



BRAC University

BUS 400

“Internship Report”



GlaxoSmithKline Bangladesh

Topic: Financial performance analysis of GSK with a comparison to few of the leading pharmaceutical companies of Bangladesh

Submitted To

Fairuz Chowdhury

Lecturer

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Submitted By

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Letter of Transmittal

28th August, 2016

To,
Fairuz Chowdhury
Lecturer
BRAC Business School
BRAC University

Subject: Submission of internship report on “Financial performance analysis of GSK with a comparison to few of the leading pharmaceutical companies of Bangladesh.”

Dear Sir,

This is my great pleasure to submit the internship report of my three months long internship program in the GlaxoSmithKline Bangladesh Limited, under Finance and Accounts Department. The title of the report is “**Financial performance analysis of GSK with a comparison to few of the leading pharmaceutical companies of Bangladesh**”. This report has been prepared to fulfill the requirement of my internship program at my assigned organization, GlaxoSmithKline Bangladesh Limited.

I have put my best effort to make this report a successful one. It has been joyful & enlightening experience for me to work in the organization & prepare this report. However, this has been obviously a great source of learning for me to.

I would like to express my sincere gratitude to you for your kind guidance & suggestions in preparing the report. It would be my immense pleasure if you find this report useful & informative to have an apparent perspective on the issue. I shall be happy to provide any further explanation regarding this report if required & please do not hesitate to call me if you have any query on this report or any other relevant matters.

Thanks and best regards,

Mahin Mutasim Billah

ID: 12104067

Acknowledgement

There is an English proverb “Two heads are better than one” which means no one can obtain a noble objective alone. This internship report is an accumulation of many people’s endeavor. At the very beginning, I would like to convey my sincere appreciation to the almighty Allah for giving me the strength & the ability to finish the task within the planned time. Then, I like to express my sincere gratitude to everyone who contributed towards preparing & making this study successfully.

I would like to express my Sincere & immense gratitude to my internship advisor, Fairuz Chowdhury, Lecturer of BRAC Business School, BRAC University. I am deeply grateful to his whole hearted supervision during the internship period. His valuable suggestions & guideline helped me a lot to prepare the report in a well-organized manner.

I am also indebted to Zinnia Tanzina Huq (Finance Director & Company Secretary) and A.K.M Firoz Alam (Director, Human Resources) for allowing me to do my placement at GlaxoSmithKline Bangladesh Limited. I would also like to thank my supervisor at GlaxoSmithKline Bangladesh Limited Md. Nayeem Ibn Yousuf (Financial Accounting Manager), ATM Abdul Matin Meah (Senior Accounts Officer), Md. Golam Mustafa (Accounts Payable Manager), and Ms. Syeda Mehruna Mahbub (Secretarial Executive) along with others who have been supportive through my internship. Equally, I would also like to thank the authority of BRAC University Bangladesh for their kind cooperation.

Executive Summary

The internship report is made on financial performance comparison among GSK, Square and Beximco. The report includes the process of reviewing and evaluating company's financial statements, because without this the ratio analysis, vertical and horizontal analysis cannot be done. Ratio analysis mainly calculates the statistical relationships between data. The ratio analysis helps an organization to understand performance on the last fiscal year which further helps them to take decisions in future.

I have selected this topic after consulting with my academic supervisor. The beginning part of my report contains the brief introduction of the selected company and the objectives, scope, methodology and limitations of the study.

In the second part, I have covered the detailed background of the company such as the history, global network, mission & strategy, the organizational structure, market position and an overview of its operations.

In the third part, I have shared my internship experience at Finance & Accounts Department of GlaxoSmithKline, Bangladesh Ltd. In this part, I have described my observation and understanding about the organization including my responsibilities and working experiences.

Then starts the main analysis part of my report where I have done vertical, horizontal, comparative and ratio analysis of consecutive five years. Here, I have presented the result and according to the result, I have interpreted the financial condition of Square, Beximco and GSK Bangladesh Ltd.

In the next part, I have discussed some recommendations that will help GSK to strengthen their financial base more.

Lastly, I have come up with a brief conclusion and necessary references.

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CHAPTER – ONE

Introduction

1.1: OBJECTIVE OF THE REPORT

Objective of the study entails the Financial Performance Analysis of GlaxoSmithKline Bangladesh, Square and Beximco to assess their status in the market.

1.2: SCOPE

This report is on “**Financial performance analysis of GSK with a comparison to few of the leading pharmaceutical companies of Bangladesh**”. So, this report mainly represents the ratio analysis, vertical analysis and horizontal analysis and comparative analysis of the three leading pharmaceutical companies to show their performance in the market. Moreover, I also tried to focus on growth rates of each major item in the financial statements. I think anyone can get a good idea about these three companies financial performance, organizations can find their lacking in performance and management can find some ways to improve their present performance.

1.3: METHODOLOGY

Data Collection

In order to complete the study, two types of data have been used-

- Primary Data
- Secondary Data

Primary Data was collected through direct observation and interviews with my supervisor and other officials of GlaxoSmithKline, Bangladesh.

Secondary Data was collected mainly through the annual reports of GSK, Square and Beximco. Moreover, I also studied websites, some published reports and organizational documents.

1.4: LIMITATION

The security concern of GSK about revealing the information was one of the biggest challenges for me. For ensuring confidentiality, GSK authority was unwilling to share some information which was really needed to prepare the report. Their official website also

contains a limited amount of information required for making a report and I mainly covered the information from annual reports and through the primary sources of data.

As the internship was first practical experience for me, so it was possible for me to understand the whole and actual financial performance of GSK. Based on the annual reports' data, I have used my understanding about finance to find out the ratios and interpret the situation. So, the statements, recommendations and conclusions are made according to my knowledge and level of understanding.

In spite of having much difficulties and limitations, I have given my best effort to accomplish the report successfully.

CHAPTER – TWO

Company Overview

GlaxoSmithKline (GSK) is one of the leading British multinational pharmaceutical, biologics, vaccines and consumer healthcare company headquartered in Brentford, London. It is the world's fourth-largest pharmaceutical company after Pfizer, Novartis and Sanofi, measured by 2009 prescription drug sales. The company was established in 2000 by the merger of GlaxoWellcomeplc and SmithKline Beecham plc. GSK has a portfolio of products for major disease areas such as asthma, cancer, virus control, infections, mental health, diabetes and digestive conditions. It also has a large consumer healthcare division that produces oral healthcare and nutritional products, drinks and over-the-counter medicines, including Sensodyne, Boost and Horlicks. GSK has a strong Research and Development which works hard to give best health facilities to the customers and keeps pace with the rapidly changing health care environment very well. GSK is headquartered in London, United Kingdom and the company sells its products in around 70 countries. GSK has gained leadership in four major therapeutic areas which include anti infectives, central nervous system (CNS) and respiratory & gastro- intestinal/ metabolic. Moreover, GSK is also gaining leadership in the most significant areas of vaccines and it has an emerging portfolio in a very sensitive segment and that is oncology. It is concentrating a lot in making strong quality oncology products. Andrew Witty has been the chief executive officer since May 2008. The company has a primary listing on the London Stock Exchange and as of 6 July 2012 it had a market capitalization of £74.8 billion, the fifth-largest of any company listed on the London Stock Exchange.

History of GSK and its operation throughout the world and Bangladesh is presented below: (GlaxoSmithKline, Our History, 2001)

1873
The company was oriented as Joseph Nathan & Company in New Zealand with the founding of a small export-import company. It started its operation as a processing unit of abundant fresh milk of New Zealand. The only product it was producing Glaxo Baby Food.
1875
It started to export baby food to UK Alec Nathan, son of Joseph Nathan, coined the name “Glaxo” from “Glactose”.
1924
Joseph Nathan & Company entered the pharmaceutical industry with the manufacture of Ostelin, the first Vitamin D preparation. The importance of the pharmaceutical market

wassoon realized.
1935
Glaxo Laboratories Limited was founded with its headquarters at Greenford, Middlesex and London for the production and marketing of foods and pharmaceuticals.
1947
After the 2nd world war, Glaxo developed rapidly. Glaxo Laboratories Limited absorbed its parent Joseph Nathan & Company, and became a public company.
1963
Edinburgh Pharmaceutical Industries Limited, which owned Duncan, Flock hart and Company Limited and MAC Far lane Smith Limited, joined Glaxo.
1995
Glaxo acquired 100% share, of Wellcome PLC on May 01, 1995 and formed Glaxo Welcome PLC.
1998
GlaxoWellcome achieved a number of regulatory milestones for several of its key projects, such as ZEFFIX for the treatment of influenza.
2000
GlaxoWellcome and SmithKline Beecham merged to form GlaxoSmithKline; a worldwide research based pharmaceutical company.
2002
The first 100 million albendazole tablets are donated as part of our commitment to fight lymphatic filariasis.
2004
The Clinical Trial Register is launched, an internet site containing clinical trial data that anyone can access.
2011
Human Genome Sciences and GSK receive approval for Benlysta, the first new lupus treatment in 50 years
2012
Official supplier to the Olympic and Paralympic Games, providing laboratory services for official anti-doping measures.

2013

Acquired United States-based biopharmaceutical company Human Genome Sciences (HGS). HGS and GSK collaborated on the development of two drugs that received marketing approval, the lupus drug Belimumab (Benlysta) and albiglutide for type 2 diabetes.

2014

GSK paid \$1 billion to raise its stake in its Indian pharmaceutical unit, GlaxoSmithKline Pharmaceuticals, to 75 percent as part of a move to focus on emerging markets. Novartis and Glaxo agreed on more than \$20 billion in deals, with Novartis selling its vaccine business to GSK and buying GSK's cancer business.

GSK at a glance

- One of the world's leading research-based pharmaceutical and healthcare companies.
- Employs over 99,000 people in over 100 countries
- Around 12,800 people work in research teams to discover new medicines.
- Vaccines are included in immunization campaigns in 182 countries worldwide
- Every second- distributes more than 35 doses of Vaccines.
- Every minute- more than 1100 prescriptions are written for GSK products
- Every hour spends more than £300,000 (US\$562,000) to find new medicines
- January 2008 marked the tenth anniversary of their program to help eliminate lymphatic filariasis (elephantiasis). Since the start of this program they have donated more than 1.4 billion albendazole tablets to countries affected by LF
- Global community investment and charitable donations were £163 million in 2009

(GlaxoSmithKline, GSK at a Glance, 2001)

Mission

“ Our global quest is to improve the quality of human life by enabling people to do more, feel better and live longer” (GlaxoSmithKline, Mission, 2001)

Strategic Goal

Our strategic intent states our business goal – “We want to become the indisputable leader in our industry.” (GalxoSmithKline, 2015)

Strategies:

- Grow a diversified global company
- Deliver more products of value
- Simplify the operating model
- Individual Empowerment
- Building Trust

Values

- Respect for people
- Patient Focus
- Transparency
- Integrity

Spirit

“We undertake our quest with the enthusiasm of entrepreneurs, excited by the constant search for innovation. We value performance achieved with integrity. We will attain success as a world class leader with each and every one of our people contributing with passion and an unmatched sense of urgency.” (GalxoSmithKline, 2015)

Behaviors

- Flexible Thinking
- Continuous Improvement
- Customer Driven
- Developing People
- Enable & Drive Change
- Building Relationships

(GalxoSmithKline, 2015)

Quality Statement

“Quality is at the heart of everything we do- from the discovery of the molecule through product development, manufacture, supply and sale- and vital to all the services that support our business performance.” (GalxoSmithKline, 2015)

Policy

- Safeguard people and enhance their well being
- Protect our communities and the environment
- Lead in what we do
- Make continuous improvement
- Integrate sustainability into our business
- Be transparent with everyone

(GalxoSmithKline, 2015)

The GlaxoSmithKline Bangladesh Limited

GlaxoSmithKline (GSK) Bangladesh Limited carries with it a desirable image and reputation for the past 6 decades. A subsidiary of GlaxoSmithKline plc.- one of the world's leading research-based pharmaceutical and healthcare companies GSK Bangladesh, continues to be committed to improving the quality of human life by enabling people to do more, feel better and live longer. The Company's principle activities include secondary manufacture of pharmaceutical products and marketing of vaccines, pharmaceutical healthcare products and health food drinks.

In 1949 the Company commenced its journey in Bangladesh with its' corporate identity as Glaxo in Chittagong as an importer of products from the Glaxo Group Companies. It started spreading its spectrum from being an importer to a manufacturer by establishing its own manufacturing unit at Chittagong in 1967. The facility till date is considered as one of the Centers of Excellence in Global Manufacturing & Supply Network of the Group.

The global corporate mergers and acquisitions have seen the evolution of the Company's identity in the past 6 decades. In line with mergers and acquisitions, the identity changed from Glaxo to GlaxoWellcome Bangladesh Limited following the Burroughs Wellcome acquisition in 1995 and finally to GlaxoSmithKline Bangladesh Limited during 2002 after merger with SmithKlineBeecham in December 2000. The mega merger of the Company enables it to deliver cutting edge advancements in health care solutions. The relentless commitment, setting of standards of ethical standards and quality backed leading edge technology of the Company has built a strong relationship between the stakeholders and GSK Bangladesh. With the ever committed 615 numbers of personnel all over the country GSK Bangladesh, which now comprises of both Pharma and Consumer, continually strive to meet the GlaxoSmithKline mission to improve the quality of human life by ensuring healthcare products, health drinks and different corporate social responsibility programs. GSK is committed to developing new and effective healthcare solutions. The values on which the group was founded have always inspired growth and will continue to do so in times to come.

History of GlaxoSmithKline, Bangladesh Limited

1948-1950

Glaxo Laboratories (Pakistan) Limited was incorporated having its registered office in Karachi. Initially it was a wholly owned subsidiary of Glaxo Group Limited.

1949: First branch in East Pakistan was opened at Dewanhat, Chittagong. The Company was absolutely dependent on imports from U.K. Mode of delivery of products were mainly railway parcel and post parcel.

1951-1959

1951: Public offer of shares was made at the request of the Govt. As a result Glaxo Group's Shareholding ratio reduced to 70%.

1955: Karachi factory started production of medicines having sufficient capacity to cover market needs of both East and West Pakistan.

1956: Second branch in East Pakistan was opened at Motijheel, Dhaka.

1960-1969

1960-1961: Permission for establishment of a factory at Chittagong was obtained from the Govt. Land for Fauzderhat factory was purchased.

1962: Plan for factory building at Fauzderhat was passed by Chittagong Divisional Commissioner.

1966: Third branch was opened at Khan Jahan Ali Road, Khulna. East Pakistan Head Office was established headed by one Resident Director.

1967: Chittagong factory went into production.

1968: Permission for packing of 1800 tons baby food and 900 tons Glaxose-D was granted by the Govt.

1970-1979

1970: Packing of Glaxose-D started.

1972: All establishments of GlaxoLaboratoies (Pakistan) Ltd. in the then East Pakistan was vested in the abandoned properties of the Government.

1973: Released from abandoned properties and permission was given by the Government to form a Company in Bangladesh. Packing of milk food commenced.

1974:Glaxo Bangladesh Limited was incorporated and the First Depot was opened at Bogra.

1975: Depots at Barisal and Sylhet were opened.

1976: Depot at Mymensingh was opened.

1980-1989

1980: Sales Depots at Comilla, Pabna and Rangpur were opened.

1981: Sales Depot at Narayanganj was opened.

1982: To comply with the requirements of Drugs Control Ordinance the Company had to discontinue production of all vitamin preparations (Tablet, Syrup & Injections) and some other products declared as non-essential items. Effect on sale was about 25%. Excise duty on medicine was imposed by the Government.

1983: Sales Depots at Rajshahi, Tangail and Dinajpur were opened.

1984: Sales Depots at Faridpur, Tangail and Dinajpur were opened.

1985: The Company discontinued packing of baby food.

1988: Company's registered office was re-located to Dhaka.

1990-1999

1990: Company properties at Paribag and Gulshan Dhaka were sold and registered office relocated to Chittagong.

1995: Renamed as GlaxoWellcome Bangladesh Limited following the Burroughs Wellcome acquisition

2000-2010

2002: Following the global mega merger with SmithKlineBeecham Identity changed to GlaxoSmithKline Bangladesh Limited

(GlaxoSmithKline, Our Company, 2001)

Operations in Bangladesh

Headquarter	Registered Office & Factory
GlaxoSmithKline Bangladesh Limited	Fauzdarhat Industrial Area
Corporate Office	North Kattali
House: 2A, Road: 138	Chittagong
Gulshan - 1, Dhaka.	

Ownership

Before 1951, Glaxo Group Limited had ownership of the company all by themselves. In 1951, public offer of shares was made at the request of the government. As a result, Glaxo group's shareholding reduced to 70%. In 1974, Glaxo Bangladesh limited was incorporated and started issuing shares by initial public offering. Below is the scenario of the ownership percentage from the year 2011 to 2015. (GlaxoSmithKline, Annual Report, 2011-2015)

Year	2011	2012	2013	2014	2015
	% of Holdings	% of Holdings	% of Holdings	% of Holdings	% of Holdings
Selffirst Limited, UK	81.98	81.98	81.98	81.98	81.98
Investment Corporation Bangladesh (ICB) & ICB Unit and Mutual Funds	12.01	12.1	12.1	10.58	12.37
General Public	4.58	3.7	3.7	5.9	4.07
Sadhan Bima Corporation	0.63	0.63	0.63	0.63	0.61
Other Local Financial Institutions	0.8	1.59	1.59	0.91	0.97
Total	100	100	100	100	100

Organizational structure of Company

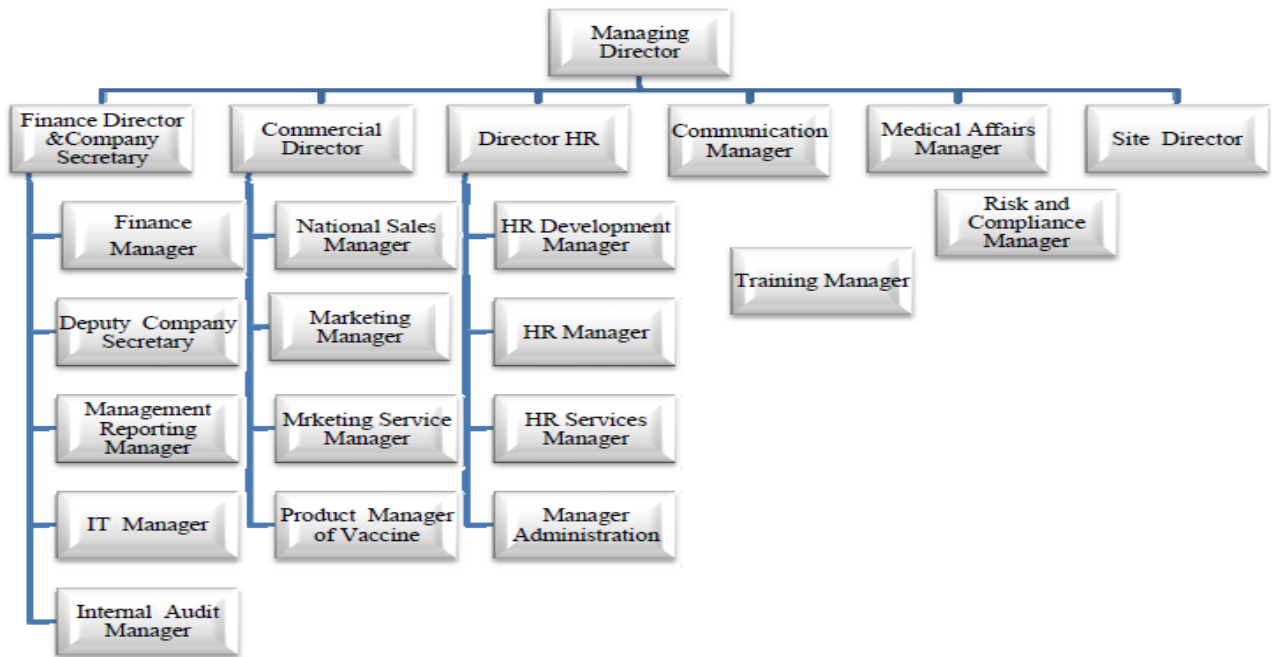
Top management: As per provisions of the Article of Association, Board of Directors holds periodic meetings to resolve issue of policies and strategies, recording minutes/decisions for implementation by the Executive Management.

Executive Management: The Managing Director heads the Executive Management, the Chief Executive Officer (CEO) who has been delegated necessary and adequate authority by the Board of Directors. The Executive Management operates through further delegations of authority at every echelon of the line management. (GlaxoSmithKline, 2001)

Board of Directors

Mr. Rodrigo Becker	Chairman
Erum Shakir Rahim	Managing Director
Mr. Fayekuzzaman	Non-Executive Director & Member
Zinnia Huq	Finance Director & Company Secretary
Masud Khan	Non-Executive Director
Rajib Barua	Site Director
Gopalakrishnan Venkatramani	General Manager

Organogram of GSK Bangladesh:



Functional Department of GlaxoSmithKline Bangladesh Ltd

GlaxoSmithKline, Bangladesh, Limited comprises of five major departments. They are given below-

- Human Resources
- Marketing
- Finance
- Medical and regulatory affairs
- Information Technology

Each department of GSK operates in different aspects but they are inter-related as well as complementary to each other. Above mentioned functional departments are worked under the Managing Director. The company’s delegation of authority is decentralized. The main functions of these departments are shown below-

Human Resources

HR department is one of the most active departments in GSK. Previously this department was known as “**Personnel Management**” department. The company places great emphasis and commitment in developing the human resources as the management body believes that only the best people with professional competencies can contribute successfully to achieve the organization’s goals. GSK has two HR Division, one is at corporate head office and other one is Chittagong factory office. There are four functional sub-departments. They are- HR Development, HR Services, HR Administration and Industrial Relations. First three sub

departments are looked after by corporate head office HR division and last one is looked after by Chittagong HR division. There are various functions of HR department of GSK. The main activities of this department are given below-

1. Recruiting and training the best pool of employees according to company's requirement
2. Administering smooth workflow in the organization
3. Managing demands of the labors in the factory
4. Allocating annual holidays
5. Organizing motivational programs for employees
6. Looking after the wage structures and bonuses

Marketing

The pharmaceutical industry of Bangladesh has limited field for marketing. Yet in an age of high competition like today, firms are heavily spending and effectively practicing marketing. The summary of marketing functions is given below

1. Designing and implementing sales strategies
2. Controlling and updating distribution network
3. Designing and carrying out promotional programs
4. Providing marketing information services
5. Carrying out different awareness programs
6. Controlling international trades
7. Keeping records of data regarding marketing activities
8. Building up public communication network
9. Looking after all the brands and patents
10. Conducting marketing surveys as needed

Finance

GSK gives proper importance to their finance department. The financial statements of GSK have been prepared in accordance with Bangladesh Accounting Standards and the relevant requirements of the schedule to the Securities and Exchange Rules, 1987 and of the companies Act 1994 following the historical cost conversion. The primary tasks of finance department are given below-

1. Controlling the accounts

2. Completing annual budgets
3. Allocating all kinds of payments to the staffs and managers
4. Looking after all the revenue and expenses
5. Conducting internal audit
6. Keeping records through IT
7. Facilitating local production costs

Medical and regulatory affairs

Medical and Regulatory Department of GSK, Bangladesh is compiled with required number of doctors and qualified people. This department is primarily responsible to perform tasks like liaison with government for legal issue purpose, communicate with doctors, handling advertisements, etc.

