Internship Report on

“Financial Analysis of Digicon Technologies Ltd.”

Under MBA Program

Internship Report on

"Financial Analysis of Digicon Technologies Ltd."

Submitted to:

BRAC Business School

BRAC University

Attention

Dr. Suman Paul Chowdhury

Assistant Professor, and

Coordinator, MBA Program

BRAC Business School

BRAC University

Submitted by:

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MBA Program

BRAC Business School

BRAC University

Submission Date: September20, 2016

LETTER OF TRANSMITTAL

20September 2016

Dr. Suman Paul Chowdhury
Assistant Professor, and
Coordinator, MBA Program
BRAC Business School
BRAC University

Subject: Submission of Internship Report

Dear Sir

I hereby submitting my internship report, which is a part of the MBA program. This internship report is based on, financial analysis. I have got the opportunity to learn about different tools and techniques related to this topic.

This opportunity of MBA in your esteem organization gave me both academic and practical exposures, I learned about the different aspects of business management and the internship report gave me the opportunity to develop the practical experience.

I shall be highly obliged if you are kind enough to receive this internship report and provide your valuable judgment. It would be my immense pleasure if you find this paper useful and informative to have an apparent perspective on the issue.

Sincerely Yours

NaziaZaman Jyoti

Certificate

This is to certify that the internship reporton **Financial Analysis**submitted to complete Internship program in Master of Business Administration to the BRAC University is a record of bona-fide research carried out by Nazia Zaman Jyoti under my supervision. No part of the research report has been submitted for any degree, diploma, title or recognition before.

Dr. Suman Paul Chowdhury

Declaration

INazia Zaman Jyoti is the students of Master of Business Administration of BRAC University do hereby declare that the internship report on Financial Analysis of Digicon Technologies Ltd. has not been submitted by me for any degree, diploma, title or recognition before.

Signature

………………………………….

Nazia Zaman Jyoti

ID: 14164060

MBA Program

BRAC Business School

BRAC University

Acknowledgement

I would like to express my gratitude to Almighty Allah who makes me able to prepare this report with good health and sound mind.

Then I would like to express my deepest gratitude and warmest appreciation to my supervisor**Dr. Suman Paul Chowdhury**, whose assistance and guidance was outstanding for the successful completion of this paper. Without his help, it was impossible for me to complete this report. His excellent method of guiding helped me to understand this critical title easily. His guidelines created a zeal in me that made me prompt and enthusiastic in conducting my assigned job.

I cannot deny that, my supervisor guided me how to make the paper so wonderfully that it became easily understandable and attracted my attention towards this assignment, which is an obvious part of the program.

Executive Summary

This report is prepared on the basis of my practical experience at Digicon Technologies Ltd. This internship report helped me to learn about the practical scenario of financial analysis ofBusiness Process Outsource (BPO) Company.giconis a well-establishedBPO company of Bangladesh. Their mission is by being the most dynamic, efficient and trustworthy outsourcing partner for our clients by delivering solutions through right sets of people and technology to ensure maximum value for business. Digicon Technologies Limited has taken a bold step to start business in BPO sector despite the sector is new for Bangladesh. Digicon started a new era for the service industry where top telecom companies feel comfortable to hand over their customer care to third party. They stated business with one potential client and now running and expanding business successfully. From the financial study of the organization this could be said the company is growing to its great potential with creating a large employment for the youths. As well as young energetic entrepreneur and management showing strong hold on developing the business and showing a road map to be entrepreneur. Their entrepreneurship is remarkable and motivational for youths

To prepare this analysis based report I have tried my best to know about the nature of the financial management of the company. I have gone through their annual reports and other necessary documents needed for this analysis. I have compared ratios with a similar industry and interpreted the findings. I hope this paper fulfills the requirement of the assignment.

Content

Chapter: 1

Introduction

1.1 Background of the study

This term paper based on Financial Management techniques is a requirement of my major concern in MAB program which is finance. This study is a requirement of the internship program of MBA curriculum at BRAC University. The main purpose of the paper is to get the student exposed to the real scenario of financial management. Being a post graduate student the main challenge was to translate the theoretical concepts into real life experience.

The internship report and the study have following purposes:

- To develop skills in the application of theory to practical work situations.
- To develop skills and techniques directly applicable in my career.
- To expose own self to real work environment experience gain knowledge in writing report in technical works/projects.
- To build the strength, teamwork spirit and self-confidence for work life.
- To enhance the ability to improve creativity skills and sharing ideas.
- To build a good communication skill with group of workers and learn to learn proper behavior of corporate life in industrial sector.
- To be able instilled with good moral values such as responsibility , commitment and trustworthy during their training.
- To get and organize detail knowledge on the financial tools and techniques.
- To experience the real financial management.
- To compare the real scenario with the lessons learned throughout the course.
- To fulfill the requirement of the course.

1.2 Objective of the Report

The objective of the report can be viewed in two forms:

General Objective

Specific Objective

1.2.1 General Objective:

This term paper is prepared primarily to fulfill the requirement of the internship program.

1.2.2 Specific Objective:

More specifically, this study entails the following aspects:

- To give an overview of Digicon Technologies Limited.
- To focus on the financial condition of Digicon Technologies Limited.
- To discuss the financial standards and effects of Digicon Technologies Limited.

1.3 Scope of the Report

The main intention of the study is the financial analysis of this organization to find, understand and document the processes carried by Digicon Technologies Limited and correlate them within the industry to get a clear picture of the overall financial scenario. The report covers details about the probable ways of the organization towards the department of finance, overview and also a comparative analysis of the company. However the study is only related to the Financing Division as Iwere provided an opportunity to work only in this division.

1.4 Methodologies

The study is conducted in a systematic procedure starting from selection of the topic to the final report preparation. The integral part was to identify and collect data; they were classified, analyzed, interpreted and presented in a systematic manner to find the vital points. The overall process of methodology followed in the study is explained further.

1.4.1 Selection of the Topic

The Supervisor guided me to choose the topic of the study. Before the topic was chosen it was thoroughly discussed and we have gone through all the general information about the company so that, a well-organized report could be prepared.

1.4.2 Sources of Data:

The data was collected from two different sources.

1.4.2.1 Primary Sources:

Primary Data was derived from the practical deskwork. Throughout this time I have discussed the topic related matters with my supervisor and colleges in my work place.

1.4.2.2 Secondary Sources:

- External source- Websites related to the selected organization and online resources.

1.5 Limitations:

This paper was developed on basic level of understanding of BPO industry as this one is evolving one. Beside there was lack of proper source of information for cross trend analysis and better view of the industry situation. The duration of our work was only three months and this period was not enough for a thorough study. In spite of having all these limitations I have tried our best to prepare the paper as useful one and hope this will reflect a proper image of the requirements.

Chapter: 2

Organizational Overview

2.1 Overview of the Company and Industry Background

2.2.1 Company Profileand Industry Background

I. Company Profile

Digicon Technologies Ltd. is a private limited company. It is engaged in service industry of Business Process Outsource (BPO). The industry "Business Process Outsourcing" is relatively a new domain Bangladesh.Digicon Technologies Ltd. is now one of the market leaders in this industry. Digicon provide turnkey solutions to all the industries who outsource their Customer Care division, Back Office Support including IT for cost effectiveness so that they can concentrate more on their core business. Digicon's target customers are Telcos (telecommunication companies), Service Industries, General Insurance, Financial Institution and many more.

Digicon employs some of the most capable& skilled people in the industry. The convergence of skills, creative ideas, innovation, and passion for excellence bring to the table a comprehensive knowledge and expertise to align our services to meet and realize maximum results to our client's business. Digicon provides a unique focus around the customer that helps to gain insight into customer behavior and leverage the solutions and services to improve the customer support experience.

Corporate Headquarter and Registered Office	:	242, GulshanTejgaon Link Road, Tejgaon Industrial Area, Dhaka-1208
Fax	:	'+880-2-8870922
Phone	:	'+880-2-8879224-5
e-mail	:	info@digicontechnologies.com
Web:	:	www.digicontechnologies.com/
Date of Incorporation:	:	27-Dec-10
1st Customer	:	Airtel Bangladesh Ltd.
Principal Business Line:	:	Call Center, IT enable solutions, Trainings
Operation Canters	:	Ø 4th Floor Rajuk Trade Center, Khilkhet, Dhaka Ø Elegant heights (2 Floors), Shajadpur, Dhaka Ø Asma Garden, Khilkhet, Dhaka Ø Teletalk Call Center, Motijheel, Dhaka Ø BD Hi-tech park, Kaliakoir, Gazipur.
Authorized Capital:	:	BDT 10,000,000
Paid-Up-Capital:	:	BDT 588,900

Number of outstanding Common Shares:	:	5889
Number of Employees:	:	Around 1200employees

II. Industry Background

“Business Process Outsourcing” is relatively a new domain of employment in Bangladesh. It started with a limited number of outsourced call centers for international customers back in early 2000. However, landmark year of BPO industry was 2009 when Telecom industry taken the lead and started outsourcing to local BPO service providers. Since then many companies local and multinational started outsourcing their back office operations, which was highly pivotal in the inception of local BPO industry. However predominance of call centers and customer cares in BPO industry do not signal real potential and capacity of Bangladeshi human capital. Bangladesh is a country that is producing every year nearly half million graduates on business, information technology, engineering, medical and humanities discipline.

