Internship Report
On
Fixed Asset Management Process of Beximco Communication Limited

Internship Report on Fixed Asset Management Process of Beximco Communication Limited

Submitted To:

Professor Dr. Mostafa Kamal
Department of Business Administration
Faculty of Business & Entrepreneurship
Daffodil International University

Prepared By:

Touheda Ferdouse

ID: 201-11-6452

Major in Finance
Department of Business Administration
Faculty of Business & Entrepreneurship
Daffodil International University

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Letter of Transmittal

May 29, 2024

Professor Dr. Mosafa Kamal
Department of Business Administration
Faculty of Business & Entrepreneurship
Daffodil International University

Subject: Submission of Internship Report on **“Fixed Asset Management Process of Beximco Communication Limited”**

I am pleased to inform you that I have completed my internship report on “Fixed Asset Management Process of Beximco Communication Limited”. I would like to express my gratitude for the assistance and guidance you provided me with throughout the preparation of this report. I endeavored to utilize my comprehension of banking management to the best of my abilities.

I trust that you will find my work enjoyable and insightful. Should you have any inquiries or require further clarification regarding my report, I am readily available to address them.

Sincerely Yours,

Touheda Ferdouse

Touheda Ferdouse
ID: 201-11-6452
Program: BBA
Major in Finance
Department of Business Administration
Faculty of Business & Entrepreneurship
Daffodil International University

Student Declaration

I am Touheda ferdouse ID: 201-11-6452, Student of BBA program, I thus attest that the internship report I turned in for credit toward our degree at Daffodil International University is entirely my own original work. Anything that has already been written or published by a third party is not included in the report unless it is properly cited with full and accurate referencing. Furthermore, I attest that the objective of writing this paper was to fulfill an academic obligation. The articles have not been accepted for publication in a journal or magazine, nor have they been approved by another university or organization for a student fellowship or degree apprenticeship.

Sincerely Yours,

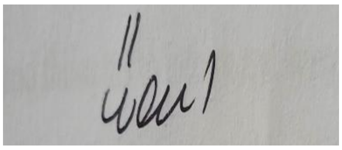
Touheda Ferdouse

Touheda Ferdouse
ID: 201-11-6452
Program: BBA
Major in Finance
Department of Business Administration
Faculty of Business & Entrepreneurship
Daffodil International University

Certification of Supervisor

This certifies that Touheda Ferdouse (201-11-6452) completed the internship report titled "**Fixed Asset Management Process of Beximco Communication Limited**" as required by Daffodil International University's BBA program, which is housed within the Department of Business Administration and the Faculty of Business and Entrepreneurship.

It is suggested that the report be accepted or submitted.



Professor Dr. Mostafa Kamal
Department of Business Administration
Faculty of Business & Entrepreneurship
Daffodil International University

Acknowledgement

Firstly, I would want to convey my sincere appreciation to Allah Ta'ala. I would like to express my gratitude to Professor ***Dr. Mostafa Kamal***, who is a distinguished academic supervisor at Daffodil International University (DIU) and the Department of Business Administration, for his helpful ideas in finishing my thesis work. Without the help of a few people, my thesis paper would not be possible.

I express my sincere gratitude to ***Md. Asker Ibna Shaikh,*** Assistant Manager of Beximco Communications Limited, for her invaluable assistance throughout every stage of my internship. Additionally, I would like to express my gratitude to BCL Senior Manager ***Muhammad Kaikobad Shaikh*** for his assistance in writing my report. As I was preparing my report, I received excellent input from a variety of people who generously donated their time and thoughts to inform and improve its content. I would want to express my profound gratitude to them for their invaluable assistance.

Executive Summary

This internship report is a product of my academic background, internship experience, and supplementary research. Throughout the internship period, I was engaged in the Accounts & Finance department of Beximco Communications Limited. This opportunity enabled me to gain valuable insights and expertise across various aspects of corporate operations, with a particular focus on accounting and financial responsibilities.