The technical department of GSK is extraordinarily strong. The organization always strives for reaching the global standard of applications of information technology. This company is one of the very few companies in Bangladesh that use world class sophisticated software.

Information Technology

The technical department of GSK is extraordinarily strong. The organization always strives for reaching the global standard of applications of information technology. This company is one of the very few companies in Bangladesh that use world class sophisticated software.

SWOT Analysis

SWOT is the short form for Strengths, Weaknesses, Opportunities and Threats. SWOT is a basic, straightforward model that assesses what an organization can and cannot do as well as its potential opportunities and threats. It includes-

- Factors pertaining to the internal environment of the company. These are usually expressed as Strengths (S) or Weaknesses (W).
- Factors pertaining to the external environment of the company. These are expressed as Opportunities (O) or Threats (T).

Strength	Weakness
<ul style="list-style-type: none"> ▪ GSK is considered as world's one of the leading pharmaceutical companies because of its performance. ▪ Efficient, capable and honest workforce ▪ GSK has intense demand of their product nationally and internationally which helps them to inflate their business ▪ Considerable financial resources to grow the business ▪ Proprietary technology and importance patents ▪ Ability to take advantage of economies of scale ▪ Better product quality relative to rivals ▪ Goodwill of the company ▪ Follows GMR-Good Manufacturing Practice 	<ul style="list-style-type: none"> ▪ Underutilized plant capacity ▪ Higher unit cost relative to key competitors ▪ Group compliance due to group policy the company has to import raw materials form UK rather from neighbor countries (other than those which are produces locally) resulting in higher cost of production. ▪ Lack of variety in products ▪ Low pack size ▪ Lack of sufficient promotional effort. ▪ GSK has weaker distribution network and sales force are relatively low compare to competitors.
Opportunities	Threats
<ul style="list-style-type: none"> ▪ GSK as a multinational company has opportunity for expand its investment and has potential growth in Bangladeshi market. ▪ Expanding the company's product line to meet a broader range of customer reeds. ▪ Target and acquire an untapped marketing for vaccines ▪ Market is significantly large and growing ▪ Proper utilization of vaccines may result in higher profit. ▪ Availability of natural resources is the most lucrative opportunity for GSK to work with Bangladesh. ▪ In Bangladesh, GSK can get labors at a very cheap cost. ▪ High confidence brand name and quality 	<ul style="list-style-type: none"> ▪ Adverse shifts in foreign exchange rates and trade policies of government ▪ Aggressive movement of rivals ▪ Slow down in market growth ▪ Growing bargaining power of the end consumers, thus high priced medicine are inconvenient for them ▪ Costly new regulatory requirements ▪ Competitors lower prices ▪ Increasing threats from local competitors.

(Empire Capital, 2013)

CHAPTER – THREE

Internship Experience

Job Description

It was really a great opportunity to work as an intern in a well reputed MNC like GlaxoSmithKline. I worked there for 3 months under the Finance Department and also has a close link with the HR department. My main supervisor was Md. Nayeem Ibn Yousuf, Financial Accounting Manager. Working in Finance Department really gave me lots of experience about practical job life and also improved my skills a lot. For this reason, I will be always grateful to ATM Abdul Matin Meah and Md. Golam Mustafa because they guided me always in the right track thus I can fulfill the tasks in proper manner. In addition, I have also worked in the HR department of the company.

Tasks of Finance Department

- One of the main tasks of Finance Department is to handle the payment issues of the suppliers. This includes all the suppliers for both corporate office and Factory site and also includes the DMOs.
- Finance Department keeps record of all the suppliers thus any payment issue can have the proper evidence which will help both the company and employees in future to negotiate properly.
- Finance Department keeps contact with banks for different transaction purposes and time to time collect the information about deposits and withdrawals about the accounts like Corporate Tax, Advance Income Tax etc.
- Finance department handles issue regarding adjustment of paid corporate tax and advance income tax. I sincerely assisted them in preparation of those.
- Finance Department handles the issues regarding preparation of balance sheet, journal etc.
- Finance Department along with Secretarial Department significantly participate in Annual Report making and publishing and monitoring that it is being completed in the exact way and also on due date. Then it is the responsibility of secretarial department to monitor that the Annual reports have been distributed to all the shareholders and this should be done at least 20days before the AGM.
- Finance Department also keeps record of all traveling bills that are made for business purposes and also the medical bills of the employees. In the employee list, the DMOs are also included. They have the proper right to judge that the expense claim is valid or not and on this issue the secretarial department's decision is final. They also keep records of foreign travel bills.

So, in short the Finance Department has huge responsibilities and it has to be updated with the HR, Communication and the IT department. Not only it monitors all types of accounts

payments but also needs to monitor company's different types of bank accounts and other matters.

Different Aspects of Job Performance

As I was a part of the Finance Department, so I had the opportunity to assist my supervisor and the Finance Executive in different types of tasks. One of the main tasks of mine was to check and verify the expense claims of the suppliers. I used to follow the company rules while deciding that the expense claim is valid or not.

Then after checking all the bills I used to input the entries in the purchase orders and then also used to check that all valid payments have got clearance. If there were any difficulties or confusions then I used to inform the Finance Executive.

After clearing the payments of supplies by this department, it creates a huge files and my duty was to categorize and organize all the files and then keeping them in sequence.

This department needs to create financial statement for annual report. In this regard sometimes I used to prepare balance sheets.

As the department accomplishes the payroll activities, so suppliers used to visit the department for payment purposes and in absence of supervisors, I used to attend them, then used to convey their messages and claims to my supervisors.

As the department also handles distributor's invoices and their claims of commissions so I sincerely assisted them in successful procedure of those.

Besides these I had also done some other major and minor tasks. In short, I used to spend a very busy schedule in GSK but it was full of fun and it also helped me a lot to know the core official jobs. The Finance Department taught me to be punctual, sincere, honest, active, efficient and most importantly it taught me how to communicate in the corporate world. For enhancing these abilities in me and for providing me such a sophisticated environment, I will be ever grateful to GSK and specially the Finance Department

Critical Observation & Recommendation:

Within the 3months' experience in GSK, I have found that the organization is very organized at accomplishing the tasks, it is very much focused at doing fair business and the corporate environment is really safe and friendly. GSK Bangladesh truly follows the code of conducts which established by its parent company. All the employees here try to maintain integrity in their every task. All the departments are here properly co-ordinate which fosters the organizational performance a lot. Here the importance of human asset is truly realized and all the employees are believed as the heart of the organization and that's why the employees work here with true motivation and sincerity. As I was the part of Finance Department I have found that employees of this department are very much knowledgeable and skilled and very efficiently they plan and implement the financial strategies. They are also very much aware about utilizing the resources and not to waste the assets of the organization unnecessarily. I have observed and felt that GSK Bangladesh is doing excellent job, one thing that appeared

surprising to me is in spite being so efficient at operations and having so much qualified products, GSK Bangladesh is in 15th position. Market leaders are the local firms, the reason behind this is the government concern to promote the local pharmaceuticals.

So, GSK should take strong initiatives thus they can improve their rank and can lag behind the competitors. On the other hand, most of the consumer health care products are doing so well, especially the health drinks and the glucose powder.

So, my recommendations are: GSK should concentrate more on promotional activities and making people more aware about their company profile and products thus a strong brand image can be established.

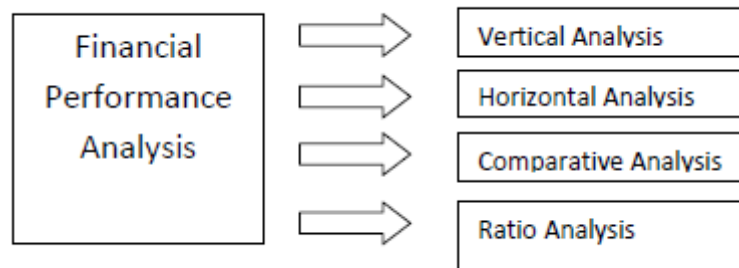
- Like the Consumer Healthcare products, the pharmaceuticals products should be engaged in famous public events.
- They should be more concerned to reduce the production cost of the pharmaceuticals products thus they can compete with the local products more successfully.
- GSK should introduce their pharmaceuticals products more to the public and should inform the people that it is the same company which makes Horlicks and Boost.

GSK should be very careful in maintaining the copyrights of their products as they are in alliance with some local firms like Mutual food and Zuellig Pharma.

CHAPTER – FOUR

Financial Performance Analysis

In my report, I tried to analyze the financial performance of three pharmaceutical companies GlaxoSmithKline Bangladesh, Square and Beximco to see how they are performing in the market and their position in the industry. For analysis, I have collected most of the data's from annual reports and then I organized the data's to carry out vertical analysis, horizontal analysis, comparative analysis and finally ratio analysis.



❖ Vertical Analysis

“Vertical analysis uses percentages to compare individual components of financial statements to a key statement figure. Horizontal analysis compares items over many time periods; vertical analysis compares many items within the same time period”. (K. R. Subramanyam, Financial Statement Analysis, 2013)

Here, I have shown all the amounts of an income statement and balance sheets as a percentage of net sales and total assets respectively.

❖ Horizontal Analysis

“Financial statement users conduct comparative financial statement analysis by setting consecutive balance sheet, income statements or cash flow statements side by side, and reviewing changes in individual categories on a year to year or multi year basis. It is also referred to horizontal analysis.” (Leopold A. Bernstein, 1999)

Here, I have shown the horizontal analysis among GSK, Square and Beximco to understand each of the company’s growth rates in each element of both Income statements and Balance sheets.

❖ Comparative Analysis

In the comparative analysis section, I have shown the comparison among basic elements of the income statement and the balance sheet. It has been done to show a comparative scenario among the three companies' performance in net sales, cost of goods sold, gross profit, operating expenses, net income, total assets, total equity and total liabilities. Here, total assets, total equity and total liabilities belong to balance sheet items and the rest of the elements are from the income statement.

❖ Ratio Analysis

“Ratio analysis involves studying various relationships between different items reported in a set of financial statements.” (K. R. Subramanyam, Financial Statement Analysis, 2013)

Ratio analysis is used to evaluate various aspects of a company's operating and financial performance such as its efficiency, liquidity, profitability and solvency. The trend of these ratios over time is studied to check whether they are improving or deteriorating. Here, I have used ratio analysis among three companies to see their individual performance and position. Ratio analysis is a cornerstone of fundamental financial analysis.

Here I have used the following ratios to compare the three companies' performance over years.

- ❖ Current ratio
- ❖ Quick ratio
- ❖ Cash ratio
- ❖ Gross profit margin
- ❖ Operating profit margin
- ❖ Net profit margin
- ❖ Return on Asset
- ❖ Return on Equity
- ❖ Asset turnover
- ❖ Inventory turnover
- ❖ Earnings per share
- ❖ Debt ratio
- ❖ Debt to equity ratio
- ❖ Days sales outstanding
- ❖ Dividend payout ratio &
- ❖ Price earnings ratio

Vertical Analysis

Vertical analysis compares different items to a single item in the same accounting period. This technique is also known as common size financial statements analysis. Vertical analysis can be done for both income statement and balance sheet. Here, all the amounts in the income statement are shown as a percentage of net sales or the net revenue. (Vertical Analysis of Financial Statements, 2011)

Income Statement Vertical Analysis (Square)										
	2011		2012		2013		2014		2015	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Sales	13,471,424,469.00	100.00%	16,054,425,243.00	100.00%	20,202,005,922.00	100.00%	23,268,413,217.00	100.00%	26,212,862,068.00	100.00%
COGS	7,703,661,010.00	57.19%	9,167,253,620.00	57.10%	11,308,857,708.00	55.98%	12,960,738,683.00	55.70%	14,370,872,099.00	54.82%
Gross Profit	5,767,763,459.00	42.81%	6,887,171,623.00	42.90%	8,893,148,214.00	44.02%	10,307,674,534.00	44.30%	11,841,989,969.00	45.18%
Operating Expenses										
Selling and Distribution Expenses	2,121,163,004.00	15.75%	2,430,466,795.00	15.14%	2,955,935,819.00	14.63%	3,431,938,716.00	14.75%	3,729,200,404.00	14.23%
Administrative Expenses	626,145,987.00	4.65%	701,977,079.00	4.37%	738,507,999.00	3.66%	730,951,152.00	3.14%	773,712,804.00	2.95%
Financial Expenses	268,849,071.00	2.00%	433,581,036.00	2.70%	357,151,743.00	1.77%	177,131,396.00	0.76%	34,307,859.00	0.13%
Total	3,016,158,062.00	22.39%	3,566,024,910.00	22.21%	4,051,595,561.00	20.06%	4,340,021,264.00	18.65%	4,537,221,067.00	17.31%
Profit From Operation	2,751,605,397.00	20.43%	3,321,146,713.00	20.69%	4,841,552,653.00	23.97%	5,967,653,270.00	25.65%	7,304,768,902.00	27.87%
Other Income	833,884,528.00	6.19%	856,739,329.00	5.34%	377,846,808.00	1.87%	245,133,874.00	1.05%	670,927,394.00	2.56%
Profit before charging WPPF	3,585,489,925.00	26.62%	4,177,886,042.00	26.02%	5,219,399,461.00	25.84%	6,212,787,144.00	26.70%	7,975,696,296.00	30.43%
Allocation for WPPF	170,737,615.00	1.27%	198,946,954.00	1.24%	246,729,864.00	1.22%	300,438,842.00	1.29%	379,795,062.00	1.45%
Profit Before taxation	3,414,752,310.00	25.35%	3,978,939,088.00	24.78%	4,972,669,597.00	24.61%	5,912,348,302.00	25.41%	7,595,901,234.00	28.98%
Provision for Income Tax	805,575,198.00	5.98%	958,906,349.00	5.97%	1,237,851,545.00	6.13%	1,518,801,391.00	6.53%	1,679,877,193.00	6.41%
Provision for Deferred Income Tax	77,122,562.00	0.57%	122,322,098.00	0.76%	96,820,479.00	0.48%	142,966,048.00	0.61%	172,400,209.00	0.66%
Profit After Tax	2,532,054,550.00	18.80%	2,897,710,641.00	18.05%	3,637,997,573.00	18.01%	4,250,580,863.00	18.27%	5,743,623,832.00	21.91%
Profit/(Loss) from Associate Undertakings					575,807,315.00	2.85%	695,624,299.00	2.99%	-	
Profit for the year	2,532,054,550.00	18.80%	2,897,710,641.00	18.05%	4,213,804,888.00	20.86%	4,946,205,162.00	21.26%	5,743,623,832.00	21.91%
Other comprehensive income										
Gain on Marketable Securities (Unrealized)	92,483,089.00	0.69%	139,986,324.00	0.87%	(107,174,041.00)	-0.53%	135,723,333.00	0.58%	(183,922,744.00)	-0.70%
Total comprehensive income for the year	2,624,537,639.00	19.48%	3,037,696,965.00	18.92%	4,106,630,847.00	20.33%	5,081,928,495.00	21.84%	5,559,701,088.00	21.21%
EPS	9.56		10.94		8.74		10.26		10.36	

The chart shows the vertical analysis of Square's Income statement where all the components of the income statement has been compared as a percentage of net sales or net revenues. The basic performance indicators like-Cost of goods sold shows that it was quite same in early two years but declined in the year 2013. Due to the decrease in COGS in 2013, the gross profit increased to some extent. By excluding all the expenses, interests and taxes, the final performance indicator total comprehensive income shows that, it was highest in 2014 which is 21.84%. The lowest rate can be seen in 2012. All the other percentages are shown in the chart.

Balance Sheet Vertical Analysis (Square)										
ASSETS	2011		2012		2013		2014		2015	
Non-Current Assets:	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Property, Plant and Equipments	6,981,559,781.00	35.91%	8,951,595,844.00	41.37%	9,609,289,924.00	40.49%	11,156,871,302.00	42.02%	15,721,139,105.00	50.14%
Capital Work-in-Progress	887,584,197.00	4.56%	1,274,390,572.00	5.89%	3,718,326,254.00	15.67%	3,232,773,494.00	12.18%	119,985,162.00	0.38%
Investment - Long Term (at Cost)	4,031,751,281.00	20.73%	3,971,022,723.00	18.35%	3,821,121,331.00	16.10%	3,661,121,331.00	13.79%	4,894,025,998.00	15.61%
Investment in Marketable Securities	521,300,555.00	2.68%	695,037,397.00	3.21%	589,313,880.00	2.48%	730,700,453.00	2.75%	879,249,484.00	2.80%
Total Non-Current Assets	12,422,195,814.00	63.89%	14,892,046,536.00	68.83%	17,738,051,389.00	74.73%	18,781,466,580.00	70.74%	21,614,399,749.00	68.94%
Current Assets:										
Inventories	2,541,688,329.00	13.07%	2,687,818,472.00	12.42%	2,503,683,240.00	10.55%	2,345,389,488.00	8.83%	2,684,259,324.00	8.56%
Trade Debtors	772,421,345.00	3.97%	808,311,714.00	3.74%	800,974,912.00	3.37%	757,757,419.00	2.85%	894,543,303.00	2.85%
Advances, Deposits and Prepayments	523,991,079.00	2.69%	577,156,445.00	2.67%	650,380,369.00	2.74%	530,659,925.00	2.00%	714,842,990.00	2.28%
Short Term Loan	2,813,811,332.00	14.47%	2,085,300,110.00	9.64%	1,109,251,152.00	4.67%	2,047,985,968.00	7.71%	1,596,661,104.00	5.09%
Cash and Cash Equivalents	370,301,755.00	1.90%	586,920,267.00	2.71%	932,407,871.00	3.93%	2,086,275,498.00	7.86%	3,849,475,774.00	12.28%
Total Current Assets	7,022,213,840.00	36.11%	6,745,507,008.00	31.17%	5,996,697,544.00	25.27%	7,768,066,298.00	29.26%	9,739,782,495.00	31.06%
Total Assets	19,444,409,654.00	100.00%	21,637,553,544.00	100.00%	23,734,748,933.00	100.00%	26,549,534,878.00	100.00%	31,354,182,244.00	100.00%
EQUITY AND LIABILITIES										
Share capital	1,961,739,000.00	10.09%	2,648,347,600.00	12.24%	3,707,686,640.00	15.62%	4,819,992,630.00	18.15%	5,542,991,520.00	17.68%
Share Premium	2,035,465,000.00	10.47%	2,035,465,000.00	9.41%	2,035,465,000.00	8.58%	2,035,465,000.00	7.67%	2,035,465,000.00	6.49%
General Reserve	105,878,200.00	0.54%	105,878,200.00	0.49%	105,878,200.00	0.45%	105,878,200.00	0.40%	105,878,200.00	0.34%
Tax Holiday Reserve	1,101,935,237.00	5.67%	-	-	-	0.00%	-	-	-	-
Gain on Marketable Securities (Unrealized)	259,435,115.00	1.33%	399,421,439.00	1.85%	297,945,485.00	1.26%	417,680,687.00	1.57%	265,332,813.00	0.85%
Retained Earnings	8,353,256,438.00	42.96%	11,207,557,177.00	51.80%	12,905,916,493.00	54.38%	14,898,500,111.00	56.12%	20,082,224,574.00	64.05%
Total equity	13,817,708,990.00	71.06%	16,396,669,416.00	75.78%	19,052,891,818.00	80.27%	22,277,516,628.00	83.91%	28,031,892,107.00	89.40%
LIABILITIES										
Non-current liabilities:										
Long Term Loans - Secured	655,645,734.00	3.37%	508,778,060.00	2.35%	313,421,158.00	1.32%	136,440,907.00	0.51%	40,084,217.00	0.13%
Deferred tax liability	302,865,504.00	1.56%	479,171,223.00	2.21%	575,991,702.00	2.43%	718,957,750.00	2.71%	891,357,959.00	2.84%
Total non-current liabilities	958,511,238.00	4.93%	987,949,283.00	4.57%	889,412,860.00	3.75%	855,398,657.00	3.22%	931,442,176.00	2.97%
Current liabilities:										
Short Term Bank Loans	2,627,483,864.00	13.51%	2,016,551,125.00	9.32%	1,112,694,131.00	4.69%	114,638,033.00	0.43%	-	-
Long Term Loans - Current Portion	478,199,933.00	2.46%	477,141,480.00	2.21%	511,504,034.00	2.16%	167,574,698.00	0.63%	81,514,503.00	0.26%
Trade Creditors	733,369,218.00	3.77%	875,431,555.00	4.05%	1,086,097,881.00	4.58%	1,717,013,624.00	6.47%	254,773,030.00	0.81%
Liabilities for Expenses	79,499,584.00	0.41%	95,361,435.00	0.44%	109,604,834.00	0.46%	20,463,398.00	0.08%	42,958,189.00	0.14%
Liabilities for Other Finance	749,636,827.00	3.86%	788,449,250.00	3.64%	972,537,375.00	4.10%	1,396,929,840.00	5.26%	2,011,602,239.00	6.42%
Total current liabilities	4,668,189,426.00	24.01%	4,252,934,845.00	19.66%	3,792,438,255.00	15.98%	3,416,619,593.00	12.87%	2,390,847,961.00	7.63%
Total liabilities	5,626,700,664.00	28.94%	5,240,884,128.00	24.22%	4,681,851,115.00	19.73%	4,272,018,250.00	16.09%	3,322,290,137.00	10.60%
TOTAL EQUITY AND LIABILITIES	19,444,409,654.00	100.00%	21,637,553,544.00	100.00%	23,734,742,933.00	100.00%	26,549,534,878.00	100.00%	31,354,182,244.00	100.00%

The vertical analysis of Balance Sheet of Square shows all the components as a percentage of total assets or total liabilities and equity amount. The chart shows that, the basic performance indicators of the income statement like- non-current assets are seen to be highest (74.73%) in 2013 and the lowest (63.89%) in 2011. Here, all the non-current assets of different years have been shown as a percentage of total assets. So, Square had the highest rate of non-current assets of all assets in 2013 and the lowest rate in 2011. From current assets, we can see that, the highest percentage (36.11%) was in 2011 and lowest (25.27%) was in 2013. From shareholders' equity, we can see that the highest rate was in 2015 (89.40%) and lowest (71.06%) in 2011. The rest of the percentages belonged to another element, liabilities (current and non-current).

