redx

work for their target market. Apart from that Redx emphasizes the important elements of quick and secure delivery that set the business different in its targeted market. Their competitive advantages outstanding customer service, innovative equipment, and technical knowledge are highlighted in the company's branding.

**Analysis:** By doing research on it, I got to know that the target customer of Redx is quite huge in number. For example: for their 3PL sectors they target mostly small businesses to encourage the entrepreneurs which is really praiseworthy. They also arrange events for the young entrepreneurs who uses social media platform to grow from the very beginning. That's how they mainly keep a good relationship with the new customers. As per my opinion, this is really good for their service because by doing so they can keep those clients with them which is beneficial for the company. On the other hand, they also handle the FTL Cargo where their target market is big. In this sector they target the biggest group of companies such as AB Group, Meghna Group of Companies, Gazi Group, Kohinoor Group etc. According to me, they are good enough to maintain this customer relationship & for this reason these clients are taking service of Redx from the early stages. That means, Redx always thinks about the long term consequences & thus they target the customers to sustain in the competitive market.

#### **2.4.3 : Marketing Channels:**

A key center for the business's online presence, Redx offers a well-designed and instructive website. Their major marketing medium is this website. It contains more details about services, case histories, contact information, and more so that customers can be sufficiently informed about their services. Additionally, Redx uses social media sites like LinkedIn and Facebook in order to communicate with clients as well as offer relevant industry insights and updates. Moreover, Redx offers outstanding support for existing customers, which can result in helpful referrals by word of mouth, which are extremely effective in the field of logistics.

**Analysis:** As Redx mainly focuses on social media sites & word of mouth, I think that is quite common among all the logistics companies in the country. But they are active enough in this sites which is not negligible at all. Their channels are not huge in numbers but they are trying to enhance the channels so that they can develop their activities & promote those among clients.

#### **2.4.4 : New Product development & competitive Practices:**

Redx has created an entirely new subsidiary called Angkur. A separate area called Angkur is just launched. This sector is being developed for a variety of courier services in other countries. They plan to grow their business in India as well by strategically developing Angkur. Indian investors are concentrating more on Angkur because they want this logistics service to be expanded in India, where all of Redx's investors are from. In order to be able to provide their courier service in India from Bangladesh, they wish to build this service in such a technique with limited cost which can bring competitive advantage for the company.

**Analysis:** By doing analysis on Angkur, I got to know that this sector of the company can develop more in India. As Redx is mainly the company of Bangladesh, the business environment of Redx is in favor of our culture. But to expand this in other cultures, India can be a good choice for developing this sector. If I evaluate other companies, I can realize that the other companies have not that much resource to expand in other countries. But Redx is doing good in the competitive market.

#### **2.4.5. Branding activities:**

Redx is an expert in visual branding. They develop advertising materials like business cards, letterheads, leaflets, and presentations that highlight the brand characteristics of the organization. They also develop an identifiable visual aesthetic for the business website, social media accounts, and other online presences. Moreover, Redx makes sure that they utilize business equipment and transportation so that they can prominently showcase the brand's logos for greater brand exposure.

**Analysis:** As Redx is doing great in visual branding they have made their own image in a very short time which is good for the company. Moreover, by using business website they can update their news properly which is a good side of the company. I observed from my research that Redx outlines its brand's goal, vision, and values in every way. They develop effective brand messaging that describes what differentiates the organization from rivals.

#### **2.4.6 : Advertising & Promotion Strategies:**

Redx has created a unique and expert logo that conveys the essence and core principles of the business. They have developed a consistent visual identity, complete with font, color schemes, and elements of design that express the brand personality of the business. Redx uses social media marketing as part of their advertising campaigns. They interact with potential customers on sites like LinkedIn, Twitter, and Facebook while offering insights into their sector and success stories. Additionally, they exhibit at trade shows. To draw attention to your services, they connect with potential clients, and keep up with industry developments, they take part in conferences, trade exhibitions, and events for the logistics and supply chain sector. Thus they mostly promote their services.

**Analysis:** I used their internet portals to visit their operations while I was working at Redx, and it was extremely outstanding. Insights into the market, efficient methods, and examples of achievement are highlighted in their high-quality content creation and advertisement, which includes posts on blogs, whitepapers, case studies, and videos. Additionally, they post commercial material on websites and social media. This in fact motivates new employees to work in such a pleasant atmosphere. Thus they can maintain a healthy working environment.

#### **2.4.7 : Critical marketing issues & gaps:**

Redx often doesn't use data analytics. Insights based on data can be used to improve promotional strategies and determine what is and is not productive. Redx might miss out on potential customers for development if analytics are not implemented. This is the major gap of their marketing strategies. Redx occasionally neglects prominent branding. This may be just another obstacle to their promotional efforts. Confusion can be caused and the company's reputation may be damaged by mismatched branding across multiple platforms and materials.

**Analysis:** According to my research, branding can help a business stand out from rivals in the tough logistics sector. A company might find it difficult to differentiate itself out from the competition and develop an advantage over its rivals if it has a promotional gap. In this industry, Redx occasionally ignores branding and delays updating its branding initiatives. By doing this,

rival businesses can take customers away from their own and towards theirs. That means, for this marketing gap issues Redx can be in trouble if they do not take a proper step to update their branding process regularly.

#### **2.4.8 : Summary & Conclusion:**

Redx must prioritize marketing strategies more in order to increase brand awareness. Redx's target consumers may become more aware of their brand due to effective marketing strategies. Potential consumers are more likely to recognize and consider Redx for the services when the company has a strong brand image. Redx uses strategically their marketing channel, which benefits the business. They utilize marketing channels in order to get input and understanding from customers and new clients. Later, they make use of this data to enhance services and respond to customer needs. They are also able to keep up strong communication with the clients for a longer amount of time in this way. Additionally, they prioritize existing clients, and as a result, word-of-mouth marketing helps them survive for a longer amount of time in this competitive marketplace.

#### **2.4.9. Recommendations:**

- As Redx is developing new service named Angkur, they should start their marketing as soon as possible so that the other countries can also get to know about this new service. But Redx is not paying attention enough to promote their new service. As per my opinion they should start promoting their service in their website & also in their online workplace.
- Redx needs to highlight achievements through client recommendations and case studies that can show how the company is able to resolve logistical problems.
- Redx only organizes their seminars in Dhaka but they never arrange any seminars outside Dhaka. As per my opinion, they should also promote their services outside Dhaka so that they can keep in touch with the customers of other districts in Dhaka. Thus their promotional activities can also become successful.
- Redx should work together with various media outlets or news channels so that those sectors may efficiently advertise their services throughout Bangladesh.



## **2.5 : Financial performance & Accounting Practices:**

### **2.5.1 : Ratio Analysis to evaluate Financial performance:**

Redx is a completely fresh business, thus its financial situation is still in its very early stages. Being a new business, it hasn't yet produced an adequate amount of profit. I've selected some fundamental ratio analysis to examine the company's financial situation and determine how well it is doing.

Redx's financial statements are unfortunately private. As a result, the analysis was entirely based on observation of business transactions and job experience.

