A Thesis Paper

on

Financial Performance Analysis of BYSL Global Technologies Limited

Submitted to:

Department of Business Administration
Sonargaon University (SU)
Green Road, Dhaka-1215

Submitted by:

Md. Yeakub Ahmed
ID: MBA2103024008
Program: MBA
Major: Accounting
Department of Business Administration
Sonargaon University (SU)
Dhaka-1215

Sonargaon University (SU)

Dhaka- 1215

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Supervised By:

Farjana Yeasmin Chowdhury
Lecturer
Department of Business Administration
Sonargoan University (SU)
Dhaka-1215

Submitted by:

Md. Yeakub Ahmed
ID: MBA2103024008
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Dhaka-1215



Sonargaon University (SU)

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Date of Submission: 06 September, 2022

Letter of Transmittal

06th September, 2022

Mrs. Farjana Yeasmin Chowdhury
Lecturer
Sonargaon University (SU)

Subject: Submission of thesis paper on **"Financial Performance Analysis of BYSL Global Technologies Limited"**

Dear Madam,

I hereby, want to express my sincere gratification to submit my thesis paper on **"Financial Performance Analysis of BYSL Global Technologies Limited"**. Through the preparation of the paper, I got an opportunity to apply my knowledge of MBA program and to be acquainted with the practical field.

In completing the paper I tried my best to blend all my knowledge and imparted every available detail and also attempted to avoid unnecessary amplification of the paper.

I humbly request you to accept this paper for your kind evaluation.

Sincerely yours,

Md. Yeakub Ahmed
MBA2103024008
Sonargaon University (SU)

Certificate of Supervisor

This is to certify that the thesis paper **"Financial Performance Analysis of BYSL Global Technologies Limited"** has been prepared as a part of completion of the MBA program from Department of Business Administration, Sonargaon University (SU), carried out by Md. Yeakub Ahmed, ID: MBA2103024008 under my supervision. The paper or the information will not be used for any other purposes.

I wish every success in his life.

Farjana Yeasmin Chowdhury
Lecturer
Department of Business Administration
Sonargaon University (SU)

Student Declaration

I'm Md. Yeakub Ahmed, ID: MBA2103024008, as a candidate of Master of Business Administration (MBA), am fully aware of the rules and regulations of the Sonargaon University (SU) relating to preparation, submission, retention and use of a thesis paper on **"Financial Performance Analysis of BYSL Global Technologies Limited"** to be retained in the laboratory for record purposes also declare that this thesis paper.

Thesis paper for the partial fulfillment of the requirements for the degree of Master of Business Administration (MBA). No part of this paper monograph in any form has been submitted to any other department or institution for the award of any degree or diploma on any journal for the purposes of publication.

……

Md. Yeakub Ahmed
MBA2103024008

Letter of Authorization

I Farjana Yeasmin Chowdhury (Thesis Supervisor) am writing to authorize Md. Yeakub Ahmed complete the thesis paper on **"Financial Performance Analysis of BYSL Global Technologies Limited"** in my absence.

I appreciate your assistance for the same. If any clarification is required, please conduct me on my number as soon as possible.

Sincerely,

Farjana Yeasmin Chowdhury
Lecturer
Department of Business Administration
Sonargaon University (SU)

Acknowledgement

At the very beginning, I would like to express my sincere gratitude to Almighty Allah, who has given me the chance to complete my thesis paper in a very comfortable manner. I would like to thank and acknowledge my thesis supervisor **Mrs. Farjana Yeasmin Chowdhury**, Lecturer, Sonargaon University for assigning me the topic and giving me the opportunity to explore the interesting field of Accounting which is **"Financial Performance Analysis of BYSL Global Technologies Limited"**. I would also like to thank **Mr. Tariqul Islam**, Sr. Manager, Finance and Accoumts Department, BYSL Global Technologies Limited for her assistance in data collection for the study.

Executive Summary

BYSL Global Technologies Limited is one of the largest Company in Bangladesh. It is promoting more than 05 brands in different section like Shirt, Trouser, Panjabi, health and hygiene, oral care, hair care, beauty products products etc. As a local brand they gain consumer's trust by their quality products.

This paper applies Financial Performance Evaluation of BYSL Global Technologies. It means how well the company performs. The main data is collected from the annual financial reports of the company from 2017 to 2021 which are provided by the employees of the company.

Different financial ratios are evaluated such as liquidity ratios, asset management ratios, profitability ratios, debt management ratios and finally measure the best performance of the company. Liquidity ratio is conveying the ability to repay short-term creditors and its total cash. It determines the performance of short term creditor of the company under the three categories such as current ratio, quick ratio and cash ratio. Asset management ratio is measured to know how the company is using and controlling its assets. Profitability ratio and debt coverage ratio are also measured to know overall market position of the company in the current market.

In the recommendation part I have tried my best to give some advice based on their problems that I found from the analysis. So this paper will show a clear picture about BYSL's performance in the last five years.

List of Acronyms

BDT	Bangladeshi Taka
CEO	Chief Executive Officer
DSE	Dhaka Stock Exchange
EBIT	Earnings before interest and taxes
FY	Fiscal Year
GDP	Gross Domestic Product
USD	United States Dollar

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Chapter One: Introduction

1.1 Introduction:

Thesis paper is an important and compulsory part for completing MBA program in business studies which helps the students to gain some practical knowledge about their own learning. As a requirement for the MBA program I needed to do the thesis report in any business organization that is well reputed in this field. BYSL Global Technologies Limited helped me on this matter by offering me three months thesis paper in their accounts and finance department as my major is on finance. As I was working on the Accounts and Finance department and I have my major in Accounting so I select Accounting related topic for my paper and I decided to do a thesis paper **"Financial Performance Analysis of BYSL Global Technologies Limited"** In this matter my supervisor Farjana Yeasmin Chowdhury, Lecturer of Sonargaon University approved my topic and authorized me to prepare this thesis paper.

I used ratio analysis for easily measurement of liquidity position, asset management condition, profitability and market value and debt coverage situation of the company for performance evaluation.

1.2 Statement of the study:

This study is based on the performance evaluation of BYSL Global Technologies Limited So I am going to analyze the financial performance according to the following questions:

- How BYSL is performing according to their liquidity ratios?
- How BYSL is performing according to their activity ratios?
- How BYSL is performing according to their profitability ratios?
- Overall, how BYSL is performing?

1.3 Scope of the Study:

There is a huge scope for doing Thesis paper in any organization in Bangladesh. Thesis paper offers practical knowledge for the students about their particular field. MBA graduate students can share their own point of view and ideas with the organization, participate with others and adapt with the organizational environment. They can also got familiar with the organizational culture.

After studying this report you will be able to know about the financial performance and growth trend, strength and weakness of BYSL. This study would also help the financial planning and decision making.

1.4 Objectives:

The main objective of the thesis paper is to introduce with the information contained in the financial reports of the company and to give the opportunity to use this information in preparing a report on a target company.

The objective of the study may be viewed as:

- General Objective
- Specific objective

❖ **General objective:**

The general objective of the study is to evaluate the financial information that is financial performance of BYSL.