Service Readiness of Local BPO Industry	
≤Customer Care & Contact Centre	≤ Market Research & Analysis
≤Data Capture/Management	≤ Research & Analytics
≤Document Management	≤ Customer Interaction & Support Services
≤Email Support	≤ Finance & Accounting
≤Insurance Claim Processing	≤Engineering and R&D
≤Card/Cheque Processing	≤HR Processing Services
≤Human Resource Services	≤Testing Services
≤Payroll Processing	≤Legal Services/td>
≤Tele-marketing	≤Procurement Services

Abundance of skilled workforce and lowest relative wage rate – these two factors should also be considered by the local and international customers seeking for outsourced service partners in Bangladesh. Graduate unemployment and under employment rate is high in Bangladesh which allows BPO companies to explore varieties and fill vacancies quickly. This also has an impact on the skilled wage rate; making it as low as unskilled wage rate. Even considering a hefty human resource development cost, average hourly cost of employing a graduate would be around 25% less than any other country. Cost growth is also phenomenally low. Therefore engaging knowledge based outsourced center in Bangladesh would not only ensure high quality but also low risk and mammoth cost savings.

The industry and the Government of Bangladesh had captured the current picture and potential of the BPO industry. The industry associations Bangladesh Association of Call Center and Outsourcing (BACCO) is working closely with government to capitalize on the opportunities emerged for the industry. The government had already initiated handfuls of capacity development projects which will open up avenue of IT outsourcing in Bangladesh significantly.

Name of the Company under the Industry			
1	a2Z BPO	39	MARS Solution Limited
2	Asiana Tel	40	MCL Hotline Bangladesh Limited
3	ATN Call Center Ltd.	41	Meenhar Call
4	Ayat Network Ltd.	42	Megabyte Trade (Pvt.) Ltd.
5	Augmedix BD Ltd.	43	MEGH TECHNOLOGIES LTD
6	ACCLECO	44	MexCall
7	BR International Call Center	45	MY Outsourcing Limited
8	Computer Source Ltd.	46	OnecallSoutions Pvt. Ltd.
9	Cosmica Call Center	47	Runner System Technology
10	Crown Information Transfer Center	48	Rupganj Online Limited
11	Cogent Bangladesh Limited	49	Rymden technologies Ltd.
12	Ciproco Computers Ltd.	50	RAHMAN'S CHAMBERS
13	Dhaka Calls	51	S. M. Telecom & Technologies
14	Digicon Technologies Limited	52	Saj Telecom
15	Dhaka CentreNIC IT Limited	53	Service Solutions Pvt. Ltd. (SSL)
16	Data Pro Solutions Ltd	54	Skytel International (BD) Ltd
17	Emerging Communications Ltd.	55	Smart Technologies (BD) Ltd.
18	ENERGOTECH	56	South Asia Multi Media

19	Enroute International Limited	57	Stamford Group
20	Eva Telecommunication	58	Sun Info-Tech Ltd.
21	E-Vista Technologies	59	Superior Internet Solutions Ltd.
22	FIFO Tech	60	SuperTel
23	Fiber@Home Ltd	61	Syntax Solutions
24	GETCO Business Solutions Ltd.	62	Solution9 Limited
25	Grameenphone Limited	63	SOFTCALL
26	Genex Infosys Limited	64	Summit Communications Limited
27	Hello World Communications	65	Synesis IT Ltd.
28	HMC Technology Ltd.	66	TechnoVista Limited
29	IJ Corporation	67	Telemedicine Reference Center Ltd
30	Impel Service & Solutions Limited (ISSL)	68	Times ASL Call Center
31	InGen Technology Limited	69	Trade Textile Bangladesh. Com Limited
32	Iqura Media Call Centre	70	THANE SYSTEMS
33	I-Tel Solution	71	Virgo
34	Inspire Communications Ltd.	72	Voice Track Communication (V-Track)
35	Just Call	73	Windmill Infotech Limited
36	Kazi IT Center Limited	74	Wintel Limited
37	Kichhai IT Services Ltd (KISL)	75	World Trade
38	Legato Services Ltd.	76	ZAP Technologies Ltd

2.2.2 VISION

We strive to deliver comprehensive BPO solutions across the world, encompassing industries, small or large, local or multinational companies.

2.2.3 MISSION

Being the most dynamic, efficient and trustworthy outsourcing partner for our clients by delivering solutions through right sets of people and technology to ensure maximum value for business.

2.2.4 Best Practices

- Strive to provide global best practices through constant innovation.
- Encourage unconventional thinking.
- Stand on our integrity.
- Attract, Develop and Retain Great Talent by Creating an Exciting Environment.
- Believe in the power of collaboration.
- Create excellent leadership.
- Respect diverse perspectives.
- Provide high-quality job opportunities.
- Commit to client partnerships.
- Embrace responsibility.
- Strive to achieve Continuous Improvement, Quality and Innovation.

2.2.5 Management:

Digicon was founded by a group of US-educated IT professionals. The founders have extensive technology management and technology sales expertise and have worked for leading IT companies in the US. From managing call centers for Microsoft to running sales of leading software companies in the U.S, Digicon's founders are poised to build the first-of-its-kind BPO Company in Bangladesh. The founders of Digicon have more than 15 years of combined IT industry experience and have worked for large companies like Intel and Microsoft.

List of Board of Director:

Sl.	Name	Nationality	Address
01	Wahidur Rahman Sharif	Bangladeshi	54/1, A-7, New Eskaton, Ramna, Dhaka
02	Sanaullah Abdullah	Bangladeshi	House - 5, Apt- A5, Road - 8, Gulshan, Dhaka

03	AzmalHaque Azim	Bangladeshi	73/1, Monipuri Para, Tejgaon, Dhaka
04	ZerinAnkhi (Nominee of Prime Minds)	American	38725, Lexingtone, St-201, Ferment CA 94536, USA

MANAGING DIRECTOR: Whidur Rahman Sharif

AUDITORS:ZAHUR & MOSTAFIZ

Chartered Accountants

HighTower, (8th &gth Floor),9 Mohakhali C/A, Dhaka-1212, Bangladesh.

2.2.6Service List:

Customer Support Call Centre Remote and On-site Support Live Chat and Email Support Customer Relationship Management and Survey	**Sales and Distribution** Sales Advisory Telesales Distribution Channel Management Ecommerce Development
Marketing Promotion Advisory Digital Marketing Social Media Marketing Product Marketing	**Finance and Accounting** Finance and Accounting Advisory Cloud Accounting System Receivables and Payables Management Data Management
Human Resource Management Recruitment and Selection Training and Development Performance Management Compensation (Remuneration) Management	**Technology** Call Centre Infrastructure Cloud CRM Solution IT Help Desk Enterprise Energy Management

2.2.7Esteemed Clients:

01	Airtel Bangladesh Limited	12	Grameenphone Limited
02	ASUS Global Private Limited	13	Learning and Earning Development Program, ICT
03	Bangladesh Hi-Tech Park Authority	14	National Credit and Commerce Bank Limited
04	Bashundhara Group	15	OLLO Wireless Internet
05	BEXCOM – RealVU	16	Rancon Motor Bikes Limited
06	Beximco Communications Limited,	17	Samsung India Electronics Private Limited
07	Beximco Pharmaceuticals Limited	18	Telecommunication and ICT, Bangladesh
08	BRAC Saajan, Birmingham, England	19	Teletalk Bangladesh Limited
09	Coca-Cola	20	Transcom Electronics
10	Division, Ministry of Post	21	VE Commercial Vehicles
11	Doctorola.com	22	VU Mobile Limited
		23	Well Food

Chapter: 3

Financial Overview

3 Financial Analysis

3.1 Common Size Statements

3.1.1 Vertical Analysis

Vertical analysis (also known as common-size analysis) is a popular method of financial statement analysis that shows each item on a statement as a percentage of a base figure within the statement.

To conduct a vertical analysis of balance sheet, the total of assets and the total of liabilities and stockholders' equity are generally used as base figures. All individual assets (or groups of assets if condensed form balance sheet is used) are shown as a percentage of total assets. The current liabilities, long term debts and equities are shown as a percentage of the total liabilities and stockholders' equity.

To conduct a vertical analysis of income statement, sales figure is generally used as the base and all other components of income statement like cost of sales, gross profit, operating expenses, income tax, and net income etc. are shown as a percentage of sales.

I. Vertical Balance Sheet Analysis

Particulars	2014	2013	2012	2011	Average	Standard Deviation
Current Asset	**62.63%**	**61.19%**	**62.56%**	**89.94%**	**69.08%**	**14%**
Cash & Cash Equivalent	13.11%	16.62%	7.67%	49.73%	21.78%	19%
Investment in FDR	12.65%	13.18%	0.00%	0.00%	6.46%	7%
Receivables	31.02%	26.19%	30.23%	10.75%	24.55%	9%
Salary Receivables	0.00%	0.00%	5.69%	29.46%	8.79%	14%
Advance & Prepayments	3.21%	4.87%	18.97%	0.00%	6.76%	8%
Inter-company Loan/Investment in DGSL (Sister Concern)	2.44%	0.33%	0.00%	0.00%	0.69%	1%
Interest Receivable	0.20%	0.00%	0.00%	0.00%	0.05%	0%
Non-Current Assets						

Fixed Asset	31.03%	38.81%	37.44%	10.06%	29.34%	13%
Investment:						
Investment in Share	6.34%	0.00%	0.00%	0.00%	1.58%	3%
Total Assets	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**0%**
Current Liabilities and Provisions	**24.67%**	**17.75%**	**7.18%**	**1.78%**	**12.84%**	**10%**
Current Liabilities and	10.71%	15.33%	6.49%	1.78%	8.58%	6%
Income Tax Provision	0.73%	0.29%	0.17%	0.00%	0.30%	0%
Account Payables/Trade Creditors	6.32%	0.42%	0.52%	0.00%	1.81%	3%
PF Obligations	2.17%	1.70%	0.00%	0.00%	0.97%	1%
Current Portion of lease Finance	4.74%	0.00%	0.00%	0.00%	1.18%	2%
Non-Current Liabilities	**0.44%**	**12.07%**	**22.01%**	**0.00%**	**8.63%**	**11%**
Long Term Loan (Secured)	0.44%	12.07%	22.01%	0.00%	8.63%	11%
Total Liabilities	**25.11%**	**29.82%**	**29.19%**	**1.78%**	**21.47%**	**13%**
Shareholder's Equity	**74.89%**	**70.18%**	**70.81%**	**98.22%**	**78.53%**	**13%**
Share Capital	0.41%	0.55%	0.74%	3.12%	1.21%	1%
Share Money Deposit	21.31%	28.36%	38.21%	83.45%	42.83%	28%
Retained Earning	53.16%	41.27%	31.86%	11.66%	34.49%	18%
Total Equity	**74.89%**	**70.18%**	**70.81%**	**98.22%**	**78.53%**	**13%**
Total Liabilities & Equity	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**0%**