Group of Financial Ratios:

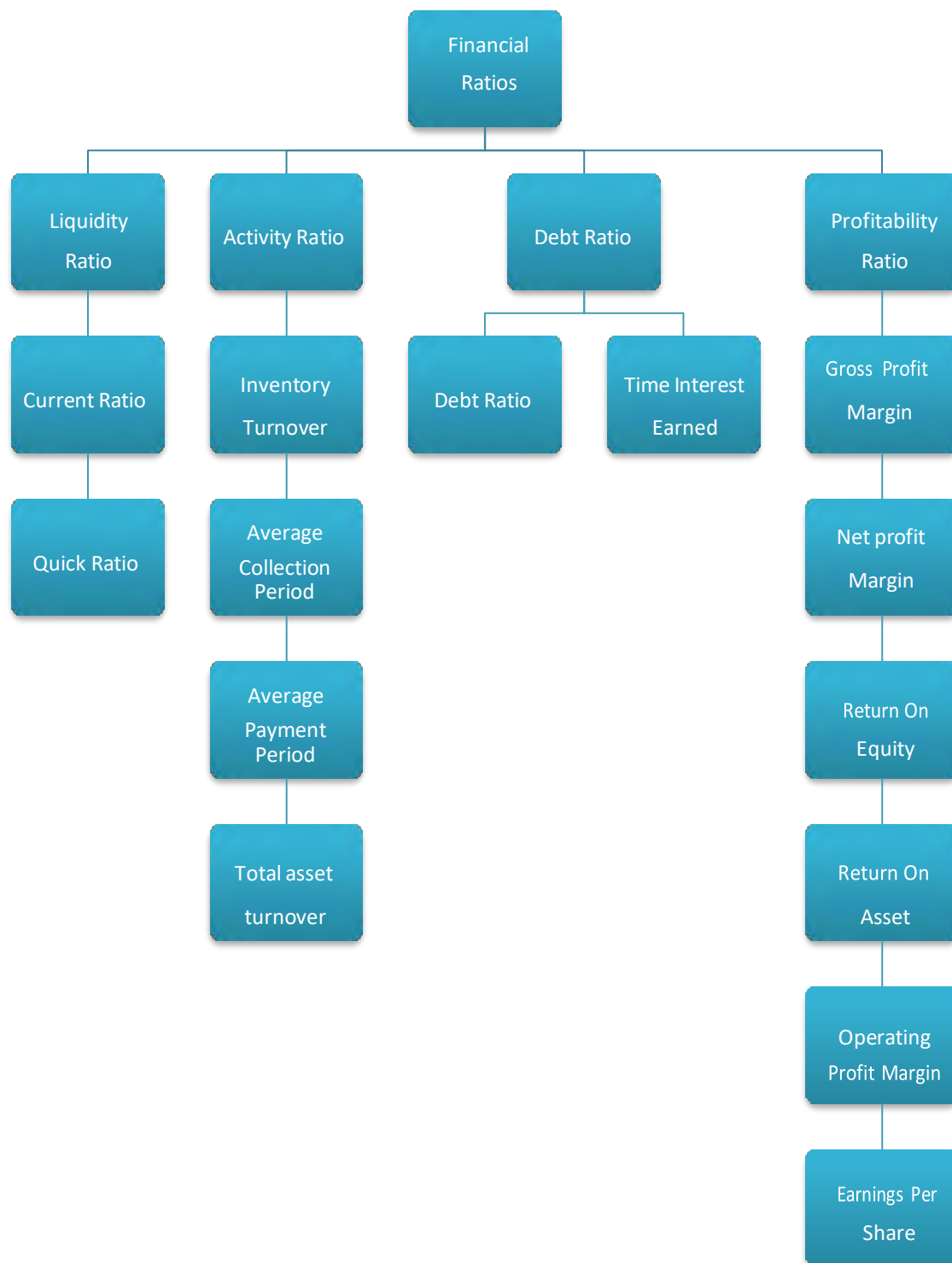
We can segment Financial ratios can into four groups:

- 1. Liquidity Ratio**
- 2. Activity Ratio**
- 3. Debt Ratio &**
- 4. Profitability Ratio**

Liquidity, activity, and debt ratio primarily measure risk and profitability ratio measures return, among them the most important category is liquidity and profitability. These have their own importance because these ratio's provides information that is critical to the short-run operation of the firm.

A company's liquidity is determined by its capacity to pay short-term commitments when they become due. The financial solvency of a company's position is referred to as liquidity. Moreover, The rate at which that accounts are turned into cash or sales is measured by the activity ratio. The activity of the current account, which includes accounts receivable, accounts payable, and inventories, is measured by a limited number of ratios. It is also possible to evaluate how effectively the overall asset is being used. Furthermore, The debt ratio reflects how much money is borrowed from other people and used to make money. A company has more financial leverage the more debt it uses relative to its overall assets.

Additionally, Profitability Ratios are used to evaluate a business's capacity to produce profits over time in relation to its revenue, operating expenses, balance sheet assets, or shareholder's equity. This highlights the efficiency with which a business can make a profit. Higher ratios are preferred, but when compared to the related industry, these ratios deliver considerably more accurate results. Due to the significant impact that owners, creditors, and management have on increasing profits in the marketplace.



**Figure:2.5 Groups of Financial Ratios**

**2.5.1.: Current Ratio:** The company most frequently uses the current ratio to assess its capacity of completing its obligations. The better the liquidity position, the greater the ratio.

Below is how the ratio is expressed:

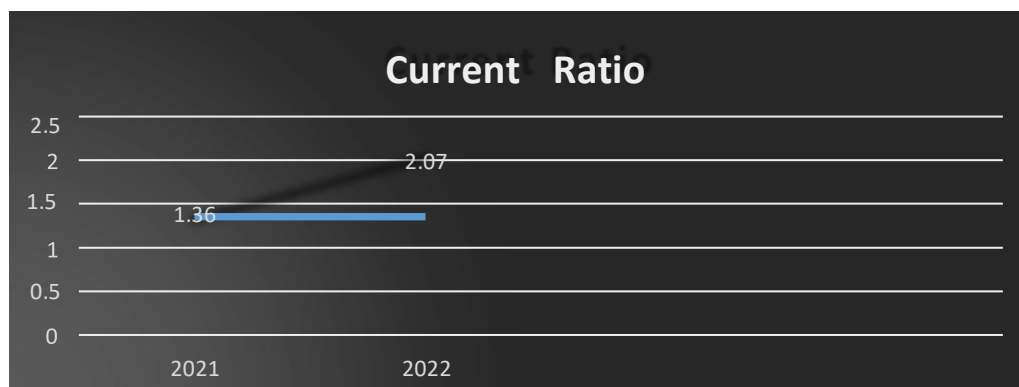
$$\text{Current Ratio} = \text{Current Asset} / \text{Current Liabilities}$$

Year	2021	2022
Current Asset	102,456,223.00	193,793,211.00
Current Liabilities	75,557,213.00	93,475,912.00

**Ratio:**

Year	2021	2022
Current Ratio	1.36	2.07

**Graphical Representation:**



**Figure: 2.5.1: Current Ratio**

**Interpretation:**

We can see from the graph that Redx's current ratio has increased from 2021 to 2022. The ratio is more than 1, which denotes that there aren't enough liquid current assets on available to cover all of the company's liabilities.

**Analysis:** As per my research while working in Redx, their Current Ratio increased because of their acceleration in accounts receivable collection. Here the main key is the accounts receivable management. The key is effective handling of accounts receivable. This company has the

capability of obtaining invoices that are unpaid from customers as soon as possible. To reduce their turnover cycle for accounts receivable, they additionally implement clear credit standards and keep ongoing monitors on past-due accounts. For this reason their current ratio increasing day by day which is good for the company.

### 2.5.2 : Quick Ratio:

By dividing a company's current ratio less its inventory by its current liabilities, the quick ratio can be utilized for evaluating its liquidity capacity.