In 2014, Standard Group Limited (Bangladesh) recognized Beximco Communications Limited (BCL) as one of its top joint projects. Beximco Communications Limited eventually began its money-making procedure after eventually encountering numerous issues and legal restrictions. Starting on January 1st, 2014. It was established with the intention of producing and selling industrial sewing thread to the apparel industry, which is entirely focused on exports. Throughout the years, Beximco Communications Limited has emerged as one of Bangladesh's fastest-growing businesses. And these days, it has grown into one of the industry's swiftly arising rivals. Its adventure began on 24-11- 2014, and it currently possesses a massive advanced technology production factory located in Mwana, Gazipur. There are currently about sixty Managerial staff members working there in various managerial administrative, finance, and sales department. It is consistently expanding its product market to include foreign consumers in addition to local ones. Its main goal is to lead the industry in standards by providing expertise, customer service, and up-to-date automated service on a lucre Beximco Communications Limited times basis. Beximco Communications Limited's finance department is working hard, along with five other departments, to accomplish both the company's short- and long-term goals. The fixed asset management project is one of the many initiatives under the governor of the finance department. The fixed asset management team has assumed responsibility for each and every single fixed asset at BCL's headquarters and manufacturing facility. The fixed asset management team is in charge of purchasing, maintaining, repairing, and replacing outdated assets. They also keep track of each individual asset, assess the assets' rationality, and ultimately put the asset up for auction when its useful life is up. The asset management team employs software to organize them and assigns a tag number to each individual fixed asset. They employ interns from several institutions for the position. When it comes to obtaining feature details on the fixed assets, they recommend those interns working in various areas. importantly forming tag for each individual asset, they had to enter composed information into various pieces of software. By supplying precise date about fixed assets, the Fixed Asset Management team helps compile honest and fair financial statement fixed assets,

the Fixed Asset Management team helps compile honest and fair financial statements and maintains the balance of fixed assets.

This paper aims to provide a concise overview of Beximco Communications Ltd., the latest addition to the Beximco Group. Additionally, it includes a SWOT analysis to assess the company's performance. The conclusion drawn from the analysis is based on the information gathered. At the end of the report, sources and references utilized for compiling the information are cited.

“Fixed Asset Management Process of Beximco Communication Limited”
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Chapter-1

Introduction

1.1 Introduction:

One of the most crucial components of financial statements is fixed assets. In every industry, fixed assets are far more important. Every business must make significant investments in fixed assets, which is the cause. Therefore, the company's stakeholders are constantly interested in learning more about the specifics of the fixed assets. The need for fixed asset management systems consequently emerges. In addition to offering comprehensive asset information, an appropriate fixed asset management system guarantees appropriate administrative control over the assets. The concept of the fixed asset management process will be explained in this report, then a system evaluation based on a Beximc Communications Limited case study.

BEXIMCO stands as Bangladesh's foremost conglomerate, boasting the highest market capitalization on the country's stock exchange. With a diverse portfolio spanning textiles, pharmaceuticals, PPE, ceramics, real estate, construction, trading, marine food, ICT, media, DTH, financial services, and energy, BEXIMCO has established a prominent presence across various industries. Its subsidiaries export goods to 55 nations globally and maintain retail outlets in South Asia and Eastern Europe. As one of the leading private employers in Bangladesh, BEXIMCO employs over 70,000 individuals worldwide. Beximco Communications, a collaboration between Beximco Holdings and the Russian company GS Group, introduced Bangladesh's inaugural direct-to-home (DTH) satellite TV service in 2016, branded as RealVU. Although RealVU initially halted its operations, it was relaunched as Akash in 2019. By 2022, Akash had amassed 700,000 subscribers and was witnessing further expansion.

1.2 Background of the study:

This report has been prepared as a requirement for the Bachelor of Business Administration (BBA) program at Daffodil International University. My internship was completed at the Gulshan-1 Head Office of Beximco Communications Limited (BCL) in Dhaka. My internship lasted for three months. Through the use of BCL's practical knowledge, I have arranged this report. In addition to meeting the requirements to finish the BBA program, I hope this report will give readers a good understanding of the subject matter of the activity.

