

Report On
An analysis of vision care supplier
The Case of Alpha Vision Ltd'

By

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

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Brac University
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Declaration

It is hereby declared that

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

Student's Full Name & Signature:

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Supervisor Full Name
Designation, Department
Institution

Letter of Transmittal

Mr. Ahmed Abir Choudhury,
Lecturer,
Department
BRAC University
66 Mohakhali, Dhaka-1212

Subject: An analysis of vision care supplier

Dear Sir,

This is my pleasure to display my entry level position provide details regarding ' Recruitment and Selection Procedure of Alpha Vision Ltd', which I was appointed by your direction.

I have attempted my best to finish the report with the essential data and recommended proposition in a significant compact and comprehensive manner as possible. I hope you will find this report objective and reliable. Working with Alpha Vision Ltd was a great learning experience for me as it teaches me the difference between practical and theoretical work.

I trust that the report will meet the desires.]

Sincerely yours,

Akib Ferdous

16204054

BRAC Business School

BRAC University

Date: April 22, 2021

Non-Disclosure Agreement

This agreement is made and entered into by and between Alpha Vision Limited and the undersigned student at BRAC University

Acknowledgement

At first, I would like to thank the Almighty who has given me the ability to finish my internship. Furthermore, I would like to thank my supervisor Mr. Ahmed Abir Choudhury for helping me out no finishing my internship report. Without his guidance and proper suggestion, it would have been really difficult to finish preparing my internship report. During this pandemic, Sir still managed to make time for me and assist me as much as possible.

Moreover, I would like to thank my Asst. Manager Admin & Finance Department from Alpha Vision LTD Mr. Shafiqul Islam Rajib has taken time out of his busy schedule to help me out learning finance and accounting so that I perform my best during these three months of my internship. Lastly, I would like to thank those people who have guided me in whatever data or research material I required for my report.

Executive Summary

The report has been prepared on the basis of the experience I acquired during my internship period in Alpha Vision Limited. Doing internship is an integral and import part of the BBA Program. While writing this report I kept in mind that both my academic knowledge and the practical experience I have gather will reflect on this report. I have joined Alpha vision on march. Which was a three-month internship period. I have been working with the finance and accounts team.

The objective of this report is to provide an overview of the organization. I gave an explanation on their management system, Marketing Practice and how they manage their supply chain department as well based on my observation and findings. As the finance and account department is playing quite an important role in this business. I collected two years' income statement as well as the Balance sheet. Furthermore, a ratio analysis was done based those two years where I further explain how the company is performing.

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List of Acronyms

AVL – Alpha Vision Limited

SME – Small Medium Enterprises

MD – Managing Director

CEO – Chief Executive Officer

IT - Information Technology

NIO – National Institute of Ophthalmology

NGO - Non-Governmental organization

ROS – Return on Sales

ROE – Return on Equity

WHO – World Health Organization

Chapter 1: Overview of Internship

1.1. Student information

I am Akib Ferdaus. ID: 16204054, Studying in BRAC Business School of BRAC University. Since Fall 2016. And will be graduating with Finance as my major and marketing as my minor.

1.2. Internship Information

1.2.1. Period, company name, Department, Address

I joined Alpha Vision Back in 21st of march of 2020 for an internship program for 3 months. It was a great experience working here Admin and Finance department. Which is situated in Suite # 06, Level # 07, Rahmania International Complex, 28/1-C, Toyenbee Circular Road, Motijheel, Dhaka-1000, Bangladesh.

1.2.2. Internship company supervisor's information

My Supervisor is always helpful and kind toward me to help me out where I am struggling. His name is Shafiqul Islam Rajib Assistant Manager Admin & Finance Department.

1.2.3. Job Scope

I joined Alpha Vision LTD on the 21st of March as an intern employee. Even though I was an intern but I was treated as a normal employee would be treated as given it was a small company. In the first few weeks, I was shown how to record the transaction and put it in their cashbook. And adapt me on how everything is financially handled. I have to work under the supervision of my supervisor where I have to collect, understand, record, and process the transaction that takes place every day. I will get assistance in the preparation of the monthly or weekly financial report. Where I will develop and utilize a spreadsheet. Then manage to specialize in information, report to my supervisor.

I am required to interpret the data to my supervisor. Furthermore, I had to prepare a quarterly income statement for them. Which I have to interpret to the board of directors. Also I have to put in application of theoretical comprehension in the real world.