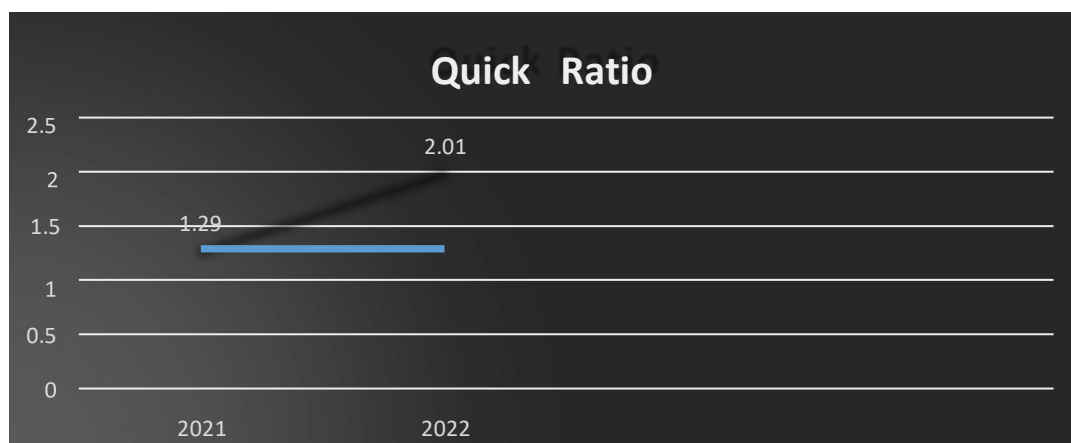
$$\text{Quick Ratio} = (\text{Current Asset} - \text{Inventory}) / \text{Current Liabilities}$$

Year	2021	2022
<b>Current Asset</b>	102,456,223.00	193,793,211.00
<b>Current Liabilities</b>	75,557,213.00	93,475,912.00
<b>Inventory</b>	4,700,000.00	5,574,000.00

**Ratio:**

Year	2021	2022
<b>Quick Ratio</b>	1.29	2.01

**Graphical Representation:**



**Figure: 2.5.2: Quick Ratio**

### Interpretation:

Quick Ratio analysis reveals that the ratio was 1.29 in 2021 and grew to 2.01 in 2022 Which indicates the business can pay off its debts in full.

**Analysis:** According to my research, the business benefits from a higher quickly ratio because it shows that the company can pay its short-term obligations with its assets that are most liquid. Redx has its own asset to cover up all the debt of the company. As Indian investors are involved here, they are concerned enough to mitigate all the debts by their assets. Thats how Redx is doing better.

### 2.5.3. Total Asset Turnover:

Total Asset Turnover illustrates how well a business can utilize its assets to create revenue.

$$\text{Total Asset Turnover} = \text{Sales} / \text{Total Assets}$$

Year	2021	2022
Total Asset	102,456,223.00	193,793,211.00
Sales	18,920,000.00	48,970,000.00

Ratio:

Year	2021	2022
Total Asset Turnover	18.46%	25.26%

### Graphical Representation:

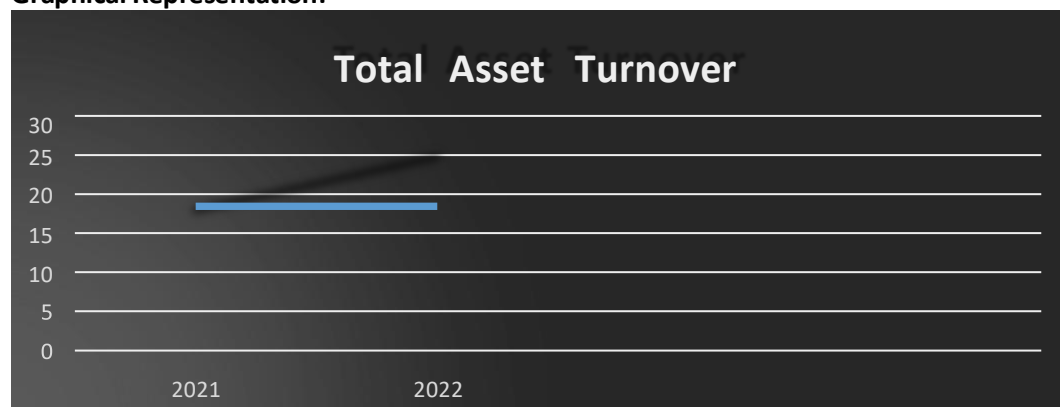


Figure: 2.5.3: Total Asset Turnover

**Interpretation:**

Here in 2021 the asset turnover ratio is more than 18% which is not so good but it can be said that the percentage or the ratio has been increased in 2022 so the company can be hopeful that in future it will do better

**Analysis:** Redx has a separate investment, that Indian investors provided, according to my investigation. This indicates that the business is getting additional worth out of its resources, making it attractive to investors and partners. Moreover, they have achieved more customer satisfaction by providing quick delivery with minimum cost which accelerates their total asset turnover in 2022.

**2.5.4 : Debt Ratio:**

The Debt Ratio evaluates how the firm's investors have prepared the company's assets.

$$\text{Debt Ratio} = \text{Total Liabilities} / \text{Total Assets}$$

Year	2021	2022
Total Assets	102,456,223.00	193,793,211.00
Total Liabilities	75,557,213.00	93,475,912.00

Ratio:

Year	2021	2022
Debt Ratio	73.74%	48.23%

**Graphical Representation:**



**Figure: 2.5.4: Debt Ratio**

**Interpretation:**

By 2022, the debt ratio has been reduced. The ratio was above 73% in 2021, although it gradually fell in 2022. This shows that Redx uses less debt than in the past.

**Analysis:** The research I conducted suggests that Redx undertake ongoing financial analysis to keep an eye on the total amount of debt the company owes and its general financial condition. Additionally, they evaluate the debt ratio in accordance with standard practices using financial statistics and benchmarks. That’s what they did in 2021 to 2022 so that they can keep themselves in less debt situation.

**2.5.5 : Net Profit margin:**

The percentage of each revenue after a company has paid for its supplies is determined by the net profit margin.

$$\text{Net profit Margin} = \text{Net Profit} / \text{Sales}$$

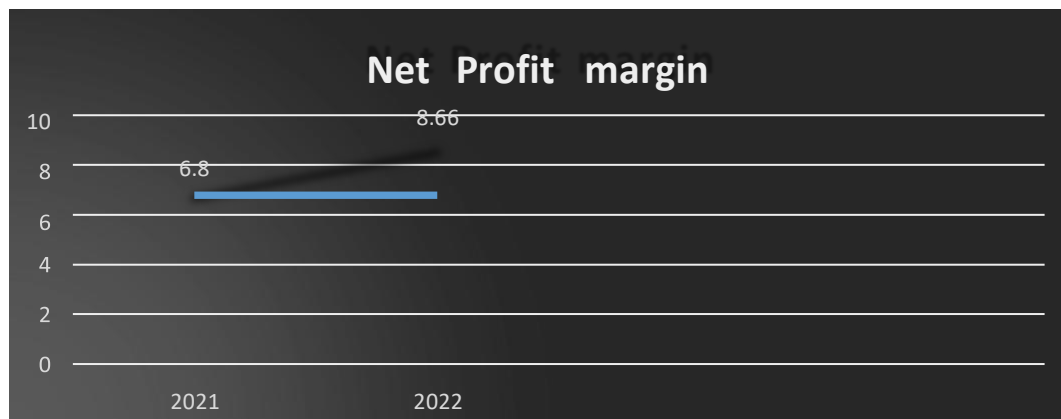
Year	2021	2022
Sales	18,920,000.00	48,970,000.00
Net Profit	1,287,560.00	4,242,730.00

**Ratio:**



Year	2021	2022
Net Profit Margin	6.80%	8.66%

### Graphical Representation:



**Figure: 2.5.5: Net Profit Margin**

### Interpretation:

We can observe that the profit has increased in 2022 through analyzing net profit margin. Even if the difference is barely minor, they are doing well for a developing business. In order to raise their net profit margin, companies need therefore follow the same process.