1.3 Scope of the study:

I became acquainted with BCL's Fixed Asset Management Process during my assignment in the Finance department for this report. Through this experience, I acquired insights and expertise on various aspects of the system. The focus of this report is specifically directed towards different aspects of BCL's fixed asset management system.

1.4 Objectives of the study:

General Objectives:

The primary goal of this study is to gain a comprehensive understanding of the fixed asset management process employed by Beximco Communications Ltd. This system plays a crucial role in overseeing the organization's assets. Additionally, the investigation serves as a means to assess the alignment of academic knowledge with real-life scenarios. Despite the lengthy title, "Fixed Asset Management Process: An Examination of Cases Beximco Communications Limited," the outlined objectives are as follows:

Specific Objectives:

- To relate with theoretical knowledge with practical experience.
- To acknowledge the significance of putting in place a fixed asset management system inside Beximco Communications Ltd.
- To comprehend the fixed asset management system of Beximco Communications Ltd.
- To find some problems of fixed asset among with some possible recommendations.

1.5 Methodology of the study:

I amalgamated primary and secondary data sources to conduct this study. Primary data were acquired through personal observation and a confidential discussion with the administration, who supplied the necessary information. Additionally, I utilized the annual reports from Beximco's website to compile this report.

1.5.1 Data collection:

Primary Data Collection:

- Personal interaction with employees.
- Practical Work Experience.
- Studying office, Newspaper & Publication

Secondary Data Collection:

- Annual report of Beximco Communication Limited
- Official Website of Beximco
- Article, Journal, Newspaper & Publication

Data analysis:

- To analyze the data, MS word has been used.

1.6 Limitations of the Report:

During my internship, I gained valuable insights into various aspects of the company's operations and recognized the imperative need for a fixed asset management system. However, it's important to acknowledge certain limitations that could not be disregarded:

- **Time Constraints:** The three-month internship duration proved insufficient to fully comprehend the intricacies of a heavy manufacturing company. Complex processes and extensive operations require a more prolonged observation period for a comprehensive understanding.
- **Confidentiality Constraints**: Despite the abundance of confidential material within the company, interns were granted only partial access to information. This restricted access hindered the ability to gather comprehensive insights into certain aspects of the company's operations.

- **Newly Established Company Challenges:** The company being in its early stages and yet to generate profits posed challenges. The unique circumstances of a newly established entity may result in activities and practices that deviate from industry norms, making it challenging to draw direct comparisons with other companies in the same sector.
- **Unconfirmed Secondary Data:** A notable limitation was the reliance on secondary data sources, which were not independently verified. Consequently, the accuracy of information presented in this report may be compromised if the secondary data is ambiguous or unconfirmed.

It is essential to recognize these limitations to provide a clear context for the findings and recommendations outlined in the report.

Chapter: 02

About Beximco Communication Limited

2.1 Profile of Beximco Communications Limited (BCL):

Beximco Communications Limited has introduced the nation's inaugural Direct to Home (DTH) service in Bangladesh, branded as AKASH, bringing world-standard technology to the country. DTH is widely recognized as a superior technology in the global Pay TV industry. Despite Bangladesh's high TV penetration, the populace has not had access to DTH technology until now. AKASH, the sole legal DTH operator in the country, aims to revolutionize the Pay TV industry and usher Bangladesh into a new era of excellence.

Bangladesh, now the 57th country with its satellite, is progressing towards the digital era, enabling Beximco Communications Limited to utilize the nation's Bangabandhu Satellite 1 for AKASH's DTH service. AKASH offers high-quality picture and sound, featuring a diverse selection of 115 popular Bangladeshi and foreign TV channels to meet the demands of Bangladeshi consumers. The monthly subscription for all 115 channels is currently priced at BDT 399 (including VAT), with plans to expand the channel lineup and introduce services like Video on Demand in the future.

The AKASH Connection package, priced at BDT 6,499 (inclusive of all charges), includes an HD Set Top Box, a user-friendly multi-function Remote Control Unit, an AKASH branded Universal KU band Dish resistant to heat and rain, necessary cables and connectors, and other accessories. For a limited time, installation is offered free of charge, and customers receive a complimentary one-month subscription upon purchase.