1.3. Internship Outcomes:

1.3.1. Contribution to the company

An internship is a learning phase for a student where they learn to do basic office work and try to contribute as much as possible for a company. It is not only that the task assigned to them is only the thing that an intern needs to do. They can share their idea and for the betterment of the company. I always tried to keep in touch with the assistant manager of the supply chain and assistant manager of admin and finance. I had to keep track of their stock and the daily transaction regarding administration cost and distribution cost. There was always a back and forth conversation between the supply chain manager and me as I always tried to keep the cost down in product distribution. I reviewed their financial report. I consistently reported to the finance manager how much payment is pending for the very next day. Just the way I provide them with the information I have they help me gain more knowledge.

1.3.2. Benefits to the students

This internship program helps a student to understand real-life experience. It is a three-month program where the intern helps the other employees with their work. It helps students understand how to build a good relationship with other colleagues as they learn to understand people's minds. This program allows a student to understand how to maintain costs and keep things in check. It gives a chance to make a connection with the ones who are in the working field. It helped me gain more confidence in talking to other people or how to present in front of people and not feel nervous. It is giving me a

chance to show what I am capable of in front of a company. For which they might offer me an opportunity to work for them.

1.3.3. Problems/ Difficulties

AVL is an organized company. I face a few problems, such as staying late in my office. And due to the pandemic, I encountered a problem traveling to the office. There was no form of transportation available due to the lockdown. For which I could not go to the office, and some of my work just stacked up. The office space is relatively small, for which my work desk was clumsy, and I sometimes lose few credit notes in the stack pile. As a result, a lot of time gets wasted finding them back. Time was not adequate to complete the study more perfectly. This report also suffered from inadequate secondary information. Also, some useful information cannot be expressed in this report for reasons of confidentiality.

1.3.4. Recommendation

They Should consider getting more interns so that they can ease their workload. As there is a heavy inflow of invoices, such as their payable and receivables. As it gets hard for one to two interns to keep track of all of them. Especially at the time of closing as the pressure rise drastically. For which we have to stay in office late and finish those work up before leaving. Even from time to time my supervisor could not attend to help me out as my supervisor had other work to attend. At the same they expect no mistakes to be made.

Chapter 2: Organization Part

2.1 Introduction

Alpha Vision is a Vision Care supplier in Bangladesh. They are one of the leading company to import and supply vision care product to the Doctors (Customer) in Bangladesh. Their focus is on ophthalmology and optometry. About 90% of the world's visually impaired people live in low- and middle-income countries (Morone et al., 2012) and 80% of all visual impairment can be prevented or cured (WHO, 2014). And that is what Alpha Vision tries to bring into the market. There are few vision care suppliers in Bangladesh but the ones they are supplying comes directly from Japan, Switzerland and France. So this company mostly focuses on quality and reduce people's suffering from both cataracts and refractive errors as well as Pterygium.

Objective: The objective of this report is to show an income statement and how they run their business. To show them the future status of their company with the help of forecasting sales. With the help of income statement, I can show the board of director that if any additional investment is needed or not as they can understand that by seeing if they are making profit or nearing loss. And if so how much additional fund is required.

Methodology: The study is based on the daily data extracted from the company such as credit and debit note. Some secondary information was taken from the website. Few interviews were taken by me for my research purpose with the manager and some customers as well. I also calculated the financial ration of the company.

Scope: The scope of my report is based on AVL, where I discuss their financial performance and how they operate their business, and the marketing policies they use. Furthermore, I will be discussing the ratios of this company. And how it is making a

profit. So, my readers will understand and get an overall idea about how a vision care supplier runs their business.

Limitation: Issues were collecting the data as they do not like to disclose so much information to the public. And the pandemic indeed made it harder for me to manage the information that I could collect. However, my supervisor was kind enough to let me get few data that was hard for me to obtain by myself. Given this is a private limited company.

Significance: While making this report I learned a lot. I got a clear picture of how Alpha Vision runs their company. I understood their weakness and how those can be solved. I can help them out in the future if they are struggling with any issues.

2.2 Overview of the company

Alpha vision Limited is one of the leading vision care supplier in Bangladesh their focus is on ophthalmology and optometry. There are few vision care suppliers in Bangladesh. They bring product that are from japan, Switzerland and France. It is because of the reliability. The three company they focus on bringing the product from are Oertli, Hoya and Quantel Medical. They sell lens for people who suffer from Pterygium. And machinery that can help do the surgery and diagnose a patience with related problems. Not just that they also sell different type of machinery that helps deduce what power the lens needs to be. With the help of Alpha Vision people can easily access better lenses at a lower price. The brands are very powerful and customer attachment is identical with those brands. The health sector is one of the fastest growing sector in Bangladesh which has a huge impact on our national economy.

2.2.1 Type of product

They have three type of lens to provide support for the Doctor's patience

Lens

Hoya Selling lens for the past 75 years which is situated in japan. They focuses on use of innovation, technology and market insights so that business that are selling their product can grow and flourish. They always call up for seminar and provide support to the business where Alpha Vision Team goes to attend them to learn. Here are the lenses *Alpha Vision Ltd* sells.