**Analysis:** As per my research, I got to know that the company has expanded its business in different sectors. Moreover, after lockdown period the company had a great profit margin because the customers at that time took service from Redx for parcel delivery very frequently. Thus their business got popularity from lockdown period. They have maintained their service quality in such a way that their net profit margin is still high.

### 2.5.6 : Return on Asset:

The return on assets (ROA) of the company is tracked. It evaluates a company's capacity to produce an asset and create a profit.

$$\text{Return on Asset} = \text{Net Profit After Tax} / \text{Total Asset}$$

Year	2021	2022
Total Asset	102,456,223.00	193,793,211.00
Net Profit After Tax	1,287,560.00	4,242,730.00

Ratio:

Year	2021	2022
Return on Asset	1.25%	2.18%

Graphical Representation:

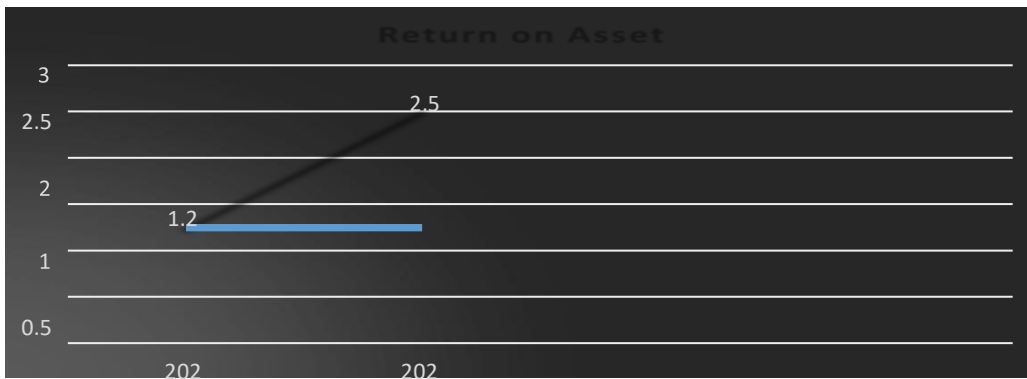


Figure: 2.5 .6: Return on Asset

**Interpretation:**

The graph highlights how successfully the corporation uses its assets to produce profits. In 2022, the percentage climbed and is now higher than 2%. A corporation needs to constantly uphold the ratio because a ratio that is more stable indicates a lower risk for the company.

**Analysis:** My analysis shows that Redx used the assets they had very wisely in 2021, which allowed them to do better in 2022. Redx makes sure that all of their key logistical components, including their delivery employees, warehouse, and vehicles, are effective enough to deliver the service. They earned the highest return on asset in 2022 in this way.

### **2.5.7 : Accounting Practices:**

- Redx Assures that all financial transactions, including invoices, receipts, payments, and expenses are correctly recorded. On top of that, they use accounting systems and software to organize and analyze financial data.
- To give an overall view of the company's financial performance, they annually prepare financial statements which include the income statement, balance sheet, and cash flow statement.
- Redx keeps track of expenses related to multiple operations, including those related to personnel, warehousing, and transportation.
- Particularly in the case of contract logistics services, they appropriately allocate bills to certain projects or companies.
- Based on the conditions of contracts or agreements with clients, they generate revenue. They deal with challenges driven on by multi-year contracts, adaptable price, and additional offerings.
- To make plans for expenses, investments, and revenue projections, they develop budgets and forecasts.
- They compare actual performance to the budgeted amounts and revise methods as required.

**Analysis:** My research shows that Redx is gradually adapting the technological advances which is good for the company to show the proper completion of accounting tasks. Moreover, their forecasting techniques are good enough to predict the fluctuating condition of the market. By doing so they can get a clear idea about their financial performance. Furthermore, they also compare their financial performance with the existing competitors in the market. That's how they design their practices so that they can sustain longer.

### **2.5.8 : The method of Accounting:**

Redx utilizes an essential accounting approach known as accrual basis accounting to record financial transactions as they take place, regardless of when money is exchanged. By matching revenues and expenses in the time in which they are incurred, this strategy gives a more accurate representation of the financial performance of a business and liabilities. Here, even though payment has not yet been received, revenue is recognized as soon as services are provided or goods are handed over. For instance, when Redx ships a client's products, the shipping service's income is tracked when the goods are delivered. That's how Redx works and keep track of their service.

### **2.5.9 : Summary & Conclusion:**

Ratio analysis is an excellent method for reviewing and improving Redx's financial performance. We can acquire insights into multiple aspects of Redx Logistics Limited's financial well-being and productivity by assessing various ratios. Here, the ratio has been evaluated so that we can clearly understand Redx's financial performance. We are therefore able to say that the business has been doing well for the past two years. They have the expertise to perform as the industry standard. This comparison could show areas where the business falls below or excels itself, allowing for focused improvements to competitive positioning. Moreover, appropriate methods of accounting are applied here to manage financial resources, mitigate risks, improve Redx's overall financial health. Redx can boost its long-term viability, profitability, and sustainability by keeping accurate records, implementing industry best practices, and using financial information correctly.

### **2.5.10 : Recommendation:**

- Redx should analyze trends very frequently so that they can have a clear view about the market condition & thus they can improve their practices to perform well financially.
- Sometimes, ratios might not be enough to view the overall financial condition of the company. So for this reason they should also put emphasis on qualitative aspects such as the condition of the fluctuating market & Industry interaction.

- For an evaluation of performance relative to others, Redx should evaluate their ratios in comparison to those of other companies. This may show off both the positive and negative aspects of the business.
- In order to enhance the oversight of cash, accounts receivable, and accounts payable on time, they need to adapt additional working capital management techniques.

## **2.6 : Operations management & Information System Practices:**

- Redx accelerates warehouse procedures and design to enable efficient order fulfillment and shipment. To decrease handling time, they use effective storage approaches and automation technology. For example, Redx has its own software called App smith that it uses to make accurate bills. To improve the accuracy of their service, they use this program.
- Redx focuses transportation management as well. To cut down on transit times and cost of transportation, they plan and improve transportation routes. They use transportation management systems to choose transporters, planning routes, and follow their advancement.
- To ensure quick and accurate pickups, they cooperate closely with suppliers. Additionally, they form agreements with reliable suppliers that boost supply chain integrity.
- In order to evaluate and keep up with operational performance, they put a lot of concentration on key performance indicators (KPIs). For the purpose of improving the quality of the service, they also frequently examine details like order accuracy, on-time delivery, and turnover of inventories.
- They are working in developing mobile apps so that users may access information and complete out duties while on the road, including employees, drivers, and customers. When a mobile app goes live, it will boost staff employees' ability to connect and be proactive.
- Redx's parcel distribution system is stored in private warehouses. So they keep maintain Warehouse management systems. They can more efficiently control inventory and handle order picking, packing, and delivery because of to this technology. They are able to enhance accuracy and minimize errors by adopting this technique.

**Analysis:** As Redx uses the program named App smith they can ensure the appropriate invoice to the customers which is really helpful for the company. According to my observations, Redx's

routing and planning operations are quite good. Redx employs the best resources possible for their shipments. They take into consideration factors including distance, delivery window, traffic, and the capacity of trucks while doing so. They are able to maintain an excellent transportation management system in this way, which is excellent for the business. Additionally, they are succeeding well as a result of their dedication to their business. They are committed to their work and uphold the terms of the contract in a way that prevents their clients from ever feeling let down. That is just another wonderful reason for their success. Additionally, they are developing their mobile apps, which is another factor contributing to their outstanding achievements in offering the services.