❖ **Specific objective:**

This study also covers some specific objectives which are:

- To get clear and practical knowledge about BYSL.
- To highlight the financial ratios in credit analysis and competitive analysis as well as financial capability of the company.
- To identify the problematic areas of the organization.
- To get a practical idea about the organizational environment.
- To make recommendation that will help to improve their performance in future.

1.5 Source of data:

My thesis paper's topic is **"**Financial Performance Analysis of BYSL Global Technologies Limited" So the data collection method is a mixture of both primary and secondary data. All of the information that I needed to make this report is collected from the following source:

Primary source:

- Face to face conversation with the representative personal of BYSL's Accounts & Finance Department.
- By interviewing the organization's officials time to time.
- Seminar

Secondary source:

- Annual reports of BYSL Global Technologies Ltd.
- Relative research papers.
- Websites of the company.
- Newspapers.
- MS Excel.

1.6 Data Analysis:

For preparing my thesis paper I followed some steps which includes the selection of financial reports, identification of their balance sheet and income statement, ratio analysis, mathematical calculation, graphical analysis and finally comparing their present situation with previous years.

First I selected the annual reports of BYSL that I needed to do the ratio analysis. The annual reports include all the financial data of the company. I used the annual reports of 2017 to 2021 for my analysis.

Secondly, from the balance sheet and the income statement I find out all the information for doing ratio analysis like liquidity ratio, activity ratio, profitability ratio etc.

Thirdly I did all of my calculation in Microsoft excel to find out the results. And also did all the graphs in Microsoft word.

At the last, after the analysis of the ratios I evaluate their performance whether they are doing good

or not and how much it is financially strong in the market by using my theoretical knowledge that I learn from my financial courses.

1.7 Limitations of the study:

There is some limitation of the research. There is a lot of information which are not allowed to use in the report as a result:

- I faced problems while choosing my topic and I decided to do ratio analysis.
- In order to achieve the best performance evolution I needed to calculate some more ratios but it was also not possible.
- I could not found items to analyze the ratios such as common share holder equity, weight average outstanding, market value of the share, book value of the share etc. as BYSL is a private Limited company.
- I could not complete ratio analysis and also could not compare among the rivalry companies.
- Data have been taken from the annual reports of companies believing that there is no misrepresentation of data.
- Sample size is not big enough.

Chapter Two: Profile of the Company

2.1 Overview of "BYSL"

BYSL today symbolizes a name – a state of mind. But its journey to the growth and prosperity has been no bed of roses. From the inception in 2015, it has today burgeoned into one of the top line conglomerates in Bangladesh.

BYSL today is more than just an organization, it is an institute. It has pioneered the development of the local business in fields as diverse as Retail (Brand: ILLIYEEN, CitiMart), Furniture (Brand: SPACE), IT, Ecommerce etc. Workforce of about 550 is for BYSL. BYSL could be an icon of the Bangladesh business sector.

2.2 Corporate History:

BYSL is not just successful company; it is a symbol of achievement. The journey of the company has been tough but it managed to sail through and have made it to the list of top companies of Bangladesh. It was a partnership effort of two young and enterprising men whose determination and passion saw it through the turmoil's of the incipient period. By its two year BYSL turned into a profit making organization. Today BYSL is becoming a leading local corporate conglomerate in Bangladesh.

2.2.1. Major Business Concern of BYSL:







2.3 Profile of BYSL at a glance:

- Company Name: BYSL Global Technologies Ltd
- Company Size: 500-550 employees.
- Address: 39/2 Kalachadpur (North Baridhara), Gulshan, Dhaka 1212, Bangladesh.
- Tel.: +8809666722788
- Email: info@byslglobal.com
- Web: www.byslglobal.com
- Year of establishment: 2015
- Main business activities: Retail, Software and Ecommerce
- Investment: BDT 500 Million
- Growth: 50%, Total number of employees: 550
- Factory location: North Baridhara, Gulsha, Kalachadpur, Bangladesh

2.4 Corporate History of BYSL Global Technologies Limited:

BYSL Global Technologies Ltd. is one of the largest and leading technology based company in Bangladesh with a turnover of BDT 750 million. The company is marketing 5 Brands in different segments.

BYSL has been built around one core asset, and it is its people. That is what makes working so special here. BYSL believes that work is more than a place you go every day. It should be a place of exploration, professional growth and creativity. It's about being inspired and motivated to achieve extraordinary things. BYSL wants its people to take pride in their work. After all, it's the combined talents, skills, knowledge, experience and passion of our people that make us who we are.

Currently BYSL is employing over 2,000 employees ensuring their consistent welfare and security. Due to its sociable working environment and highly motivated employee, BYSL is enjoying one of the lowest employee turnover rates. BYSL emphasizes on equal employment opportunity resulting in 38% women employees. Besides, BYSL also provides employment opportunity to physically challenges persons.

2.4.1 Corporate Governance

- **Board of Directors**

A Quarterly Report on business operation and financial position is presented before the Board of Directors for their information and review, for implementation by the Executive Management. Every month co-ordination meeting is held congregating all the department heads to discuss priority issues and solve problems, if any.

- **Executive Management:**

  The Executive Management is headed by the Managing Director, the Chief Executive Officer (CEO) who has been delegated necessary and adequate authority by the Board of Directors. The Executive Management operates through further delegations of authority at every echelon of the line management. The Executive Management is responsible for preparation of segment plans/sub-segment plans for every profit centers with budgetary targets for every item of goods and services and is held accountable for deficiencies with appreciation for exceptional performance. These operations are carried out by the Executive Management through series of team-bound initiatives.

2.4.2 Product of BYSL

		
Luxury Panjabi	Sahara Panjabi	Premium Panjabi
		
Luxury Shirt	Luxury Shirt	Platinum Shirt

Nestlé NIDO FortiGrow1 ফ্রি NIDO FortiGrow1	FARMASI KERATIN THERAPY SHAMPOO FREE FARMASI	Ghee 400 gm
Aarong NATURAL নাভিরশাইল	NIVEA Shower Gel fresh pure NIVEA Shower Gel lemon & oil	Dove Deeply Nourishing

2.5 Vision & Mission

- **Vision**

We attempt to understand the unique needs of the consumer and translate that needs into products which satisfies them in the form of quantity products, high level of service an affordable price range in a unique way products which satisfies them in the form of quality products, high level of service an affordable price range in a unique way

- **Mission**

- To treasure consumer understanding as one of our most valued assets and thereby exerting every effort to understand consumers' dynamic requirements to enable us in offering maximum satisfaction.
- To offer consumer products at affordable price by strictly maintaining uncompromising stance with quality. With continuous R&D and innovation we strive to make our products complying with international quality standards.
- To maintain a congenial working environment to build and develop the core asset of BYSL – its people. As well as to pursue for high level of employee motivation and satisfaction.
- To sincerely uphold the responsibility towards the government and society with utmost ethical standards as well as make every effort for a social order devoid of malpractices, anti-environmental behaviors, unethical and corruptive dealings.