- iSert 150
- iSert 151
- iSert 250
- iSert 251
- Vivinex xyl
- Pc 60R

Lately they have also started selling a cheaper alternative. The company is *Action Medical India*

- Ufold
- Envision pmma

There are also machines they sell. *Oertli* is a brand situated in Switzerland. They are the new generation of surgical platform. They provide solution for retina, glaucoma and cataract surgery. Their product makes an operation much easier, safer and more efficient for an eye doctor.

- CataRhex Easy
- CataRhex3
- Faros Phaco System

Qantel Medical started their journey back in 1993. It's core activities are the development, manufacturing and commercialization of innovative solutions in medical lasers and ultrasound technologies. And here is a list of their product that Alpha Vision sell.

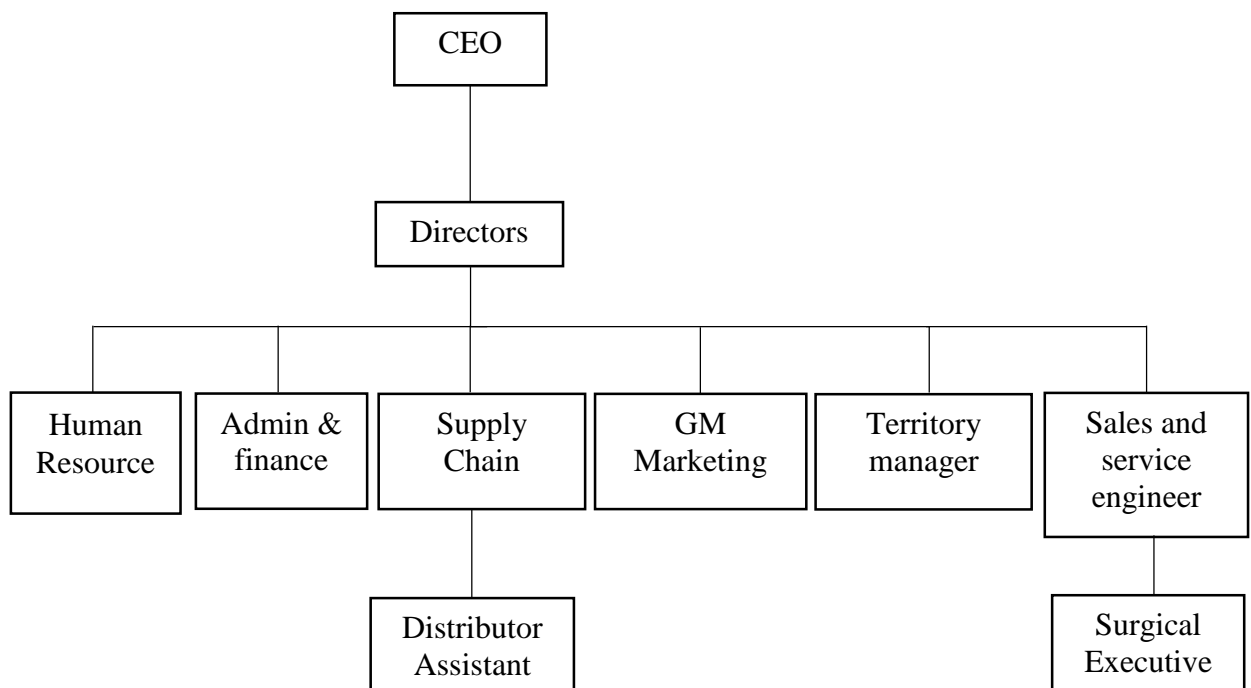
- A-Scan
- B-Scan
- Yag Laser
- Green Laser

2.3 Management practice

Alpha Vision Limited is a small sized enterprise (SME) where everything is controlled by the top management. Such as the board of directors. They are the one who takes all the decision ad maintains the policy. There are three directors and one MD. Mr. Sontosh Chandra Nath (MD) takes care of everything.

Company's Organogram:

Figure 1: Organizational Structure of Alpha Vision Ltd.