Income Statement Vertical Analysis (Beximco)										
	2011		2012		2013		2014		2015	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Sales	7,890,241,843.00	100.00%	9,289,115,284.00	100.00%	10,490,699,094.00	100.00%	11,206,885,977.00	100.00%	12,965,506,873.00	100.00%
COGS	4,103,709,021.00	52.01%	4,899,713,857.00	52.75%	5,651,898,878.00	53.88%	6,102,694,323.00	54.45%	6,965,167,704.00	53.72%
Gross Profit	3,786,532,822.00	47.99%	4,389,401,427.00	47.25%	4,838,800,216.00	46.12%	5,104,191,654.00	45.55%	6,000,339,169.00	46.28%
Operating Expenses										
Administrative Expenses	275,201,846.00	3.49%	332,225,347.00	3.58%	375,565,912.00	3.58%	398,762,237.00	3.56%	448,357,117.00	3.46%
Selling, Marketing and Distribution Expenses	1,522,851,278.00	19.30%	1,849,296,520.00	19.91%	2,138,961,534.00	20.39%	2,287,252,281.00	20.41%	2,700,703,578.00	20.83%
Total	1,798,053,124.00	22.79%	2,181,521,867.00	23.48%	2,514,527,446.00	23.97%	2,686,014,518.00	23.97%	3,149,060,695.00	24.29%
Profit From Operation	1,988,479,698.00	25.20%	2,207,879,560.00	23.77%	2,324,272,770.00	22.16%	2,418,177,136.00	21.58%	2,851,278,474.00	21.99%
Other Income	340,907,774.00	4.32%	442,847,713.00	4.77%	510,588,200.00	4.87%	521,171,647.00	4.65%	311,678,326.00	2.40%
Finance Cost	(567,645,757.00)	-7.19%	(645,406,575.00)	-6.95%	(636,587,090.00)	-6.07%	(724,314,963.00)	-6.46%	(708,970,234.00)	-5.47%
Profit before charging WPPF	1,761,741,715.00	22.33%	2,005,320,698.00	21.59%	2,198,273,880.00	20.95%	2,215,033,820.00	19.76%	2,453,986,566.00	18.93%
Allocation for WPPF	(83,892,463.00)	-1.06%	(95,491,462.00)	-1.03%	(104,679,709.00)	-1.00%	(105,477,787.00)	-0.94%	(116,856,503.00)	-0.90%
Profit Before taxation	1,677,849,252.00	21.26%	1,909,829,236.00	20.56%	2,093,594,171.00	19.96%	2,109,556,033.00	18.82%	2,337,130,063.00	18.03%
Provision for Income Tax	207,549,905.00	2.63%	445,712,907.00	4.80%	324,415,546.00	3.09%	436,782,844.00	3.90%	425,966,912.00	3.29%
Provision for Deferred Tax Expenses/(Income)	271,774,005.00	3.44%	144,727,001.00	1.56%	364,415,845.00	3.47%	144,475,316.00	1.29%	(43,121,365.00)	-0.33%
Profit After Tax	1,198,525,342.00	15.19%	1,319,389,328.00	14.20%	1,404,762,780.00	13.39%	1,528,297,873.00	13.64%	1,954,284,516.00	15.07%
Other comprehensive income / (Loss)					1,341,619.00	0.01%	967,032.00	0.01%	(351,138.00)	0.00%
Total comprehensive income for the year	1,198,525,342.00	15.19%	1,319,389,328.00	14.20%	1,406,104,399.00	13.40%	1,529,264,905.00	13.65%	1,953,933,378.00	15.07%
EPS	3.93		4.33		3.82		4.15		5.06	

The chart shows the vertical analysis of Income Statement of Beximco where all the components of the income statement has been calculated as a percentage of net sales or net revenues. The basic performance indicators like-Cost of goods sold shows that it was the lowest in 2011 which is 52.01% and highest is 54.45% in 2014. Because of being the lowest rate in 2011 and highest in 2014 respectively, the gross profit was highest in 2011 and lowest in 2014. By excluding all the expenses, interests and taxes, the final performance indicator total comprehensive income shows that, it was highest in 2011 which is 15.19%. The lowest rate can be seen in 2013. All the other percentages are shown in the chart.

Balance Sheet Vertical Analysis (Beximco)										
ASSETS	2011		2012		2013		2014		2015	
Non-Current Assets:	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Property, Plant and Equipments	15,745,492,625.00	68.36%	16,201,858,216.00	65.89%	18,364,313,070.00	66.85%	20,393,278,737.00	70.32%	22,168,184,597.00	71.89%
Intangible Assets	135,933,879.00	0.59%	187,079,147.00	0.76%	198,223,509.00	0.72%	235,208,190.00	0.81%	269,864,103.00	0.88%
Investment in Shares	3,451,276.00	0.01%	3,451,276.00	0.01%	4,792,895.00	0.02%	5,759,927.00	0.02%	5,408,789.00	0.02%
Total Non-Current Assets	15,884,877,780.00	68.96%	16,392,388,639.00	66.66%	18,567,329,474.00	67.59%	20,634,246,854.00	71.15%	22,443,457,489.00	72.78%
Current Assets:										
Inventories	2,291,844,631.00	9.95%	2,433,987,981.00	9.90%	2,411,881,986.00	8.78%	2,493,657,338.00	8.60%	2,817,185,843.00	9.14%
Spares & Supplies	325,881,244.00	1.41%	396,175,790.00	1.61%	433,352,407.00	1.58%	554,183,898.00	1.91%	556,974,583.00	1.81%
Accounts Receivable	978,224,317.00	4.25%	1,162,404,807.00	4.73%	1,249,434,697.00	4.55%	1,397,468,648.00	4.82%	1,546,921,772.00	5.02%
Loans, Advances and Deposits	840,320,705.00	3.65%	965,276,373.00	3.93%	1,186,637,111.00	4.32%	1,223,673,153.00	4.22%	1,784,104,778.00	5.79%
Short Term Investment	2,193,423,560.00	9.52%	2,686,598,326.00	10.93%	3,026,383,161.00	11.02%	2,475,023,831.00	8.53%	1,539,430,008.00	4.99%
Cash and Cash Equivalents	518,768,296.00	2.25%	552,978,686.00	2.25%	595,732,966.00	2.17%	222,239,239.00	0.77%	147,476,111.00	0.48%
Total Current Assets	7,148,462,753.00	31.04%	8,197,421,963.00	33.34%	8,903,422,328.00	32.41%	8,366,246,107.00	28.85%	8,392,093,095.00	27.22%
Total Assets	23,033,340,533.00	100.00%	24,589,810,602.00	100.00%	27,470,751,802.00	100.00%	29,000,492,961.00	100.00%	30,835,550,584.00	100.00%
EQUITY AND LIABILITIES										
Share capital	2,517,678,100.00	10.93%	3,046,390,500.00	12.39%	3,503,349,070.00	12.75%	3,678,516,520.00	12.68%	3,862,442,340.00	12.53%
Share Premium	5,269,474,690.00	22.88%	5,269,474,690.00	21.43%	5,269,474,690.00	19.18%	5,269,474,690.00	18.17%	5,269,474,690.00	17.09%
Excess of Issue Price over Face Value of GDRs	1,689,636,958.00	7.34%	1,689,636,958.00	6.87%	1,689,636,958.00	6.15%	1,689,636,958.00	5.83%	1,689,636,958.00	5.48%
Capital Reserve on Merger	294,950,950.00	1.28%	294,950,950.00	1.20%	294,950,950.00	1.07%	294,950,950.00	1.02%	294,950,950.00	0.96%
Revaluation Surplus	1,466,602,600.00	6.37%	1,406,527,880.00	5.72%	1,349,578,805.00	4.91%	1,299,220,315.00	4.48%	1,257,422,946.00	4.08%
Fair Value Gain on Investment		0.00%		0.00%	1,341,619.00	0.00%	2,308,651.00	0.01%	1,957,513.00	0.01%
Retained Earnings	5,889,784,879.00	25.57%	6,701,181,881.00	27.25%	7,667,220,373.00	27.91%	8,686,077,241.00	29.95%	10,102,742,186.00	32.76%
Total equity	17,128,128,177.00	74.36%	18,408,162,859.00	74.86%	19,775,552,465.00	71.99%	20,920,185,325.00	72.14%	22,478,627,583.00	72.90%
LIABILITIES										
Non-current liabilities:										
Long Term Borrowings-Net off Current Maturity (Sec	1,890,074,651.00	8.21%	1,469,621,611.00	5.98%	1,151,400,702.00	4.19%	901,709,327.00	3.11%	916,927,763.00	2.97%
Liability for Gratuity & WPPF	403,598,795.00	1.75%	499,622,784.00	2.03%	610,628,150.00	2.22%	741,522,518.00	2.56%	864,107,790.00	2.80%
Deferred tax liability	963,376,922.00	4.18%	1,147,459,569.00	4.67%	1,550,589,207.00	5.64%	1,729,361,361.00	5.96%	1,713,879,464.00	5.56%
Total non-current liabilities	3,257,050,368.00	14.14%	3,116,703,964.00	12.67%	3,312,618,059.00	12.06%	3,372,593,206.00	11.63%	3,494,915,017.00	11.33%
Current liabilities:										
Short Term Borrowings	1,642,216,008.00	7.13%	1,526,449,918.00	6.21%	2,776,266,125.00	10.11%	3,153,121,293.00	10.87%	3,163,551,475.00	10.26%
Long Term Borrowings - Current Maturity	363,744,181.00	1.58%	664,712,728.00	2.70%	754,903,558.00	2.75%	663,838,072.00	2.29%	724,603,464.00	2.35%
Creditors and Other Payables	523,798,136.00	2.27%	470,097,685.00	1.91%	383,170,553.00	1.39%	357,710,839.00	1.23%	439,018,016.00	1.42%
Accrued Expenses	101,559,917.00	0.44%	128,598,961.00	0.52%	141,582,304.00	0.52%	164,283,115.00	0.57%	206,228,496.00	0.67%
Dividend Payable	1,361,452.00	0.01%	1,020,948.00	0.00%	973,367.00	0.00%	454,720.00	0.00%	412,480.00	0.00%
Income Tax Payable	15,482,294.00	0.07%	274,064,529.00	1.11%	325,685,371.00	1.19%	368,339,391.00	1.27%	328,194,053.00	1.06%
Total current liabilities	2,648,161,988.00	11.50%	3,064,944,769.00	12.46%	4,382,581,278.00	15.95%	4,707,747,430.00	16.23%	4,862,007,984.00	15.77%
Total liabilities	5,905,212,356.00	25.64%	6,181,648,733.00	25.14%	7,695,199,337.00	28.01%	8,080,340,636.00	27.86%	8,356,923,001.00	27.10%
TOTAL EQUITY AND LIABILITIES	23,033,340,533.00	100.00%	24,589,811,592.00	100.00%	27,470,751,802.00	100.00%	29,000,525,961.00	100.00%	30,835,550,584.00	100.00%

The vertical analysis of Beximco's Balance sheet shows all the components as a percentage of total assets or total liabilities and equity amount. The chart shows that, the basic performance indicators of the balance sheet like- non-current assets are seen to be highest (72.78%) in 2015 and the lowest (66.66%) in 2012. Here, all the non-current assets of different years have been shown as a percentage of total assets. So, Beximco had the highest rate of non-current assets of all assets in 2015 and the lowest rate in 2012. From current assets, we can see that, the highest percentage (33.34%) was in 2012 and lowest (27.27%) was in 2015. From shareholders' equity, we can see that the highest rate was in 2012 (74.86%) and lowest (72.14%) in 2014. The rest of the percentages belonged to another element, liabilities (current and non-current).

Income Statement Vertical Analysis (GSK)										
	2011		2012		2013		2014		2015	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Sales	4,735,121,000.00	100.0%	5,553,812,000.00	100.0%	6,774,872,000.00	100.00%	7,187,225,000.00	100.00%	6,698,828,000.00	100.0%
Cost of Sales	3,386,670,000.00	71.5%	3,964,900,000.00	71.4%	4,561,783,000.00	67.33%	4,476,255,000.00	62.28%	4,064,297,000.00	60.7%
Gross Profit	1,348,451,000.00	28.5%	1,588,912,000.00	28.6%	2,213,089,000.00	32.67%	2,710,970,000.00	37.72%	2,634,531,000.00	39.3%
Operating Expenses										0.0%
Selling Expenses	748,174,000.00	15.8%	1,065,900,000.00	19.2%	1,328,081,000.00	19.60%	1,305,494,000.00	18.16%	1,211,492,000.00	18.1%
Distribution Expenses	8,261,000.00		21,365,000.00	0.4%	13,418,000.00	0.20%	20,458,000.00	0.28%	19,589,000.00	0.3%
Administrative Expenses	187,216,000.00	4.0%	141,904,000.00	2.6%	272,606,000.00	4.02%	334,467,000.00	4.65%	375,730,000.00	5.6%
Other Income	12,126,000.00	0.3%	15,927,000.00	0.3%	5,620,000.00	0.08%	11,979,000.00	0.17%	12,892,000.00	0.2%
Total	931,525,000.00	19.7%	1,213,242,000.00	21.8%	1,608,485,000.00	23.74%	1,648,440,000.00	22.94%	1,593,919,000.00	23.8%
Profit From Operation	416,926,000.00	8.8%	375,670,000.00	6.8%	604,604,000.00	8.92%	1,062,530,000.00	14.78%	1,040,612,000.00	15.5%
Finance Income	52,163,000.00	1.1%	55,192,000.00	1.0%	119,559,000.00	1.76%	119,773,000.00	1.67%	98,057,000.00	1.5%
Finance Cost	3,759,000.00	0.1%								
Profit before charging WPPF	465,330,000.00	9.8%	430,862,000.00	7.8%	724,163,000.00	10.69%		0.00%		
Allocation for WPPF			21,523,000.00	0.4%						
Profit Before taxation	465,330,000.00	9.8%	409,339,000.00	7.4%	724,163,000.00	10.69%	1,182,303,000.00	16.45%	1,138,669,000.00	17.0%
Income tax expenses	183,262,000.00	3.9%	165,372,000.00	3.0%	177,914,000.00	2.63%	355,525,000.00	4.95%	307,590,000.00	4.6%
Profit for the year	282,068,000.00	6.0%	243,967,000.00	4.4%	546,249,000.00	8.06%	826,778,000.00	11.50%	831,079,000.00	12.4%
Other comprehensive income										
Total comprehensive income for the year	282,068,000.00	6.0%	243,967,000.00	4.4%	546,249,000.00	8.06%	826,778,000.00	11.50%	831,079,000.00	12.4%
EPS	23.41		20.00		45.35		68.63		68.99	

The chart shows the vertical analysis of GlaxoSmithKline's Income statement, where all the components of the income statement has been calculated as a percentage of net sales or net revenues. The basic performance indicators like-Cost of sales shows that it was the lowest in 2015 which is 60.7% and highest was 71.5% in 2011. On the other hand, the gross profit was highest (39.3%) in 2015 and lowest (28.6%) in 2012. By excluding all the expenses, interests and taxes, the final performance indicator total comprehensive income shows that, it was highest in 2015 which is 12.4%. The lowest rate can be seen in 2012. All the other percentages are shown in the chart.

Balance Sheet Vertical Analysis (GSK)										
ASSETS	2011		2012		2013		2014		2015	
Non-Current Assets:	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Property, Plant and Equipments	480,662,000.00	17.2%	497,830,000.00	16.25%	536,861,000.00	13.43%	546,216,000.00	10.86%	600,794,000.00	10.80%
Intangible assets					5,467,000.00	0.14%	4,374,000.00	0.09%	3,437,000.00	0.06%
Other receivables			64,939,000.00		44,046,000.00	1.10%	27,713,000.00	0.55%	10,370,000.00	0.19%
Total Non-Current Assets	480,662,000.00	17.2%	562,769,000.00	18.37%	586,374,000.00	14.67%	578,303,000.00	11.50%	614,601,000.00	11.05%
Current Assets:										
Inventories	1,138,844,000.00	40.8%	1,059,544,000.00	34.59%	1,224,492,000.00	30.63%	868,079,000.00	17.26%	852,278,000.00	15.32%
Trade and other receivables	401,297,000.00	14.4%	421,471,000.00	13.76%	506,060,000.00	12.66%	1,044,908,000.00	20.78%	1,224,342,000.00	22.01%
Cash and cash equivalents	770,584,000.00	27.6%	1,019,434,000.00	33.28%	1,680,699,000.00	42.04%	2,537,032,000.00	50.45%	2,871,198,000.00	51.62%
Total Current Assets	2,310,725,000.00	82.8%	2,500,449,000.00	81.63%	3,411,251,000.00	85.33%	4,450,019,000.00	88.50%	4,947,818,000.00	88.95%
Total Assets	2,791,387,000.00	100.0%	3,063,218,000.00	100.0%	3,997,625,000.00	100.0%	5,028,322,000.00	100.0%	5,562,419,000.00	100.0%
EQUITY AND LIABILITIES										
Equity attributable to the Company's equity holders:										
Share capital	120,465,000.00	4.3%	120,465,000.00	3.93%	120,465,000.00	3.01%	120,465,000.00	2.40%	120,465,000.00	2.17%
Retained earnings	1,237,180,000.00	44.3%	1,300,450,000.00	42.45%	1,666,002,000.00	41.67%	2,068,846,000.00	41.14%	2,418,694,000.00	43.48%
General reserves	5,000,000.00	0.2%	5,000,000.00	0.16%	5,000,000.00	0.13%	5,000,000.00	0.10%	5,000,000.00	0.09%
Revaluation reserve	59,479,000.00	2.1%	59,479,000.00	1.94%	59,479,000.00	1.49%	59,479,000.00	1.18%	59,479,000.00	1.07%
Capital reserves	166,000.00	0.0%	166,000.00	0.01%	166,000.00	0.00%	166,000.00	0.00%	166,000.00	0.00%
Total equity	1,422,290,000.00	51.0%	1,485,560,000.00	48.50%	1,851,112,000.00	46.31%	2,253,956,000.00	44.83%	2,603,804,000.00	46.81%
LIABILITIES										
Non-current liabilities:										
Deferred tax liability	35,901,000.00	1.3%	38,512,000.00	1.26%	32,039,000.00	0.80%	25,765,000.00	0.51%	(887,000.00)	-0.02%
Retirement benefit obligations	82,139,000.00	2.9%	83,874,000.00	2.74%	81,469,000.00	2.04%	14,865,000.00	0.30%	8,813,000.00	0.16%
Obligation under finance lease	26,938,000.00	1.0%	21,415,000.00	0.70%	12,757,000.00	0.32%	160,629,000.00	3.19%	40,822,000.00	0.73%
Total non-current liabilities	144,978,000.00	5.2%	143,801,000.00	4.69%	126,265,000.00	3.16%	201,259,000.00	4.00%	48,748,000.00	0.88%
Current liabilities:										
Trade and other payables	1,185,027,000.00	42.5%	1,369,468,000.00	44.71%	1,949,378,000.00	48.76%	2,337,516,000.00	46.49%	2,710,272,000.00	48.72%
Current tax liabilities	32,469,000.00	1.2%	56,654,000.00	1.85%	62,211,000.00	1.56%	225,681,000.00	4.49%	193,543,000.00	3.48%
Obligation under finance lease	6,623,000.00	0.2%	7,735,000.00	0.25%	8,659,000.00	0.22%	9,910,000.00	0.20%	6,052,000.00	0.11%
Total current liabilities	1,224,119,000.00	43.9%	1,433,857,000.00	46.81%	2,020,248,000.00	50.54%	2,573,107,000.00	51.17%	2,909,867,000.00	52.31%
Total liabilities	1,369,097,000.00	49.0%	1,577,658,000.00	51.50%	2,146,513,000.00	53.69%	2,774,366,000.00	55.17%	2,958,615,000.00	53.19%
TOTAL EQUITY AND LIABILITIES	2,791,387,000.00	100.0%	3,063,218,000.00	100.0%	3,997,625,000.00	100.0%	5,028,322,000.00	100.0%	5,562,419,000.00	100.0%

The vertical analysis of GlaxoSmithKline's Balance sheet shows all the components as a percentage of total assets or total liabilities and equity amount. The chart shows that, the basic performance indicators of the balance sheet like- non-current assets are seen to be highest (18.37%) in 2012 and the lowest (11.05%) in 2015. From current assets, we can see that, the highest percentage (88.95%) was in 2015 and lowest (81.63%) was in 2012. From shareholders' equity, we can see that the highest rate was in 2011 (51%) and lowest (44.83%) in 2014. The rest of the percentages belonged to another element, liabilities (current and non-current).

Horizontal Analysis

Horizontal analysis of financial statements involves comparison of a financial ratio, a benchmark, or a line item over a number of accounting periods. This method of analysis is also known as trend analysis. Horizontal analysis allows the assessment of relative changes in different items over time. Here, the horizontal analysis among GSK, Square and Beximco is done to understand each of the company's growth rates in each element of Income statements and Balance sheets. (Horizontal Analysis of Financial Statements, 2011)

The chart below shows the growth rate in different years compared to the previous years for each of the items. In Square's income statement we can see that, all the values are positive except Gain on Marketable Securities. In 2015, Comprehensive income of Square is only increased by 109.4% from 2014 where it was increased by 123.7% in 2014 from previous year which is not satisfactory.