Chapter Three: Theoretical Background

3.1 Liquidity Ratio

A liquidity ratio is a type of financial ratio used to determine a company's ability to pay its short-term debt obligations. The metric helps determine if a company can use its current, or liquid, assets to cover its current liabilities.

3.1.1 Current Ratio

The current ratio, also known as the working capital ratio, measures the capability of a business to meet its short-term obligations that are due within a year. The ratio considers the weight of total current assets versus total current liabilities. It indicates the financial health of a company and how it can maximize the liquidity of its current assets to settle debt and payables. The current ratio formula (below) can be used to easily measure a company's liquidity.

Current Ratio = Current Assets / Current Liabilities

3.1.2 Quick Ratio

The quick ratio is an indicator of a company's short-term liquidity position and measures a company's ability to meet its short-term obligations with its most liquid assets.

Since it indicates the company's ability to instantly use its near-cash assets (assets that can be converted quickly to cash) to pay down its current liabilities, it is also called the acid test ratio. An "acid test" is a slang term for a quick test designed to produce instant results.

Quick Ratio = Quick Assets / Current Liabilities

3.2 Profitability Ratio

Profitability ratios are a class of financial metrics that are used to assess a business's ability to generate earnings relative to its revenue, operating costs, balance sheet assets, or shareholders' equity over time, using data from a specific point in time.

Profitability ratios can be compared with efficiency ratios, which consider how well a company uses its assets internally to generate income.

3.2.1 Gross Profit Margin

Profit margin is a percentage measurement of profit that expresses the amount a company earns per dollar of sales. If a company makes more money per sale, it has a higher profit margin.

Gross Profit Margin= (Gross Profit / Net Sales)*100

3.2.2 Net Profit Margin

The net profit margin, or simply net margin, measures how much net income or profit is generated as a percentage of revenue. It is the ratio of net profits to revenues for a company or business segment.

Net profit margin is typically expressed as a percentage but can also be represented in decimal form. The net profit margin illustrates how much of each dollar in revenue collected by a company translates into profit.

Net Profit Margin= (Net Profit / Net Sales)*100

3.2.3 Return on Equity (ROE)

Return On Equity, or ROE, is a measurement of financial performance arrived at by dividing net income by shareholder equity.

Because shareholder equity is equal to a business's assets minus its debts, ROE can also be considered the return on net assets.

Return on Equity (ROE) = (Net Income / Shareholders Equity)*100

3.2.4 Return on Asset (ROA)

Return on assets, or ROA, is a metric used to evaluate how efficiently a company is able to generate profit with the assets it has available.

Expressed as a percentage, a higher ROA indicates a more efficient use of company resources.

Return on Asset (ROA) = (Net Income / Total Assets)*100

3.3 Asset Management Ratio

A group of ratios that shows how efficiently the company manages its assets to generate and maximize sales revenues is known as Asset Management Ratios. And these ratios directly compare the assets of the company with the total sales revenue of the company. Moreover, the purpose is to analyze how effectively the company is able to deploy productively its assets to derive its revenue. And these ratios show the operating efficiency of the organization. Financial Analyst uses a bunch of Asset Management Ratios to analyze the operating efficiency of the company. Thus, these ratios give a picture of how effectively and efficiently the management and the company are able to exploit its assets to achieve the ultimate objective of generating maximum sales revenues.

There are many types of Asset Management Ratios. And all of these individually represent and suggest the utilization status of different types of asset classes. Further, these ratios are very useful in Financial Ratio Analysis, conducted by the various stakeholders of the company and the outsiders like investors and lenders. Relying on just the profits of the company would be misleading. Hence, these ratios play an important role in interpreting the exact operating situation of the company.

3.3.1 Total Asset Turnover Ratio

The asset turnover ratio measures the value of a company's sales or revenues relative to the value of its assets. The asset turnover ratio can be used as an indicator of the efficiency with which a company is using its assets to generate revenue.

The higher the asset turnover ratio, the more efficient a company is at generating revenue from its assets. Conversely, if a company has a low asset turnover ratio, it indicates it is not efficiently using its assets to generate sales.

Total Asset Turnover Ratio = Net Sales / Total Asset

3.3.2 Fixed Asset Coverage Ratio

The Fixed asset coverage ratio is a financial metric that measures how well a company can repay its debts by selling or liquidating its assets. The asset coverage ratio is important because it helps lenders, investors, and analysts measure the financial solvency of a company. Banks and creditors often look for a minimum asset coverage ratio before lending money.

Fixed Asset Coverage Ratio = Net Sales / Fixed Assets

3.3.3 Inventory Turnover Ratio

Inventory turnover is a financial ratio showing how many times a company has sold and replaced inventory during a given period. A company can then divide the days in the period by the inventory turnover formula to calculate the days it takes to sell the inventory on hand.

Calculating the inventory turnover ratio can help businesses make better decisions on pricing, manufacturing, marketing, and purchasing new inventory.

Inventory Turnover Ratio = Cost of goods sold / Inventory

3.3.4 Days Sales Outstanding

Days sales outstanding (DSO) is the average number of days that receivables remain outstanding before they are collected. It is used to determine the effectiveness of a company's credit and collection efforts in allowing credit to customers, as well as its ability to collect from them. When measured at the individual customer level, it can indicate when a customer is having cash flow troubles, since the customer will attempt to stretch out the amount of time before it pays invoices. The measurement can be used internally to monitor the approximate amount of cash invested in receivables.

Days sales outstanding (DSO) = Accounts Receivables / (Sales / 365)

3.3.5 Average Payment Period

The average time (in months and days) it takes a business to make payments to its creditors is known as the average payment period.

It is crucial to be aware of the average payable period in order for you to be prepared to take necessary action when the time comes to pay creditors.

Typically, it is much more advantageous to try and keep the average payable days as low as possible as this can keep suppliers happy and might also allow you to take advantage of any trade discounts.

However, it has to try and strike a balance as taking as long as possible to pay creditors can result in the company having more money which is good for working capital and available cash flows.

Average Payment Period = Accounts Payable / (Purchase/365)

3.4 Debt Management Ratio

The term debt ratio refers to a financial ratio that measures the extent of a company's leverage. The debt ratio is defined as the ratio of total debt to total assets, expressed as a decimal or percentage. It can be interpreted as the proportion of a company's assets that are financed by debt. A ratio greater than 1 shows that a considerable amount of a company's assets are funded by debt, which means the company has more liabilities than assets. A high ratio indicates that a company may be at risk of default on its loans if interest rates suddenly rise. A ratio below 1 means that a greater portion of a company's assets is funded by equity.

3.4.1 Debt Asset Ratio

Total-debt-to-total-assets is a leverage ratio that defines the total amount of debt relative to assets owned by a company. Using this metric, analysts can compare one company's leverage with that of other companies in the same industry. This information can reflect how financially stable a company is. The higher the ratio, the higher the degree of leverage and, consequently, the higher the risk of investing in that company.