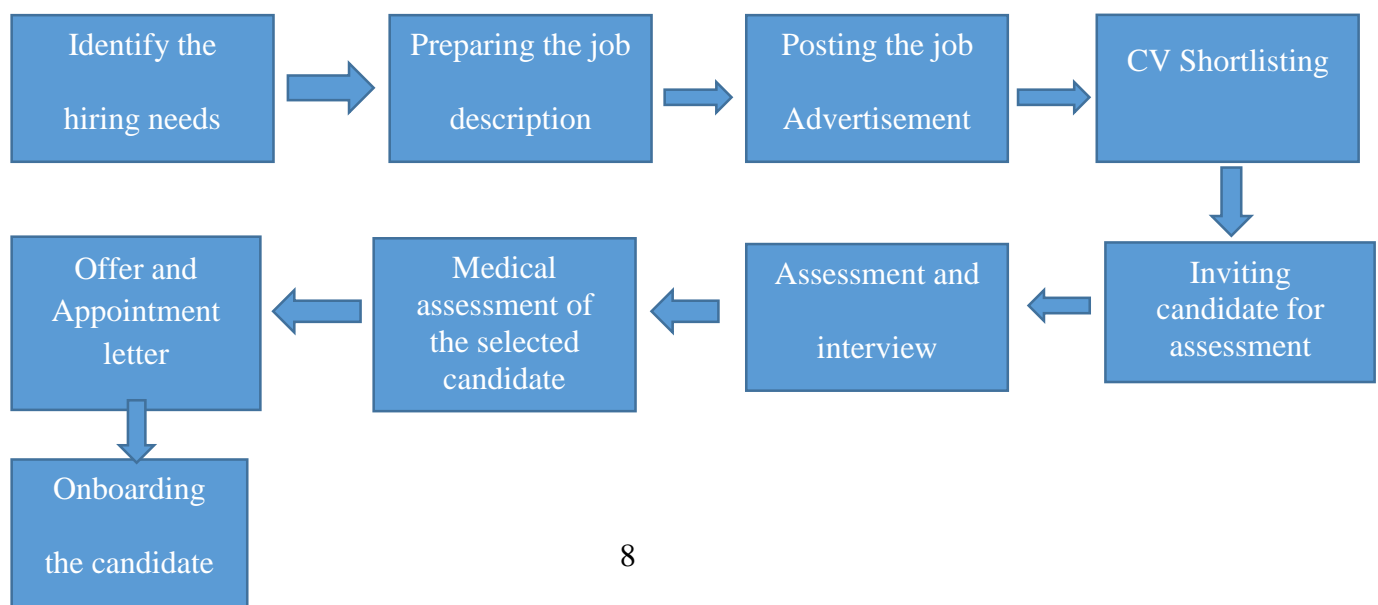


As you can see from the organogram, the company's main head is the CEO, followed by the director, where the majority of the decision is carried out. The HR ensures that the entire company is on the same boat as the CEO and director. At the same time, the accounts and finance department makes sure they are allocating the funds accordingly. And the supply chain manager maintains the inventory accordingly.

Training and development: Alpha vision is always focused on taking a step further with the training and development program. During my internship period, there were two seminars on the various development program. One was in BRAC CDM, and another was in Gazipur Golf view resort. At which one of them was all about the arrival of the new products from Hoya. At the same time, the other one was improving the efficiency of delivering of products. They trained their employees to motivate them to work and learn how to help each other when the other faces difficulties.

Hiring procedure: Recruitment is very crucial for the company as it requires competent candidates for their workload. They try their best to remain fair and ethical when selecting a candidate. The process is described in the flowchart

Figure 2: Hiring Process



2.4 Marketing Practice

Alpha Vision limited marketing will be explained with the help of the 4P's of marketing mix Strategies.

Product: AVL's top key selling point is the fact they are providing best lens available in the Bangladeshi markets. They always make sure the product gets delivered on time. With the help of Pathao and Sundarban courier service. They usually use Sundarban to do the delivery but when required by a doctor at a short notice they use Pathao to deliver the product. They always react pro-actively as budget is an issue. And this product is delivered all over Bangladesh. Although the way those lens are packed it is quite secured from getting damaged. But if it does on rare occasion they make sure it gets replaced as soon as possible. The machines are sold personally by the three directors as they cost a lot and doctors usually buys one at a time. As some of their machines help detect the problem such as what power lens is required for the doctor's patience and the others are used for treatments.

Price: The main aim for AVL is to keep the cost as low as possible. As the price is already high. They try to make bare minimum profits from the machines they sell. At the same time, they do try to earn more from the lens they sell. As majority of the doctors will buy lenses from them. They keep the cost low by maintaining one single office in Motijheel. Also they only increase employee when needed the most. They also sell the machine to

the doctors where they charge through monthly installment. Which can take up to a year or more to pay fully.

Place: Due to shortage of capital they are maintaining one office at the moment. Although with the help of Sundarban they manage to reach all the customer in Bangladesh. The three director and GM marketing has divided Bangladesh into three regional territories. Such as Mr. Mazadul Islam deals with the Barisal and Chittagong Division, Mr. Shafiqul Islam works with Dhaka and Khulna Division, Mr. Helal Uddin deals with Mymensingh and Rajshahi division. And finally Mr. Rais Uddin tackles Rangpur and Sylhet Division. So, majority of the time they are not even in the office they are going this places quite frequently.