### **2.6.1 : Summary & Conclusion:**

The implementation of information systems and operations management are vital to Redx Logistics Limited's success. These areas help in improving logistics procedures, increasing effectiveness, and provide the data and technological framework required for effective decision-making. Redx is putting more effort into improving its information system so that they can create a really interesting business strategy. This may enhance their areas of operations.

### **2.6.2. Recommendation:**

- Redx needs to broaden its operational range a little bit in order to generate additional ideas that will be beneficial to the company's growth.
- Redx should establish more warehouses in the other districts of Bangladesh so that they can maintain a good route & ontime delivery with proper shipment methods.
- Redx should give cybersecurity emphasis in order to maintain sensitive logistics data. They should therefore improve security measures on a regular basis. They should also do assessment of vulnerabilities and instruct employees the most effective security processes.
- Redx should explore automation solutions in distribution centers & warehouses. Automated picking and packaging systems can boost performance and cut labor expenses for Redx.

- Redx should provide more training on artificial intelligence to keep pace with this competitive market.

## **2.7. Industry and Competitive Analysis:**

### **2.7.1 : Porters Five Forces Analysis:**

An industry's competitive environment can be evaluated by employing Porter's Five Forces as a framework. It analyses five important factors that together determine an industry's competitiveness and allure. Here is the explanation of the analysis:

#### **1. Threat of new entrants:**

There is a moderate to high risk of new Redx entrants. Actually, it depends on the specific logistics industry sector. It may change occasionally. However, the rivals of Redx can encounter obstacles when trying to enter the market given the significant financial investment in cars, technology, warehouses, and a powerful network. However, the threat of new entrants increasing as a result of technological advancements and digital platforms that can lower these barriers.

#### **2. Bargaining Power of Suppliers:**

In the logistics sector, suppliers' negotiating power is average. It is not particularly high. because it involves labor, fuel suppliers, technology providers, and vehicle makers. In the market, numerous vendors are present. Due to variables including the availability of substitutes and the significance of supplier relationships for effective operations, their negotiating strength is therefore moderate.

#### **3. Bargaining power of buyers:**

The purchasers' power of negotiation is strong here. Redx is necessary for shipping and transportation services, which can have relatively strong negotiating power because there are many logistics suppliers provided. Clients have the ability to compare services and pricing, which puts pressure on Redx to offer affordable prices and value-added services.

#### **4. Threat of substitute services:**

Here the threat of substitute service is moderate. Redx provides services at a reasonable price & their reputation is quite good among their clients. At this stage they are sustainable enough to grow more. So the substitute can enter into the logistics industry but the threat is not high. It is moderate.

### **5.Intensity of Competitive Rivalry:**

Thus, there is a lot of rivalry in this place. The logistics sector is extremely competitive, with several competitors providing similar goods and services. Redx's rivals battle against one another in terms of pricing, service quality, delivery time, and technological innovations. Pricing pressures and a need for ongoing innovation may result from this fierce competition. For example: The rivalry companies of Redx can be Paperfly, E courier, Navana Logistics etc. They are doing good in this sector as well.

### **Analysis:**

As the threat of new entrants is increasing, Redx is trying its level best to cope up with this challenging situation. As per my analysis, the competitors are growing in numbers & for this reason Redx always try to keep themselves a bit different by providing some extra facilities such as customized packaging, free home delivery services on occasions & also gifts coupons to the regular customers. That's how Redx fight with the new entrants in the market. Moreover, Redx has their own suppliers from where they purchase their selective items & for this reason they can easily handle the moderate power of suppliers. Furthermore, Redx has its many competitors such as Paperfly, ecourier etc who are the another option for the customers. But Redx tries its level bestin proving their services in a very unique way which attracts the customers so that the customers pick Redx for their business. Additionally, the threat of substitute is moderate & it is very easy forRedx to handle this because nowadays people are much more dedicated towards online shopping & for this reason they have to choose a logistics company for home delivery. So Redx can be theirfirst choice here. In addition with that, the intensity of rivalry is very high but still Redx is doing great in their business.

### **2.7.2. SWOT Analysis:**



**Strength:** The core strength of Redx is its vast network of distribution, warehousing, and transportation services. Actually, it allows this organization to provide the most effective and reliable logistical services. Additionally, Redx makes use of modern technological advances to implement time tracking, route optimization, and supply chain visibility, all of which increase effectiveness in operation. Moreover The organization hires skilled logistics experts who understand the unique characteristics of the sector and can provide individual solutions.

**Weakness:** Redx is regulated by a number of laws and regulations. This can lead to administrative challenges and possible consequences. Redx is also focused in a few areas, which may hinder its capacity to offer a greater number of customers. That is the weakness of the company.

**Opportunity:** Red is exploring global markets and partnering with Indian investors. Because of this, Redx logistics providers can boost the company's market penetration. Additionally, they can significantly increase their cultural activities, which is advantageous for the business. Also available are opportunities to offer last-mile delivery services and specialist e-commerce logistics solutions because to the growing e-commerce sector.

**Threat:** There is ferocious rivalry today. The biggest challenge to Redx Logistics is the infusion of new entrepreneurs that are entering and taking the chance to compete. Additionally, economic downturns are noticeable. As companies cut back on supply chain expenses, this could result in a drop in demand for logistics services, which would be disastrous for Redx. In addition with that , The rapid advances in automation, AI, and block chain may also be threatening to well-established logistics models.

**Analysis:** According to my research, the strength of Redx is quite unbeatable. They are working more to expand their warehouses in Dhaka which is a good thing for them to expand their business. Moreover, They keep their experts up to date so that they can face any challenges occur. Moreover, The weakness of Redx is also visible here. As they maintain a proper guideline they cannot go beyond their regulations & sometimes for this reason they miss few clients. For this reason they always try to maintain their existing customers with them for the longer period of time. Furthermore, Redx is working hard to grab every opportunity possible to be competitive in the market. For example: they are expanding their logistics support in India which is the another

opportunity for the company to beat the competitors in the market. Along with that, I also analyzed that the threat of Redx is also growing. For this reason they are moving ahead to develop themselves more to sustain in the long run.

## **2.8. Summary & Conclusion:**

Effective management strategies are vital for Redx's long-term sustainability because they assure efficient operations, happy clients, and expansion altogether. The company's approach for following all the norms and regulations is fairly efficient. They consistently uphold a transparent and thorough strategic plan that focuses on the business's mission, vision, goals, and growth plans. Their operations are set up so that their logistical operations are able to accomplish the company's overall corporate goals. Additionally, they need to use effective marketing strategies to draw in customers, develop their visibility, and stand out in an overwhelmed marketplace. They are able to stay competitive with their rivals because they created their own identity in the market. Additionally, they are performing well financially, which is wonderful for them.

## **2.9. recommendations:**

Redx should spend more in educational and professional development programs for employees to further develop their abilities in fields like information technology, communication with clients, and operational leadership so that their employees can become more active in the workplace. In order to get top talent to the company and keep it there, they must additionally place more of an emphasis on creating an atmosphere that makes employees happy. Additionally, they can make more plan of marketing initiatives so that they can elaborately advertise their operations. They can also attend business fairs to support entrepreneurs. This could inspire new business owners

and serve as a beneficial introduction for Redx to other business sectors that could expand the population it serves.