Debt to Asset Ratio = (Long Term Debt / Total Asset)*100

Chapter Four: Analysis & Findings

4.1 Financial Performance Analysis

Financial Performance Analysis means the process of reviewing and evaluating a company's financial statements such as the balance sheet or profit and loss statement, thereby gaining an understanding of the financial health of the company and enabling more effective decision making.
In this part we will evaluate the financial performance of BYSL Global Technologies Limited by Horizontal Analysis such as trend analysis.

4.2 Trend Analysis

Trend analysis is an aspect of technical analysis that tries to predict the future movement of company's financial condition based on past data. Trend analysis is based on the idea that what has happened in the past which gives an idea of what will happen in the future. Under trend analysis I have calculated Liquidity Ratios, Profitability Ratios, Asset Management Ratios and Debt Ratios.

4.2.1 Liquidity Ratio

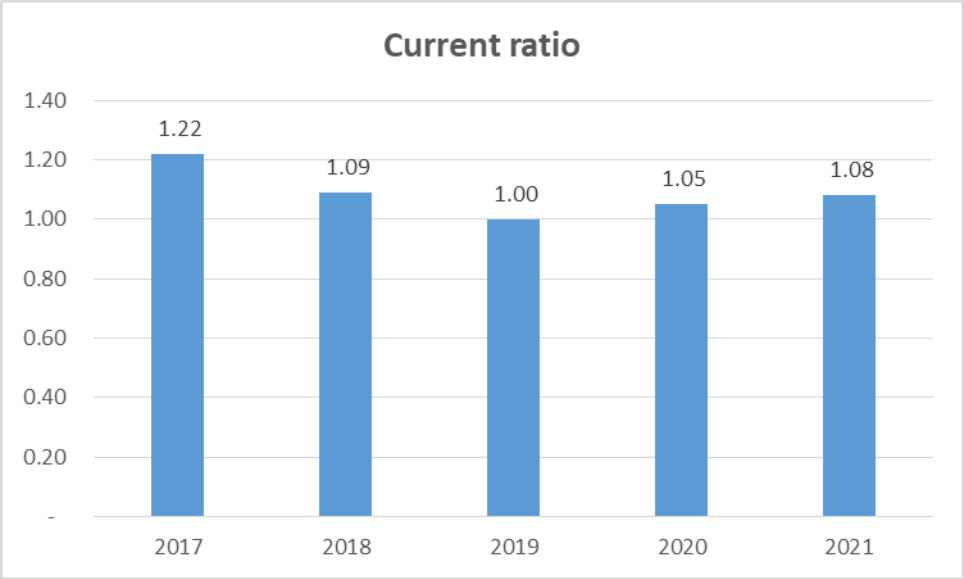
Liquidity ratios are the ratios that measure the ability of a company to meet its short term debt obligations. These ratios measure the ability of a company to pay off its short-term liabilities when they fall due. Under liquidity ratios, I will evaluate here the Current Ratio and Quick Ratio.

4.2.1.1 Current Ratio

An indication of a company's ability to meet short-term debt obligations, the higher the ratio, the more liquid the company is. Current ratio is calculated by dividing firm's current asset by current liability.

Current Ratio = Current Asset ÷ Current Liability

Particulars	**2017**	**2018**	**2019**	**2020**	**2021**
Current Asset(a)	680.37	909.41	1,063.11	1,258.90	1,885.19
Current Liability(b)	558.93	836.49	1,061.63	1,193.82	1,751.21
Current ratio (a÷b)	1.22	1.09	1	1.05	1.08



From 2017 current ratio of BYSL has declined till 2018 and it has increased in the year 2021 at a low rate. It means in the year 2017 the condition of the company was better than in last four years. As the current liabilities of the company was in an increasing rate, BYSL was not that much capable in paying its obligations in last three years. In year 2021 BYSL is doing better as it was able to decrease the amount of their current liabilities.

4.2.1.2 Quick Ratio

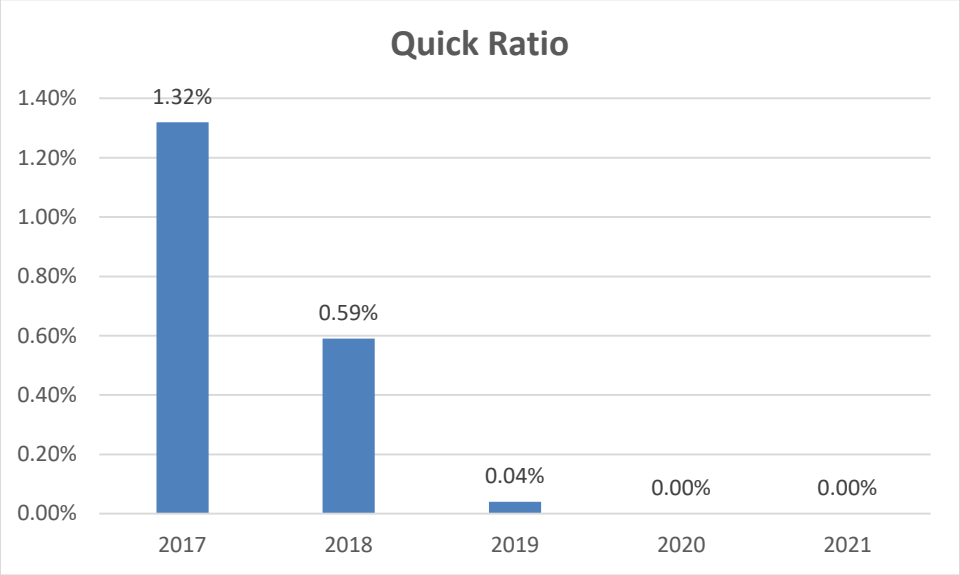
The quick ratio measures a company's ability to meet its short-term obligations with its most liquid assets. Acid Test ratio is calculated by dividing firm's quick asset by its quick liability.

Quick Ratio = Quick Asset ÷ Current liability

Particulars	**2017**	**2018**	**2019**	**2020**	**2021**
Quick Asset	138.05	196.36	184.14	374.54	400.73
Current Liability	558.93	836.49	1,061.63	1,193.82	1,751.21
Quick Ratio	0.25	0.23	0.17	0.31	0.23

In the year 2017 the quick ratio was better than last four years but it has started to decline. In 2018 and 2021 it was same but in 2019 it has declined at a significant rate which indicates

that the liquidity condition of BYSL was not satisfactory. In the year 2020 the ratio has increased and it was 0.31 times higher than its current liabilities.