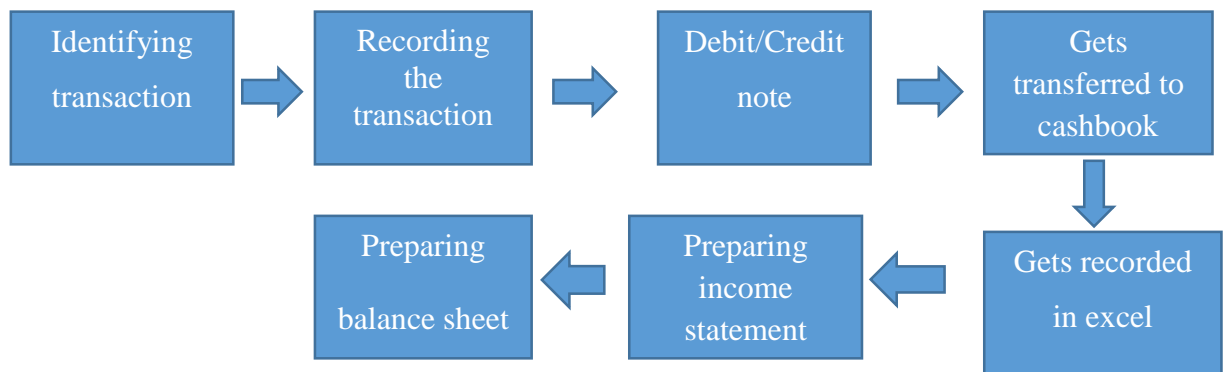
Promotion: For companies like AVL they surely focus on promotion of their product. Their Sales and service engineer, surgical executive, and other fellow marketing employee have attended seminars held by Hoya and Oertli on a regular basis. As new products arrive and how they should be used are taught and what are their new features. Furthermore, they send gifts to their customer(doctors) such as notebook, gift boxes, pen, mugs. Even some of the doctors gets sponsor by the company to visit other countries for them to attend seminars.

2.5 Financial Performance and Accounting Practices

For any company finance and accounting department is the most important factor to run a company. As it allows other to understand how much money needs to be invested. Such as spending in marketing or reducing the cost of something which is not bringing any profit to the organization. For Alpha Vision the finance department prepares annual report, budget report. As they take payment of machinery throughout the year. For instance, a machine that was sold for 3 lac. The doctor can pay this all throughout the year. Although the sale took place. However, according to realization concept in accounting it states that revenue should not be recorded in the accounts before it has been realized. Therefore, only the monthly payment by the doctor gets recorded. And just like any other company audit is done here on a yearly basis. However, the director has decided to prepare a quarterly income statement to make sure they are through on how they are spending and earning.

The financial transaction is reported accurately and then there are a series of stage it goes through. With the help of accounting cycle a series of steps that a busiess takes t track the transaction and consolidate financial information over a specific accounting period. Here is a flowchart showing the steps involved in recording.

Figure 3: Flowchart of recording a transaction



The accounts and finance department are liable for controlling the entire framework. So the framework is basically helping the entire organization by:

- Controlling the risk
- Making sure it is reliable
- VAT/TAX return policy details.
- Asset safeguard
- Its efficiency of daily activities.

The daily activities: The finance team sees what payments are pending regularly, which gets approved by the authorized individual, which is the management approving the payment vouchers. The signatory is the top management; without them, no payments can be made. It is a stringent policy where it is clearly mentioned to the finance department that no cheque should be prepared without the approval of payment vouchers. Which later will be posted in the cashbook with the supporting documents such as the invoice. When a payment is made money receipt is mandatory to be kept as a record. Furthermore, the business records the revenue through daily sales. The same rules are applied for recording sales, such as the finance department needs to keep the cheque received as a record of proof.

Report and planning: To run a business smoothly, AVL must create a report that will help with all budget-related activities. If the report is done on time, then the finance team can show an accurate budget. Based on that, the decisions are taken on what to do next, such as making the investment decision for the company. The investments are made by the board of directors.

2.6 Operations management and information system practice

Operation management is one of the vital essential factors for AVL. They always keep the inventory count on a daily basis so that they do not run out of lenses demanded by the doctors. AVLs depends on the supplier such as Hoya to provide lenses. AVLs sends queries to them, and then the company sends the latest price of the product. With that, they can always stay ahead of the game. However, lack of distribution channel held them back from what they could be doing. The supply chain manager uses Troyee Enterprise software for inventory management. For which they can keep track of daily counts. With that the business can determine what is left at the end of the month as well as find out how much profit is made from the products also they get an idea how much they need to reorder for next month.