Income Statement Horizontal Analysis (Square)										
	2011		2012		2013		2014		2015	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Sales	13,471,424,469.00	100%	16,054,425,243.00	119.2%	20,202,005,922.00	125.8%	23,268,413,217.00	115.2%	26,212,862,068.00	112.7%
COGS	7,703,661,010.00	100%	9,167,253,620.00	119.0%	11,308,857,708.00	123.4%	12,960,738,683.00	114.6%	14,370,872,099.00	110.9%
Gross Profit	5,767,763,459.00	100%	6,887,171,623.00	119.4%	8,893,148,214.00	129.1%	10,307,674,534.00	115.9%	11,841,989,969.00	114.9%
Operating Expenses										
Selling and Distribution Expenses	2,121,163,004.00	100%	2,430,466,795.00	114.6%	2,955,935,819.00	121.6%	3,431,938,716.00	116.1%	3,729,200,404.00	108.7%
Administrative Expenses	626,145,987.00	100%	701,977,079.00	112.1%	738,507,999.00	105.2%	730,951,152.00	99.0%	773,712,804.00	105.9%
Financial Expenses	268,849,071.00	100%	433,581,036.00	161.3%	357,151,743.00	82.4%	177,131,396.00	49.6%	34,307,859.00	19.4%
Total	3,016,158,062.00	100%	3,566,024,910.00	118.2%	4,051,595,561.00	113.6%	4,340,021,264.00	107.1%	4,537,221,067.00	104.5%
Profit From Operation	2,751,605,397.00	100%	3,321,146,713.00	120.7%	4,841,552,653.00	145.8%	5,967,653,270.00	123.3%	7,304,768,902.00	122.4%
Other Income	833,884,528.00	100%	856,739,329.00	102.7%	377,846,808.00	44.1%	245,133,874.00	64.9%	670,927,394.00	273.7%
Profit before charging WPPF	3,585,489,925.00	100%	4,177,886,042.00	116.5%	5,219,399,461.00	124.9%	6,212,787,144.00	119.0%	7,975,696,296.00	128.4%
Allocation for WPPF	170,737,615.00	100%	198,946,954.00	116.5%	246,729,864.00	124.0%	300,438,842.00	121.8%	379,795,062.00	126.4%
Profit Before taxation	3,414,752,310.00	100%	3,978,939,088.00	116.5%	4,972,669,597.00	125.0%	5,912,348,302.00	118.9%	7,595,901,234.00	128.5%
Provision for Income Tax	805,575,198.00	100%	958,906,349.00	119.0%	1,237,851,545.00	129.1%	1,518,801,391.00	122.7%	1,679,877,193.00	110.6%
Provision for Deferred Income Tax	77,122,562.00	100%	122,322,098.00	158.6%	96,820,479.00	79.2%	142,966,048.00	147.7%	172,400,209.00	120.6%
Profit After Tax	2,532,054,550.00	100%	2,897,710,641.00	114.4%	3,637,997,573.00	125.5%	4,250,580,863.00	116.8%	5,743,623,832.00	135.1%
Profit/(Loss) from Associate Undertakings					575,807,315.00		695,624,299.00	120.8%	-	
Profit for the year	2,532,054,550.00	100%	2,897,710,641.00	114.4%	4,213,804,888.00	145.4%	4,946,205,162.00	117.4%	5,743,623,832.00	116.1%
Other comprehensive income										
Gain on Marketable Securities (Unrealized)	92,483,089.00	100%	139,986,324.00	151.4%	(107,174,041.00)	-76.6%	135,723,333.00	-126.6%	(183,922,744.00)	-135.5%
Total comprehensive income for the year	2,624,537,639.00	100%	3,037,696,965.00	115.7%	4,106,630,847.00	135.2%	5,081,928,495.00	123.7%	5,559,701,088.00	109.4%

Balance Sheet Horizontal Analysis (Square)										
ASSETS	2011		2012		2013		2014		2015	
Non-Current Assets:	Amount	%	Amount		Amount		Amount		Amount	
Property, Plant and Equipments	6,981,559,781.00	100%	8,951,595,844.00	128.2%	9,609,289,924.00	107.3%	11,156,871,302.00	116.1%	15,721,139,105.00	140.9%
Capital Work-in-Progress	887,584,197.00	100%	1,274,390,572.00	143.6%	3,718,326,254.00	291.8%	3,232,773,494.00	86.9%	119,985,162.00	3.7%
Investment - Long Term (at Cost)	4,031,751,281.00	100%	3,971,022,723.00	98.5%	3,821,121,331.00	96.2%	3,661,121,331.00	95.8%	4,894,025,998.00	133.7%
Investment in Marketable Securities	521,300,555.00	100%	695,037,397.00	133.3%	589,313,880.00	84.8%	730,700,453.00	124.0%	879,249,484.00	120.3%
Total Non-Current Assets	12,422,195,814.00	100%	14,892,046,536.00	119.9%	17,738,051,389.00	119.1%	18,781,466,580.00	105.9%	21,614,399,749.00	115.1%
Current Assets:										
Inventories	2,541,688,329.00	100%	2,687,818,472.00	105.7%	2,503,683,240.00	93.1%	2,345,389,488.00	93.7%	2,684,259,324.00	114.4%
Trade Debtors	772,421,345.00	100%	808,311,714.00	104.6%	800,974,912.00	99.1%	757,757,419.00	94.6%	894,543,303.00	118.1%
Advances, Deposits and Prepayments	523,991,079.00	100%	577,156,445.00	110.1%	650,380,369.00	112.7%	530,659,925.00	81.6%	714,842,990.00	134.7%
Short Term Loan	2,813,811,332.00	100%	2,085,300,110.00	74.1%	1,109,251,152.00	53.2%	2,047,985,968.00	184.6%	1,596,661,104.00	78.0%
Cash and Cash Equivalents	370,301,755.00	100%	586,920,267.00	158.5%	932,407,871.00	158.9%	2,086,275,498.00	223.8%	3,849,475,774.00	184.5%
Total Current Assets	7,022,213,840.00	100%	6,745,507,008.00	96.1%	5,996,697,544.00	88.9%	7,768,068,298.00	129.5%	9,739,782,495.00	125.4%
Total Assets	19,444,409,654.00	100%	21,637,553,544.00	111.3%	23,734,748,933.00	109.7%	26,549,534,878.00	111.9%	31,354,182,244.00	118.1%
EQUITY AND LIABILITIES										
Share capital	1,961,739,000.00	100%	2,648,347,600.00	135.0%	3,707,686,640.00	140.0%	4,819,992,630.00	130.0%	5,542,991,520.00	115.0%
Share Premium	2,035,465,000.00	100%	2,035,465,000.00	100.0%	2,035,465,000.00	100.0%	2,035,465,000.00	100.0%	2,035,465,000.00	100.0%
General Reserve	105,878,200.00	100%	105,878,200.00	100.0%	105,878,200.00	100.0%	105,878,200.00	100.0%	105,878,200.00	100.0%
Tax Holiday Reserve	1,101,935,237.00	100%								
Gain on Marketable Securities (Unrealized)	259,435,115.00	100%	399,421,439.00	154.0%	297,945,485.00	74.6%	417,680,687.00	140.2%	265,332,813.00	63.5%
Retained Earnings	8,353,256,438.00	100%	11,207,557,177.00	134.2%	12,905,916,493.00	115.2%	14,898,500,111.00	115.4%	20,082,224,574.00	134.8%
Total equity	13,817,708,990.00	100%	16,396,669,416.00	118.7%	19,052,891,818.00	116.2%	22,277,516,628.00	116.9%	28,031,892,107.00	125.8%
LIABILITIES										
Non-current liabilities:										
Long Term Loans - Secured	655,645,734.00	100%	508,778,060.00	77.6%	313,421,158.00	61.6%	136,440,907.00	43.5%	40,084,217.00	29.4%
Deferred tax liability	302,865,504.00	100%	479,171,223.00	158.2%	575,991,702.00	120.2%	718,957,750.00	124.8%	891,357,959.00	124.0%
Total non-current liabilities	958,511,238.00	100%	987,949,283.00	103.1%	889,412,860.00	90.0%	855,398,657.00	96.2%	931,442,176.00	108.9%
Current liabilities:										
Short Term Bank Loans	2,627,483,864.00	100%	2,016,551,125.00	76.7%	1,112,694,131.00	55.2%	114,638,033.00	10.3%		0.0%
Long Term Loans - Current Portion	478,199,933.00	100%	477,141,480.00	99.8%	511,504,034.00	107.2%	167,574,698.00	32.8%	81,514,503.00	48.6%
Trade Creditors	733,369,218.00	100%	875,431,555.00	119.4%	1,086,097,881.00	124.1%	1,717,013,624.00	158.1%	254,773,030.00	14.8%
Liabilities for Expenses	79,499,584.00	100%	95,361,435.00	120.0%	109,604,834.00	114.9%	20,463,398.00	18.7%	42,958,189.00	209.9%
Liabilities for Other Finance	749,636,827.00	100%	788,449,250.00	105.2%	972,537,375.00	123.3%	1,396,929,840.00	143.6%	2,011,602,239.00	144.0%
Total current liabilities	4,668,189,426.00	100%	4,252,934,845.00	91.1%	3,792,438,255.00	89.2%	3,416,619,593.00	90.1%	2,390,847,961.00	70.0%
Total liabilities	5,626,700,664.00	100%	5,240,884,128.00	93.1%	4,681,851,115.00	89.3%	4,272,018,250.00	91.2%	3,322,290,137.00	77.8%
TOTAL EQUITY AND LIABILITIES	19,444,409,654.00	100%	21,637,553,544.00	111.3%	23,734,742,933.00	109.7%	26,549,534,878.00	111.9%	31,354,182,244.00	118.1%

From the horizontal analysis of the balance sheet of Square, we can see that, all the values in percentage change are positive. The amount here shows the growth percentage which says by what percentage an item had an increase or decrease. Some items had no change in their values, so it indicates a 0% change. Some core performance indicators of balance sheet like non-current asset shows, it had the highest percentage of increase in 2012 and 2013, but again decreased in 2014, current assets are seen to have a slightly decreasing rate till 2013, shareholders' equity had a positive change over the five years, liabilities are also seen to be following a decreasing trend which is good as the company is gradually trying to decrease their liability amount but again it has increased in 2015.

Income Statement Horizontal Analysis (Beximco)										
	2011		2012		2013		2014		2015	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Sales	7,890,241,843.00	100%	9,289,115,284.00	117.7%	10,490,699,094.00	112.9%	11,206,885,977.00	106.8%	12,965,506,873.00	115.7%
COGS	4,103,709,021.00	100%	4,899,713,857.00	119.4%	5,651,898,878.00	115.4%	6,102,694,323.00	108.0%	6,965,167,704.00	114.1%
Gross Profit	3,786,532,822.00	100%	4,389,401,427.00	115.9%	4,838,800,216.00	110.2%	5,104,191,654.00	105.5%	6,000,339,169.00	117.6%
Operating Expenses										
Administrative Expenses	275,201,846.00	100%	332,225,347.00	120.7%	375,565,912.00	113.0%	398,762,237.00	106.2%	448,357,117.00	112.4%
Selling, Marketing and Distribution Expenses	1,522,851,278.00	100%	1,849,296,520.00	121.4%	2,138,961,534.00	115.7%	2,287,252,281.00	106.9%	2,700,703,578.00	118.1%
Total	1,798,053,124.00	100%	2,181,521,867.00	121.3%	2,514,527,446.00	115.3%	2,686,014,518.00	106.8%	3,149,060,695.00	117.2%
Profit From Operation	1,988,479,698.00	100%	2,207,879,560.00	111.0%	2,324,272,770.00	105.3%	2,418,177,136.00	104.0%	2,851,278,474.00	117.9%
Other Income	340,907,774.00	100%	442,847,713.00	129.9%	510,588,200.00	115.3%	521,171,647.00	102.1%	311,678,326.00	59.8%
Finance Cost	(567,645,757.00)	100%	(645,406,575.00)	113.7%	(636,587,090.00)	98.6%	(724,314,963.00)	113.8%	(708,970,234.00)	97.9%
Profit before charging WPPF	1,761,741,715.00	100%	2,005,320,698.00	113.8%	2,198,273,880.00	109.6%	2,215,033,820.00	100.8%	2,453,986,566.00	110.8%
Allocation for WPPF	(83,892,463.00)	100%	(95,491,462.00)	113.8%	(104,679,709.00)	109.6%	(105,477,787.00)	100.8%	(116,856,503.00)	110.8%
Profit Before taxation	1,677,849,252.00	100%	1,909,829,236.00	113.8%	2,093,594,171.00	109.6%	2,109,556,033.00	100.8%	2,337,130,063.00	110.8%
Provision for Income Tax	207,549,905.00	100%	445,712,907.00	214.7%	324,415,546.00	72.8%	436,782,844.00	134.6%	425,966,912.00	97.5%
Provision for Deferred Tax Expenses/(Income)	271,774,005.00	100%	144,727,001.00	53.3%	364,415,845.00	251.8%	144,475,316.00	39.6%	(43,121,365.00)	-29.8%
Profit After Tax	1,198,525,342.00	100%	1,319,389,328.00	110.1%	1,404,762,780.00	106.5%	1,528,297,873.00	108.8%	1,954,284,516.00	127.9%
Other comprehensive income / (Loss)					1,341,619.00		967,032.00	72.1%	(351,138.00)	-36.3%
Total comprehensive income for the year	1,198,525,342.00	100%	1,319,389,328.00	110.1%	1,406,104,399.00	106.6%	1,529,264,905.00	108.8%	1,953,933,378.00	127.8%

The horizontal analysis of Beximco's income statement is showing the growth rate change throughout the five years period of time. Here, all the values are seen to have increased in a positive rate except some values in other income, finance costs, income tax expenses etc. Expenses which have a decreasing growth rate is a good sign for the company as it indicates that they have succeeded to decrease their expenses throughout the period. The basic performance indicator in an income statement like- net sales shows that the highest increase was in 2012 and lowest in 2014. However, it is always having a positive increase which says their sales increased day by day. The increase rate of COGS decreased to some extents and finally the net income is seen to be increasing at a decreasing rate but significantly increased in 2015.

Balance Sheet Horizontal Analysis (Beximco)										
ASSETS	2011		2012		2013		2014		2015	
Non-Current Assets:	Amount	%	Amount	%	Amount		Amount		Amount	
Property, Plant and Equipments	15,745,492,625.00	100%	16,201,858,216.00	102.9%	18,364,313,070.00	113.3%	20,393,278,737.00	111.0%	22,168,184,597.00	108.7%
Intangible Assets	135,933,879.00	100%	187,079,147.00	137.6%	198,223,509.00	106.0%	235,208,190.00	118.7%	269,864,103.00	114.7%
Investment in Shares	3,451,276.00	100%	3,451,276.00	100.0%	4,792,895.00	138.9%	5,759,927.00	120.2%	5,408,789.00	93.9%
Total Non-Current Assets	15,884,877,780.00	100%	16,392,388,639.00	103.2%	18,567,329,474.00	113.3%	20,634,246,854.00	111.1%	22,443,457,489.00	108.8%
Current Assets:										
Inventories	2,291,844,631.00	100%	2,433,987,981.00	106.2%	2,411,881,986.00	99.1%	2,493,657,338.00	103.4%	2,817,185,843.00	113.0%
Spares & Supplies	325,881,244.00	100%	396,175,790.00	121.6%	433,352,407.00	109.4%	554,183,898.00	127.9%	556,974,583.00	100.5%
Accounts Receivable	978,224,317.00	100%	1,162,404,807.00	118.8%	1,249,434,697.00	107.5%	1,397,468,648.00	111.8%	1,546,921,772.00	110.7%
Loans, Advances and Deposits	840,320,705.00	100%	965,276,373.00	114.9%	1,186,637,111.00	122.9%	1,223,673,153.00	103.1%	1,784,104,778.00	145.8%
Short Term Investment	2,193,423,560.00	100%	2,686,598,326.00	122.5%	3,026,383,161.00	112.6%	2,475,023,831.00	81.8%	1,539,430,008.00	62.2%
Cash and Cash Equivalents	518,768,296.00	100%	552,978,686.00	106.6%	595,732,966.00	107.7%	222,239,239.00	37.3%	147,476,111.00	66.4%
Total Current Assets	7,148,462,753.00	100%	8,197,421,963.00	114.7%	8,903,422,328.00	108.6%	8,366,246,107.00	94.0%	8,392,093,095.00	100.3%
Total Assets	23,033,340,533.00	100%	24,589,810,602.00	106.8%	27,470,751,802.00	111.7%	29,000,492,961.00	105.6%	30,835,550,584.00	106.3%
EQUITY AND LIABILITIES										
Share capital	2,517,678,100.00	100%	3,046,390,500.00	121.0%	3,503,349,070.00	115.0%	3,678,516,520.00	105.0%	3,862,442,340.00	105.0%
Share Premium	5,269,474,690.00	100%	5,269,474,690.00	100.0%	5,269,474,690.00	100.0%	5,269,474,690.00	100.0%	5,269,474,690.00	100.0%
Excess of Issue Price over Face Value of GDRs	1,689,636,958.00	100%	1,689,636,958.00	100.0%	1,689,636,958.00	100.0%	1,689,636,958.00	100.0%	1,689,636,958.00	100.0%
Capital Reserve on Merger	294,950,950.00	100%	294,950,950.00	100.0%	294,950,950.00	100.0%	294,950,950.00	100.0%	294,950,950.00	100.0%
Revaluation Surplus	1,466,602,600.00	100%	1,406,527,880.00	95.9%	1,349,578,805.00	96.0%	1,299,220,315.00	96.3%	1,257,422,946.00	96.8%
Fair Value Gain on Investment					1,341,619.00		2,308,651.00	172.1%	1,957,513.00	84.8%
Retained Earnings	5,889,784,879.00	100%	6,701,181,881.00	113.8%	7,667,220,373.00	114.4%	8,686,077,241.00	113.3%	10,102,742,186.00	116.3%
Total equity	17,128,128,177.00	100%	18,408,162,859.00	107.5%	19,775,552,465.00	107.4%	20,920,185,325.00	105.8%	22,478,627,583.00	107.4%
LIABILITIES										
Non-current liabilities:										
Long Term Borrowings-Net off Current Maturity (Secured)	1,890,074,651.00	100%	1,469,621,611.00	77.8%	1,151,400,702.00	78.3%	901,709,327.00	78.3%	916,927,763.00	101.7%
Liability for Gratuity & WPPF	403,598,795.00	100%	499,622,784.00	123.8%	610,628,150.00	122.2%	741,522,518.00	121.4%	864,107,790.00	116.5%
Deferred tax liability	963,376,922.00	100%	1,147,459,569.00	119.1%	1,550,589,207.00	135.1%	1,729,361,361.00	111.5%	1,713,879,464.00	99.1%
Total non-current liabilities	3,257,050,368.00	100%	3,116,703,964.00	95.7%	3,312,618,059.00	106.3%	3,372,593,206.00	101.8%	3,494,915,017.00	103.6%
Current liabilities:										
Short Term Borrowings	1,642,216,008.00	100%	1,526,449,918.00	92.95%	2,776,266,125.00	181.9%	3,153,121,293.00	113.6%	3,163,551,475.00	100.3%
Long Term Borrowings - Current Maturity	363,744,181.00	100%	664,712,728.00	182.7%	2,776,266,125.00	417.7%	663,838,072.00	23.9%	724,603,464.00	109.2%
Creditors and Other Payables	523,798,136.00	100%	470,097,685.00	89.7%	754,903,558.00	160.6%	357,710,839.00	47.4%	439,018,016.00	122.7%
Accrued Expenses	101,559,917.00	100%	128,598,961.00	126.6%	383,170,553.00	298.0%	164,283,115.00	42.9%	206,228,496.00	125.5%
Dividend Payable	1,361,452.00	100%	1,020,948.00	75.0%	973,367.00	95.3%	454,720.00	46.7%	412,480.00	90.7%
Income Tax Payable	15,482,294.00	100%	274,064,529.00	1770.2%	325,685,371.00	118.8%	368,339,391.00	113.1%	328,194,053.00	89.1%
Total current liabilities	2,648,161,988.00	100%	3,064,944,769.00	115.7%	4,382,581,278.00	143.0%	4,707,747,430.00	107.4%	4,862,007,984.00	103.3%
Total liabilities	5,905,212,356.00	100%	6,181,648,733.00	104.7%	7,695,199,337.00	124.5%	8,080,340,636.00	105.0%	8,356,923,001.00	103.4%
TOTAL EQUITY AND LIABILITIES	23,033,340,533.00	100%	24,589,811,592.00	106.8%	27,470,751,802.00	111.7%	29,000,525,961.00	105.6%	30,835,550,584.00	106.3%

From the horizontal analysis of the balance sheet of Beximco, we can see that, some of the values are having a no change throughout the years. The amount here shows the growth percentage which says by what percentage an item had an increase or decrease. Some core performance indicators of balance sheet like- non-current asset shows, it had the highest percentage of increase in 2013, but again decreased in 2014 and 2015, current assets are seen to be increasing at a decreasing rate, shareholders' equity had a positive change over the five years, liabilities are also seen to be following a decreasing trend except the year 2013 which is good as the company is gradually trying to decrease their liability amount.

Income Statement Horizontal Analysis (GSK)										
	2011		2012		2013		2014		2015	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Sales	4,735,121,000.00	100%	5,553,812,000.00	117.3%	6,774,872,000.00	122.0%	7,187,225,000.00	106.1%	6,698,828,000.00	93.2%
Cost of Sales	3,386,670,000.00	100%	3,964,900,000.00	117.1%	4,561,783,000.00	115.1%	4,476,255,000.00	98.1%	4,064,297,000.00	90.8%
Gross Profit	1,348,451,000.00	100%	1,588,912,000.00	117.8%	2,213,089,000.00	139.3%	2,710,970,000.00	122.5%	2,634,531,000.00	97.2%
Operating Expenses										
Selling Expenses	748,174,000.00	100%	1,065,900,000.00	142.5%	1,328,081,000.00	124.6%	1,305,494,000.00	98.3%	1,211,492,000.00	92.8%
Distribution Expenses	8,261,000.00	100%	21,365,000.00	258.6%	13,418,000.00	62.8%	20,458,000.00	152.5%	19,589,000.00	95.8%
Administrative Expenses	187,216,000.00	100%	141,904,000.00	75.8%	272,606,000.00	192.1%	334,467,000.00	122.7%	375,730,000.00	112.3%
Other Income	12,126,000.00	100%	15,927,000.00	131.3%	5,620,000.00	35.3%	11,979,000.00	213.1%	12,892,000.00	107.6%
Total	931,525,000.00	100%	1,213,242,000.00	130.2%	1,608,485,000.00	132.6%	1,648,440,000.00	102.5%	1,593,919,000.00	96.7%
Profit From Operation	416,926,000.00	100%	375,670,000.00	90.1%	604,604,000.00	160.9%	1,062,530,000.00	175.7%	1,040,612,000.00	97.9%
Finance Income	52,163,000.00	100%	55,192,000.00	105.8%	119,559,000.00	216.6%	119,773,000.00	100.2%	98,057,000.00	81.9%
Finance Cost	3,759,000.00	100%								
Profit before charging WPPF	465,330,000.00	100%	430,862,000.00	92.6%	724,163,000.00	168.1%				
Allocation for WPPF			21,523,000.00							
Profit Before taxation	465,330,000.00	100%	409,339,000.00	88.0%	724,163,000.00	176.9%	1,182,303,000.00	163.3%	1,138,669,000.00	96.3%
Income tax expenses	183,262,000.00	100%	165,372,000.00	90.2%	177,914,000.00	107.6%	355,525,000.00	199.8%	307,590,000.00	86.5%
Profit for the year	282,068,000.00	100%	243,967,000.00	86.5%	546,249,000.00	223.9%	826,778,000.00	151.4%	831,079,000.00	100.5%
Other comprehensive income										
Total comprehensive income for the year	282,068,000.00	100%	243,967,000.00	86.5%	546,249,000.00	223.9%	826,778,000.00	151.4%	831,079,000.00	100.5%

The horizontal analysis of GSK's income statement is showing the growth rate change throughout the five years period of time. Here, all the values are seen to have increased in a positive rate except some values in other income, finance costs, profit for the year etc. Expenses which have a decreasing growth rate is a good sign for the company as it indicates that they have succeeded to decrease their expenses throughout the period. The basic performance indicator in an income statement like- net sales shows that the highest increase was in 2013 and lowest in 2015. The increase rate of COGS is fluctuating and finally the net income is seen to be same in last two years which is not a very good sign as it indicates that their income is stable.