## Chapter 3

### 3.1. Introduction:

For Redx Logistics Limited, receivables are an essential component of revenue generation. This allow companies to extend credit terms, attract in more potential customers, grow revenues, and promote customer loyalty. The overall revenue growth and financial success of Redx is determined by effective accounts receivable management. Redx Logistics Limited's billing approach, which entails numerous processes to guarantee correct and timely billing for the services offered to consumers, is an important part of more cash flow. The company and the client prefer to have a service agreement or contract in place before entering the market. The rules and regulations of the services, the cost, the payment time frame, and other important information are described in this agreement. Following the delivery of the services, an invoice is created based on the data recording generated by manual records, shipment tracking systems, transportation management software, and warehouse management systems. Redx collects the money after getting the client's confirmation. Redx improved its position in the market through strong accounts receivable management. As a consequence, the business can serve a broader range of clients including those who have various payment preferences. The performance and growth of the company's earnings is driven by this recognized revenue.

#### 3.1.1. Literature Review:

In Bangladesh, the freight and logistics sector was established between 1991 and 1992. Along with the ongoing increase in imports and exports, it has been thriving for years. Bangladesh is regarded as one of the world's top emerging markets for logistics and ranked 38th on the Agility Emerging Markets Logistics Index 2021 (AEMLI) of Kuwait-based Agility Global Integrated Logistics. There are around 1,000 local and 20 foreign logistics and freight forwarding companies active in Bangladesh's freight and logistics market. Most often utilized logistics services among them include Sundarban courier, Continental, Paperfly, e-courier RedX, Pathao Courier, Delivery Tiger, DHL, Biddyut, E-desh, and E-logistics, among others. They are actively battling with one another in the market (Mondor Intelligence, 2023). Logistics is one of the industries in Bangladesh that is

developing quickly. Because of its rapid expansion, the e-commerce sector now has more alternatives. Over the past few years, a variety of logistics companies have raised significant amounts of money, that has strengthened their position. Nearly 70% of the 3.5 lakh-plus trucks and covered vans that transport goods between Dhaka, its surrounding districts, and Chittagong port carry textiles and clothing items, with the other vehicles moving goods for different sectors(The Daily Star,2020).

### **3.12. Objectives:**

The primary objective of this report is to undertake an analysis on accounts receivable to enhance revenue growth. Moreover, this report aims at the analysis of accounts receivable that will assist the company in making financial reports. Furthermore, this report is designed in such a way that we can get to know the effectiveness of accounts receivable management of the company to attain their desired goals. Additionally, invoicing procedures are highlighted here so that we can get to know the overall process of receiving collection. In addition with that, following up with consumers to ensure on-time payments is another goal of this invoicing procedure. On the other hand, This report also highlights all the issues with past-due payments and collections so that we can evaluate the challenges that the company faces while they collect the receivables. We can spot trends, modifications, or degeneration in the company's financial performance, which is crucial for making profit by monitoring performance over time. Along with that the another goal of this study is to demonstrate how is the ability of this company to generate revenue and properly manage its financial resources so that they can sustain in the longer period of time in this competitive market. Moreover, this study also showcase how a proper accounts receivable management can enhance sales & maintain the appropriate customer base. So, It is fundamental to stay updated with the modern era because accounts receivable is a vital component of generating revenue and overall business success in the logistics industry.

### **3.13. Significance:**

Since it's important for Redx Logistics Limited to receive money, the billing process is fundamental. Invoicing appropriately as well as on time ensures sure that the business is paid for the services supplied to its clients, which supports the viability and growth of its revenues. Additionally, effective cash flow management of Redx is rendered feasible by efficient billing approaches. Redx has a simple billing mechanism that enhances overall operational effectiveness. Redx uses the App smith automated invoicing system, which minimizes manual labor, mistakes, and processing delay and guarantees client satisfaction. By using technology, Redx has improved their services in such a way that their procedures of receivable collection has become easier which is good for the company.

### **3.2. Methodology:**

Here different tools has been used for describing the reports. These tools are used in such a way that the proper explanation can be focused. First of all, cash conversion cycle is used here for better understanding of cash flow in the company. The cash conversion cycle, that offers a complete view of financial resources, aids to recognize ineffectiveness, guides strategic decisions, and promotes cash flow management, is a useful methodology tool for evaluating accounts receivables. Utilizing this technology, we can understand and develop accounts receivable processes which is important to improve the overall financial performance of Redx Logistics Limited. Moreover, another valuable tool named accounts receivable turnover is used here so that we can evaluate the conditionofaccounts receivable ofRedx. Byusing these tools the analysis has been done.

### **3.3. Findings & Analysis:**

#### **3.3.1. Cash Conversion Cycle:**

The cash conversion cycle evaluates how long it takes to recover the money spent on holdings and other operating expenses in order to ensure proper cash flow. Here Average age of inventory, Average collection period & average payment period are the essential elements of creating a cash conversion policy. Redx uses its own software called app smith to create invoices, which are then sent out right away once services are provided or commodities are sent, in order to maintain a

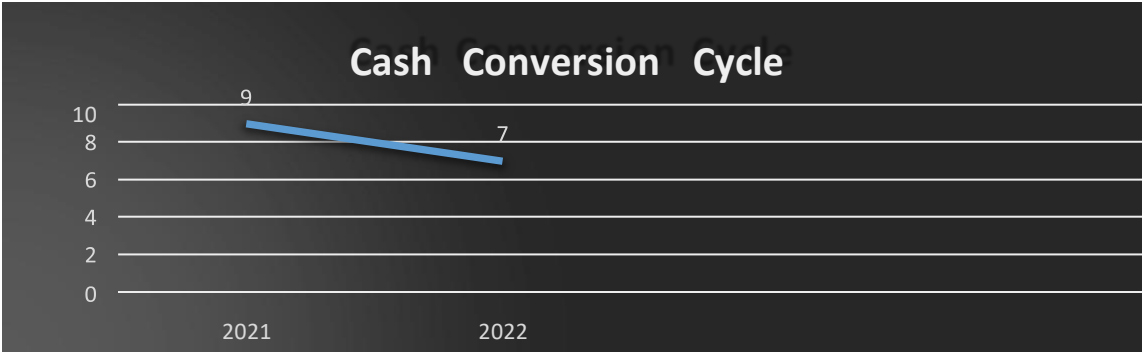
successful cash conversion program. So they can prevent conflicts and payment delays through ensuring precise and thorough invoicing.

**Cash Conversion Cycle= Average Age of Inventory+ Average Collection Period-Average Payment Period**

<b>Year</b>	<b>2021</b>	<b>2022</b>
<b>AAI</b>	<b>59</b>	<b>62</b>
<b>ACP</b>	<b>42</b>	<b>40</b>
<b>APP</b>	<b>92</b>	<b>95</b>

<b>Year</b>	<b>2021</b>	<b>2022</b>
<b>Cash Conversion Cycle</b>	<b>9 Days</b>	<b>7 Days</b>

Graphical Representation:



**Figure: 3.3.1. Cash Conversion Cycle**

### **Interpretation:**

As a result, we may infer from this cash conversion cycle that the time period has been shortened from 9 days to 7 days which is a positive indication that Redx can perform better. Additionally, they have established specific terms and conditions for credit with clients. Also they keep an eye on the age of their accounts receivable and right away follow up on late payments. On top of that, they provide a variety of payment methods to make it simple for clients to pay.

**Analysis:** According to my analysis, I got to know that Redx is doing good in cash conversion circle over the time. Redx has improved their trends & they have changed their many strategies to keep pace with the competitive market. For example: at the early stages of 2020 Redx did not have their own technology for quick collection. When they introduced their own technology named App smith, they made their collection process easier & quicker with proper accuracy. For this reason now they can handle payment delays & inconveniences easily. Thus their collection period has been shortened which is good for the company.