**Calculation of Quick Assets

Particulars	2017	2018	2019	2020	2021
Total Current Assets	680.37	909.41	1,063.11	1,258.90	1,885.19
(-) Ending Stock	421.44	618.62	751.75	727.12	1,124.89
(-) Advance payments	120.88	94.43	127.22	157.24	359.57
Quick Assets	138.05	196.36	184.14	374.54	400.73

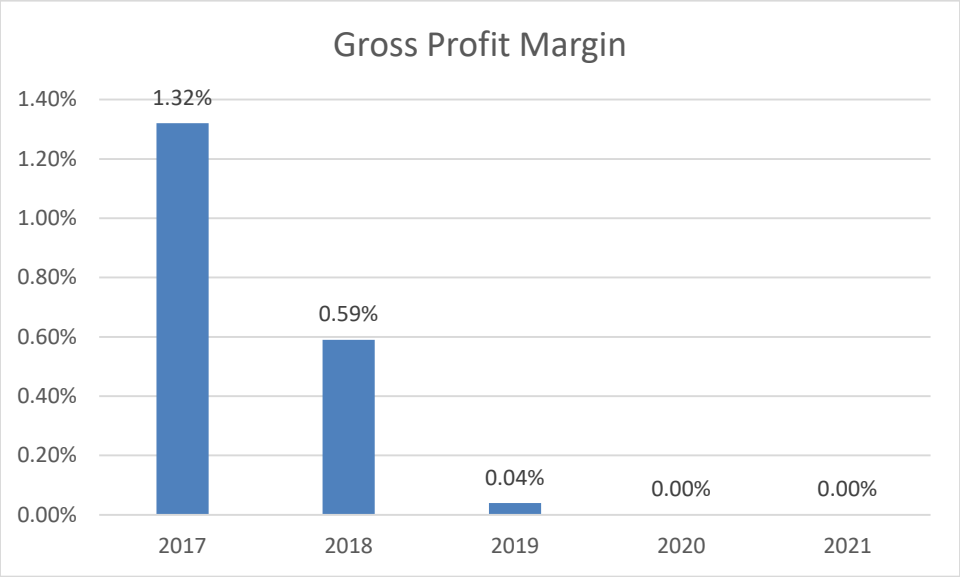
4.2.2 Profitability Ratio

Profitability allows us to measure the firm's ability to earn an adequate return on sales, total asset and equity. Under profitability ratios I will evaluate Gross Profit Margin, Net Profit Margin, Return on Asset and Return on Equity of BYSL.

4.2.2.1 Gross Profit Margin

Gross profit margin measures the percentage of gross earnings of the company on its net sales.

Gross Profit Margin = (Gross profit ÷ Net sales) × 100



Particulars	2017	2018	2019	2020	2021
Gross Profit	776.34	902.38	1048.51	1274.25	1392.26
Net Sales	2992.44	3475.21	4090.46	4977.97	5445.20
Gross Profit Margin	25.94%	25.97%	25.63%	25.60%	25.57%

**Amount in Million

In last five years the gross profit margin of BYSL was stable although it is decreasing slightly from 2018. It means BYSL is paying its operating and other expenses without any problems. Over all we can say that BYSL has a gross profit of around Tk 26 for every Tk 100 sales.

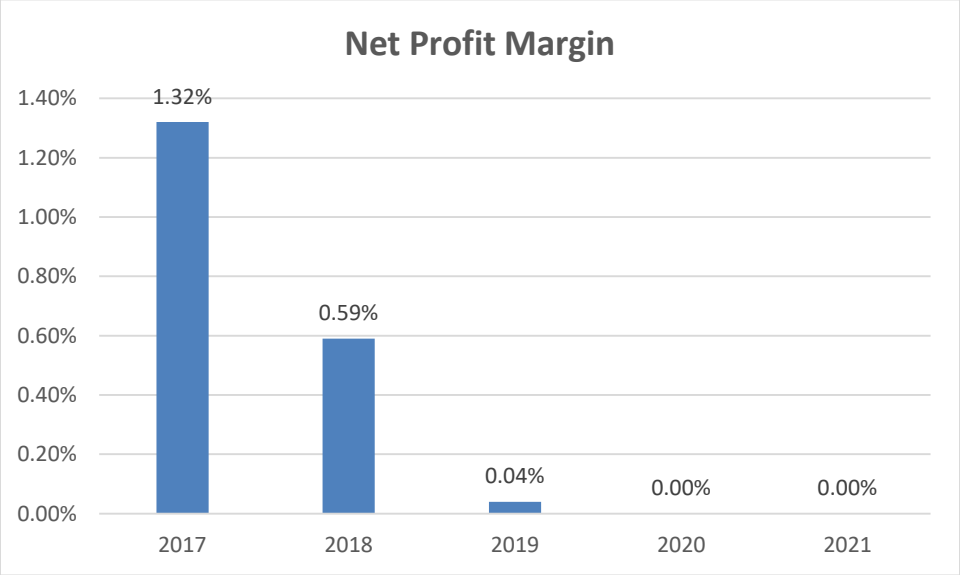
4.2.2.2 Net Profit Margin

Net profit margin measures the percentage of net earnings after tax of the company on its net sales/net premium.

Net Profit Margin = (Net profit after tax ÷ Net sales) × 100

Particulars	2017	2018	2019	2020	2021
Net Profit After Tax	40.40	66.19	76.79	212.36	344.74
Net Sales	2992.44	3475.21	4090.46	4977.97	5445.20
Net Profit Margin	1.35%	1.90%	1.88%	4.27%	6.33%

*Amount in Million



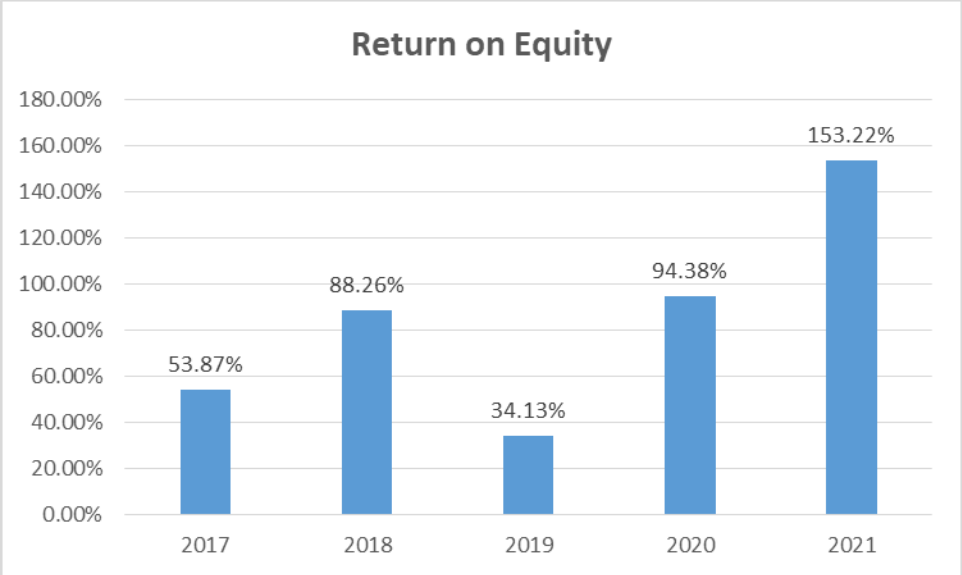
The net profit margin for BYSL in last five years was good as it is increasing significantly. That means percentage change in sales of BYSL was higher than percentage change in net profit of BYSL. Like in 2021 for every Tk100 of sales BYSL had a net profit of Tk 6.33.