II. Vertical Income Statement Analysis

Particulars	2013	2012	2011	2010	Average	Standard Deviation
Turnover	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%
Other Income	1.67%	0.63%	0.38%	0.00%	0.67%	0.72%
Total Revenue	**101.67%**	**100.63%**	**100.38%**	**100.00%**	**100.67%**	**0.72%**
Operating Expenses	85.42%	85.95%	79.83%	75.05%	81.57%	5.15%
Profit from Operations	**16.25%**	**14.68%**	**20.55%**	**24.95%**	**19.11%**	**4.62%**
Financing Cost	0.96%	1.46%	1.85%	0.00%	1.07%	0.80%
Profit Before Tax	**15.29%**	**13.22%**	**18.69%**	**24.95%**	**18.04%**	**5.13%**
Income Tax Expense	0.59%	0.22%	0.14%	0.00%	0.24%	0.25%
Net Profit after Tax	**14.70%**	**13.00%**	**18.55%**	**24.95%**	**17.80%**	**5.30%**
Total No of Shares	0.00%	0.00%	0.00%	0.07%	0.02%	0.03%
EPS	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**

3.1.2Horizontal Analysis

Horizontal analysis (also known as trend analysis) is a financial statement analysis technique that shows changes in the amounts of corresponding financial statement items over a period of time. It is a useful tool to evaluate the trend situations.

The statements for two or more periods are used in horizontal analysis. The earliest period is usually used as the base period and the items on the statements for all later periods are compared with items on the statements of the base period. The changes are generally shown both in dollars and percentage.

I. Horizontal Balance Sheet Analysis

Particulars	2011	2012	2013	2014	Average	Standard Deviation
Current Asset	**100.00%**	**343.16%**	**452.19%**	**615.93%**	**377.82%**	**216.50%**
Cash & Cash Equivalent	100.00%	76.08%	222.09%	233.21%	157.84%	81.32%
Investment in FDR	0.00%	0.00%	100.00%	127.67%	56.92%	66.69%
Receivables	100.00%	1387.67%	1620.03%	2552.62%	1415.08%	1010.97%
Salary Receivables	100.00%	95.28%	0.00%	0.00%	48.82%	56.40%
Advance & Prepayments	0.00%	100.00%	34.55%	30.37%	41.23%	42.10%
Inter-company Loan/Investment in DGSL (Sister Concern)	0.00%	0.00%	100.00%	989.89%	272.47%	480.60%
Interest Receivable	0.00%	0.00%	0.00%	100.00%	25.00%	50.00%
Non-Current Assets						
Fixed Asset	100.00%	1835.39%	2563.48%	2727.15%	1806.51%	1201.89%
Investment:						
Investment in Share	0.00%	0.00%	0.00%	100.00%	25.00%	50.00%
Total Assets	**100.00%**	**493.33%**	**664.65%**	**884.46%**	**535.61%**	**331.61%**
Current Liabilities and Provisions	**100.00%**	**1993.74%**	**6641.68%**	**12286.73%**	**5255.54%**	**5433.78%**
Current Liabilities and	100.00%	1803.19%	5737.54%	5333.24%	3243.49%	2741.25%
Income Tax Provision	0.00%	100.00%	230.04%	767.59%	274.41%	342.01%
Account Payables/Trade Creditors	0.00%	100.00%	110.29%	2198.93%	602.31%	1065.58%
PF Obligations	0.00%	0.00%	100.00%	169.85%	67.46%	82.95%
Current Portion of lease Finance	0.00%	0.00%	0.00%	100.00%	25.00%	50.00%

Non-Current Liabilities	**0.00%**	**100.00%**	**73.91%**	**3.57%**	**44.37%**	**50.33%**
Long Term Loan (Secured)	0.00%	100.00%	73.91%	3.57%	44.37%	50.33%
Total Liabilities	**100.00%**	**8107.27%**	**11160.21%**	**12505.03%**	**7968.13%**	**5558.77%**
Shareholder's Equity	**100.00%**	**355.66%**	**474.88%**	**674.35%**	**401.22%**	**240.02%**
Share Capital	100.00%	117.78%	117.78%	117.78%	113.34%	8.89%
Share Money Deposit	100.00%	225.89%	225.89%	225.89%	194.41%	62.94%
Retained Earning	100.00%	1348.25%	2352.79%	4033.49%	**1958.63%**	**1662.07%**
Total Equity	**100.00%**	**355.66%**	**474.88%**	**674.35%**	**401.22%**	**240.02%**
Total Liabilities & Equity	**100.00%**	**493.33%**	**664.65%**	**884.46%**	**535.61%**	**331.61%**

II. Horizontal Income Statement Analysis

Particulars	2011	2012	2013	2014	Average	Standard Deviation
Turnover	100.00%	1790.26%	155.03%	159.32%	551.15%	826.51%
Other Income	0.00%	100.00%	259.00%	703.51%	265.63%	310.79%
Total Revenue	**100.00%**	**1797.05%**	**155.42%**	**161.38%**	**553.46%**	**829.52%**
Operating Expenses	100.00%	1904.32%	166.91%	170.48%	585.43%	879.86%
Profit from Operations	**100.00%**	**1474.35%**	**110.78%**	**126.01%**	**452.79%**	**681.13%**
Financing Cost	0.00%	100.00%	122.35%	82.81%	76.29%	53.37%
Profit Before Tax	**100.00%**	**1341.34%**	**109.63%**	**130.29%**	**420.32%**	**614.15%**
Income Tax Expense	0.00%	100.00%	241.74%	656.61%	249.59%	288.90%
Net Profit after Tax	**100.00%**	**1331.14%**	**108.62%**	**126.26%**	**416.50%**	**609.85%**

3.2 Ratio Analysis

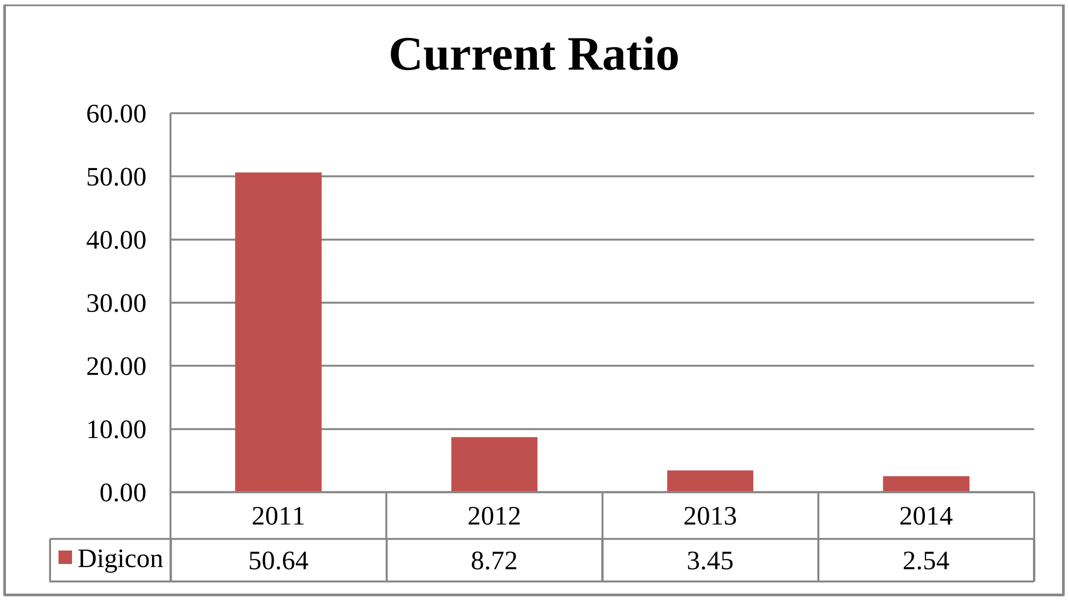
3.2.1 Liquidity Ratio

A class of financial metrics that is used to determine a company's ability to pay off its short-terms debts obligations.Generally, the higher the value of the ratio, the larger the margin of safety that the company possesses to cover short-term debts.

I. Current Ratio

Current ratio is a liquidity ratio that measures a company's ability to pay short-term obligations.

	Digicon Technologies Ltd.			
Year	**2011**	**2012**	**2013**	**2014**
Current Ratio	50.64	8.72	3.45	2.54



Interpretations:

- In 2014 the company's current assets were only 2.54 times of their current liabilities.
- Current ratio was decreasing over last four years and the ratiowas highest point in initial year 2011 as then the business was just started.

- As gradually business taking its peak the fall of the ratio taken place with it. From 2011 to 2012 the fall is sharp then second highest and the ratio of 2014 is the lowest. So, this could be said that the ratio of Digicon Technologies Ltd. is unsatisfactory according to recent financial data analysis.