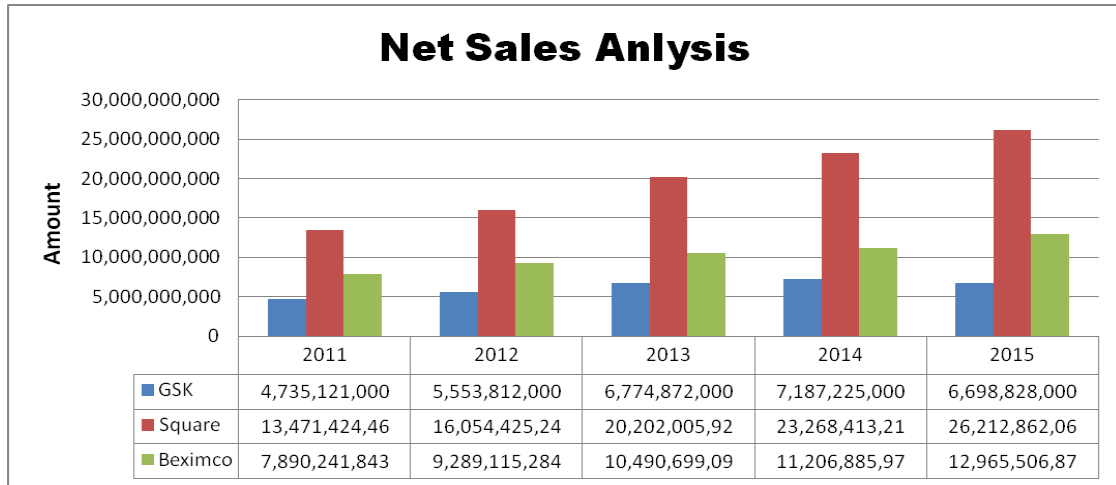
Balance Sheet Horizontal Analysis (GSK)										
ASSETS	2011		2012		2013		2014		2015	
Non-Current Assets:	Amount	%	Amount	%	Amount		Amount		Amount	
Property, Plant and Equipments	480,662,000.00	100%	497,830,000.00	103.6%	536,861,000.00	107.8%	546,216,000.00	101.7%	600,794,000.00	110.0%
Intangible assets					5,467,000.00		4,374,000.00	80.0%	3,437,000.00	78.6%
Other receivables			64,939,000.00	0.0%	44,046,000.00	67.8%	27,713,000.00	62.9%	10,370,000.00	37.4%
Total Non-Current Assets	480,662,000.00	100%	562,769,000.00	117.1%	586,374,000.00	104.2%	578,303,000.00	98.6%	614,601,000.00	106.3%
Current Assets:										
Inventories	1,138,844,000.00	100%	1,059,544,000.00	93.0%	1,224,492,000.00	115.6%	868,079,000.00	70.9%	852,278,000.00	98.2%
Trade and other receivables	401,297,000.00	100%	421,471,000.00	105.0%	506,060,000.00	120.1%	1,044,908,000.00	206.5%	1,224,342,000.00	117.2%
Cash and cash equivalents	770,584,000.00	100%	1,019,434,000.00	132.3%	1,680,699,000.00	164.9%	2,537,032,000.00	151.0%	2,871,198,000.00	113.2%
Total Current Assets	2,310,725,000.00	100%	2,500,449,000.00	108.2%	3,411,251,000.00	136.4%	4,450,019,000.00	130.5%	4,947,818,000.00	111.2%
Total Assets	2,791,387,000.00	100%	3,063,218,000.00	109.7%	3,997,625,000.00	130.5%	5,028,322,000.00	125.8%	5,562,419,000.00	110.6%
EQUITY AND LIABILITIES										
Equity attributable to the Company's equity holders:										
Share capital	120,465,000.00	100%	120,465,000.00	100.0%	120,465,000.00	100.0%	120,465,000.00	100.0%	120,465,000.00	100.0%
Retained earnings	1,237,180,000.00	100%	1,300,450,000.00	105.1%	1,666,002,000.00	128.1%	2,068,846,000.00	124.2%	2,418,694,000.00	116.9%
General reserves	5,000,000.00	100%	5,000,000.00	100.0%	5,000,000.00	100.0%	5,000,000.00	100.0%	5,000,000.00	100.0%
Revaluation reserve	59,479,000.00	100%	59,479,000.00	100.0%	59,479,000.00	100.0%	59,479,000.00	100.0%	59,479,000.00	100.0%
Capital reserves	166,000.00	100%	166,000.00	100.0%	166,000.00	100.0%	166,000.00	100.0%	166,000.00	100.0%
Total equity	1,422,290,000.00	100%	1,485,560,000.00	104.4%	1,851,112,000.00	124.6%	2,253,956,000.00	121.8%	2,603,804,000.00	115.5%
LIABILITIES										
Non-current liabilities:										
Deferred tax liability	35,901,000.00	100%	38,512,000.00	107.3%	32,039,000.00	83.2%	25,765,000.00	80.4%	(887,000.00)	-3.4%
Retirement benefit obligations	82,139,000.00	100%	83,874,000.00	102.1%	81,469,000.00	97.1%	14,865,000.00	18.2%	8,813,000.00	59.3%
Obligation under finance lease	26,938,000.00	100%	21,415,000.00	79.5%	12,757,000.00	59.6%	160,629,000.00	1259.1%	40,822,000.00	25.4%
Total non-current liabilities	144,978,000.00	100%	143,801,000.00	99.2%	126,265,000.00	87.8%	201,259,000.00	159.4%	48,748,000.00	24.2%
Current liabilities:										
Trade and other payables	1,185,027,000.00	100%	1,369,468,000.00	115.6%	1,949,378,000.00	142.3%	2,337,516,000.00	119.9%	2,710,272,000.00	115.9%
Current tax liabilities	32,469,000.00	100%	56,654,000.00	174.5%	62,211,000.00	109.8%	225,681,000.00	362.8%	193,543,000.00	85.8%
Obligation under finance lease	6,623,000.00	100%	7,735,000.00	116.8%	8,659,000.00	111.9%	9,910,000.00	114.4%	6,052,000.00	61.1%
Total current liabilities	1,224,119,000.00	100%	1,433,857,000.00	117.1%	2,020,248,000.00	140.9%	2,573,107,000.00	127.4%	2,909,867,000.00	113.1%
Total liabilities	1,369,097,000.00	100%	1,577,658,000.00	115.2%	2,146,513,000.00	136.1%	2,774,366,000.00	129.2%	2,958,615,000.00	106.6%
TOTAL EQUITY AND LIABILITIES	2,791,387,000.00	100%	3,063,218,000.00	109.7%	3,997,625,000.00	130.5%	5,028,322,000.00	125.8%	5,562,419,000.00	110.6%

From the horizontal analysis of the balance sheet of GSK, we can see that, some of the values are having a negative change throughout the years. Negative value indicates that these items had decreased than previous years and the positive values say that each value had an increase compared to the previous year. Some items had no change in their values, so it indicates a 0% change. Some core performance indicators of balance sheet like- non-current asset shows, it had the highest percentage of increase in 2012, but again decreased in 2013, current assets are seen to be fluctuating, shareholders' equity had a positive change over the five years, liabilities are also seen to be following a increasing trend which is not good for the company is increasing their liability amount.

Comparative Analysis

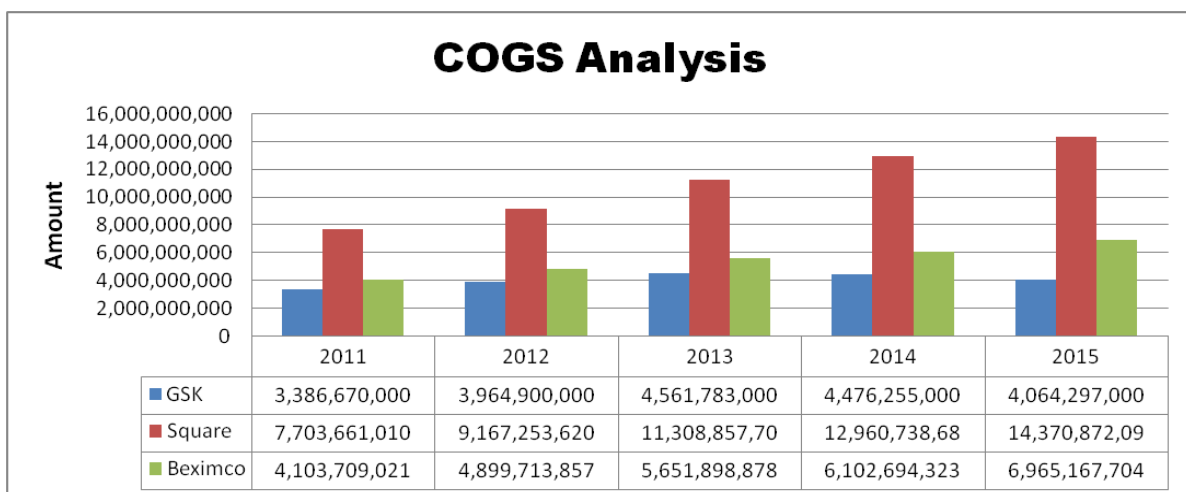
In this section of analysis, I tried to comparatively represent the scenarios of three companies. Here, I have included the basic elements of income statements and balance sheets to compare their performances throughout the period of 2011-2015. I have also tried to show the growth trend of these elements for each of the companies. From income statement, I have compared the elements like- Net sales, COGS, Gross profit, Operating expenses and Net income. From balance sheet I have included elements like- Total equity, Total liabilities and Total assets.

Net Sales Comparison:



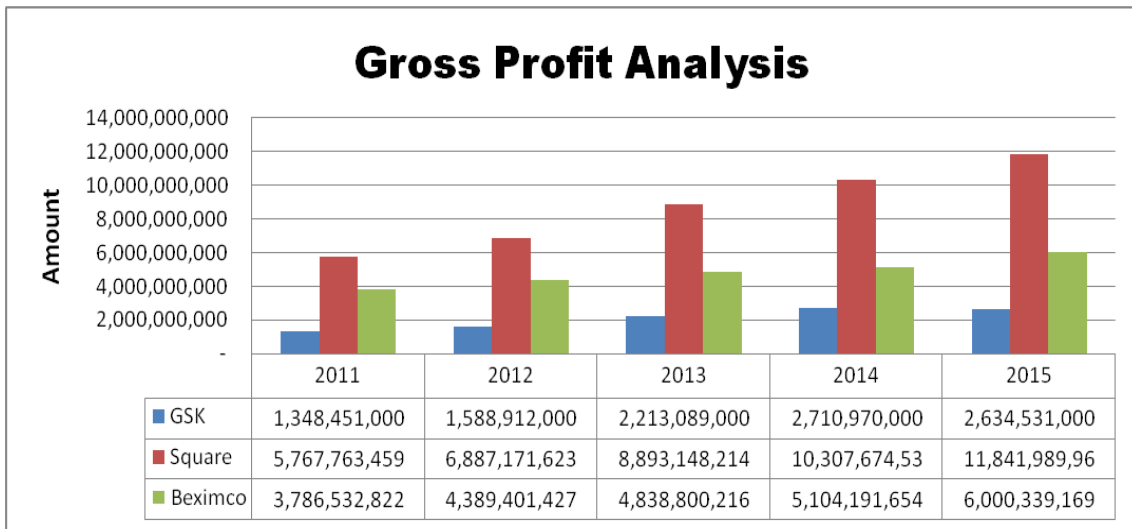
From the net sales comparison of all the three companies, we can see that all of them are having an increase in their sales throughout the previous years. However, if we compare we can see that. Square has the highest sales compared to other two. Though Beximco and GSK are also having an increase in their sales, it is very low compared to Square. From diagram, we can see that Square has a quite increasing sales, Beximco had a great positive sales. GSK is seen to have stable sales throughout the five years but their growth of net sales is very low compared to other two companies.

COGS Comparison:



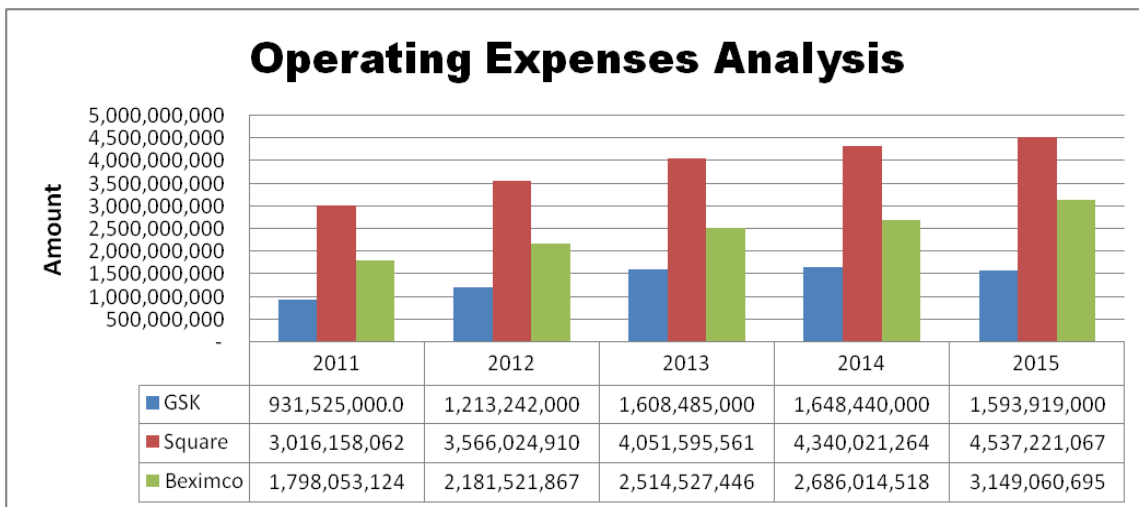
From the cost of sales comparison of all the three companies, we can see that all of them are having an increase in their sales throughout the previous years. As Square is having a huge sale in every year, their cost of sales are also high than others. Though Beximco and GSK are also having an increase in their sales, it is very low compared to Square. Here, GSK needs to improve their performance as their cost of sales is very high compared to their sales. The reason behind their increase in cost of sales can be mentioned as their maintenance of high inventory. They maintain high inventory to reduce sudden government rule imposition on importing certain products from other countries.

Gross Profit Comparison:



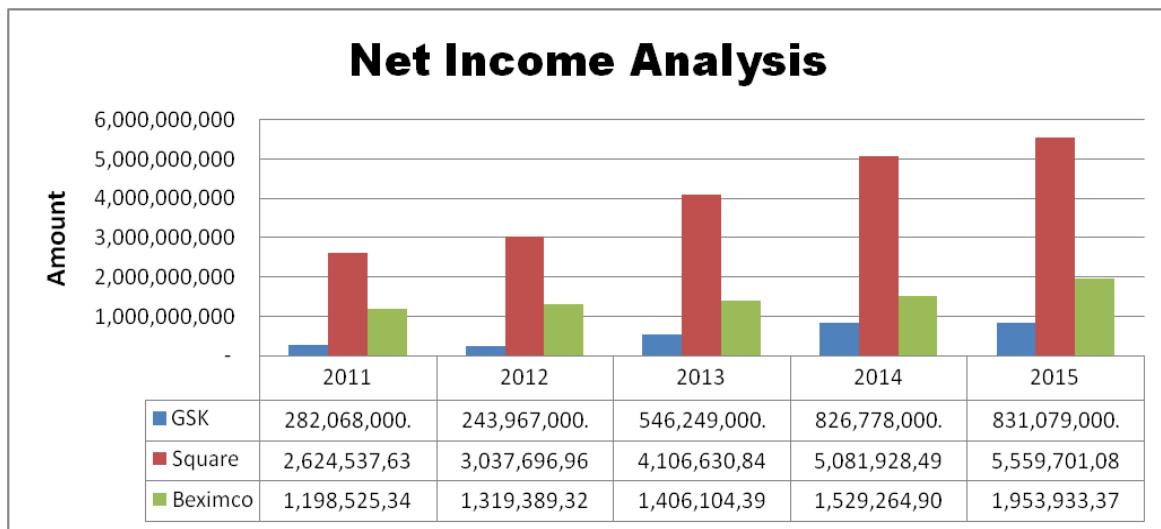
From the gross profit comparison of all the three companies, we can see that all of them are having an increase in their gross profit throughout the previous years. However, if we compare, we can see that. Square has the highest gross profit compared to other two. Though Beximco and GSK are also having an increase, it is very low compared to Square.

Operating Expenses Comparison:



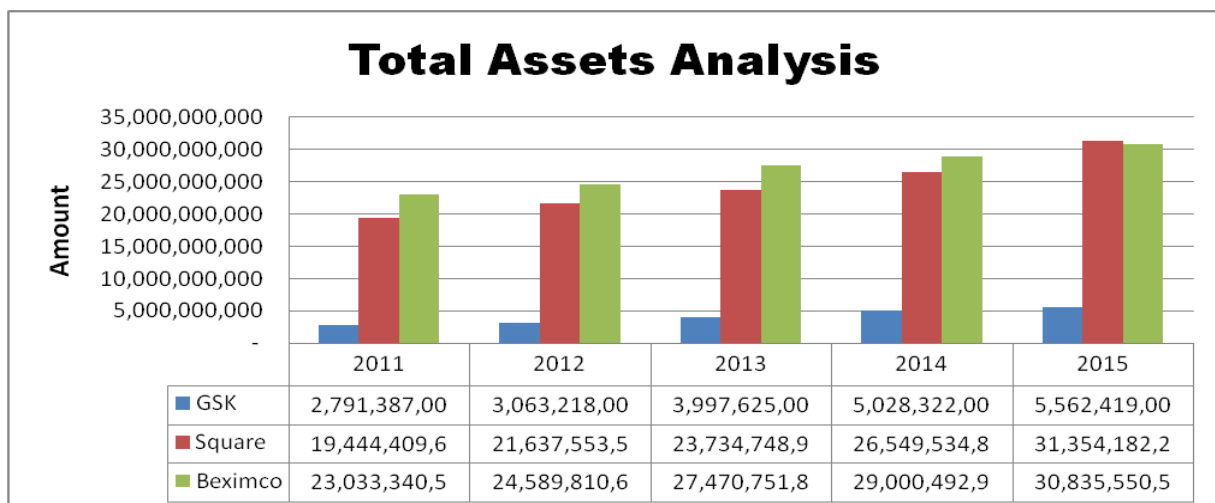
From the operating expense comparison of all the three companies, we can see that all of them are having an increase in their operating expenses throughout the previous years. The chart shows that, Square has been having the highest operating expenses because their sales is also high compared to other two. However, it is always good for a company when they can reduce their cost increasing profit. So, a high expense is not always a bad scenario if it justifies a company's sales volume and profit. However, if we compare we can see that. Square has the highest sales compared to other two. Though Beximco and GSK are also having an increase in their expenses.

Net Income Comparison:



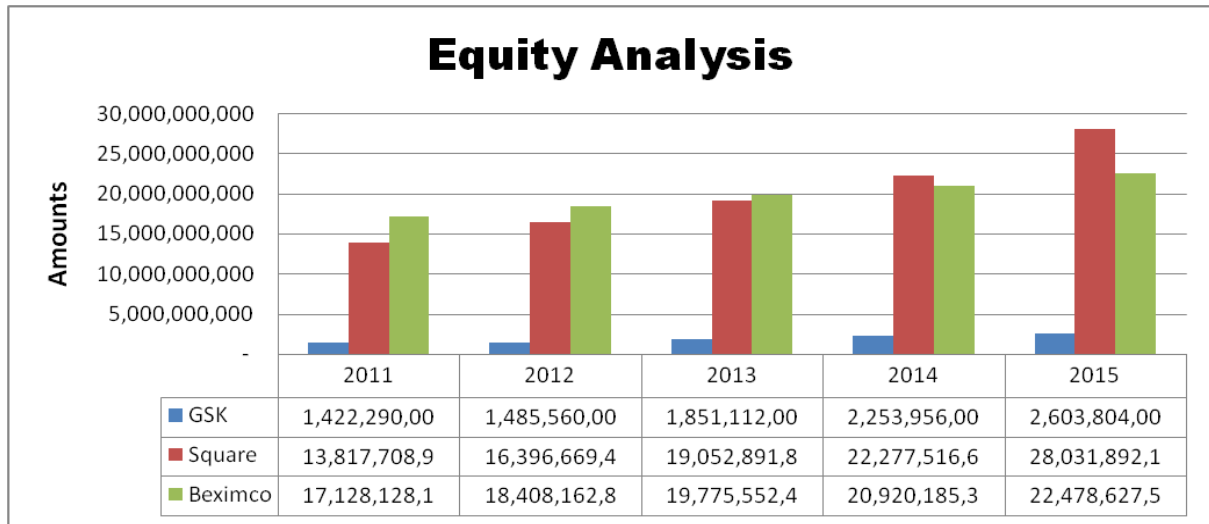
Net income of a company is one of the biggest indicators to see how it is performing and how much amount the company is gaining after deducting all expenses, taxes and interests from their gross profit. From the net income comparison of all the three companies, we can see that Square and Beximco is having an increase in their income. On the other hand, GSK is seen to have low income throughout these five year. So, undoubtedly Square is in the most suitable situation in the market compared to other two.

Total Assets Comparison:



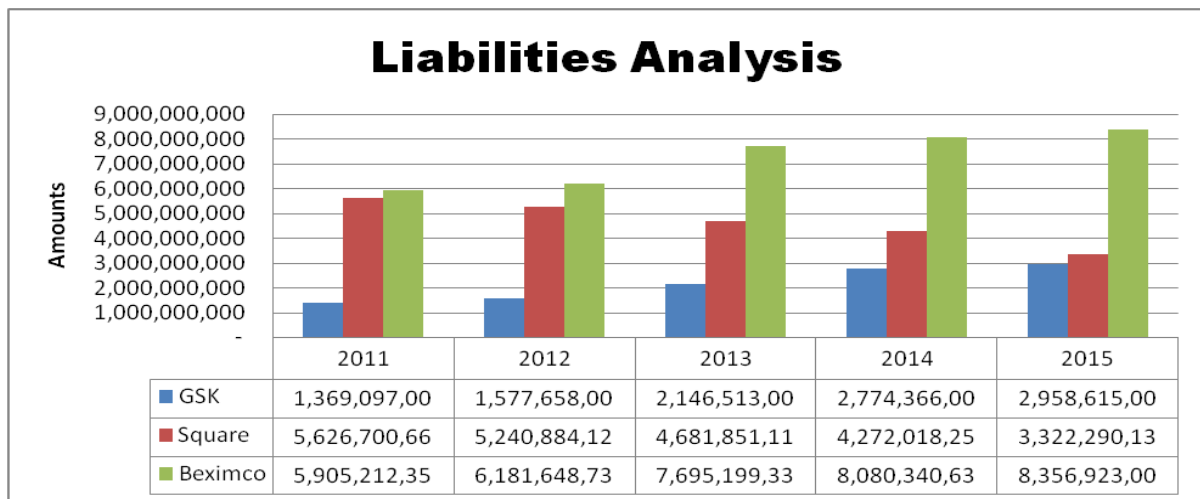
From the total asset comparison of all the three companies, we can see both Square and Beximco is maintaining good current and non-current assets to run their operation. As they have huge sales, they need to maintain huge assets. GSK is maintaining very low assets than other two. As their operation is low, their assets are also seen to be very low.