Aside from delivering high-quality content and viewing experiences, AKASH offers features such as program reminders, favorite program listings, parental controls, and plans to implement program recording features soon. The company also provides 24/7 active call center support and professional installation and after-sales assistance.

AKASH will be available for commercial purchase starting May 19, 2019, at authorized retailers across 19 districts, including Dhaka, Mymensingh, Tangail, Manikganj, Gazipur, Narayanganj, Comilla, Noakhali, Chandpur, Fenni, Cox's Bazar, Chattogram, Khagrachari, Rangamati, Sylhet, Moulvibazar, Habiganj, Brahmanbaria, and Sunamganj.

2.2 Mission of Beximco Communication Limited:

To Establish Digital Connections with Our Audiences to Enhance Their TV watching Experience by Providing High-Quality Content That Is Available Anywhere, at Any Time, on Any Screen.

2.3 Vision of Beximco Communication Limited:

To Establish a Top-Notch Digital Entertainment Ecosystem for Bangladesh's Digital Sector.

2.4 Core values:

1. Prioritizing customers' needs.
2. Building trust.
3. Collaborative teamwork.
4. Embracing transparency.

2.5 Objectives of BCL:

The goals of BCL are precise and aimed at aligning with its vision, aiming to establish itself in people's minds as a distinctive TV experience. The objectives of Akash DTH are outlined as follows:

- Foster a robust customer-centric approach and cultivate relationships grounded in integrity and exceptional service.
- Cultivate an atmosphere characterized by honesty, openness, and empowerment.
- Pursue profitability and sustainable growth.
- Recognize and uphold their role as integral members of the Beximco family, dedicated to generating employment opportunities nationwide.
- Demonstrate unwavering commitment to business innovation and continual improvement.

2.6 LOGO Meaning of Akash DTH (BCL):

The Akash DTH logo embodies the organization's perspective. The square segment symbolizes the firmness and resilience of the company. The black hue at the bottom signifies the fresh television viewing experience in Bangladesh. The upper blue section represents the expansive sky, symbolizing vast and boundless opportunities. The white strokes signify growth and advancement, while the white circle within the blue area symbolizes the radiant sun, illuminating all around.

2.7 Company slogan:

The slogan of BRAC Bank Limited is "Aastha Obi Chol," reflecting its commitment to trustworthiness and being a reliable banking companion for the long haul.

2.8 Organizational structure of Beximco Communication Limited:

In Beximco Communication Limited, the Board of Directors holds exclusive authority over the company's affairs. Within Akash DTH, a subsidiary of BCL, there are two directors managing operations. The current composition of the management and board of directors is detailed in the table below:

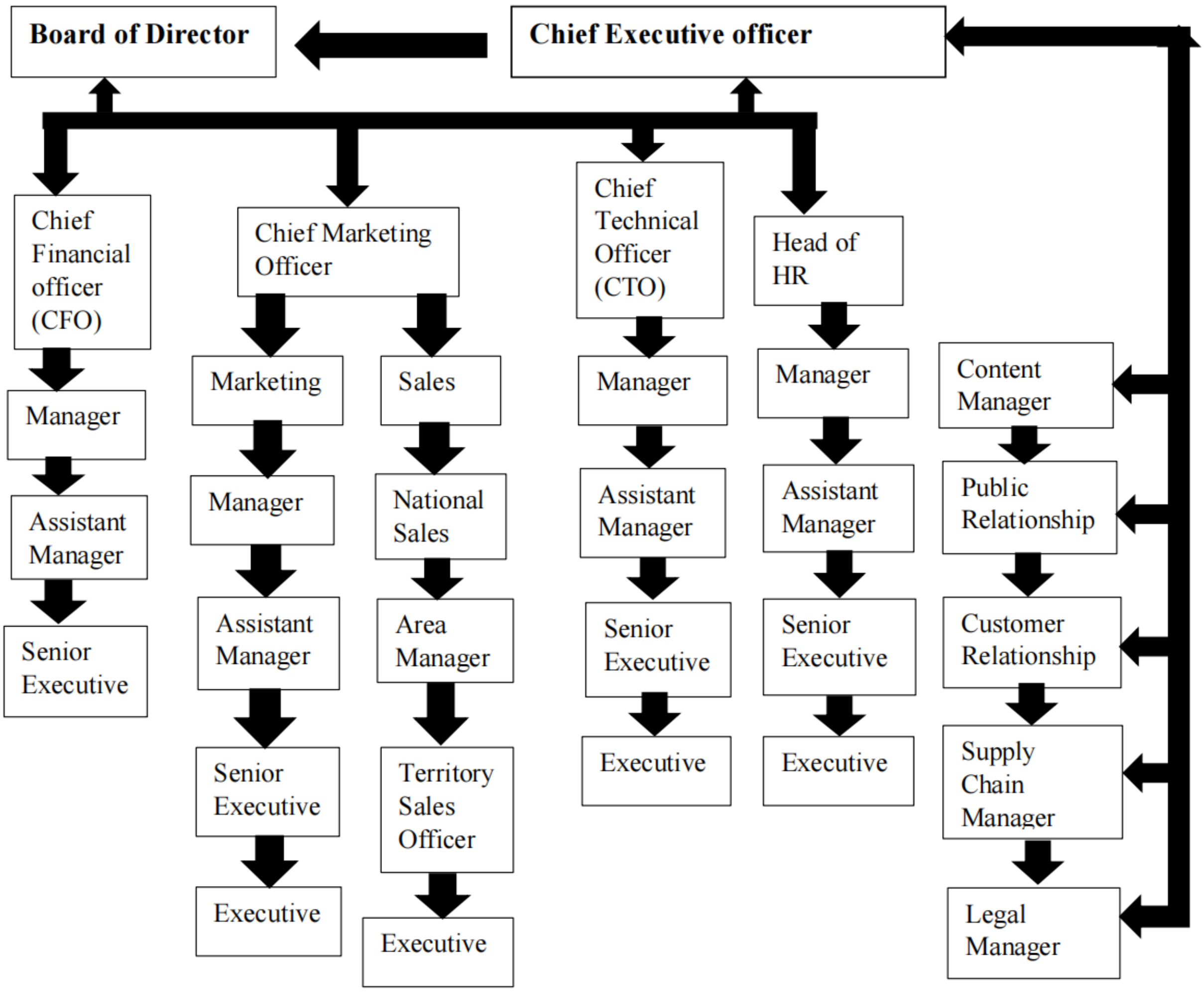
Mr. Ahmed Shayon Fazlur Rahman
Mr. Ahmed Shahryar Rahaman (Managing Director & CEO)

2.9 Department of BCL:

To ensure an organized and efficient job sector, BCL has implemented departmentalization to facilitate employee interrelations, effective system control, and prevent chaotic situations. The departments include:

- Human Resources
- Administration
- Commercial Functions
- Sales & Distribution
- Marketing & Business Development
- Customer Experience
- Broadcast and Business Systems
- Broadcast Systems
- Business Systems
- Accounts & Internal Control
- Finance & Planning
- Regulatory Affairs

2.10 ORGANIZATIONAL STRUCTURE:



Chapter: 03

Fixed Asset Management Process of BCL

3.1 Definition of Fixed Asset:

A fixed asset refers to a tangible or intangible property owned by a business for an extended period, valued at over $20,000, and lasting more than one year. It is utilized in income production and undergoes depreciation throughout its lifespan. Fixed assets, such as machinery and tools, provide long-term benefits to a company. They are categorized as intangible, tangible, or investments on the balance sheet. Beximco Communication Limited's fixed assets include office equipment, chairs, tables, CPUs, monitors, ATM machines, dehumidifiers, UPS, IPS, online UPS, air conditioners, fans, money counting machines, routers, CCTV cameras, vaults, generators, printers, scanners, IT hardware and software, construction and renovation works, photocopiers, vehicles, and more.