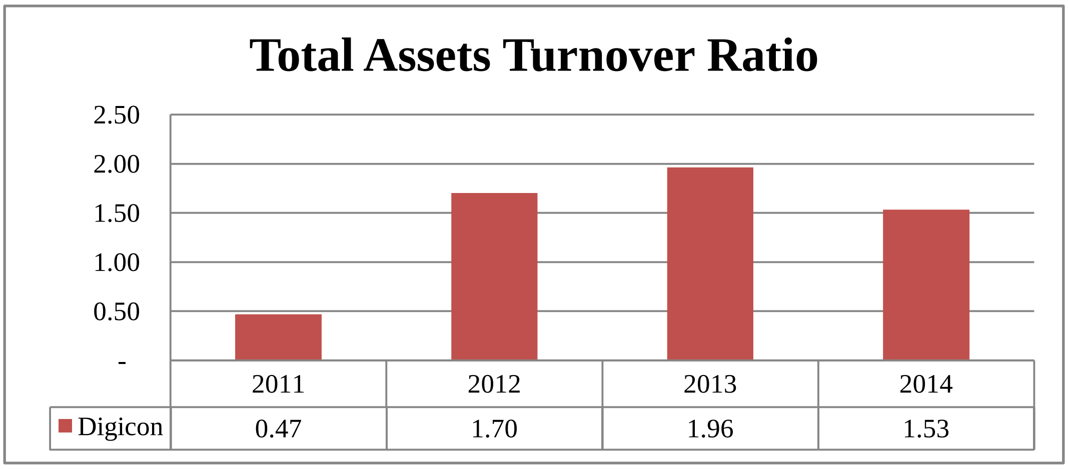
3.2.2 Asset Management Ratio

Asset management (turnover) ratios compare the assets of a company to its sales revenue. Asset management ratios indicate how successfully a company is utilizing its assets to generate revenues.

I. Total Asset Turnover Ratio

The amount of sales or revenues generated per dollar of assets. The Asset Turnover ratio is an indicator of the efficiency with which a company is deploying its assets.

Particulars/Year	**Digicon Technologies Ltd.**			
	2011	**2012**	**2013**	**2014**
Inventory Turnover Ratio	0.47	1.70	1.96	1.53



Interpretations:

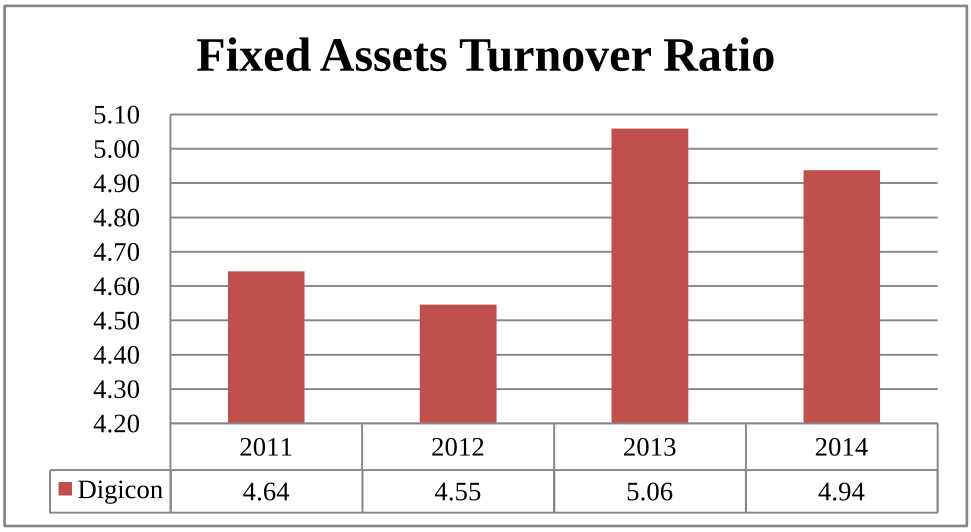
- In 2014 the company's every BDT 1 worth of total assets generated BDT1.53sales.

- ❖ Total Assets Turnover Ratiowas gradually increasingupto 2013 but there is a slight decrease in 2014 from 2013.
- ❖ Above data showing that the company efficiently deploying its assets. So, this could be said that this ratio of Digicon Technologies Ltd. is satisfactory according to recent financial data analysis.

II. Fixed Asset Turn Over Ratio

A financial ratio of net sales to fixed assets. The fixed-asset turnover ratio measures a company's ability to generate net sales from fixed-asset investments - specifically property, plant and equipment (PP&E) - net of depreciation. A higher fixed-asset turnover ratio shows that the company has been more effective in using the investment in fixed assets to generate revenues.

Particulars/Year	**Digicon Technologies Ltd.**			
	2011	**2012**	**2013**	**2014**
Fixed Assets Turnover Ratio	4.64	4.55	5.06	4.94



Interpretations:

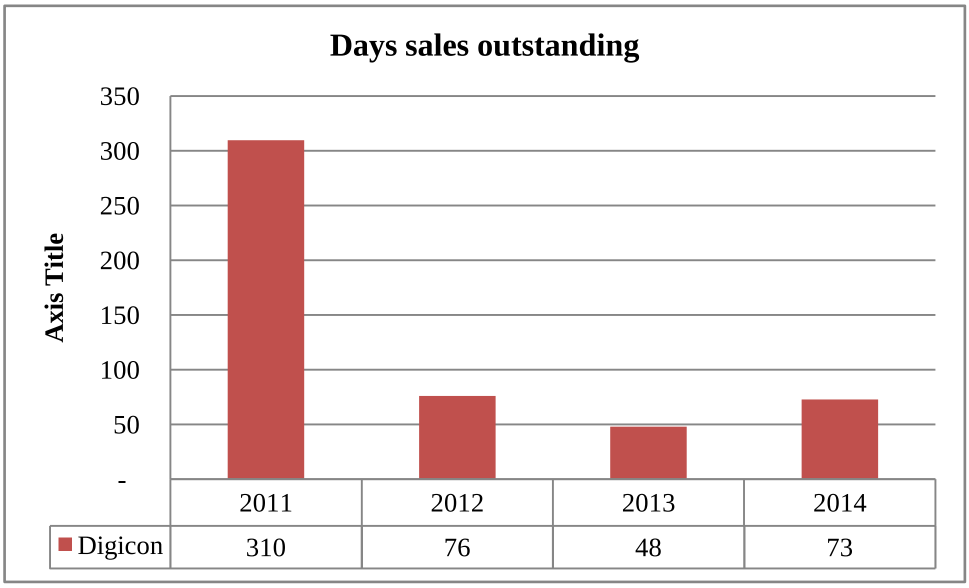
- ❖ In 2014 the company’s every BDT 1 worth of fixed assets generated BDT 4.94sales.
- ❖ Fixed Assets Turnover Ratio was fluctuating over last four years and was its highest point in 2013 that is 5.06. This means in this year fixed asset was most effectively used with more profit earnings.

- Above data show the company is using there fixed assets efficiently. So, this could be said that the ratio of Digicon Technologies Ltd. is satisfactory according to recent financial data analysis.

III. Days Sales Outstanding/Average Collection Period

A measure of the average number of days that a company takes to collect revenue after a sale has been made. A low DSO number means that it takes a company fewer days to collect its accounts receivable. A high DSO number shows that a company is selling its product to customers on credit and taking longer to collect money.

Particulars/Year	Digicon Technologies Ltd.			
	2011	**2012**	**2013**	**2014**
DSO	310	76	48	73



Interpretations:

- In 2014 the company's DSO is 73 days which is more than two months that also refers operating cycle is also higher and it need more time to convert its working capital into cash.
- Days Sales Outstanding ratio was fluctuating over last four years and was its lowest point in 2013 that is 48 days. This means in this year working

capital management was most efficient and less the days in DSO more the times working capital was reinvested.

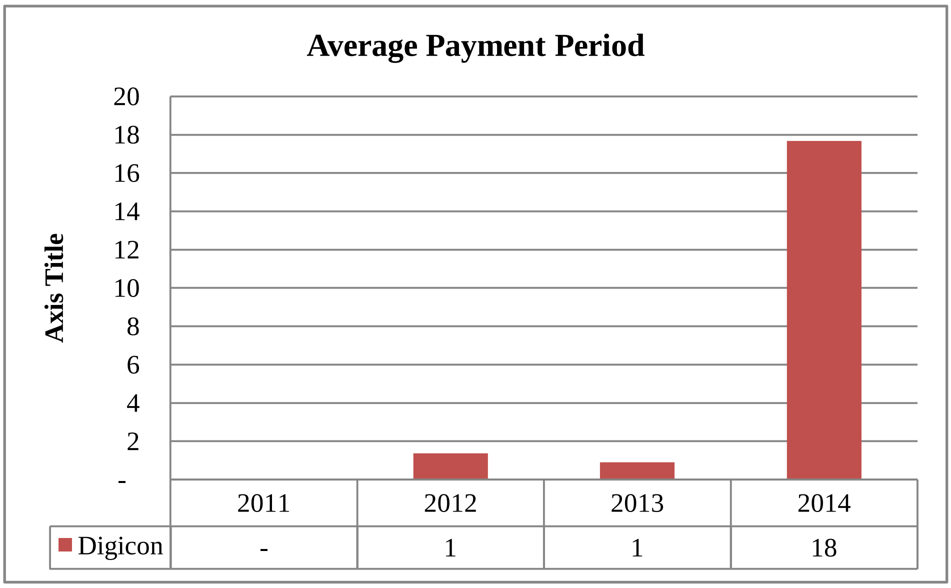
- Above data show the company's working capital management is not that efficiently managed. So, this could be said that the ratio of Digicon Technologies Ltd. is unsatisfactory according to recent financial data analysis.