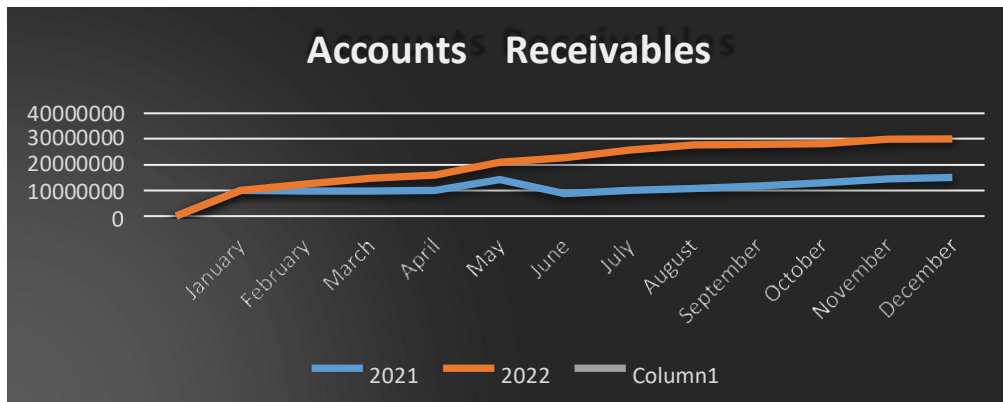
### **3.3.2. Collection Analysis:**

As Redx consistently offers products or services on credit, it is significant to highlight that collecting accounts receivable for Redx is a continuous process. The accounts receivable balance is constantly changing as invoices are paid or new invoices are generated. Redx applies software that may monitor and modify the balances automatically as payments are received and invoices are processed in order to handle accounts receivable successfully.

<b>Months</b>	<b>Accounts Receivable 2021</b>	<b>Accounts Receivable 2022</b>
<b>January</b>	<b>10,023,677</b>	<b>10,043,500</b>
<b>February</b>	<b>9,700,000</b>	<b>12,364,577</b>
<b>March</b>	<b>9,800,340</b>	<b>14,779,000</b>
<b>April</b>	<b>9,934,544</b>	<b>16,006,688</b>
<b>May</b>	<b>14,311,100</b>	<b>20,889,300</b>

<b>June</b>	<b>8,700,430</b>	<b>22,775,400</b>
<b>July</b>	<b>9,900,500</b>	<b>25,679,000</b>
<b>August</b>	<b>10,780,408</b>	<b>27,564,499</b>
<b>September</b>	<b>11,670,986</b>	<b>27,894,500</b>
<b>October</b>	<b>12,989,980</b>	<b>28,087,909</b>
<b>November</b>	<b>14,453,000</b>	<b>29,800,000</b>
<b>December</b>	<b>15,007,890</b>	<b>30,006,780</b>

**Graphical Representation:**



**Figure: 3.3.2: Accounts Receivable**

**Interpretation:**

In this case, the term "accounts receivable" refers to the sum of money that Redx is owing by its clients for goods or services delivered on credit. It is a vital component of a company's working capital and balance sheet, offering information on the firm's liquidity, financial stability, and credit management methods. Here, the continuing increase in accounts receivable shows that the corporation is significantly increasing its cash flow.

**Analysis:** From my analysis, I observed that the accounts receivable of Redx is increasing day by day. Here their performance is good in compared to their past performance. Here I analyzed that Redx has a long term agreement with their loyal customers. For this reason they can collect their receivables from their clients as per the terms & condition of the agreement. These agreements always allow for regular service charges. As a consequence, their collection is expanding.



Moreover, I observed that they are trying to expand their business & for this reason they are dealing with more customers. Here more customer means more shipment & this more shipment brings more receivable. So, they are handling their accounts receivable in this manner.

### 333. Accounts Receivable Turnover:

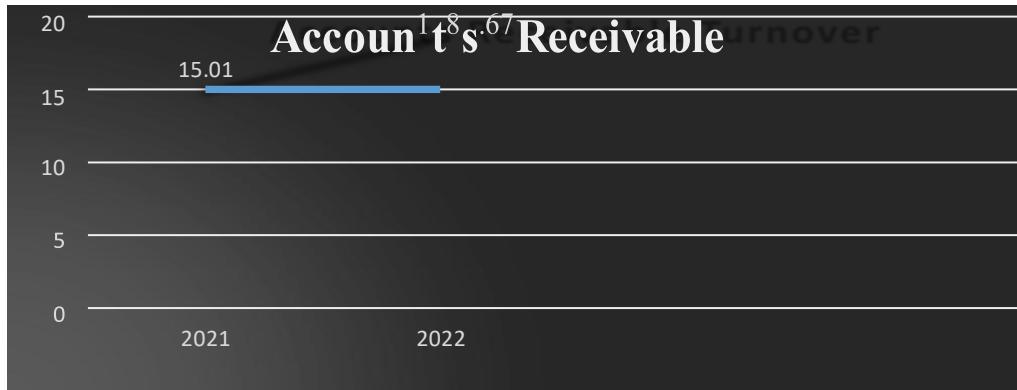
Accounts receivable turnover is a financial ratio that assesses a company's performance at handling its credit and receiving payments from its clients. It illustrates how many times, on average, a company's accounts receivable past-due customer invoices are collected and turned into cash over the course of a specific period of time, typically a year. On average, a greater turnover ratio denotes more effective credit management and collection strategies.

**Accounts Receivable Turnover = Net credit sales / Average Accounts Receivables**

<b>Year</b>	<b>2021</b>	<b>2022</b>
<b>Net Credit Sales</b>	<b>18,920,000.00</b>	<b>48,970,000.00</b>
<b>Average Accounts Receivables</b>	<b>1,260,000.00</b>	<b>2,622,531</b>

<b>Year</b>	<b>2021</b>	<b>2022</b>
<b>Accounts Receivable Turnover</b>	<b>15.01</b>	<b>18.67</b>

**Graphical Representation:**



**Figure 3.3.3: Accounts Receivable Turnover**

**Interpretation:**

This information gives light on how quickly a business collects unpaid bills from clients. Redx's accounts receivable turnover was greater in 2022, which typically shows that the business is effective at turning its credit sales into cash. It provides a boost for liquidity and cash flow.

**Analysis:** From my analysis I got to know that Redx always tries to increase accounts receivable turnover so that they can improve their cash flow system. For example: Redx classifies its clients in order to achieve their goal based on past payment history and risk assessment. They modify terms of credit and collection of each strategy. Redx provides more favorable conditions to those customers who represent low risk. Furthermore, they quickly and successfully handle billing conflicts in order to prevent payment delays. The outstanding communication and quick response of Redx stop accounts receivable from ageing. That's how accounts receivable turnover of Redx is increasing.

**3.3.4: Credit Policy & Terms:**

Redx offers various clients with various loan terms and conditions. They are not supporters of any discounts. They enter into an agreement and set a deadline for the client's payment. The credit limit

is set based on the agreement, and the invoice is created to meet that need. It can change. Here are some major clients of Redx who follow different time period of payments.