4.2.2.3 Return on Equity

Return on Equity measures the percentage of net earnings after tax of the company on its total Equity.

Return on Equity = (Net profit after tax ÷ Total Equity) × 100

Particulars	2017	2018	2019	2020	2021
Net Profit After Tax	40.40	66.19	76.79	212.36	344.74
Total Equity	75.00	75.00	225.00	225.00	225.00
Return on Equity	53.87%	88.26%	34.13%	94.38%	153.22%



In the last five years BYSL's common shareholders were able to earn a high amount from their investment. But it was fallen in 2017 as the equity portion was higher on that year still they could make a little profit from it.

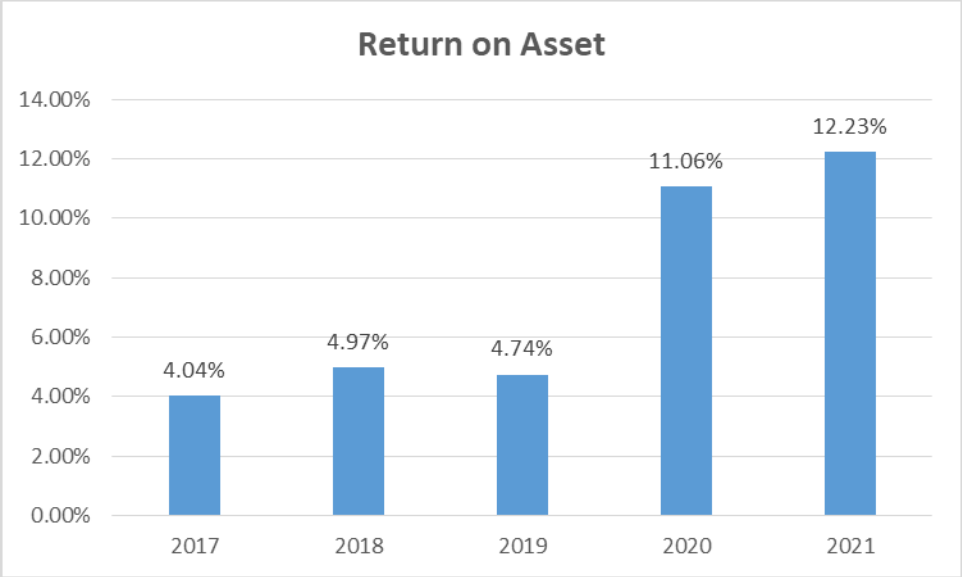
4.2.2.4 Return on Asset

Return on Asset measures the percentage of net earnings after tax of the company on its total asset.

Return on Asset = (Net profit after tax ÷ Total Asset) × 100

Particulars	2017	2018	2019	2020	2021
Net Profit After Tax	40.40	66.19	76.79	212.36	344.74
Total asset	1001.00	1332.16	1621.36	1920.28	2817.94
Return on Asset	4.04%	4.97%	4.74%	11.06%	12.23%

**Amount in Million



Total return on assets for BYSL was increasing from 2017 to 2021 and increase was quite satisfactory. It is a very good sign for the company's reputation. It is also indicate that there is a huge opportunities for the investor to invest in BYSL.

4.2.3 Asset Management Ratio

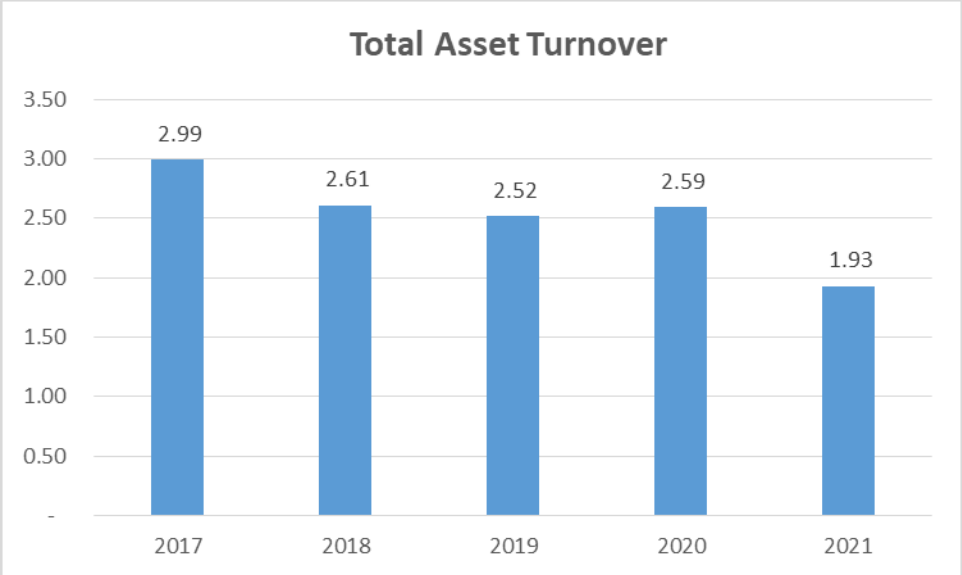
Assets include plant, machinery, computers and even property, all of which are necessary to run your business. The asset turnover ratio indicates how efficiently these assets generate revenue. Under this, I will evaluate total asset turnover, fix assets coverage ratio, net worth to total assets ratio.

4.2.3.1 Total Asset Turnover

Total asset turnover is measured by dividing the total premium by total asset of the company.

Total Asset Turnover = Net Sales ÷ Total asset

Particulars	2017	2018	2019	2020	2021
Total asset	1,001.00	1,332.16	1,621.36	1,920.28	2,817.94
Net Sales	2,992.44	3,475.21	4,090.46	4,977.97	5,445.20
Total Asset Turnover	2.99	2.61	2.52	2.59	1.93



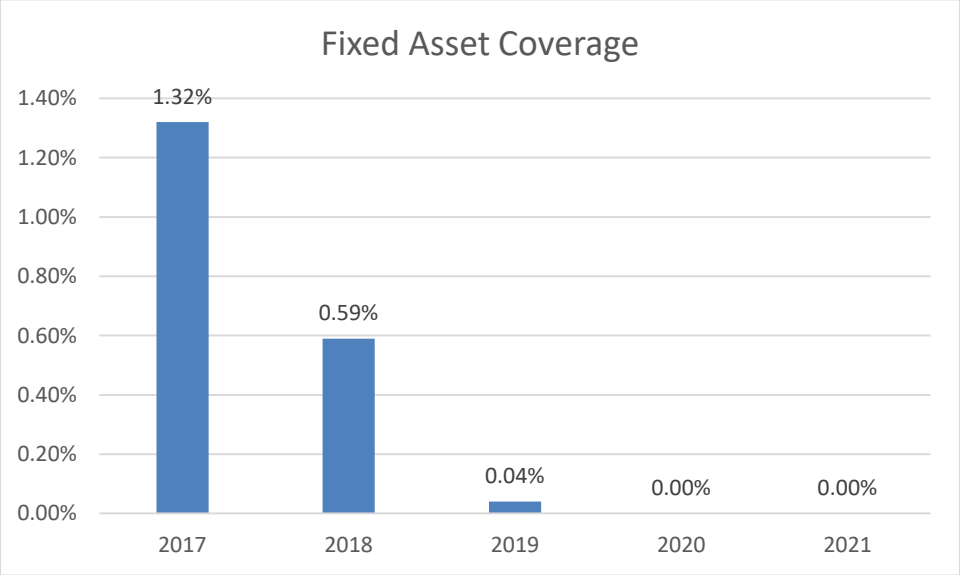
From the year 2017 to 2020 total asset turnover ratio has increased which means in these years BYSL was able to generate more sales according to their total assts. In 2020 it has decreased as total assets were higher in this year but sales were still higher than last years.