IV. Average Payment Period

The average payment period (APP) is defined as the number of days a company takes to pay off credit purchases. It is calculated as accounts payable / (total annual purchases / 360). As the average payment period increases, cash should increase as well, but working capital remains the same. Most companies try to decrease the average payment period to keep their larger suppliers happy and possibly take advantage of trade discounts.

Since the average payment period does not affect working capital, APP typically has little or no effect on the valuation of a company or on a merger or acquisition. Recent economic trends have lead to the average APP increasing because of the typical trickle-down effect of payments.

Particulars/Year	**Digicon Technologies Ltd.**			
	2011	**2012**	**2013**	**2014**
Average Payment Period	-	1	1	18



Interpretations:

- In 2014 the company's average payment period was 18 days that was too less comparative to DSO that means the company is paying more earlier than its revenue collection time. This making cash conversion period longer.
- APP was o days in first year as the business was new so creating good will for trade credit was difficult but over the year the increase was not that lucrative for the company in 2012 and 2013 it was 1 day. This means in the management was not efficient in working capital management.
- So,this could be said that the ratio of Digicon Technologies Ltd. is unsatisfactory according to recent financial data analysis.

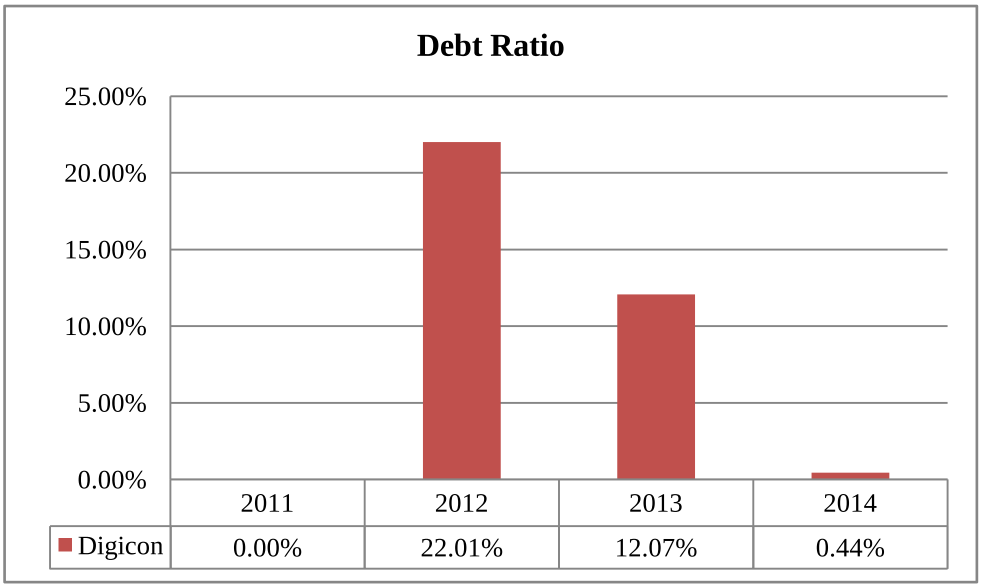
3.2.3 Debt Management Ratio

Debt management ratios, in particular, are used to evaluate a prospective borrower's suitability for a loan.

I. Debt Ratio

The debt ratio is defined as the ratio of total debt to total assets, expressed in percentage, and can be interpreted as the proportion of a company's assets that are financed by debt. The higher this ratio, the more leveraged the company and the greater its financial risk.

Particulars/Year	**Digicon Technologies Ltd.**			
	2011	**2012**	**2013**	**2014**
Debt Ratio	0.00%	22.01%	12.07%	0.44%



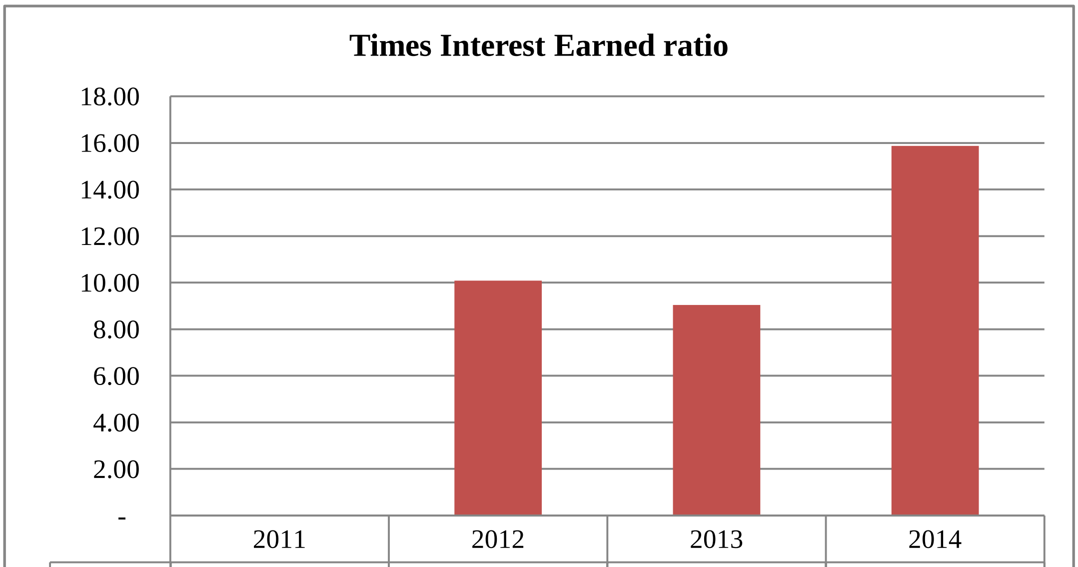
Interpretations:

- In 2014 the company's debt is 0.44% of its total assets.
- Debt Ratio was decreasing over last three years and in 2011 it was 0 as the company was not availed any loan in that. The decreasing pattern of this ration is also shows that the company is paying off their debt and at the end of 2014 the debt nearly paid off.
- Above data show the company is less leveraged. So, this could be said that the ratio of Digicon Technologies Ltd. is satisfactory and less risky according to recent financial data analysis.

II. Times Interest Earned Ratio

The times interest earned ratio is an indicator of a company's ability to meet the interest payments on its debt. The times interest earned calculation is a corporation's income before interest and income tax expense, divided by interest expense.

Particulars/Year	**Digicon Technologies Ltd.**			
	2011	**2012**	**2013**	**2014**
Times Interest Earned ratio	0	10.08	9.04	15.87



	2011	2012	2013	2014
Digicon	-	10.08	9.04	15.87

Interpretations:

- In 2014 the company's TIE 15.87 times that refer to profit earned before tax and interest deduction can cover its interest payment 15.87 times.
- TIE Ratio was fluctuating over last three years and was its highest point in 2014. This means in this year more profit earned to cover its interest payments.
- So, this could be said that the ratio of Digicon Technologies Ltd. is satisfactory according to recent financial data analysis.

3.2.4 Profitability Ratio

These ratios, much like the operational performance ratios, give users a good understanding of how well the company utilized its resources in generating profit and shareholder value.

I. Gross Profit Margin Ratio

Gross margin ratio is a profitability ratio that compares the gross margin of a business to the net sales. This ratio measures how profitable a company sells its inventory or merchandise. In other words, the gross profit ratio is essentially the percentage markup on merchandise from its cost. This is the pure profit from the sale of inventory that can go to paying operating expenses.

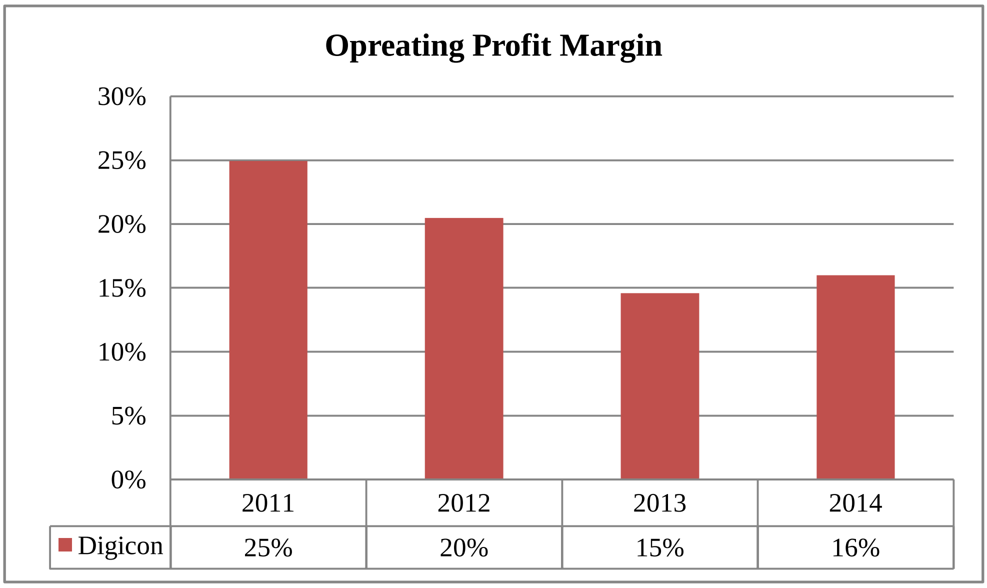
But in case of Digicon Technologies Ltd. this ratio is not applicable as the company is service oriented organization and its all expenses are operating expenses the is no cost of goods sold to measure gross profit margin.

II. Operating Profit Margin Ratio

The operating profit margin is a type of profitability ratio known as a margin ratio. The information with which to calculate the operating profit margin comes from a company's income statement.

Operating income is often called earnings before income and taxes or EBIT. EBIT is the income that is left, on the income statement, after all operating costs and overhead, such as selling costs and administration expenses, along with cost of goods sold, are subtracted out.