Inbound logistics: It refers to the receiving, storing, and distribution of products. Given the products are sourced from different parts of the world. Which, in the end, increases the overall cost, thus reducing the profit. After they arrive, they are sorted and then stored.

Outbound logistics: It refers to the transportation, storage, and delivery of the product to the customers. The products are send via sundarban or Pathao to the doctors. The usual

time is around a day. But at times doctor require the lenses right at the moment. AVL uses Pathao for that type of delivery. Even at times they use their own people to send the lenses. To make sure they do not lack in providing the service.

2.7 Industry and competitive Analysis:

I am going to discuss about the industry at first. There are lots of eye care hospitals around Bangladesh. According to national eye care capacity Assessment conducted by national institute of ophthalmology (NIO) the country presently has around 141 hospitals providing eye care services. Among with 50% are government owned, 40% from the NGOs and the rest 10% are privately owned. There are around 626 ophthalmologists and around 618 mid-level eye care personnel in the country. Findings from the Bangladesh National Blindness and Low Vision Survey in 2000 showed that cataracts were the predominant cause of bilateral blindness, with cataracts and refractive errors being the main causes of low vision. There were 6.3 ophthalmologists per million people in Bangladesh in 2014 (1,000). There were 7.5 Allied Ophthalmic Personnel (AOP) per million people in 2014 (1,200) Which indicates that there are many available compared to other type of hospitals. With that said lets do a SWOT analysis for Alpha Vision LTD.

Strength: Their main strength lies on the quality of product. For which it is demanded by many. Their employees are hones and hardworking, When it comes to eye no one ones to compromise anything by all means. So a lot of people trust this lens which increases the goodwill of the company. The lens they are selling are giving them a chance to gain a lot of profit. Although they are still not making a lot of profit from selling the machines but when a doctor purchases a machine from AVL. They tend to buy lenses from AVL.

Weakness: Given they are new to the business they lack experience compare to the others companies such as Trade Vision, Medi Tech and Prime Ophthalmic. Due to lack of their investment they are not enjoying economies of scale. Furthermore, they lack in sufficient promotional activities. Even though they are bringing some of the best product in the market. However, the cost to import those product is quite high compared to neighboring countries.

Opportunities: If more investments are made they can surely enjoy the economies of scale at a much bigger scale. They should broaden the company product line so that doctors only stick to this company. Which will remove further competition. Proper promotion and marketing should be done as well as their marketing team needs more training to bring more customers into the business. Should consider getting more efficient labor. Although their competitors are few they should seize this opportunity to bring in more customer. They should also consider opening new branches in other places in Bangladesh.

Threats: Given there are not many competitors there is a possibility pf more business coming into this market. As the customer buys on credit there is a chance some of the money will turn into bad debt. As the products are highly priced they are losing some of the customer as there are cheaper alternatives. Due to Covid-19 people are buying less as they have less earnings in Bangladesh.

2.8 Summary and Conclusions:

To conclude I would like to say that as more screen time is increasing the more it takes an effect on our eye. Just like that there are more treatment methods available proportionately. So the opportunities for this company is going to increase in the future

if they continue to pursue more effectively. If the company's employee works together. Even they are planning on bringing another company's product in their product line from America.

2.9 Recommendation:

There are some barriers AVL faces which is a weakness for their companies. Where they can further improve and stay ahead of the game.

- Reduce the duration of credit sales so that they face less bad debt
- Increase the sale by increasing the product line.
- Open new branches all over Bangladesh so that they can reach customers more easily.
- Make sure the packaging is good so that return inward decreases.
- They should take advantage of new technology available in the market to ease off their operation even more efficiently.

Chapter 3: Project part

3.1 Introduction

This internship report is prepared for the completion of the BBA program Under BRAC University. This report is prepared based on a three-month internship in Alpha Vision LTD. Working here surely gave me an understanding of how we have to come out of the bookish world and implement what we have learned in real time. I will discuss about the total picture of my internship report which also includes objective, methodology and significance.

Objective: Here I will discuss the company's performance based on the previous two years' income statement and balance sheet. Furthermore, I have been asked to prepare a quarterly income statement for the director from January to march.

Significance: While collecting data and making analysis for my internship report, it helped me better understand how a company financial department operates. For which in the future, I can understand better how things are working in real-time. I do know the strength and weaknesses of the company. I can provide feedback to show the opportunities they can seize to overcome their problem.