4.2.3.2 Fixed Asset Coverage Ratio

Fixed asset coverage ratio is measured by dividing the total premium by total asset of the company.

Total Asset Turnover = Net sales ÷ Fixed Asset

Particulars	**2017**	**2018**	**2019**	**2020**	**2021**
Fixed asset	320.63	422.74	558.25	661.38	932.75
Net Sales	2,992.44	3,475.21	4,090.46	4,977.97	5,445.20
Fixed asset coverage	9.33	8.22	7.33	7.53	5.84



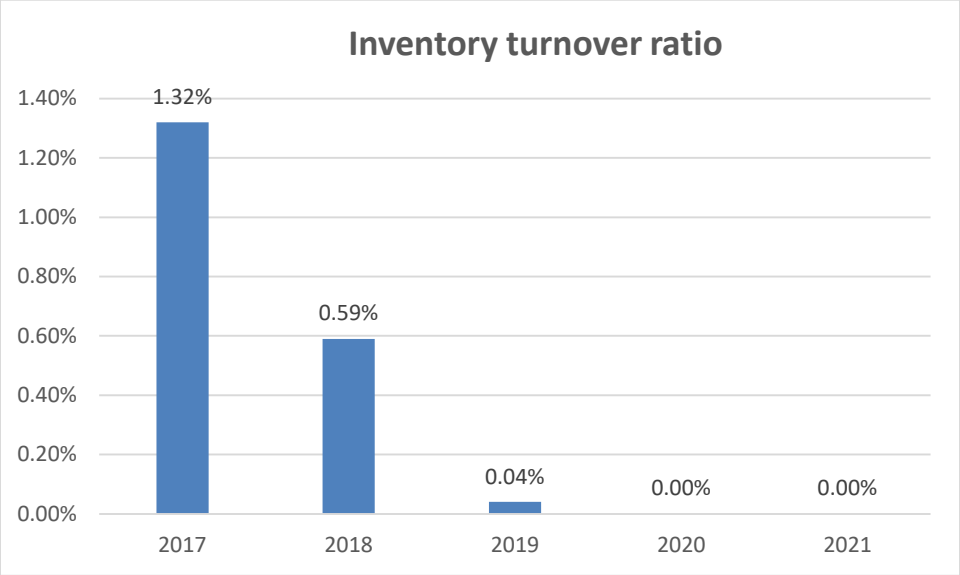
From 2017 the fixed asset turnover ratio has declined in last four years. Reason behind this is the inventory has increased but sales have not increased according to this. On this situation BYSL should produce a bit less than usual as the sales has not increased in that way.

4.2.3.3 Inventory Turnover Ratio

Inventory turnover ratio Measures the efficiency of a firm's inventory management.

Inventory turnover ratio = Cost of goods sold ÷ Inventory

Particulars	**2017**	**2018**	**2019**	**2020**	**2021**
Cost of goods sold	2,216,094,929	2,572,828,855	3,041,941,541	3,703,720,903	4,052,939,598
Inventory	421,435,077	618,620,169	751,753,541	727,117,013	1,124,891,101
Inventory turnover ratio	5.26	4.16	4.05	5.09	3.60



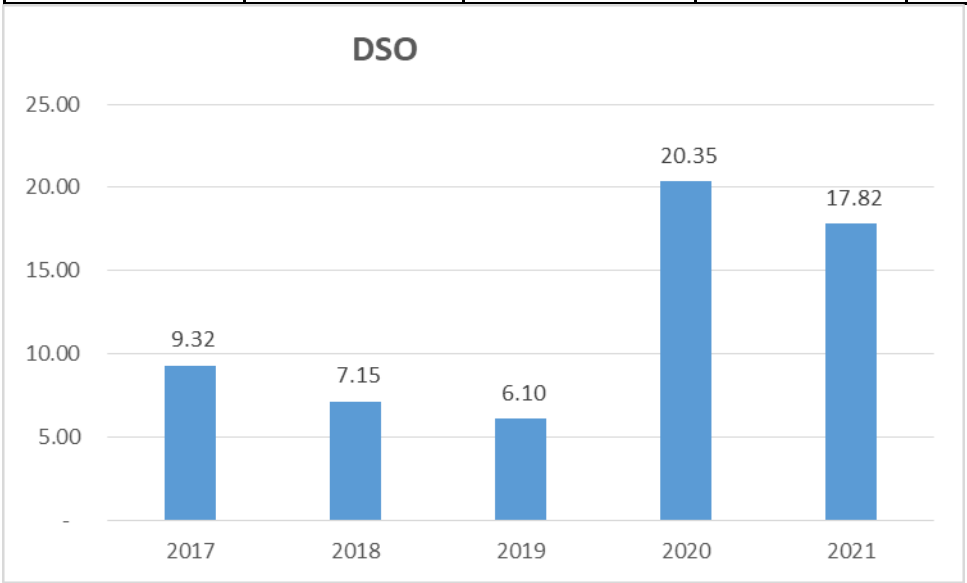
BYSL's inventory turnover ratio is good in last four years but in 2021 it has declined as the cost of goods sold has increased in that year. Till 2017 to 2021, on an average BYSL was able to sold out and restock its inventory by 5 times and in 2021 it was by 3.6 times.

4.2.3.4 Days Sales Outstanding:

How many days on an average, a company takes to turnover its receivables from their customers are considered as days sales outstanding of that company.