Particulars/Year	**Digicon Technologies Ltd.**			
	2011	**2012**	**2013**	**2014**
Operating Profit Margin	25%	20%	15%	16%



Interpretations:

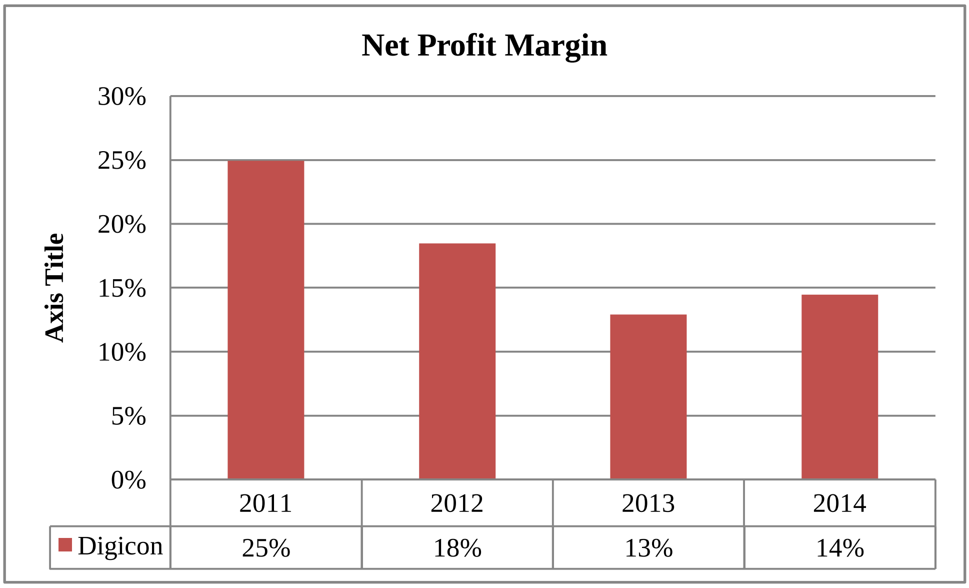
- In 2014 the company's every BDT100 worth of sales generated BDT16 of operating profit.

- Operating Profit Margin was decreasing over last four years and lowest in 2013 that is 15%.
- As the company belongs to service industry and its most expense is done for operation purpose so its operating profit margin tend to lesser. So, this could be said that the ratio of Digicon Technologies Ltd. is satisfactory according to recent financial data analysis.

III. Net Profit Margin Ratio

A ratio of profitability calculated as net income divided by revenues, or net profits divided by sales. It measures how much out of every dollar of sales a company actually keeps in earnings.Profit margin is very useful when comparing companies in similar industries. A higher profit margin indicates a more profitable company that has better control over its costs compared to its competitors.

Particulars/Year	**Digicon Technologies Ltd.**			
	2011	**2012**	**2013**	**2014**
Net Profit Margin	25%	18%	13%	14%



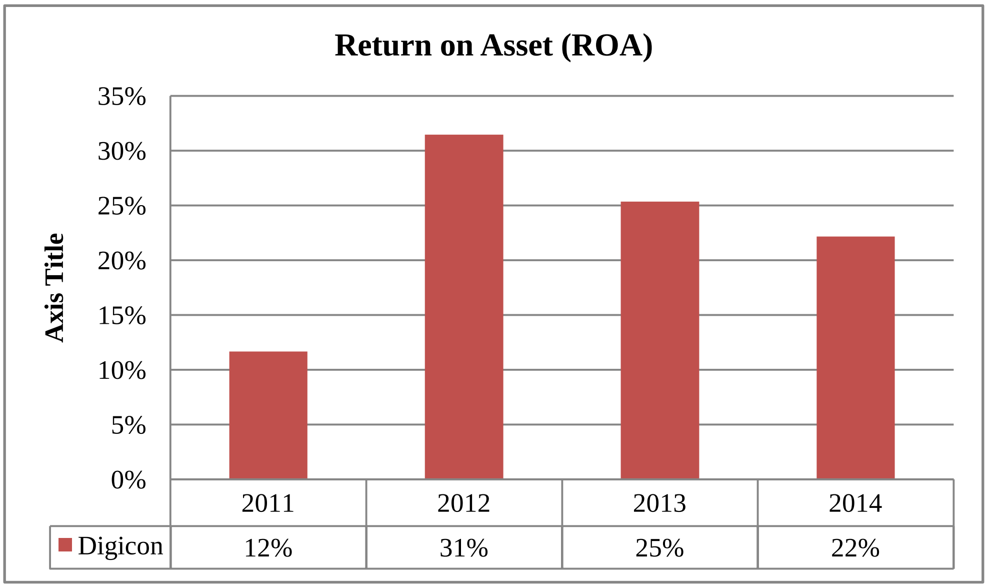
Interpretations:

- In 2014 the company's every BDT100 worth of sales generated BDT14 of net profit.
- Net Profit Marginwas gradually decreasing over last four years and was lowest in 2013 that is 13%.
- So, this could be said that the ratio of Digicon Technologies Ltd. is satisfactory and well profitable according to recent financial data analysis.

IV. Return on Asset (ROA)

An indicator of how profitable a company is relative to its total assets. ROA gives an idea as to how efficient management is at using its assets to generate earnings. 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".

Particulars/Year	**Digicon Technologies Ltd.**			
	2011	**2012**	**2013**	**2014**
Return on Asset (ROA)	12%	31%	25%	22%



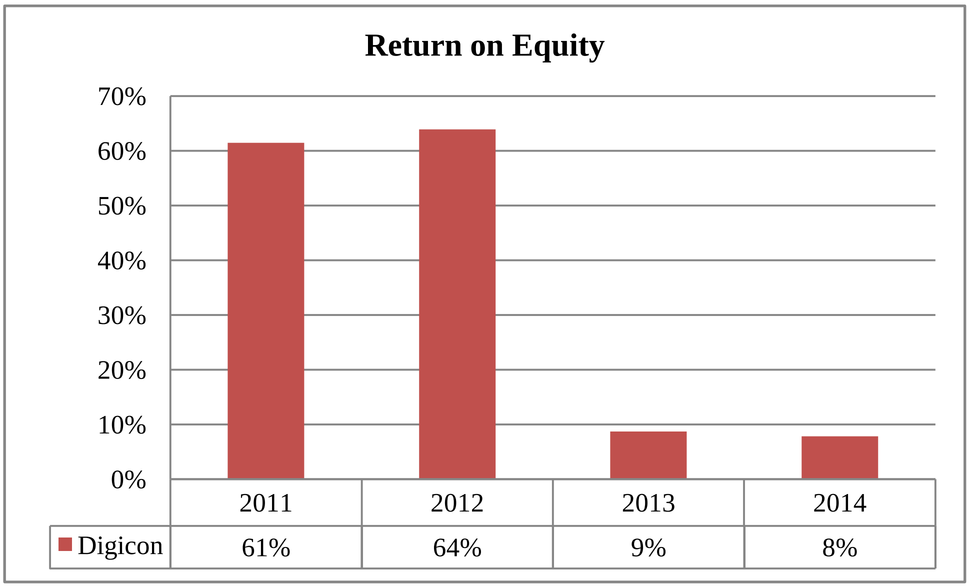
Interpretation:

- In 2014 the company's every BDT100 worth of assets generated BDT22 of net profit.
- ROA was fluctuating over last four years and was its peak in 2012 that is 31%. After that it's gradually decreasing upto 2014. This means Utilization of asset invested was highest in 2012 compared to its returns.
- So, this could be said that the ratio of Digicon Technologies Ltd. is poor according to recent financial data analysis.

V. Return on Equity (ROE)

The amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested.

Particulars/Year	**Digicon Technologies Ltd.**			
	2011	**2012**	**2013**	**2014**
Return on Equity	61%	64%	9%	8%



Interpretation:

- In 2014 the common stockholder of the company has lost BDT 8 for every BDT100 invested into the company.
- Return on Equity was fluctuating over last four year. It was highest in 2012 that is 64% and after that gradually decreasing over last three years.
- So, this could be said that the ratio of Digicon Technologies Ltd. is unsatisfactory according to recent financial data analysis

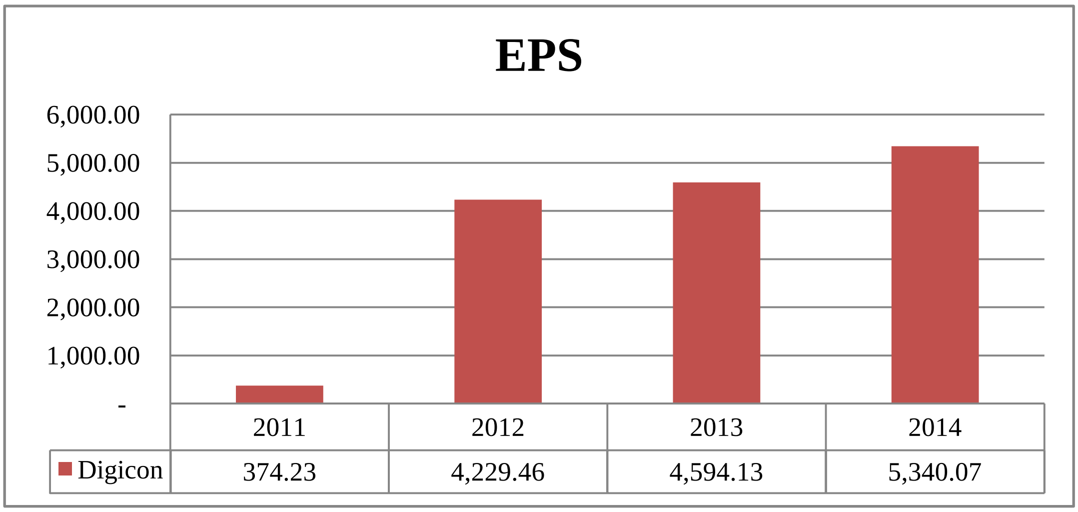
3.2.5 Stock Market Ratio

The company is a private limited company that means it's not listed in stock exchange although it's stock market ration is measured for it's performance measurement for the investor of the company.