3.2 Fixed Asset management process of BCL:

Acquisition of fixed assets typically follows a structured process:

Initiation: A Material Requisition (MR) is generated and forwarded to the authorized personnel or department head. The IT team assesses the MR's validity.

Justification: The IT team validates the MR before passing it to the procurement department for budgetary evaluation.

Budgeting: The procurement department, in collaboration with payment processing and compliance, formulates a budget for the MR.

Approval: The MR is sent to the division head for approval, who then forwards it to the store team for conversion into a Procurement Requirement (PR).

Financial Check: The PR undergoes a financial review to ensure it aligns with approval limits. If necessary, additional financial approvals are sought.

Purchase Order (PO): Upon approval, the procurement department creates a PO and proceeds with asset procurement following established policies.

Asset Receipt and Payment: Upon delivery, the procure department submits the final bill to the Fixed Asset Team, who create object IDs in the system. The store team receives the asset, updates the inventory system, and the payment team settles the bill.

Asset Activation and Depreciation: The Fixed Asset Team activates all new objects purchased in the previous month in the system and initiates depreciation calculations in accordance with guidelines.

Disposal of old or unused assets involves:

Approval: GA&IS or IT secures necessary approval for auctioning old or unused assets.

Auction: GA&IS, Fixed Asset, and auction participants conduct the auction.

Profit/Loss Calculation: After the auction, profit or loss is calculated based on the assets' written-down value (WDV).

Disposal: The Fixed Asset Team utilizes the IFS sale option to dispose of all assets listed for disposal.

Depreciation charging entails:

1. ***Depreciation Rate Setting:*** The ERP team establishes depreciation rates following BCL guidelines.
2. ***Proposal Creation:*** The Assistant Manager of the Fixed Asset Management Team generates a depreciation proposal.
3. ***Charging Depreciation:*** The Fixed Asset Officer manually charges depreciation, cross-checking it with the proposal.
4. ***Authorization and Posting*:** The Senior Manager of the Fixed Management Team authorizes and posts the depreciation proposal.

3.3 Fixed Asset policy:

Auctions

Auctions are essential in the management of fixed assets, particularly for disposing of waste, unused, non-repairable, and old assets. They enable businesses to enforce compliance, control, and uphold good corporate governance by effectively disposing of such assets. A well-defined auction policy establishes standardized guidelines and procedures for disposing of waste and unused assets within the organization. By implementing a systematic approach to assess, evaluate, and identify properties for disposal, organizations can prevent unnecessary wastage and loss.

To obtain permission for an auction, certain procedures must be followed:

1. Initially, the GIS/Branch/Unit office must prepare the "Auction Assessment and Approval Form."
2. This form is then submitted to the management committee for approval.
3. Upon approval from the management committee, the auction can proceed.

These formalities are typically required for Deliberate Auctions. However, if time constraints exist, a Spot Auction may be conducted, with verbal decisions made. In such cases, permission after the fact must be obtained from the executive team committee following the end of the auction.

Types of auction:

Auctions can be broadly classified into two main categories:

Spot auction:

When the value of a capital asset is less than TK.50000 and its book value is zero at the time of auction, it qualifies for a spot auction. Spot auctions occur when there are time constraints, the risk of potential waste, the likelihood of missing out on a favorable market, or when organizing a deliberate auction would be costly. For instance, if a branch has numerous unused, wasted, outdated, or irreparable items, a deliberate auction may not be a viable choice considering these factors.

Deliberate auction:

In the event that a capital asset's acquisition cost surpasses TK. 50,000 and its book value is zero during the auction, it qualifies as a deliberate auction. Deliberate auctions occur under favorable time and situational conditions. After obtaining prior consent from management, the auction committee extensively assesses and evaluates the overall circumstances before making the final choice.