Methodology: In preparation for my report majority of the data was collected via my work supervisor and working day to day basis. I relied on primary and secondary data. I had conversations with the employees for better understanding and gain in-depth knowledge of the company operations. I have used the company annual report to make further analyses of the operational activities through financial tools like such as ratio analysis. However, I could not get all the data due to the confidentiality of the company. But what I have, I used them to prepare my report.

3.2 Findings and Analysis

Here is an income statement and balance sheet for the year ending of 2019 and 2020.

And it will be analyzed further with the help of ratio analysis.

Table 1 : Income Statement

Income Statement for the year ended	2020 (Taka)	2019 (Taka)
Revenue	4,900,000	2,100,000
<i>Cost of Goods Sold</i>		
Opening Stock	85,000	-
Purchase	3,675,000	1,575,000
Closing Inventory	(130,000)	(85,000)
	3,630,000	1,490,000
Gross Profit	1,270,000	610,000
Expenses:		
Administrative cost	385,000	228,000
Distribution cost	65,000	35,000
	450,000	263,000
<i>Net Profit before tax</i>	820,000	347,000
Tax @ 35%	287,000	121,450
Net Profit after Tax	533,000	225,550

Table 2 : Balance Sheet

Balance Sheet as at	2020	2019
Non-Current Asset		
Property, Plant and Equipment	1,500,000	14,000,000
Share Money Receivable	4,500,000	4,500,000
<i>Total Non-Current Asset</i>	<i>1,950,000</i>	<i>1,850,000</i>
Current Asset		
Advance and deposit	45,690	35,820
Account receivable	694,310	774,180
Closing Inventory	400,000	300,000
Cash at Bank	105,000	90,000
Cash at hand	205,000	200,000
<i>Total current asset</i>	<i>1,450,000</i>	<i>1,400,000</i>
Total Asset	3,400,000	3,250,000
Equity and Liability		
Share Capital	2,000,000	2,000,000
Retained Profit	533,000	225,550
<i>Total Equity</i>	<i>1,400,000</i>	<i>1,300,000</i>
Current Liability		
Short Term borrowing	650,000	500,000
Account Payable	550,000	350,000
Others Payable	513,000	878,550
Tax Payable	287,000	121,450
<i>Total Current Liability</i>	<i>2,000,000</i>	<i>1,850,000</i>
Total Equity and Liability	3,400,000	3,250,000

3.2.1 Ratio Analysis

Current Ratio: CA/CL

2019	2020
$1,400,000/1,850,000 = 0.75:1$	$1,450,000/2,000,000 = 0.725:1$

Table 3: Current Ratio

The Current ratio measures current asset against current liabilities. It will compare assets against current liabilities. It compares the asset that will be turned into cash within the next 12 months. Although the standard current ratio is 2:1 but here in 2019 it is 0.75:1 which is still not a bad thing given they have a good short term liability so that it can pay off its debt on time and maintain a good relationship with its creditors. Furthermore, in 2020 it decreased slightly as the short term borrowing increased.

Acid Test Ratio: (Current asset- Closing inventory)/Current Liability

2019	2020
$(1,400,000-300,000)/ 1,850,000 = 0.5946$	$(1,450,000-400,000)/ 2,000,000 = 0.525$

Table 4: Acid Test Ratio

The acid test ratio takes into account the current assets that are cash or that can be changed quickly into cash. Which indicates that closing inventory is deducted from current asset. And the standard ratio is 1:1 which shows that the business has sufficient current asset to pay off current liability. So, in 2019 it was 0.55 which suggest the business does not have sufficient current asset to pay off the liability. Without the help of closing inventory. Even in 2020 the acid test ratio decreased slightly. Which indicates that can be bad for the business.

Total Asset Turnover: Sales/Total asset

2019	2020
<i>2,100,000/3,250,000= 0.646</i>	<i>4,900,000/3,400,000= 1.441</i>

Table 5: Total Asset Turnover

The above table shows for every TK 1 of total asset how much interest income is generated for the past few two years. The revenue is divided with the total asset of the company. We can see that in 2019 the company is generating around 0.065 taka against TK 1. Which is not so good. However, in 2020 it is generating quite by a large margin compared to 2019 which clearly indicates that the company picked up its pace and they are managing their asset better than before.

Debt to Asset Ratio: Total Debt/Total Asset

2019	2020
<i>1,850,000/3,250,000= 56.9%</i>	<i>2,000,000/3,400,000= 58.8%</i>

Table 6: Debt to Asset Ratio

It shows how much of total asset was financed in contrast to the total debt. The ratio has remained almost unchanged from last year which is a good indication given the company has high growth in sale and profits. Moreover, the company currently operates only on short term liabilities and managed to avoid long term liabilities all together; which shows it has a strong management system.