Equity Comparison:



From the equity analysis of all the three companies, we can see that Beximco and Square both are having quite equal rate of equity funding and the rate is increasing with the increase in their operation. Here, GSK is seen to be maintaining the lowest rate of equity funding.

Liabilities Comparison:



From the liability analysis of the three companies, we can see that, Square is having quite a stable rate in maintaining current and non-current liabilities whereas Beximco is seen to have an increasing trend. It is good that Square has been able to reduce their liabilities in recent years. GSK is having a slight increase in their liabilities over the five years.

Ratio Analysis

Ratio analysis is used to evaluate various aspects of a company's operating and financial performance such as its efficiency, liquidity, profitability and solvency. The trend of these ratios over time is studied to check whether they are improving or deteriorating. Ratios are also compared across different companies in the same sector to see how they stack up, and to get an idea of comparative valuations. Ratio analysis is a cornerstone of fundamental analysis. (Ratio Analysis, 1999)

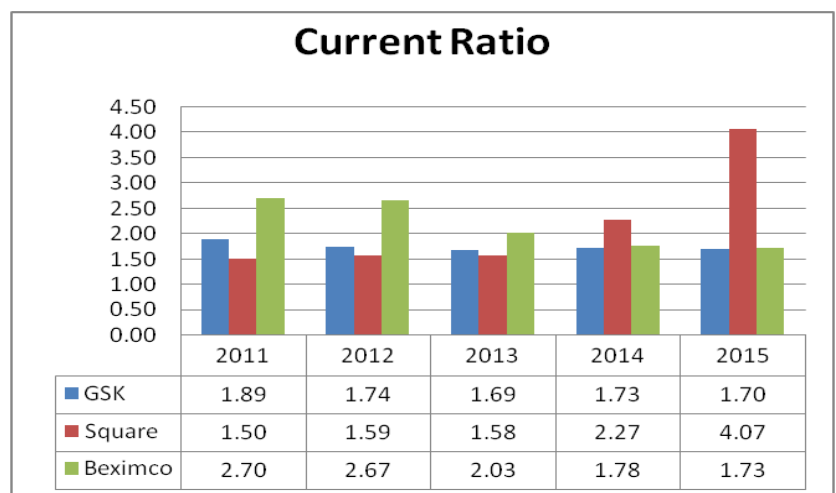
Current Ratio:

It is a liquidity ratio that measures a company's ability to pay short-term debts. The ratio is mainly used to give an idea of the company's ability to pay back its short-term liabilities (debt and payables) with its short-term assets (cash, inventory, receivables). The higher the current ratio, the more capable the company is of paying its obligations. (Arthur J Keown, 2004)

Formula: Current Asset / Current Liabilities

Current Ratio					
Year	2011	2012	2013	2014	2015
GSK	1.89	1.74	1.69	1.73	1.70
Square	1.50	1.59	1.58	2.27	4.07
Beximco	2.70	2.67	2.03	1.78	1.73

The graph shows that, all the three company's current ratio from 2011-2015. For GSK, though the ratio declined afterwards, it was not below 1. So, it can be said that they always maintain a good current ratio to pay off their debts in time. In recent past years, Square has been maintaining a stable current ratio which is very much required to maintain a healthy financial position. But their current ratio significantly increased in 2015. Beximco is also maintaining a good position to be able to pay their current debts. But in recent two years their current ratio declined.



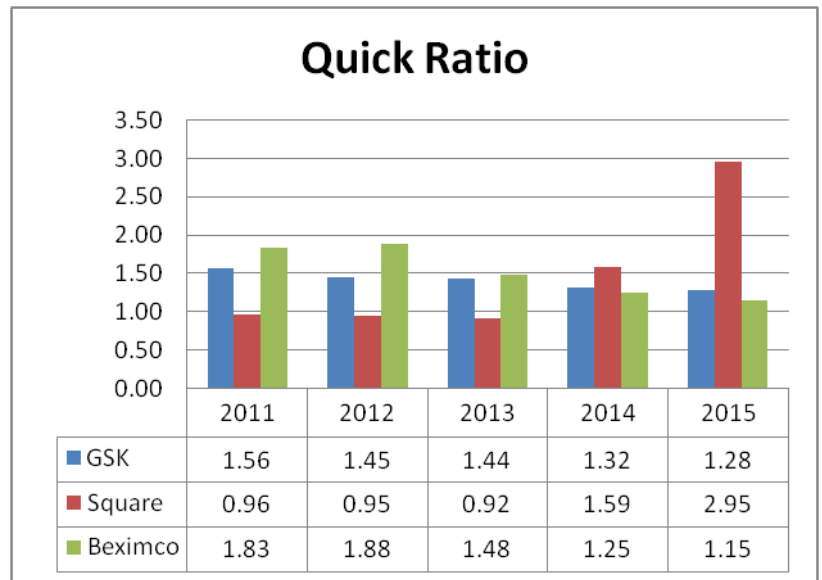
Quick Ratio:

This ratio assesses the capacity of an organization to recover its current liabilities by using the organization's quick assets. Assets which can be easily converted into cash are known as quick assets. Quick ratio is also known as Acid-test ratio and it excludes the inventories as inventories are less liquid. Quick ratio less than 1 indicates that the firm is currently unable to pay its current debts.

Formula: (Current Assets-Inventories) / Current Liabilities

Quick Ratio					
Year	2011	2012	2013	2014	2015
GSK	1.56	1.45	1.44	1.32	1.28
Square	0.96	0.95	0.92	1.59	2.95
Beximco	1.83	1.88	1.48	1.25	1.15

The graph shows that GSK Bangladesh had decreasing trend of quick ratio. In 2011, the ratio of Square was less than 1 which was not pleasing. However, in 2014 it again increased indicating a good liquid position. Compared to others, Beximco had the ratio was highest in 2011 and it has gradually decreased. Finally, the graph shows that, GSK has maintained satisfactory ratios in past years as well as recent years indicating their good ability of paying off their current debts with their current liquid assets.



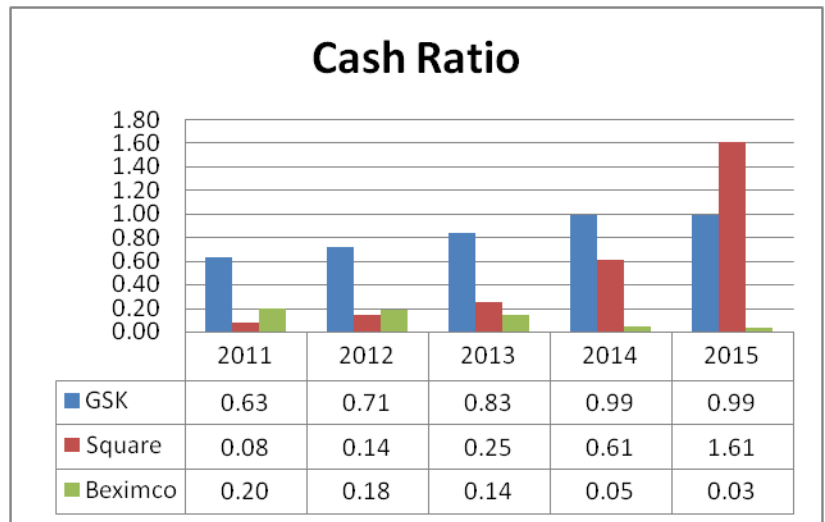
Cash Ratio:

Cash ratio is a ratio of a firm's cash and cash equivalents to its current liabilities. This ratio is a great measurement of liquidity. If the ratio is high then it indicates that the firm has enough cash to meet up immediate payment demand.

Formula: Cash & Equivalents / Current Liabilities

Cash Ratio					
	2011	2012	2013	2014	2015
GSK	0.63	0.71	0.83	0.99	0.99
Square	0.08	0.14	0.25	0.61	1.61
Beximco	0.20	0.18	0.14	0.05	0.03

The graph shows that, in 2011 to 2013, the cash ratio of Square and Beximco was very poor which signals that they faced much liquidity crisis and had not sufficient cash in hand to pay back the short term liabilities. However, GSK is maintaining a good cash ratio from 2011 to 2015. Square had their highest cash ratio in 2015. Beximco's liquidity position in recent years is quite poor.



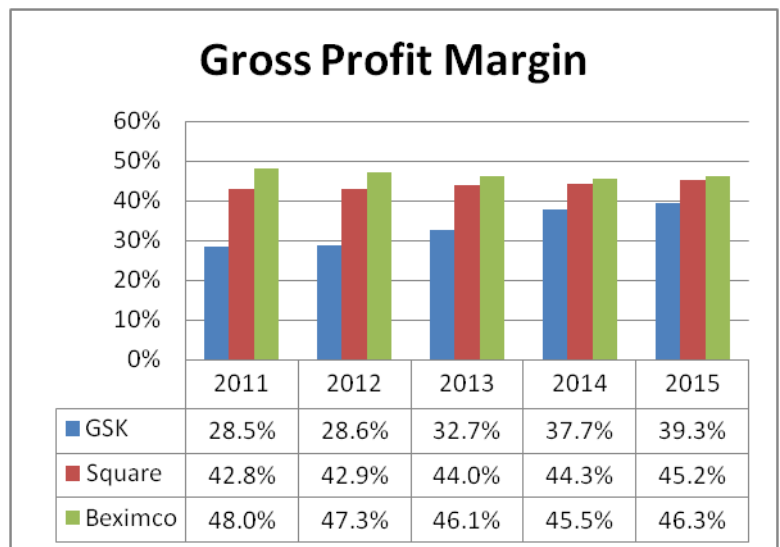
Gross Profit Margin:

The relationship of sales and cost of goods sold is assessed through gross profit margin. High ratio indicates a secure position for the company. Low profit margin signals towards less safe position because it means that sales are diminishing, therefore generating low revenues. The gross margin is not an exact estimate of the company's pricing strategy but it does give a good indication of financial health.

Formula: Gross Profit / Net Sales

Gross Profit Margin					
Year	2011	2012	2013	2014	2015
GSK	28.5%	28.6%	32.7%	37.7%	39.3%
Square	42.8%	42.9%	44.0%	44.3%	45.2%
Beximco	48.0%	47.3%	46.1%	45.5%	46.3%

The graph shows that, all the three companies tried to maintain a stable gross profit margin in past years. Though for GSK, a little fluctuation in the margin can be seen, but they are also trying to increase their sales over the cost of sales. For both Square and Beximco, it can be commented that they are satisfactorily maintaining a stable profit margin throughout the past years and here Beximco's performance is outstanding regarding very less fluctuation in their performance.



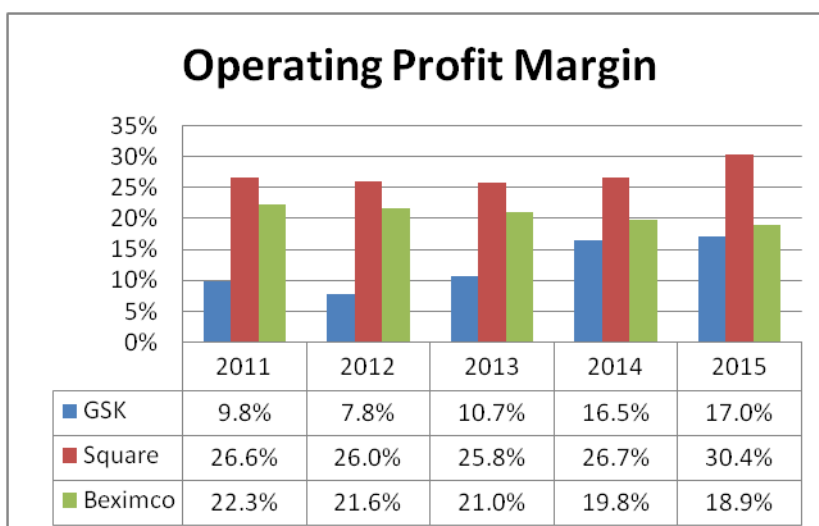
Operating Profit Margin:

This ratio is another important tool to measure a company's profitability and operating efficiency. Operating margin is a measurement of what proportion of a company's revenue is left over after paying for variable costs of production such as wages, raw materials, etc. A healthy operating margin is required for a company to be able to pay for its fixed costs, such as interest on debt and taxes.

Formula: EBIT / Net Sales

Operating Profit Margin					
Year	2011	2012	2013	2014	2015
GSK	9.8%	7.8%	10.7%	16.5%	17.0%
Square	26.6%	26.0%	25.8%	26.7%	30.4%
Beximco	22.3%	21.6%	21.0%	19.8%	18.9%

From the trend we can see that, Square is in the best position compared to its competitors. It is maintaining the highest and the most stable level of operating margin for the last few years. The scenario for GSK is not so good. Though in 2014 and 2015, the margin increased, But the rate is also very low compared to its competitors indicating poor management and pricing strategy. Beximco has been maintain a stable margin, but less satisfactory than Square.



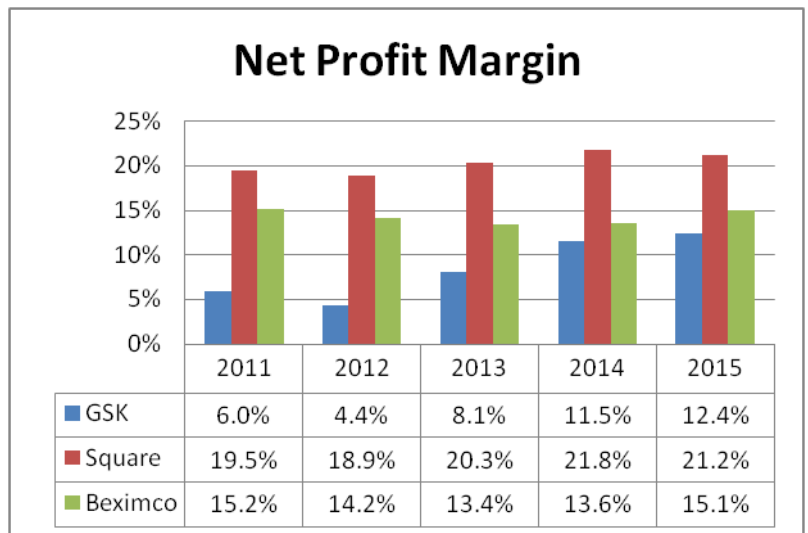
Net Profit Margin:

A ratio of profitability calculated as net income divided by revenues, or net profit divided by sales. It measures how much out of every dollar of sales a company actually earns. This is also known as profit margin. Higher the profit margin, better the condition of the firm.

Formula: Net Income / Net Sales

Net Profit Margin					
Year	2011	2012	2013	2014	2015
GSK	6.0%	4.4%	8.1%	11.5%	12.4%
Square	19.5%	18.9%	20.3%	21.8%	21.2%
Beximco	15.2%	14.2%	13.4%	13.6%	15.1%

The graph shows that, GSK is having a drastic decline in their net profit margin in years 2011 and 2012. Though the rate was seen to be improving in 2014 and 2015. Square is seen to be in the most satisfactory situation compared to its competitors. It has been maintain the most stable performance and the rate is also higher in every years. In case of Beximco, we can see that the rate has increased than previous years



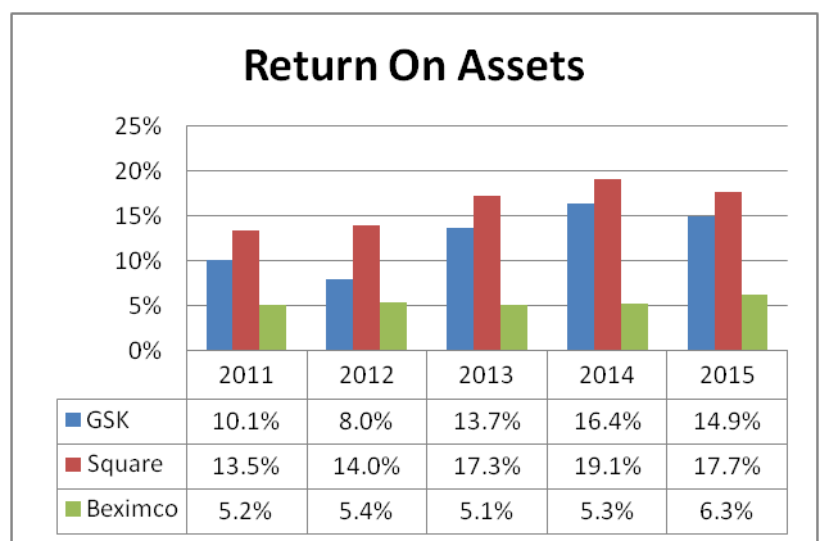
but not so much compared to its one of the big competitors Square. From all these three companies comparison, it is quite clear that GSK needs to pay more attention in increasing their performance to compete and run their operations successfully.

Return On Assets:

Return on asset is an indicator of how profitable a company is relative to its total assets. ROA gives an idea of how competent management is at using its assets to generate earnings. It is calculated by dividing a company's annual earnings by its total assets, ROA is displayed as a percentage. Sometimes this is referred to as "return on investment". (Arthur J Keown, 2004)

Return On Assets					
Year	2011	2012	2013	2014	2015
GSK	10.1%	8.0%	13.7%	16.4%	14.9%
Square	13.5%	14.0%	17.3%	19.1%	17.7%
Beximco	5.2%	5.4%	5.1%	5.3%	6.3%

The graph interprets that, GSK had great improvement in early years from 2011-2014. However, in recent year the return on assets rate went down. So, GSK's performance here is not stable and in declining trend which is a matter of much concern. Square's trend shows that its performance is quite good and in a stable position. Beximco is the lowest in all years compared to its competitors. It indicates that they are generating lowest amount of return from their investments in assets.



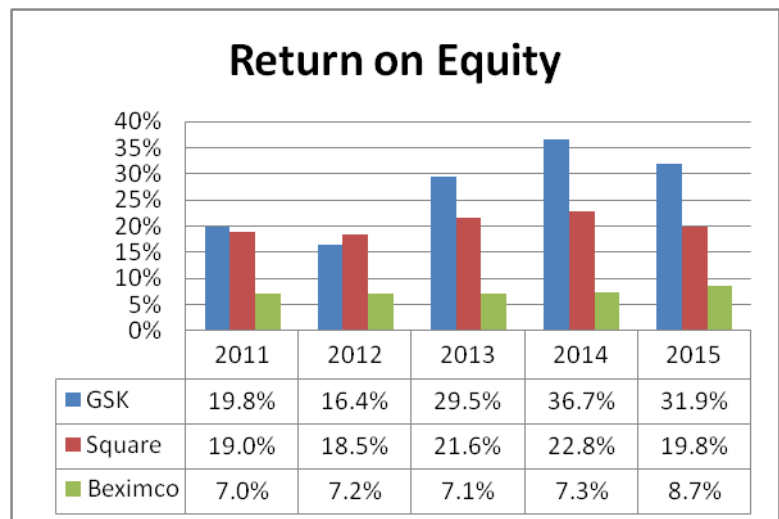
Return On Equity:

Return on Equity or ROE is the ratio of net income to total shareholder's equity. It measures how much a firm earns from the shareholders' equity. It also shows the firm's efficiency at generating profits from every dollar of equity capital. Increasing ROE indicates improved performance. In accounting sense, ROE is the true bottom line of performance measurement. (Arthur J Keown, 2004)

Formula: Net Income / Shareholders' equity

Return on Equity					
Year	2011	2012	2013	2014	2015
GSK	19.8%	16.4%	29.5%	36.7%	31.9%
Square	19.0%	18.5%	21.6%	22.8%	19.8%
Beximco	7.0%	7.2%	7.1%	7.3%	8.7%

The graph shows, GSK had the highest return on equity from 2011-2015 compared to its competitors. So, it generated the highest return from their shareholders' equity. However, in 2015 it decreased which is not a good sign for the management. They need to be concerned about improving their return on equity. On the other hand, though Square didn't have high returns, it can be seen as maintaining a stable rate of return. Beximco is seen to have the lowest percentage of returns consistently. Their performance is very poor throughout the past few years indicating a lower return generated from shareholders' equity.

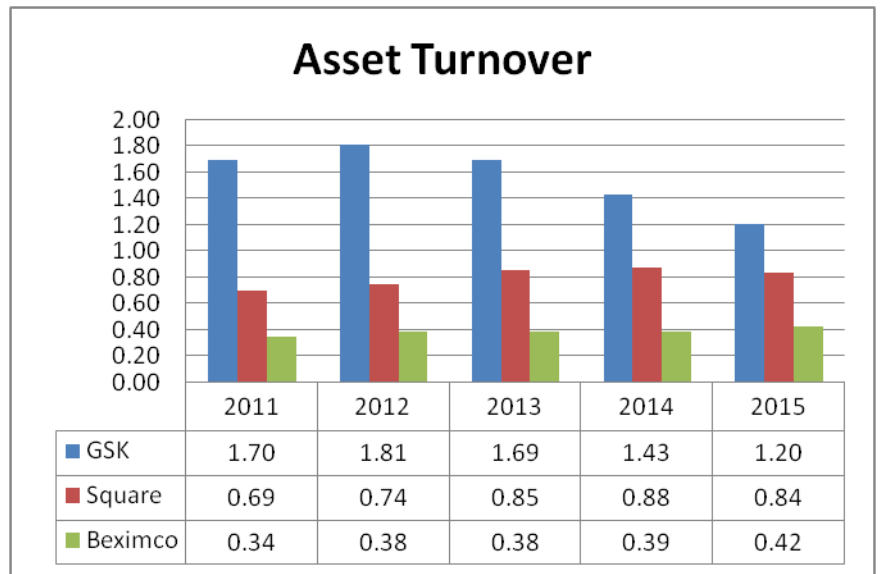


Assets Turnover:

Asset Turnover measures how much sales revenue is gathered in against each dollar of assets. It indicates the efficiency of asset management of a firm. Higher the ratio, higher the efficacy of the firm. If a company can generate more sales with fewer assets it has a higher turnover ratio which tells it is a good company because it is using its assets efficiently. A lower turnover ratio tells that the company is not using its assets optimally.