I. Earnings per share (EPS)

Earnings per share is the portion of a company's profit allocated to each outstanding share of common stock. Earnings per share serves as an indicator of a company's profitability.

Particulars/Year	Digicon Technologies Ltd.			
	2011	**2012**	**2013**	**2014**
EPS	374.23	4,229.46	4,594.13	5,340.07



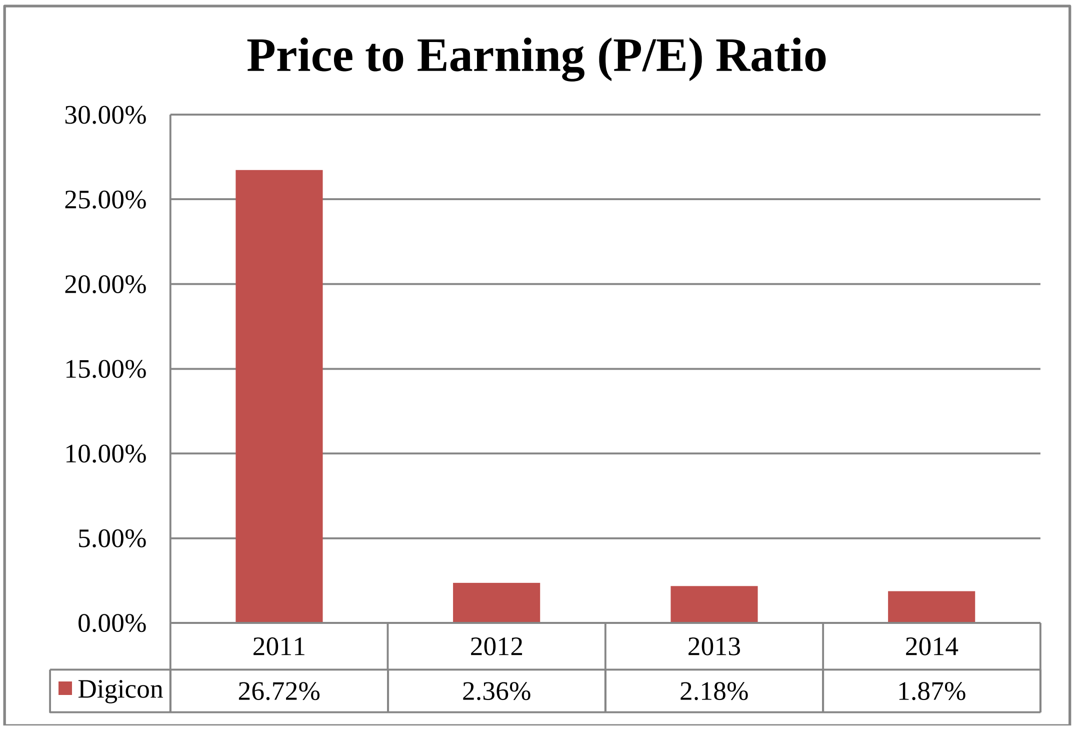
Interpretation:

- In 2014 the company's earnings per share was BDT 5340.07that meansfor every one share invested worth BDT 100earned BDT 5340.07.
- EPS was increasing over last four years. This means the company is running well and earning more profits for its investors.
- So, this could be said that the ratio of Digicon Technologies Ltd. is satisfactory according to recent financial data analysis.

II. Price to Earnings ratio (P/E Ratio)

Price to Earnings ratio is a valuation ratio of a company's current share price compared to its per-share earnings.

Particulars/Year	**Digicon Technologies Ltd.**			
	2011	**2012**	**2013**	**2014**
Price to Earning (P/E)	26.72%	2.36%	2.18%	1.87%



Interpretation:

- In 2014 the company's every one share BDT 1 worth generated BDT 1.87.
- P/E Ratio was decreasing over last four years. This means in initial years investors got more return on their investment and as the business grown the return was lessen but still well profitable for the investors.
- So, this could be said that the ratio of Digicon Technologies Ltd. is that satisfactory but still well profitable to continue the business according to recent financial data analysis.

Chapter: 4

Conclusion

4.1 Findings:

After conducting the thorough study I have come with some findings and they are as follows:

- ❖ As Digicon belongs to a new emerging industry as well as new organization and its management is also young and energetic this company has great potential to flourish or doom due to lack of experienced management.
- ❖ Now the business is in growth stage as well as the industry and continuing this growth could be difficult.
- ❖ This business and industry is technology based so another threat could be change of technology.
- ❖ By overview of the ratio analysis we understand the company is in well shape now but there are some space of improvement. Like working capital and cash flow management could be more efficient.

4.2 Recommendations:

Recommendations for company are as follows:

- ❖ Strategically manage the current situation with a strong vision to follow and bring some mix of experience in management as well.
- ❖ Continuing the growth stage is difficult for any company but new ideas can and intervention to new business lines can be helpful.
- ❖ Always be up-to-date about the industry technology and try to bring innovations to through challenges to competitors
- ❖ Be more efficient and effective in managing the financial resources. Like incase of better working capital management decrease the DSO and try to extend the APP in same time.

4.3 My Work Responsibilities:

- Compiles and analyzes financial information to prepare entries to book of accounts, such as journal entries general ledger accounts, documenting business transactions.
- Financial planning and budgeting of the company on monthly and weekly basis.
- Payable and Receivable Management according to prepared plan for smooth inflow and outflow operations of the organization.
- Prepare monthly reports as well as various on-demand reports for analysis.
- Maintain proper documentation for every job as well as maintain all sorts of business communication and write-ups.
- Verify and reconcile contracts, orders, and vouchers, and prepares reports to substantiate individual transactions prior to settlement.
- Reviews, investigates, and corrects errors and inconsistencies in financial entries, documents, and reports.
- Provide advice and assistance and early warning of such problems as cost over-runs, excessive charges, and potential penalties. Develop models to depict financial and related activities tailored for specific operations.
- Proper maintenance of trade VAT & AIT.
- Develop, maintain, and analyze budgets, preparing periodic reports that compare budgeted costs to actual costs as controlling tool.
- Manage any kind of bank correspondences.
- Preparing monthly management reports and any other reports if necessary.

4.4References

- http://www.investopedia.com/
- https://www.google.com/finance
- http://dictionary.reference.com/browse/definitions
- http://www.digicontechnologies.com/
- Audit Reports of Digicon Technologies Ltd.
- Company brochure and other legal documents.

4.5Appendix/Annex

Vertical Analysis

In a vertical analysis the percentage is computed by using the following formula:

vertical-analysis-formula

$$\text{Percentage of base} = \frac{\text{Amount of individual item}}{\text{Amount of base}} \times 100$$

Vertical Analysis of Balance Sheet

Particulars	2014	2013	2012	2011
Current Asset	**88914755/141965027**	**65276933/106683435**	**49538257/79184363**	**14435762/16051009**
Cash & Cash Equivalent	18614216/141965027	17726817/106683435	6072845/79184363	7981899/16051009
Investment in FDR	17955227/141965027	14064129/106683435	0/79184363	0/16051009
Receivables	44032708/141965027	27945523/106683435	23937375/79184363	1725000/16051009
Salary Receivables	0/141965027	0/106683435	4505427/79184363	4728863/16051009
Advance & Prepayments	4563000/141965027	5190850/106683435	15022610/79184363	0/16051009
Inter-company Loan/Investment in DGSL (Sister Concern)	3460788/141965027	349614/106683435	0/79184363	0/16051009
Interest Receivable	288816/141965027	0/106683435	0/79184363	0/16051009
Non-Current Assets				
Fixed Asset	44050272/141965027	41406502/106683435	29646106/79184363	1615247/16051009
Investment:				
Investment in Share	9000000/141965027	0/106683435	0/79184363	0/16051009
Total Assets	**141965027/141965027**	**106683435/106683435**	**79184363/79184363**	**16051009/16051009**
Current Liabilities and Provisions	**35025294/141965027**	**18933160/106683435**	**5683461/79184363**	**285066/16051009**
Current Liabilities and	15203258/141965027	16355788/106683435	5140282/79184363	285066/16051009

Income Tax Provision	1037626/141965027	310967/106683435	135179/79184363	0/16051009
Account Payables/Trade Creditors	8971632/141965027	450000/106683435	408000/79184363	0/16051009
PF Obligations	3085107/141965027	1816405/106683435	0/79184363	0/16051009
Current Portion of lease Finance	6727671/141965027	0/106683435	0/79184363	0/16051009
Non-Current Liabilities	**622296/141965027**	**12880790/106683435**	**17427621/79184363**	**0/16051009**
Long Term Loan (Secured)	622296/141965027	12880790/106683435	17427621/79184363	0/16051009
Total Liabilities	**25.11%**	**29.82%**	**29.19%**	**1.78%**
Shareholder's Equity	**106317437/141965027**	**74869485/106683435**	**56073281/79184363**	**15765943/16051009**
Share Capital	588900/141965027	588900/106683435	588900/79184363	500000/16051009
Share Money Deposit	30256902/141965027	30256902/106683435	30256902/79184363	13394817/16051009
Retained Earning	75471635/141965027	44023683/106683435	25227479/79184363	1871126/16051009
Total Equity	**106317437/141965027**	**74869485/106683435**	**56073281/79184363**	**15765943/16051009**
Total Liabilities & Equity	**141965027/141965027**	**106683435/106683435**	**79184363/79184363**	**16051009/16051009**