Return of Asset: Net Profit after tax / Total Asset

2019	2020
$225,550/3,250,000 = 0.0694$ [6.94%]	$533,000/3,400,000 = 0.15676$ [15.67%]

Table 7: Return of Asset

This ratio shows the amount of return the company got on their asset from the profit. By looking at their figures from 2019 we can see that they are doing well with a 6.94% as they are getting quite a lot out of their total asset. Furthermore, they have managed to increase more than double in 2020 of 15.68%. Given they do not have that much debt they are getting more out of their total asset.

Return on Equity(ROE): Net Profit after Tax/ Equity

2019	2020
$225,550/1300,000 = 17.4\%$	$533,000/1400,000 = 38.1\%$

Table 8: Return on Equity

The ROE is the mother of all ratios as it has nothing to do with the company but only to do with the shareholder. It has almost doubled from 2019 (17.4%) to 2020(38.1%) which indicates that for every TK 100 invested it has got around TK 17.5 which more than doubled in the next year to Tk 38.1. Which shows a positive growth of the company utilizing the same working capital and investment. This has very promising outcomes as investors are likely to see a positive return for their investments.

Inventory Turnover: COGS / Avg Stock

2019	2020
<i>1,490,000/150,000= 9.9 or 10 times</i>	<i>3,630,000/350,000 =10.4 or 11 times</i>

Table 9: Inventory Turnover

The company experienced a major growth in 2020 which is reflected by 11 times stock turnover. Despite the large change in the volume of COGS, the turnover rate did not differ too much with 2019 which mean it has managed to improve efficiency of handling goods with rising demands.

Operating Profit Margin: Earnings Before Interest and tax/Sales

2019	2020
<i>347,000/2,100,000= 0.1652 16.52</i>	<i>820,000/4,900,000= 0.1673 16.73</i>

Table 10: Operating Profit Margin

It explains us how much of the operating income generated from the revenue of the company. This is also sometimes referred as Return on Sales (ROS). It shows the proportion of revenues that are available to cover non-operating costs. Here, we can see that in 2019 it's operating profit margin is 16.52% which is quite good given it is newly born company. Also in 2020 it increased slightly increased which indicates that this company is stable which reduces the risk of management control as well as they are efficient.

Net Profit Margin: Net Profit after tax/Sales

2019	2020
$225,550/2,100,000= 0.1074$ 10.74	$533,000 /4,900,000= 0.10878$ 10.88

Table 11: Net Profit Margin

The net profit margin measures how much of net income is generated as a percentage of revenue. It says how much of TK 1 in revenue is collected by the company and turn it into a profit. So if we look at 2019 we can see it made 10.74% and in 2020 it increased slightly. So it means the company is stable even after paying tax. And they are moving in a better position than before. With that said their financial condition is healthy.

Sales Growth

$$(4900000-2100000)/2100000 * 100 = 133.33\%$$

There is a positive Sales growth from 2019 to 2020 of almost 133%. The cashflow management to finance the growth in the volume of purchase despite the low initial investment into the business and low liquidity position of the company reflect positive growth altogether.

3.3 Summary and Conclusion

Alpha vision has a lot of potential in this vision care supplier market as we can see the income statement where the sales jumped quite a lot. All the employee working over there works hard and is committed to the company. Alpha Vision does suffer from a lack of investment, for which they lack behind, but as the company keeps on growing, they will be in a leading position in few years.

With the proper advertisement, they can reach a more significant number of customer as they are new in the market. For which they will be able to generate more income. For which they can get more of their asset.

3.4 Recommendations

Alpha Vision limited is maintaining its business efficiently. And most importantly, they know how to keep their employees motivated. For which they worked even for the company even when the company did not ask from them. With that said, they do face problems. And some of them are discussed below.

Judging by the income statement and balance sheet, they can take a long-term loan as they have the potential to get one. As the revenue increased 133.33%, the bank will provide them with a loan. They need to increase their office space as most of the workplace is congested. For which their inventory turnover is also relatively high, which increases the cost for bringing them in. But if there was enough space, they can reduce their inventory turnover at the same time minimize the price, which will increase the revenue. Thus, increasing net profit at the end which would them even gain more investors if they want to avoid loans.

There is a lack of technological advancement for which I believe their operation is delayed further. As a result, they are missing out on advantages that other businesses are enjoying. They should have a server of their own where they can share all their data. So that both the marketing department is aware of what is available to them and so does the finance team.

They should look for alternatives to other products that customers are looking for to bring in more customers to them. In addition, by doing more promotional activity, they can maintain the loyalty of the customers.

If they can sell more machines to their customers, they will buy the lens from Alpha Vision. They are more reluctant to use the lens that can be easily used to operate with the help of machines Alpha Vision sells in the market as they go hand in hand, which will boost their sale even more.

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