Asset Turnover					
Year	2011	2012	2013	2014	2015
GSK	1.70	1.81	1.69	1.43	1.20
Square	0.69	0.74	0.85	0.88	0.84
Beximco	0.34	0.38	0.38	0.39	0.42

The graph shows that, GSK Bangladesh is in a very good position in case of generating revenues against each dollars of asset. But this has decreased in recent year. The asset management of this company is outstanding compared to other two big competitors and their performance is quite stable throughout the past few years. With fewer amount of assets, they have been able to generate huge profits utilizing their assets



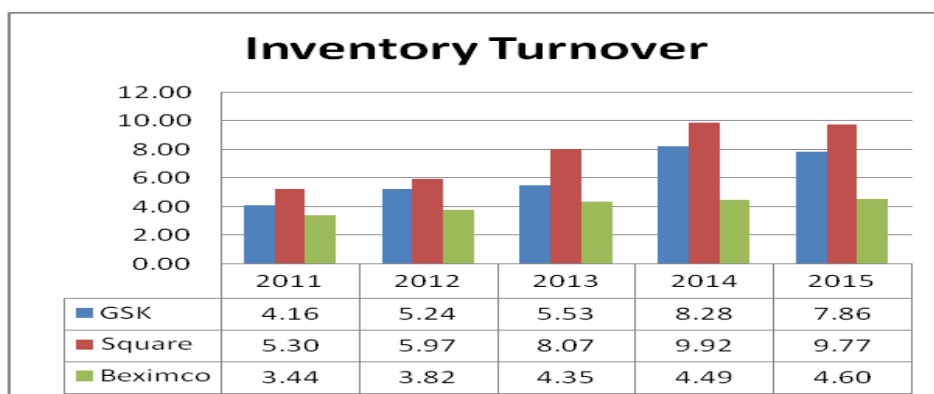
fully. On the other hand, Square and Beximco both had turnovers less than 1 for the past five years which indicates less satisfactory asset management. It indicates that, they are not utilizing their existing assets perfectly to generate enough profits.

Inventory Turnover

Sufficient amount of inventory is must to do successful business. This ratio basically shows that over a period, how many times the inventories are sold and renovated. Generally, a company with high inventory turnover ratio is assumed as strong one. When the inventory level is very high, the ratio will be low which means poor sales and the inventories are kept idle in the warehouse. Definitely, it is bad for future growth of the company.

Formula: Sales / Inventory

Inventory Turnover					
Year	2011	2012	2013	2014	2015
GSK	4.16	5.24	5.53	8.28	7.86
Square	5.30	5.97	8.07	9.92	9.77
Beximco	3.44	3.82	4.35	4.49	4.60



Trend from the graph shows that, GSK is maintaining a stable ratio and it's quite good compared to other two companies. However, the cost of goods sold says they have huge unused inventories which increase the cost reducing profit. So, they need to be careful in maintaining sufficient inventories but not excessive to meet up the needs. Square was also maintaining a quite stable performance from 2011-2013. In 2014, the ratio is the highest so their performance improved in 2014. Beximco has been having the lowest turnover ratios in all years compared to its competitors. So, they should consider improving their performance now.

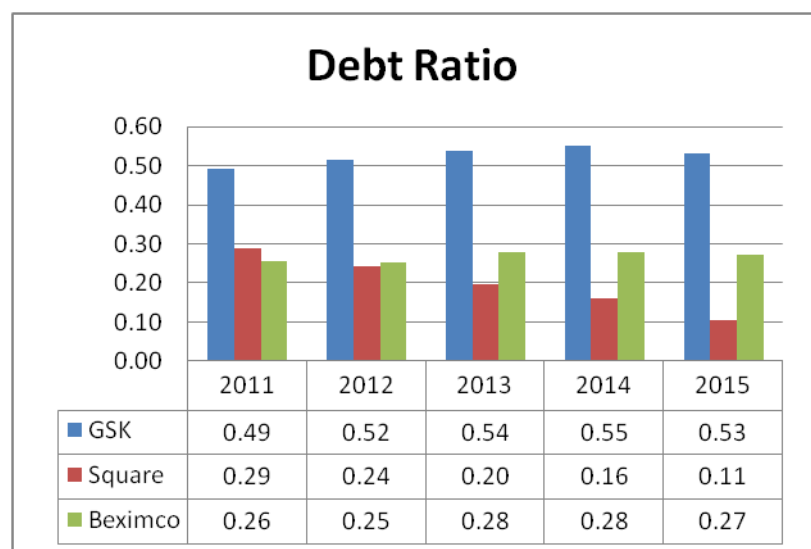
Debt Ratio

This ratio finds out how much of the total asset is funded through debt. A debt ratio greater than 1 indicates that a company has more debt than assets and it is more dependent to its creditors for necessary financing. Meanwhile, a debt ratio of less than 1 indicates that a company has more assets than debt. The higher this ratio, the more leveraged the company and the greater its financial risk. Although higher debt is not a problem if interest payments are made on time, but if it is not then definitely a great risk for the firm.

Formula: Total debt/Total assets

Debt Ratio					
Year	2011	2012	2013	2014	2015
GSK	0.49	0.52	0.54	0.55	0.53
Square	0.29	0.24	0.20	0.16	0.11
Beximco	0.26	0.25	0.28	0.28	0.27

The trend shows that, GSK had an increase in debt financing for the past five years. In 2014, they had the highest rate 0.55 of debt financing. From Square's trend we can see that, in 2011 it had the highest rate and now gradually they are focusing on decreasing their debt ratio which is a good sign in a sense that they are now relying less on their creditors for financing. On the other hand, Beximco had their highest rate in 2013 and 2014. However, GSK should be concerned about this scenario as their ratio is higher than their competitor which is not a very good sign.



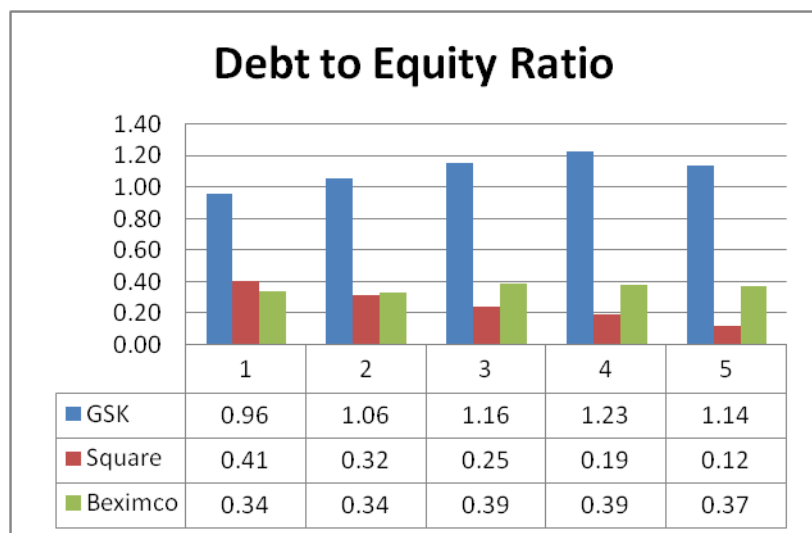
Debt to Equity Ratio:

The debt-to-equity ratio is a measure of the relationship between the capital invested by creditors and the capital contributed by shareholders. Lower values of debt-to-equity ratio are favorable indicating less risk. Higher debt-to-equity ratio is unfavorable because it means that the business relies more on external lenders thus it is at higher risk, especially at higher interest rates.

Formula: Total debt / Total equity

Debt to Equity Ratio					
Year	2011	2012	2013	2014	2015
GSK	0.96	1.06	1.16	1.23	1.14
Square	0.41	0.32	0.25	0.19	0.12
Beximco	0.34	0.34	0.39	0.39	0.37

The trend from graph shows that, GSK is gradually having an increase in its debt financing. In 2012, it is even higher than 1 which is a matter of concern as they are relying more on external lenders and it can be a threat if interest rate increases. They should be careful about their financing now. The performance trend of Square is lower than both of its big competitors. So, it can be said to have a good position in the industry regarding its low debt financing as it is facing lower risk. On the other hand, Beximco is maintaining their debt financing position quite constantly for the past few years and it has also reduced than previous years.



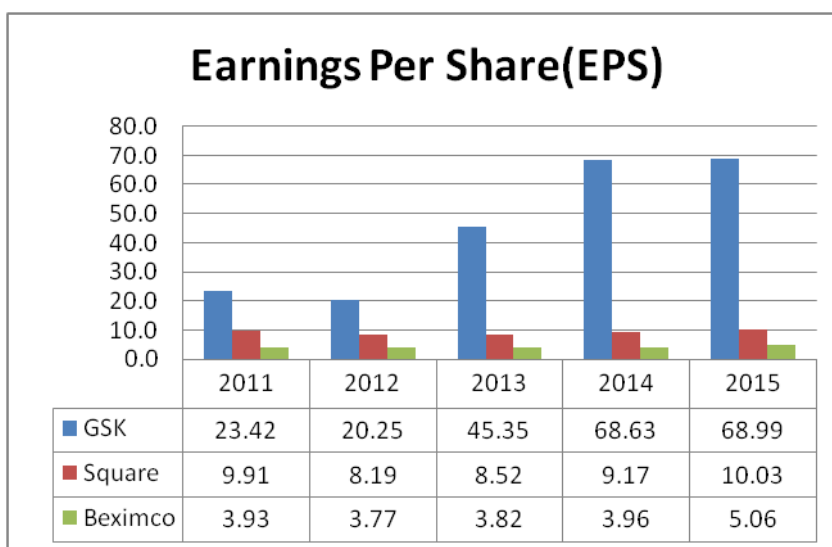
Earnings Per Share (EPS)

Earnings per share or EPS expresses the earned profit against each share. It is considered as an important tool while measuring a company's stock performance. Investors often judge firms with the EPS and always prefer a high EPS. However, always high EPS does not mean that the firm is doing well because the net income can be manipulative which makes the EPS overestimated. Often firms do these in order to attract more public investments. So, relying only on EPS is never a wise decision.

Formula: Net Income / No. of Share Outstanding

Earnings Per Share(EPS)					
Year	2011	2012	2013	2014	2015
GSK	23.42	20.25	45.35	68.63	68.99
Square	9.91	8.19	8.52	9.17	10.03
Beximco	3.93	3.77	3.82	3.96	5.06

Graph shows, from 2011-2015, GSK had the highest earning per share indicating their huge earnings on less investment. Their net income was high compared to their number of shares outstanding. During this five year period, their net income and number of shares both increased. Square had the highest EPS in 2015 and the lowest in 2012. Beximco is consistently having very low EPS compared to Square and GSK.



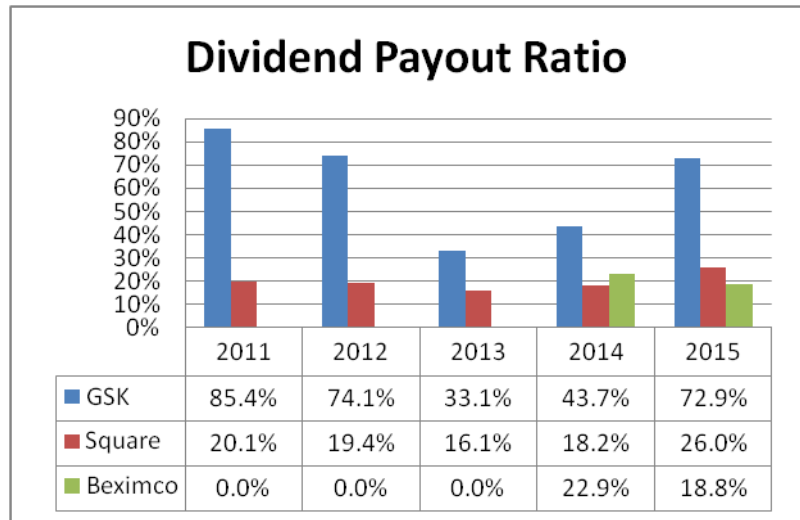
Dividend Payout Ratio

The dividend payout ratio is actually the percentage of earnings that is given to the investors of the firm. High payout ratio always attracts the investors because it means that the firm is in good position and generating huge profit. So, investors always seek for high stock dividends and often switch to another stock in order to have their desired dividend. It is not always true that firms in good condition can only afford dividend payment, it may also happen that a firm with a future growth prospect currently giving low or zero dividends will provide the investors high capital gain in future. So, investors should not only seek high dividends, they should be more aware about high capital gain.

Formula: Total Dividend / Net Income

Dividend Payout Ratio					
Year	2011	2012	2013	2014	2015
GSK	85.4%	74.1%	33.1%	43.7%	72.9%
Square	20.1%	19.4%	16.1%	18.2%	26.0%
Beximco	0.0%	0.0%	0.0%	22.9%	18.8%

The graph shows that, GSK Bangladesh has the highest dividend payout ratios which are helping to attract investors to invest in stocks. In 2011, the ratio was the highest which is 85.4% and in 2013 it was lowest (33.1%). Square has dividend payout ratios between GSK and Beximco in 2014 and it has increased from Beximco in 2015. However, Beximco did not paid any dividend from 2011 to 2013. In 2014, they paid 22.9% of their net income as dividend and it was 18.8% in 2015.



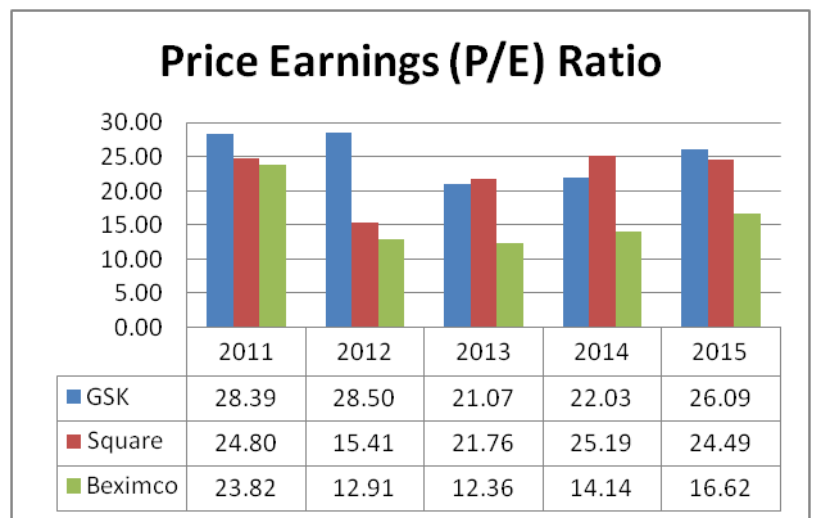
Price Earnings Ratio (P/E):

A valuation ratio of a company's current share price compared to its per-share earnings. The P/E ratio actually represents the expectation of investors about the firm. Higher P/E means that investors have high expectations about the firm's future growth and that's why they are interested to invest.

Formula: Market price per share / EPS

Price Earnings (P/E) Ratio					
Year	2011	2012	2013	2014	2015
GSK	28.39	28.50	21.07	22.03	26.09
Square	24.80	15.41	21.76	25.19	24.49
Beximco	23.82	12.91	12.36	14.14	16.62

Trend shows that, over the last five years, the P/E ratio of GSK has been quite high in 2011 and 2012 which means that investors have great interest on GSK's stock. This is because GSK is a well reputed multinational firm and has a unique brand image. Square is seen to have the highest rate in 2014. However, Beximco here is seen to have the steady rates in past few years compared to GSK and Square.



CHAPTER – FIVE

Recommendation

- As a multinational company, GSK is now earning revenue both for selling medicinal products and consumer goods. However, compared to its sales of medicinal products, consumer products like- Horlicks, Sensodyne etc. products have much demand. Thus, the revenue earned from consumer products are more compared to pharmaceutical products. This has diluted the position of GSK in the pharmaceutical industry. So, they should try more to give the same effort to promote their pharmaceutical products.
- GSK maintains a very huge amount of idle inventories to reduce risk. Due to having risk of sudden imposition of new rules from the government, they try to maintain excess inventories so that they can fulfill market demand if any adverse situation arises. This maintenance of huge inventory is causing them huge cost of sales. So, they should consider this matter seriously and maintain not excessive but necessary amount of inventory.
- Due to maintaining good quality products and acquiring raw materials from specific sources only, their raw material purchase price remains more than their local competitors. This is obviously one of the biggest problems. Bangladesh is a developing country so every people here cannot afford expensive medicines made by the best quality raw materials. So, they go for buying the substitute medicines made by the local companies with less expensive products. Thus, GSK pharmaceutical products are losing their market, sales and profit. To reduce cost of purchase they can think about cheaper sources to purchase raw materials without compromising the quality.
- The promotional activity carried out by GSK to sell their pharmaceutical products is not sufficient enough to let people know about the medicines and increase their demands. As a multinational company, they have some restrictions from the headquarter to not persuade the doctors to prescribe their medicines to their patients. On December 17, 2013, GSK announced that it would cease compensating doctors for prescribing the company's products, would stop paying professionals for speaking at medical conferences, and would remove prescription-related sales targets for its reps. On the other hand; other local companies use those strategies to increase the demands of their medicines. Moreover, they are also seen to use some illegal means like-bribing doctors to prescribe their medicines and thus increase sales of those medicines. This scenario obviously possesses some challenge to the multinational companies in increasing the demand for their products. Obviously, it is appreciable that they are not using any illegal means to sell their products, but to survive in the market successfully they must come up with some new legal promotional strategies.

- Although GSK is maintaining a fair current ratio, but from 2011 to 2015 it is gradually decreasing which is an indication that current liabilities are increasing. So, GSK must concentrate on this issue and should be careful to control their debts. Compared to GSK, Beximco is seen to have an increasing current ratio trends but Square is having the lowest ratios in all years which says that Square has less liquid assets to pay off their debts than the other two companies. However, this also indicates that Square does not allow any idle capacity to increase cost. GSK can also follow this strategy to decrease their idle capacity.
- Most of the profitability ratios like- gross profit margin, operating profit margin and net profit margin, GSK is seen to have a very low percentage compared to its competitors. So, it means that the growth in profit of GSK is lowering day by day. Earning profit is the main objective of doing any business. So, in this case GSK must think how more profit can be achieved and find ways to capture the significant portion of the market by increasing their market share.
- The debt ratio of GSK is very high in 2014 it was .55 which is highest. GSK should see if their dependencies on their trade creditors are increasing or not. If it is increasing, then they must take effective steps to reduce it.
- There is an upward trend in debt to equity ratio, again pointing out that debts are increasing. Although higher debts can give financial leverage but there is also a risk of meeting up the debt obligations. So, they should realize that higher debts can lead to higher risk. From now it should be little conservative in case of taking debts.
- Market coverage can be expanded through reaching every corner of the country. GSK needs to adopt more aggressive strategy in order to beat the competitors.

CHAPTER – SIX

Conclusion

Financial ratios analysis is a part of financial statement analysis through which the performance of a company's past and present position is measured. Most importantly, it gives an idea about the company's performance in the future. Ratio analysis involves the calculation of statistical relationship between data and it is a very popular technique of financial statement analysis. Throughout my analysis, I came to know about the financial strength, operational efficacy and management efficacy of GSK, Square and Beximco. I have realized GSK's position compared to its competitors and I have seen that they are performing well. It is financially solvent but still there are some threats which need to be handled properly to survive and have more successful position in the industry.

CHAPTER – SEVEN

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Appendix

Balance Sheet (GSK)					
ASSETS	2011	2012	2013	2014	2015
Non-Current Assets:	Amount	Amount	Amount	Amount	Amount
Property, Plant and Equipments	480,662,000	497,830,000	536,861,000	546,216,000	600,794,000
Intangible assets			5,467,000	4,374,000	3,437,000
Other receivables		64,939,000	44,046,000	27,713,000	10,370,000
Total Non-Current Assets	480,662,000	562,769,000	586,374,000	578,303,000	614,601,000
Current Assets:					
Inventories	1,138,844,000	1,059,544,000	1,224,492,000	868,079,000	852,278,000
Trade and other receivables	401,297,000	421,471,000	506,060,000	1,044,908,000	1,224,342,000
Cash and cash equivalents	770,584,000	1,019,434,000	1,680,699,000	2,537,032,000	2,871,198,000
Total Current Assets	2,310,725,000	2,500,449,000	3,411,251,000	4,450,019,000	4,947,818,000
Total Assets	2,791,387,000	3,063,218,000	3,997,625,000	5,028,322,000	5,562,419,000
EQUITY AND LIABILITIES					
Equity attributable to the Company's equity holders:					
Share capital	120,465,000	120,465,000	120,465,000	120,465,000	120,465,000
Retained earnings	1,237,180,000	1,300,450,000	1,666,002,000	2,068,846,000	2,418,694,000
General reserves	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Revaluation reserve	59,479,000	59,479,000	59,479,000	59,479,000	59,479,000

Capital reserves	166,000	166,000	166,000	166,000	166,000
Total equity	1,422,290,000	1,485,560,000	1,851,112,000	2,253,956,000	2,603,804,000
LIABILITIES					
Non-current liabilities:					
Deferred tax liability	35,901,000	38,512,000	32,039,000	25,765,000	(887,000)
Retirement benefit obligations	82,139,000	83,874,000	81,469,000	14,865,000	8,813,000
Obligation under finance lease	26,938,000	21,415,000	12,757,000	160,629,000	40,822,000
Total non-current liabilities	144,978,000	143,801,000	126,265,000	201,259,000	48,748,000
Current liabilities:					
Trade and other payables	1,185,027,000	1,369,468,000	1,949,378,000	2,337,516,000	2,710,272,000
Current tax liabilities	32,469,000	56,654,000	62,211,000	225,681,000	193,543,000
Obligation under finance lease	6,623,000	7,735,000	8,659,000	9,910,000	6,052,000
Total current liabilities	1,224,119,000	1,433,857,000	2,020,248,000	2,573,107,000	2,909,867,000
Total liabilities	1,369,097,000	1,577,658,000	2,146,513,000	2,774,366,000	2,958,615,000
TOTAL EQUITY AND LIABILITIES	2,791,387,000	3,063,218,000	3,997,625,000	5,028,322,000	5,562,419,000

Income Statement (GSK)					
	2011	2012	2013	2014	2015
	Amount	Amount	Amount	Amount	Amount
Sales	4,735,121,000	5,553,812,000	6,774,872,000	7,187,225,000	6,698,828,000
Cost of Sales	3,386,670,000	3,964,900,000	4,561,783,000	4,476,255,000	4,064,297,000
Gross Profit	1,348,451,000	1,588,912,000	2,213,089,000	2,710,970,000	2,634,531,000
Operating Expenses					
Selling Expenses	748,174,000	1,065,900,000	1,328,081,000	1,305,494,000	1,211,492,000
Distribution Expenses	8,261,000	21,365,000	13,418,000	20,458,000	19,589,000
Administrative Expenses	187,216,000	141,904,000	272,606,000	334,467,000	375,730,000
Other Income	12,126,000	15,927,000	5,620,000	11,979,000	12,892,000
Total	931,525,000	1,213,242,000	1,608,485,000	1,648,440,000	1,593,919,000
Profit From Operation	416,926,000	375,670,000	604,604,000	1,062,530,000	1,040,612,000
Finance Income	52,163,000	55,192,000	119,559,000	119,773,000	98,057,000
Finance Cost	3,759,000				
Profit before charging WPPF	465,330,000	430,862,000	724,163,000	1,182,303,000	1,138,669,000
Allocation for WPPF		21,523,000			
Profit Before taxation	465,330,000	409,339,000	724,163,000	1,182,303,000	1,138,669,000
Income tax expenses	183,262,000	165,372,000	177,914,000	355,525,000	307,590,000
Profit for the year	282,068,000	243,967,000	546,249,000	826,778,000	831,079,000
Other comprehensive income					
Total comprehensive income					

for the year	282,068,000	243,967,000	546,249,000	826,778,000	831,079,000
EPS	23.41	20.00	45.35	68.63	68.99