Vertical Analysis of Income Statement

Particulars	2013	2012	2011	2010
Turnover	213924029/213924029	208154203/208154203	134269469/134269469	7500000/7500000
Other Income	3581459/213924029	1318550/208154203	509085/134269469	0/7500000
Total Revenue	**217505488/213924029**	**209472753/208154203**	**134778554/134269469**	**7500000/7500000**
Operating Expenses	182743349/213924029	178911487/208154203	107191549/134269469	5628874/7500000
Profit from Operations	**34762139/213924029**	**30561266/208154203**	**27587005/134269469**	**1871126/7500000**

Financing Cost	2060977/213924029	3044969/208154203	2488820/134269469	0/7500000
Profit Before Tax	**32701162/213924029**	**27516297/208154203**	**25098185/134269469**	**1871126/7500000**
Income Tax Expense	1253511/213924029	461493/208154203	190907/134269469	0/7500000
Net Profit after Tax	**31447651/213924029**	**27054804/208154203**	**24907278/134269469**	**1871126/7500000**
Total No of Shares	5889/213924029	5889/208154203	5889/134269469	5000/7500000
EPS	**5340.06639497368/213924029**	**4594.12531839022/208154203**	**4229.45797249109/134269469**	**374.2252/7500000**

Horizontal Analysis

Dollar and percentage changes are computed by using the following *formulas*:

1. Dollar change = Amount of the item in comparison year - Amount of the item in base year

2. Percentage change = $\dfrac{\text{Dollar change}}{\text{Amount of the item in base year}} \times 100$

Horizontal Analysis of Balance Sheet

Particulars	2011	2012	2013	2014
Current Asset	**14435762/14435762**	**49538257/14435762**	**65276933/14435762**	**88914755/14435762**
Cash & Cash Equivalent	7981899/7981899	6072845/7981899	17726817/7981899	18614216/7981899
Investment in FDR	-	-	14064129/14064129	17955227/14064129
Receivables	1725000/1725000	23937375/1725000	27945523/1725000	44032708/1725000
Salary Receivables	4728863/4728863	4505427/4728863	0/4728863	0/4728863
Advance & Prepayments	-	15022610/15022610	5190850/15022610	4563000/15022610
Inter-company Loan/Investment in DGSL (Sister Concern)	-	-	349614/349614	3460788/349614
Interest Receivable	-	-	-	288816/288816
Non-Current				

Assets				
Fixed Asset	1615247/1615247	29646106/1615247	41406502/1615247	44050272/1615247
Investment:				
Investment in Share	-	-	-	9000000/9000000
Total Assets	**16051009/16051009**	**79184363/16051009**	**106683435/16051009**	**141965027/16051009**
Current Liabilities and Provisions	**285066/285066**	**5683461/285066**	**18933160/285066**	**35025294/285066**
Current Liabilities and	285066/285066	5140282/285066	16355788/285066	15203258/285066
Income Tax Provision	-	135179/135179	310967/135179	1037626/135179
Account Payables/Trade Creditors	-	408000/408000	450000/408000	8971632/408000
PF Obligations	-	-	1816405/1816405	3085107/1816405
Current Portion of lease Finance	-	-	-	6727671/6727671
Non-Current Liabilities	**-**	**17427621/17427621**	**12880790/17427621**	**622296/17427621**
Long Term Loan (Secured)	-	17427621/17427621	12880790/17427621	622296/17427621
Total Liabilities	**285066/285066**	**23111082/285066**	**31813950/285066**	**35647590/285066**
Shareholder's Equity	**15765943/15765943**	**56073281/15765943**	**74869485/15765943**	**106317437/15765943**
Share Capital	500000/500000	588900/500000	588900/500000	588900/500000
Share Money Deposit	13394817/13394817	30256902/13394817	30256902/13394817	30256902/13394817
Retained Earning	1871126/1871126	25227479/1871126	44023683/1871126	75471635/1871126
Total Equity	**15765943/15765943**	**56073281/15765943**	**74869485/15765943**	**106317437/15765943**
Total Liabilities & Equity	**16051009/16051009**	**79184363/16051009**	**106683435/16051009**	**141965027/16051009**

Horizontal Analysis of Income Statement

Particulars	2011	2012	2013	2014
Turnover	7500000/7500000	134269469/7500000	208154203/7500000	213924029/7500000
Other Income	0.00%	509085/509085	1318550/509085	3581459/509085
Total Revenue	**7500000/7500000**	**134778554/7500000**	**209472753/7500000**	**217505488/7500000**
Operating Expenses	5628874/5628874	107191549/5628874	178911487/5628874	182743349/5628874
Profit from Operations	**1871126/1871126**	**27587005/1871126**	**30561266/1871126**	**34762139/1871126**
Financing Cost	0.00%	2488820/2488820	3044969/2488820	2060977/2488820
Profit Before Tax	**1871126/1871126**	**25098185/1871126**	**27516297/1871126**	**32701162/1871126**
Income Tax Expense	0.00%	190907/190907	461493/190907	1253511/190907
Net Profit after Tax	**1871126/1871126**	**24907278/1871126**	**27054804/1871126**	**31447651/1871126**

Ratio Analysis:

Digicon Technologies Ltd.

1) Liquidity Ratio:

i) Current Ratio = Current Asset / Current Liability

Years	2011	2012	2013	2014
Current Asset	14435762	49538257	65276933	88914755
Current Liability	285066	5683461	18933160	35025294
Current Ratio/Quick Ratio	**50.64**	**8.72**	**3.45**	**2.54**

2) Asset Management Ratio:

i) Total Asset turnover Ratio = Sales/Total assets

Years	2011	2012	2013	2014
Total Revenue	7,500,000	134778,554	209,472,753	217,505,488
Total Assets	16,051,009	79,184,363	106,683,435	141,965,027
Total Assets Turnover Ratio	**0.47**	**1.70**	**1.96**	**1.53**

ii) Fixed Asset turnover Ratio = Sales/Fixed asset

Years	2011	2012	2013	2014
Total Revenue	7,500,000	134,778,554	209,472,753	217,505,488
Fixed Assets	1,615,247	29,646,106	41,406,502	44,050,272
Fixed Assets Turnover Ratio	**4.64**	**4.55**	**5.06**	**4.94**

iii) Days Sales outstanding (DSO) = $\frac{\text{Accounts Receivable}}{\text{Sales/360}}$

Years	2011	2012	2013	2014
Accounts Receivables/Total Receivables	6,453,863	28,442,802	27,945,523	44,032,708
Total Revenue	7,500,000	134,778,554	209,472,753	217,505,488
DSO (Days sales outstanding)	**310**	**76**	**48**	**73**

iv) Average Payment Period = $\frac{\text{Accounts Payable}}{\text{COGS/360}}$

Years	2011	2012	2013	2014
Account Payables/Trade Creditors	-	408,000	450,000	8,971,632
COGS/Operation Expense	5,628,874	107,191,549	178,911,487	182,743,349
Average Payment	**-**	**1**	**1**	**18**

Period				

3) Debt Management Ratio:

I. Debt Ratio= Total Long Term Liabilities/Total assets

Years	2011	2012	2013	2014
Total Liabilities	-	17,427,621	12,880,790	622,296
Total Assets	16,051,009	79,184,363	106,683,435	141,965,027
Debt Ratio	**0.00%**	**22.01%**	**12.07%**	**0.44%**

II. Times Interest Earned ratio = EBIT/Interest Payment

Years	2011	2012	2013	2014
EBIT	1,871,126	25,098,185	27,516,297	32,701,162
Interest Payments/Financing Cost	-	2,488,820	3,044,969	2,060,977
Times Interest Earned ratio	**0**	**10.08**	**9.04**	**15.87**

4) Profitability Ratio:

I. Operating Profit Margin= (Operating Profit/ Sales)X100

Years	2011	2012	2013	2014
Operating Profit	1,871,126	27,587,005	30,561,266	34,762,139
Sales	7,500,000	134,778,554	209,472,753	217,505,488
Opreating Profit Margin	**25%**	**20%**	**15%**	**16%**

II. Net Profit Margin = (Net Profit after Tax/Sales)X100

Years	2011	2012	2013	2014
Net Profit (After Tax)	1,871,126	24,907,278	27,054,804	31,447,651

Sales	7,500,000	134,778,554	209,472,753	217,505,488
Net Profit Margin	**25%**	**18%**	**13%**	**14%**

III. Return on Assets (ROA) = (Net Profit after Tax/Total Asset)X100

Years	**2011**	**2012**	**2013**	**2014**
Net Profit	1,871,126	24,907,278	27,054,804	31,447,651
Total Assets	16,051,009	79,184,363	106,683,435	141,965,027
Return on Assets (ROA)	**12%**	**31%**	**25%**	**22%**

IV. Return on Equity (ROE) = (Net Profit after Tax/Total Common Equity)X100

Years	**2011**	**2012**	**2013**	**2014**
Net Profit	69,555,938	69,769,098	18,206,876	19,535,612
Total Common Equity	113,150,271	109,169,792	209,574,768	249,659,910
Return on Equity	**61%**	**64%**	**9%**	**8%**

5) Profitability Ratio:

I. EPS = Net Income or Net Profit after Tax/Total No of Common Share Outstanding

Years	**2011**	**2012**	**2013**	**2014**
Net Profit after Tax	100	100	100	100
Total No of Shares	5,000	5,889	5,889	5,889
EPS	**374.23**	**4,229.46**	**4,594.13**	**5,340.07**

II. Price to Earning (P/E) = (Price Per Share / EPS) X 100

Years	**2011**	**2012**	**2013**	**2014**
Price Per Share	100	100	100	100

EPS	374.23	4,229.46	4,594.13	5,340.07
Price to Earning (P/E)	**26.72%**	**2.36%**	**2.18%**	**1.87%**