DSO = Accounts receivables ÷ (sales ÷ 365)

Particulars	**2017**	**2018**	**2019**	**2020**	**2021**
Accounts receivable	76,390,621	68,086,048	68,340,999	277,551,752	265,778,480
Sales	2,992,437,931	3,475,211,915	4,090,456,254	4,977,971,265	5,445,199,576
DSO	9.32	7.15	6.10	20.35	17.82



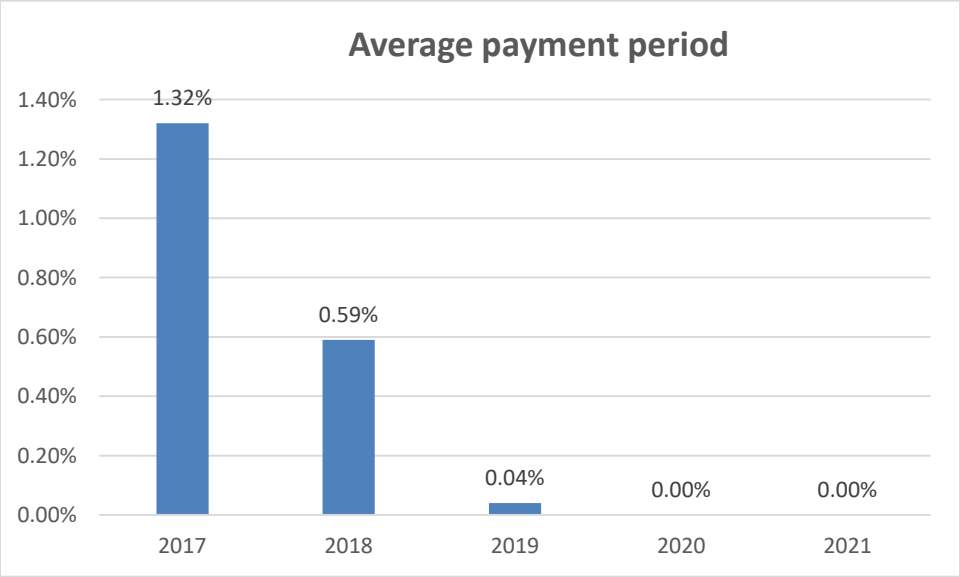
In 2020 and 2021 it took a much higher time to recollect the money from their customers for BYSL which is a bad sign for the company. In 2018 and 2017 DSO had improved than 2010. As accounts receivable decreased and average per day sales increased DSO has also decreased on these years.

4.2.3.5 Average payment period:

It measures how many days on an average does the company take to repay its bills to its suppliers

Average Payment period = Accounts payable ÷ (purchase or cogs ÷ 365)

Particulars	2017	2018	2019	2020	2021
Accounts payable	1,001,001,971	1,332,157,635	1,621,358,097	1,920,279,420	2,817,939,886
COGS	2,216,094,929	2,572,828,855	3,041,941,541	3,703,720,903	4,052,939,598
Average payment period	164.87	188.99	194.55	189.24	253.78



In last five years BYSL has a high payment period that is it takes or has a lot of time to pay back to its suppliers and it is less than its payment period from their suppliers. This is a good situation for the company.

4.2.4 Debt Management Ratio

The debt management ratio is defined as the ratio of total debt to total assets or equity, expressed in percentage, and can be interpreted as the proportion of a company's assets or equity that are financed by debt. Here I will evaluate the Debt to Equity & Debt to Total Asset ratio.

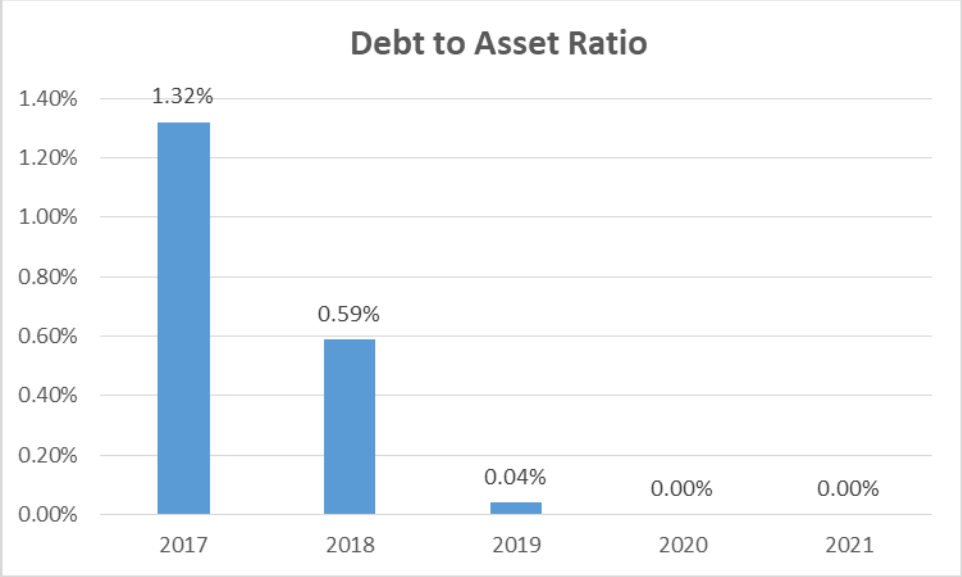
4.2.4.1 Debt to Asset Ratio

Debt to Asset ratio measures how efficiently a firm manages its debt. It shows the percentage of claim of the creditor on the asset of the company.

Debt to Equity Ratio = (Long term debt ÷ Total Asset) × 100

Particulars	**2017**	**2018**	**2019**	**2020**	**2021**
Total asset	1,001.00	1,332.16	1,621.36	1,920.28	2,817.94
Long Term Debt	13.17	7.8	0.62	-	-
Debt to Asset Ratio	1.32%	0.59%	0.04%	0.00%	0.00%

**Amount in Million



In 2017 BYSL had a high long term debt than others years which means in that year BYSL financed its total assets by dept. In 2018 and 2019 the rate of debt has declined as BYSL used some of their cash for financed the assets.

4.2.4.2 Findings:

- Packaging those products with new packages.
- Reject or ignore those products.
- Attaching printed new barcode stickers over the old packages.
- Consumers may have the doubt about the quality of this new product.
- Not utilizing their main power for production process.
- Their accounts payback period is higher and it took much time to pay back to its creditors.

Chapter Five: Recommendations & Conclusion

5.1 Recommendation:

- **Improving Liquidity Ratios :**

  From the liquidity ratios, both the current and quick ratio shows a declining trend in the year 2021. This has to be improved because lower the value of current ratio, lower is the margin of safety that the company possesses to cover short –term obligations.

- **Improving Profitability Ratio :**

  Total asset turnover ratios is seen to have fluctuating trend over the years. Fixed assets, such as plant and equipment, could be sitting idle instead of being used to their full capacity. All of these issues could lead to a fluctuating total asset turnover ratio.

- **Increasing the number of people in the Internal Audit Team of BYSL :**

  As I have mentioned earlier that the audit team of BYSL Global Technologies Ltd. has to perform annual audit for Two sister concerns of BYSL which is quite difficult to maintain for a three people audit team.

- **BYSL is facing poor sales and lower cost of goods sold.**
- **Cash shortage problem as their accounts payback period.**

5.2 Conclusion

After analyzing the last five years financial data of BYSL Global Technologies Ltd. I came to the conclusion that BYSL is one of the leading manufacturing company of Bangladesh with a variety of product which have an export quality and it is a self-solvent company with a strong position in the manufacturing sector. Almost all of the ratios of BYSL's show that they are solvent enough and they have the efficiency. However there liquidity ratio and turnover ratios needed to be improved as early as possible so that the company can reduce their liabilities. In the last I would like to add that BYSL's financial management practice needed to be improved and they need to take some effective solution so that BYSL can hold their reputation as a business icon in the manufacturing sector.

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3. http://www.byslglobal.com/.