Balance Sheet (Square)					
ASSETS	2011	2012	2013	2014	2015
Non-Current Assets:	Amount	Amount	Amount	Amount	Amount
Property, Plant and Equipments	6,981,559,781	8,951,595,844	9,609,289,924	11,156,871,302	15,721,139,105
Capital Work-in-Progress	887,584,197	1,274,390,572	3,718,326,254	3,232,773,494	119,985,162
Investment - Long Term (at Cost)	4,031,751,281	3,971,022,723	3,821,121,331	3,661,121,331	4,894,025,998
Investment in Marketable Securities (Fair Value)	521,300,555	695,037,397	589,313,880	730,700,453	879,249,484
Total Non-Current Assets	12,422,195,814	14,892,046,536	17,738,051,389	18,781,466,580	21,614,399,749
Current Assets:					
Inventories	2,541,688,329	2,687,818,472	2,503,683,240	2,345,389,488	2,684,259,324
Trade Debtors	772,421,345	808,311,714	800,974,912	757,757,419	894,543,303
Advances, Deposits and Prepayments	523,991,079	577,156,445	650,380,369	530,659,925	714,842,990
Short Term Loan	2,813,811,332	2,085,300,110	1,109,251,152	2,047,985,968	1,596,661,104
Cash and Cash Equivalentents	370,301,755	586,920,267	932,407,871	2,086,275,498	3,849,475,774
Total Current Assets	7,022,213,840	6,745,507,008	5,996,697,544	7,768,068,298	9,739,782,495
Total Assets	19,444,409,654	21,637,553,544	23,734,748,933	26,549,534,878	31,354,182,244
EQUITY AND LIABILITIES					

Share capital	1,961,739,000	2,648,347,600	3,707,686,640	4,819,992,630	5,542,991,520
Share Premium	2,035,465,000	2,035,465,000	2,035,465,000	2,035,465,000	2,035,465,000
General Reserve	105,878,200	105,878,200	105,878,200	105,878,200	105,878,200
Tax Holiday Reserve	1,101,935,237	-	-		
Gain on Marketable Securities (Unrealized)	259,435,115	399,421,439	297,945,485	417,680,687	265,332,813
Retained Earnings	8,353,256,438	11,207,557,177	12,905,916,493	14,898,500,111	20,082,224,574
Total equity	13,817,708,990	16,396,669,416	19,052,891,818	22,277,516,628	28,031,892,107
LIABILITIES					
Non-current liabilities:					
Long Term Loans - Secured	655,645,734	508,778,060	313,421,158	136,440,907	40,084,217
Deferred tax liability	302,865,504	479,171,223	575,991,702	718,957,750	891,357,959
Total non-current liabilities	958,511,238	987,949,283	889,412,860	855,398,657	931,442,176
Current liabilities:					
Short Term Bank Loans	2,627,483,864	2,016,551,125	1,112,694,131	114,638,033	
Long Term Loans - Current Portion	478,199,933	477,141,480	511,504,034	167,574,698	81,514,503
Trade Creditors	733,369,218	875,431,555	1,086,097,881	1,717,013,624	254,773,030
Liabilities for Expenses	79,499,584	95,361,435	109,604,834	20,463,398	42,958,189
Liabilities for Other Finance	749,636,827	788,449,250	972,537,375	1,396,929,840	2,011,602,239

Total current liabilities	4,668,189,426	4,252,934,845	3,792,438,255	3,416,619,593	2,390,847,961
Total liabilities	5,626,700,664	5,240,884,128	4,681,851,115	4,272,018,250	3,322,290,137
TOTAL EQUITY AND LIABILITIES	19,444,409,654	21,637,553,544	23,734,742,933	26,549,534,878	31,354,182,244

Income Statement (Square)					
	2011	2012	2013	2014	2015
	Amount	Amount	Amount	Amount	Amount
Sales	13,471,424,469	16,054,425,243	20,202,005,922	23,268,413,217	26,212,862,068
COGS	7,703,661,010	9,167,253,620	11,308,857,708	12,960,738,683	14,370,872,099
Gross Profit	5,767,763,459	6,887,171,623	8,893,148,214	10,307,674,534	11,841,989,969
Operating Expenses					
Selling and Distribution Expenses	2,121,163,004	2,430,466,795	2,955,935,819	3,431,938,716	3,729,200,404
Administrative Expenses	626,145,987	701,977,079	738,507,999	730,951,152	773,712,804
Financial Expenses	268,849,071	433,581,036	357,151,743	177,131,396	34,307,859
Total	3,016,158,062	3,566,024,910	4,051,595,561	4,340,021,264	4,537,221,067
Profit From Operation	2,751,605,397	3,321,146,713	4,841,552,653	5,967,653,270	7,304,768,902
Other Income	833,884,528	856,739,329	377,846,808	245,133,874	670,927,394
Profit before charging WPPF	3,585,489,925	4,177,886,042	5,219,399,461	6,212,787,144	7,975,696,296
Allocation for WPPF	170,737,615	198,946,954	246,729,864	300,438,842	379,795,062
Profit Before taxation					

	3,414,752,310	3,978,939,088	4,972,669,597	5,912,348,302	7,595,901,234
Provision for Income Tax	805,575,198	958,906,349	1,237,851,545	1,518,801,391	1,679,877,193
Provision for Deferred Income Tax	77,122,562	122,322,098	96,820,479	142,966,048	172,400,209
Profit After Tax	2,532,054,550	2,897,710,641	3,637,997,573	4,250,580,863	5,743,623,832
Profit/(Loss) from Associate Undertakings			575,807,315	695,624,299	-
Profit for the year	2,532,054,550	2,897,710,641	4,213,804,888	4,946,205,162	5,743,623,832
Other comprehensive income					
Gain on Marketable Securities (Unrealized)	92,483,089	139,986,324	(107,174,041)	135,723,333	(183,922,744)
Total comprehensive income for the year	2,624,537,639	3,037,696,965	4,106,630,847	5,081,928,495	5,559,701,088
EPS	9.56	10.94	8.74	10.26	10.36

Income Statement(Beximco)					
	2011	2012	2013	2014	2015
	Amount	Amount	Amount	Amount	Amount
Sales	7,890,241,843	9,289,115,284	10,490,699,094	11,206,885,977	12,965,506,873
COGS	4,103,709,021	4,899,713,857	5,651,898,878	6,102,694,323	6,965,167,704
Gross Profit	3,786,532,822	4,389,401,427	4,838,800,216	5,104,191,654	6,000,339,169
Operating Expenses					
Administrative Expenses	275,201,846	332,225,347	375,565,912	398,762,237	448,357,117
Selling, Marketing and Distribution Expenses	1,522,851,278	1,849,296,520	2,138,961,534	2,287,252,281	2,700,703,578
Total	1,798,053,1	2,181,521,8	2,514,527,4	2,686,014,5	3,149,060,6

	24	67	46	18	95
Profit From Operation	1,988,479,698	2,207,879,560	2,324,272,770	2,418,177,136	2,851,278,474
Other Income	340,907,774	442,847,713	510,588,200	521,171,647	311,678,326
Finance Cost	(567,645,757)	(645,406,575)	(636,587,090)	(724,314,963)	(708,970,234)
Profit before charging WPPF	1,761,741,715	2,005,320,698	2,198,273,880	2,215,033,820	2,453,986,566
Allocation for WPPF	(83,892,463)	(95,491,462)	(104,679,709)	(105,477,787)	(116,856,503)
Profit Before taxation	1,677,849,252	1,909,829,236	2,093,594,171	2,109,556,033	2,337,130,063
Provision for Income Tax	207,549,905	445,712,907	324,415,546	436,782,844	425,966,912
Provision for Deferred Tax Expenses/(Income)	271,774,005	144,727,001	364,415,845	144,475,316	(43,121,365)
Profit After Tax	1,198,525,342	1,319,389,328	1,404,762,780	1,528,297,873	1,954,284,516
Other comprehensive income / (Loss)			1,341,619	967,032	(351,138)
Total comprehensive income for the year	1,198,525,342	1,319,389,328	1,406,104,399	1,529,264,905	1,953,933,378
EPS	3.93	4.33	3.82	4.15	5.06

Balance Sheet (Beximco)					
ASSETS	2011	2012	2013	2014	2015
Non-Current Assets:	Amount	Amount	Amount	Amount	Amount
Property, Plant and Equipments	15,745,492,625	16,201,858,216	18,364,313,070	20,393,278,737	22,168,184,597
Intangible Assets	135,933,879	187,079,147	198,223,509	235,208,190	269,864,103
Investment in Shares	3,451,276	3,451,276	4,792,895	5,759,927	5,408,789
Total Non-Current Assets	15,884,87	16,392,38	18,567,32	20,634,24	22,443,45

	7,780	8,639	9,474	6,854	7,489
Current Assets:					
Inventories	2,291,844,631	2,433,987,981	2,411,881,986	2,493,657,338	2,817,185,843
Spares & Supplies	325,881,244	396,175,790	433,352,407	554,183,898	556,974,583
Accounts Receivable	978,224,317	1,162,404,807	1,249,434,697	1,397,468,648	1,546,921,772
Loans, Advances and Deposits	840,320,705	965,276,373	1,186,637,111	1,223,673,153	1,784,104,778
Short Term Investment	2,193,423,560	2,686,598,326	3,026,383,161	2,475,023,831	1,539,430,008
Cash and Cash Equivalent	518,768,296	552,978,686	595,732,966	222,239,239	147,476,111
Total Current Assets	7,148,462,753	8,197,421,963	8,903,422,328	8,366,246,107	8,392,093,095
Total Assets	23,033,340,533	24,589,810,602	27,470,751,802	29,000,492,961	30,835,550,584
EQUITY AND LIABILITIES					
Share capital	2,517,678,100	3,046,390,500	3,503,349,070	3,678,516,520	3,862,442,340
Share Premium	5,269,474,690	5,269,474,690	5,269,474,690	5,269,474,690	5,269,474,690
Excess of Issue Price over Face Value of GDRs	1,689,636,958	1,689,636,958	1,689,636,958	1,689,636,958	1,689,636,958
Capital Reserve on Merger	294,950,950	294,950,950	294,950,950	294,950,950	294,950,950
Revaluation Surplus	1,466,602,600	1,406,527,880	1,349,578,805	1,299,220,315	1,257,422,946
Fair Value Gain on Investment			1,341,619	2,308,651	1,957,513
Retained Earnings	5,889,784,879	6,701,181,881	7,667,220,373	8,686,077,241	10,102,742,186
Total equity					

	17,128,128,177	18,408,162,859	19,775,552,465	20,920,185,325	22,478,627,583
LIABILITIES					
Non-current liabilities:					
Long Term Borrowings-Net off Current Maturity (Secured)	1,890,074,651	1,469,621,611	1,151,400,702	901,709,327	916,927,763
Liability for Gratuity & WPPF	403,598,795	499,622,784	610,628,150	741,522,518	864,107,790
Deferred tax liability	963,376,922	1,147,459,569	1,550,589,207	1,729,361,361	1,713,879,464
Total non-current liabilities	3,257,050,368	3,116,703,964	3,312,618,059	3,372,593,206	3,494,915,017
Current liabilities:					
Short Term Borrowings	1,642,216,008	1,526,449,918	2,776,266,125	3,153,121,293	3,163,551,475
Long Term Borrowings - Current Maturity	363,744,181	664,712,728	754,903,558	663,838,072	724,603,464
Creditors and Other Payables	523,798,136	470,097,685	383,170,553	357,710,839	439,018,016
Accrued Expenses	101,559,917	128,598,961	141,582,304	164,283,115	206,228,496
Dividend Payable	1,361,452	1,020,948	973,367	454,720	412,480
Income Tax Payable	15,482,294	274,064,529	325,685,371	368,339,391	328,194,053
Total current liabilities	2,648,161,988	3,064,944,769	4,382,581,278	4,707,747,430	4,862,007,984
Total liabilities	5,905,212,356	6,181,648,733	7,695,199,337	8,080,340,636	8,356,923,001
TOTAL EQUITY AND LIABILITIES	23,033,340,533	24,589,811,592	27,470,751,802	29,000,525,961	30,835,550,584

Total Dividend Paid					
Year	2011	2012	2013	2014	2015
GSK	240,929,000	180,697,000	180,697,000	361,393,000	605,950,000
Square	528,160,500	588,521,700	662,086,900	926,921,660	1,445,997,789
Beximco	146,447	340,504	47,581	350,853,554	367,893,892
Market Price Per Share					
Year	2011	2012	2013	2014	2015
GSK	664.5	570.0	955.7	1,512.0	1,799.8
Square	237.1	168.6	190.2	258.5	253.7
Beximco	93.6	55.9	47.2	58.7	84.1
Number of Shares Outstanding					
Year	2011	2012	2013	2014	2015
GSK	12,046,449	12,046,449	12,046,449	12,046,449	12,046,449
Square	264,834,760	370,768,664	481,999,263	554,299,152	554,299,152
Beximco	304,639,050	350,334,907	367,851,652	386,244,234	386,244,234

Current Ratio					
Year	2011	2012	2013	2014	2015
GSK	$\frac{2,310,725,000}{1,224,119,000}$	$\frac{2,500,449,000}{1,433,857,000}$	$\frac{3,411,251,000}{2,020,248,000}$	$\frac{4,450,019,000}{2,573,107,000}$	$\frac{4,947,818,000}{2,909,867,000}$
Square	$\frac{7,022,213,840}{4,668,189,426}$	$\frac{6,745,507,008}{4,252,934,845}$	$\frac{5,996,697,544}{3,792,438,255}$	$\frac{7,768,068,298}{3,416,619,593}$	$\frac{9,739,782,495}{2,390,847,961}$
Beximco	$\frac{7,148,462,753}{2,648,161,988}$	$\frac{8,197,421,963}{3,064,944,769}$	$\frac{8,903,422,328}{4,382,581,278}$	$\frac{8,366,246,107}{4,707,747,430}$	$\frac{8,392,093,095}{4,862,007,984}$

Quick Ratio					
Year	2011	2012	2013	2014	2015
GSK	$\frac{(2,310,725,000-1,138,844,000)}{1,224,119,000}$	$\frac{(2,500,449,000-1,059,544,000)}{1,433,857,000}$	$\frac{(3,411,251,000-1,224,492,000)}{2,020,248,000}$	$\frac{(4,450,019,000-868,079,000)}{2,573,107,000}$	$\frac{(4,947,818,000-852,278,000)}{2,909,867,000}$
Square	$\frac{(7,022,213,840-2,541,688,329)}{4,668,189,426}$	$\frac{(6,745,507,008-2,687,818,472)}{4,252,934,845}$	$\frac{(5,996,697,544-2,503,683,240)}{3,792,438,255}$	$\frac{(7,768,068,298-2,345,389,488)}{3,416,619,593}$	$\frac{(9,739,782,495-2,684,259,324)}{2,390,847,961}$
Beximco	$\frac{(7,148,462,753-2,291,844,631)}{2,648,161,988}$	$\frac{(8,197,421,963-2,433,987,981)}{3,064,944,769}$	$\frac{(8,903,422,328-2,411,881,986)}{4,382,581,278}$	$\frac{(8,366,246,107-2,493,657,338)}{4,707,747,430}$	$\frac{(8,392,093,095-2,817,185,843)}{4,862,007,984}$

Gross Profit Margin					
Year	2011	2012	2013	2014	2015
GSK	<u>1,348,451,000</u>	<u>1,588,912,000</u>	<u>2,213,089,000</u>	<u>2,710,970,000</u>	<u>2,634,531,000</u>
	4,735,121,000	5,553,812,000	6,774,872,000	7,187,225,000	6,698,828,000
Square	<u>5,767,763,459</u>	<u>6,887,171,623</u>	<u>8,893,148,214</u>	<u>10,307,674,534</u>	<u>11,841,989,969</u>
	13,471,424,469	16,054,425,243	20,202,005,922	23,268,413,217	26,212,862,068
Beximco	<u>3,786,532,822</u>	<u>4,389,401,427</u>	<u>4,838,800,216</u>	<u>5,104,191,654</u>	<u>6,000,339,169</u>
	7,890,241,843	9,289,115,284	10,490,699,094	11,206,885,977	12,965,506,873

Operating Profit Margin					
Year	2011	2012	2013	2014	2015
GSK	<u>465,330,000</u>	<u>430,862,000</u>	<u>724,163,000</u>	<u>1,182,303,000</u>	<u>1,138,669,000</u>
	4,735,121,000	5,553,812,000	6,774,872,000	7,187,225,000	6,698,828,000
Square	<u>3,585,489,925</u>	<u>4,177,886,042</u>	<u>5,219,399,461</u>	<u>6,212,787,144</u>	<u>7,975,696,296</u>
	13,471,424,469	16,054,425,243	20,202,005,922	23,268,413,217	26,212,862,068
Beximco	<u>1,761,741,715</u>	<u>2,005,320,698</u>	<u>2,198,273,880</u>	<u>2,215,033,820</u>	<u>2,453,986,566</u>
	7,890,241,843	9,289,115,284	10,490,699,094	11,206,885,977	12,965,506,873

Cash Ratio					
Year	2011	2012	2013	2014	2015
GSK	<u>770,584,000</u>	<u>1,019,434,000</u>	<u>1,680,699,000</u>	<u>2,537,032,000</u>	<u>2,871,198,000</u>
	1,224,119,000	1,433,857,000	2,020,248,000	2,573,107,000	2,909,867,000
Square	<u>370,301,755</u>	<u>586,920,267</u>	<u>932,407,871</u>	<u>2,086,275,498</u>	<u>3,849,475,774</u>
	4,668,189,426	4,252,934,845	3,792,438,255	3,416,619,593	2,390,847,961
Beximco	<u>518,768,296</u>	<u>552,978,686</u>	<u>595,732,966</u>	<u>222,239,239</u>	<u>147,476,111</u>
	2,648,161,988	3,064,944,769	4,382,581,278	4,707,747,430	4,862,007,984

Return on Asset					
Year	2011	2012	2013	2014	2015
GSK	<u>282,068,000</u>	<u>243,967,000</u>	<u>546,249,000</u>	<u>826,778,000</u>	<u>831,079,000</u>
	2,791,387,000	3,063,218,000	3,997,625,000	5,028,322,000	5,562,419,000
Square	<u>2,624,537,639</u>	<u>3,037,696,965</u>	<u>4,106,630,847</u>	<u>5,081,928,491</u>	<u>5,559,701,088</u>
	19,444,409,654	21,637,553,544	23,734,748,933	26,549,534,871	31,354,182,244
Beximco	<u>1,198,525,342</u>	<u>1,319,389,328</u>	<u>1,406,104,399</u>	<u>1,529,264,905</u>	<u>1,953,933,378</u>
	23,033,340,533	24,589,810,602	27,470,751,802	29,000,492,961	30,835,550,584

Asset Turnover					
Year	2011	2012	2013	2014	2015
GSK	$\frac{4,735,121,000}{2,791,387,000}$	$\frac{5,553,812,000}{3,063,218,000}$	$\frac{6,774,872,000}{3,997,625,000}$	$\frac{7,187,225,000}{5,028,322,000}$	$\frac{6,698,828,000}{5,562,419,000}$
Square	$\frac{13,471,424,469}{19,444,409,654}$	$\frac{16,054,425,243}{21,637,553,544}$	$\frac{20,202,005,922}{23,734,748,933}$	$\frac{23,268,413,217}{26,549,534,878}$	$\frac{26,212,862,068}{31,354,182,244}$
Beximco	$\frac{7,890,241,843}{23,033,340,533}$	$\frac{9,289,115,284}{24,589,810,602}$	$\frac{10,490,699,094}{27,470,751,802}$	$\frac{11,206,885,977}{29,000,492,961}$	$\frac{12,965,506,873}{30,835,550,584}$

Inventory Turnover					
Year	2011	2012	2013	2014	2015
GSK	$\frac{4,735,121,000}{1,138,844,000}$	$\frac{5,553,812,000}{1,059,544,000}$	$\frac{6,774,872,000}{1,224,492,000}$	$\frac{7,187,225,000}{868,079,000}$	$\frac{6,698,828,000}{852,278,000}$
Square	$\frac{13,471,424,469}{2,541,688,329}$	$\frac{16,054,425,243}{2,687,818,472}$	$\frac{20,202,005,922}{2,503,683,240}$	$\frac{23,268,413,217}{2,345,389,488}$	$\frac{26,212,862,068}{2,684,259,324}$
Beximco	$\frac{7,890,241,843}{2,291,844,631}$	$\frac{9,289,115,284}{2,433,987,981}$	$\frac{10,490,699,094}{2,411,881,986}$	$\frac{11,206,885,977}{2,493,657,338}$	$\frac{12,965,506,873}{2,817,185,843}$

Return on Equity					
Year	2011	2012	2013	2014	2015
GSK	$\frac{282,068,000}{1,422,290,000}$	$\frac{243,967,000}{1,485,560,000}$	$\frac{546,249,000}{1,851,112,000}$	$\frac{826,778,000}{2,253,956,000}$	$\frac{831,079,000}{2,603,804,000}$
Square	$\frac{2,624,537,639}{13,817,708,990}$	$\frac{3,037,696,965}{16,396,669,416}$	$\frac{4,106,630,847}{19,052,891,818}$	$\frac{5,081,928,495}{22,277,516,628}$	$\frac{5,559,701,088}{28,031,892,107}$
Beximco	$\frac{1,198,525,342}{17,128,128,177}$	$\frac{1,319,389,328}{18,408,162,859}$	$\frac{1,406,104,399}{19,775,552,465}$	$\frac{1,529,264,905}{20,920,185,325}$	$\frac{1,953,933,378}{22,478,627,583}$

P/E Ratio					
Year	2011	2012	2013	2014	2015
GSK	$\frac{664.50}{23.41}$	$\frac{570.00}{20.00}$	$\frac{955.70}{45.35}$	$\frac{1512.00}{68.63}$	$\frac{1799.80}{68.99}$
Square	$\frac{237.10}{9.56}$	$\frac{168.60}{10.94}$	$\frac{190.20}{8.74}$	$\frac{258.50}{10.26}$	$\frac{253.70}{10.36}$
Beximco	$\frac{93.60}{3.93}$	$\frac{55.90}{4.33}$	$\frac{47.20}{3.82}$	$\frac{58.70}{4.15}$	$\frac{84.10}{5.06}$