<b>Clients</b>	<b>Credit Period</b>
Mondelez Bangladesh Private Limited	60 Days
AB Group	7 days
Gazi Group	30 Days
Square Textiles Limited	15 Days
Reedisha Spinning Mills	7 Days
Nannu Spinning Mills	7 Days
Mehmud Industries Private Limited	7 Days
Steeltech Industries Limited	15 Days
Nippon Paint Bangladesh Private Limited	7 Days
Hatil Complex Limited	7 Days

**Figure: 3.3.4: Credit period of different clients**



INVOICE

<p>Registered Company: REDX Logistics Limited</p> <p>Registered Address: Level-4, SKS Tower, 7 VIP Road, Mirshakali, Gulshan PS; Dhaka-1212; Bangladesh</p> <p>BIN: 003255741-0101   redx.com.bd</p>	
<p><b>Shop Name</b>: Mondelez Bangladesh Private Limited (Tongi WH)</p> <p><b>Address</b>: 319, Crystal palace, 3rd Floor, H-SE (D) 22, R-140</p> <p><b>Attn:</b> Zahair Al-Azad</p>	<p><b>Invoice Number</b>: MBSP-JUN-23-3713</p> <p><b>Issue date and Time</b>: 04-Jul-23</p> <p><b>Due Date</b>: 02-Sep-23</p> <p><b>Invoice Period</b>: Jun-23</p> <p><b>Shop Id</b>: 883671</p>

Description	Unit of Supply	QTY	Unit Value	Total Value	SD%	SD Amnt.	VAT%	VAT Amnt.	Total Amount (Incl SD and VAT) (BDT)
<p><b>Successful Delivery (Annexure A)</b></p> <p>Transport Service</p> <p>Purchase Order: 4582097771</p> <p>Tongi WH</p>	NOS.	2	15122	31,835.78			10	3,183.58	35,019.36
				<b>Total Amount (BDT)</b>					35,019.36

Figure 3.3.4(1): 60 Days Credit Policy

**Interpretation:**

Therefore, it is clear from the table that different clients have different credit terms. They make their required payment within that period of time in accordance with their terms. This invoice from Mondelez Bangladesh Private Limited, which indicates that their credit term is 60 days, is shown to us in figure 3.3.4. This means that they must pay Redx the balance that remains within 60 days after preparing the invoice. In other words, Redx will get the money in 60 days.

**Analysis:** While working in Redx, I observed that they focus more on customer screening. Based on the past history & financial condition of the clients, they make different agreement of payment. Redx discusses with their clients & then make the agreement which is good for both the companies. That's how they maintain their credit policy. As they do not go for any discounts they always try to maintain the credit policy in such a way that their clients can pay them on time. In this highly competitive environment, Redx offers an organized framework for credit decisions and collection initiatives that is effective.

**3.3.5. Bad Debt:**

Redx forecasts the proportion of accounts receivable that is unlikely to be gathered owing to client defaults, financial problems, or other reasons when calculating bad debt for a logistics company. For the financial condition of the business to be properly expressed bad debt is an expenditure that must be accounted for.

**Estimated Bad Debt = Total Accounts Receivable\* Bad Debt Percentage**

Year	Total Accounts Receivable	Bad Debt Percentage	Estimated Bad Debt
2021	137,272,855	3%	4118185
2022	265,891,153	2%	5317823

**Figure: 3.3.5: Estimated Bad Debt**

**Interpretation:**

The estimated bad debt condition for Redx, which is not very good, is shown in the above table. Here, the higher amount of bad debt indicates the business is giving credit to clients who are less likely to keep their share of the transaction.

**Analysis:** As per my observation, I found out that customers receive notice in every detail of Redx's credit terms and conditions, especially payment due dates, late charges, and any appropriate interest rates. They make sure that clients are conscious of and keep their financial responsibilities. In the company, bad debt is typically managed in this way.

### **3.4. Summary & Conclusion:**

Accounts receivable are a very important part in generating revenue for a company. The whole process of increasing revenue through accounts receivable is an essential part Redx Logistics Limited. Since billing mistakes can cause conflicts and strained relationships with clients, Redx's clearly defined billing procedure decreases the possibility of inaccuracies and offers pricing transparency, increasing trust among clients. That's how they have maintained a loyal customers. Redx maintains accurate documentation all through the invoicing procedures to make financial reporting and auditing faster. Redx offers comprehensive billing information as well as detailed statistics on client behavior and revenue sources. This data is useful for developing strategic tactics, revenue forecasts, and identifying potential profitable areas. Here, Redx can track Ratios in regard to the achievement of their business goals. Redx may make sure that the billing process supports revenue generation and overall organizational goals by connecting the receivable collection with business objectives. Accurate collection analysis also helps to improve cash flow estimations. Estimating predicted cash inflow time and volume helps more precise financial planning and budgeting. Moreover, Collection data provides light on how customers pay their bills. Effective decisions about supplying terms, costs, and services available might be determined by this. That's how Redx maintains the collection of receivables that assist in making profit.

### **3.5. Recommendation:**

- Redx should collect its accounts receivable from the market and should state the due date of payments when entering into a contract with the client.
- Giving customers a variety of payment alternatives is another way that Redx may enhance its business.

- If Redx wants to improve their performance they must put emphasis more on the software based process rather than the manual system.
- Effective credit policies and collection operations are necessary for managing accounts receivable. Redx needs to strike a balance between offering credit to clients to improve sales and reducing the chance of late payments. Redx needs to pay more attention to timely collection. To assure higher cash flow, these actions are required.
- Customers may be unable to pay their charges for a variety of issues. Redx should therefore set reserve a part of its accounts receivable as a provision for bad debts or an allowance for uncertain accounts. This can assist the business plan for the potential that it won't get the entire amount owing.
- Redx needs to concentrate on routine reconciliation. Regularly comparing client payments to accounts receivable records makes it simple to spot contradictions and take action immediately.
- To track developments, they ought to periodically verify accounts receivable turnover amounts and other important financial data.

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## Appendix:

### 1. Current Ratio

Year	2021	2022
Current Asset	102,456,223.00	193,793,211.00
Current Liabilities	75,557,213.00	93,475,912.00

Ratio:

Year	2021	2022
Current Ratio	1.36	2.07

### 2. Quick Ratio:

Year	2021	2022
Current Asset	102,456,223.00	193,793,211.00
Current Liabilities	75,557,213.00	93,475,912.00
Inventory	4,700,000.00	5,574,000.00

Ratio:

Year	2021	2022
Quick Ratio	1.29	2.01

### 3. Total Asset Turnover:

Year	2021	2022
Total Asset	102,456,223.00	193,793,211.00
Sales	18,920,000.00	48,970,000.00

Ratio:

Year	2021	2022
Total Asset Turnover	18.46%	25.26%

#### 4. Debt Ratio:

<b>Year</b>	<b>2021</b>	<b>2022</b>
<b>Total Assets</b>	102,456,223.00	193,793,211.00
<b>Total Liabilities</b>	75,557,213.00	93,475,912.00

Ratio:

<b>Year</b>	<b>2021</b>	<b>2022</b>
<b>Debt Ratio</b>	73.74%	48.23%

#### 5. Net Profit Margin Ratio:

<b>Year</b>	<b>2021</b>	<b>2022</b>
<b>Sales</b>	18,920,000.00	48,970,000.00
<b>Net Profit</b>	1,287,560.00	4,242,730.00

Ratio:

<b>Year</b>	<b>2021</b>	<b>2022</b>
<b>Net Profit Margin</b>	6.80%	8.66%

#### 6. Return On Asset:

<b>Year</b>	<b>2021</b>	<b>2022</b>
<b>Total Asset</b>	102,456,223.00	193,793,211.00
<b>Net Profit After Tax</b>	1,287,560.00	4,242,730.00

Ratio:

<b>Year</b>	<b>2021</b>	<b>2022</b>
<b>Return on Asset</b>	1.25%	2.18%