3.4 Cost Connected with Fixed Asset:

The cost of a fixed asset encompasses various expenses associated with its acquisition and readiness for use. It excludes routine maintenance and upkeep costs. Here are several directly related costs to a fixed asset:

1. Acquisition cost
2. Delivery or shipping expenses
3. Legal fees and import tariffs
4. Installation and testing costs
5. Additional expenditures that augment the asset's value and functionality

3.5 The Physical Life Cycle of Fixed Asset:

An enterprise or commercial group makes constant efforts to utilize an asset to the physical end of its useful life. Sometimes an asset loses its ability to reproduce or be useful before it passes away physically. Fixed assets often deteriorate with use and time, however with maintenance and repair, an asset's lifespan can be extended. When the fixed asset's usefulness disappears, there is only one item that needs to be kept in mind. The organization's revenue-generating operations are tightly linked to the fixed asset's financial life cycle. Therefore, every firm carefully evaluates the financial life of reliable assets rather than their likely physical life.

3.6 Depreciation of Fixed Asset:

Depreciation refers to the decline in the value of an asset due to usage. It involves spreading out the total benefit derived from the asset over its useful life. When calculating depreciation, several factors need consideration:

1. The initial cost of the fixed asset.
2. The expected useful life of the asset.
3. The estimated residual value of the asset.

Upon reaching the end of its useful life, a business disposes of the asset, and the anticipated proceeds from the disposal are termed the residual value. Depreciation is then calculated as the initial price of the fixed asset less the anticipated value of its residual, representing the entire reduction in value incurred over its anticipated lifetime.

Certain types of fixed assets, like land, do not undergo depreciation. Land is deemed to have an indefinite useful life and thus does not depreciate. However, other assets, such as buildings, machinery, and equipment, have a finite useful life and require depreciation allocation over their accounting periods.

The treatment of depreciation varies among different classes of fixed assets, primarily due to differences in their physical lifetimes. Depreciation begins from the acquisition date as per Beximco Communication Limited's accounting policy, which outlines 17 fixed asset classes in their financial statements. These classes include software, goodwill, tangible assets like buildings and machinery, as well as assets under construction.

The policy mandates that depreciation on fixed assets occurs assuming an orthogonal basis across designated lifetimes of economic utility .

Immaterial Intangible Assets	Years of Depreciated
Goodwill	Damage alone
Clientele	5years
Licenses	5years
Patent	Patent term
Software	3years

Land improvement	Years of Depreciated
Landscaping	15years
Highways and footpaths	15years
Barriers	10years
Water pipes	20years
Drainage infrastructure	20years

Constructions	**Years of Depreciated**
New Construction	40 years
Remodeled or rebuilt	25 years
Thin building materials	25 years
Electricity	20 years

Devices and equipment,	**Years of Depreciated**
Modern production equipment	12 years
Used equipment for manufacturing	2-10 years (depending on condition)
Unique manufacturing machinery	10 years
Mechanical facilities like heaters	10-15 years
Instruments for laboratories	10 years
Storage apparatus	10 years
Improvements and furnishings	10 years
Automobile pools	5 years
Phone networks	5 years
Computer accessories	3 years

3.7 Description of Fixed Asset to Net Worth Ratio: The Fixed Asset to Net Worth Ratio is a financial metric used to assess the proportion of a company's fixed assets relative to its total net worth or equity. This ratio provides insights into the composition and stability of a company's asset base in relation to its overall financial position.

Here's a breakdown of the key components and how the ratio is calculated:

1. **Fixed Assets**: These are long-term tangible assets that a company holds for use in its operations, such as land, buildings, machinery, equipment, vehicles, and furniture. Fixed assets are not intended for sale; instead, they are used to generate revenue over an extended period.
2. **Net Worth or Equity**: Net worth represents the total assets of a company minus its total liabilities. It reflects the owners' residual interest in the company's assets after deducting all liabilities.

The Fixed Asset to Net Worth Ratio is calculated using the following formula:

Fixed Asset to Net Worth Ratio=Total Fixed AssetsNet WorthFixed Asset to Net Worth Ratio=Net WorthTotal Fixed Assets

- **Total Fixed Assets**: This is the aggregate book value of all fixed assets held by the company. It includes both tangible fixed assets (like property and equipment) and intangible fixed assets (like patents and goodwill).
- **Net Worth**: Also known as shareholders' equity or owner's equity, net worth is calculated as the difference between a company's total assets and total liabilities on its balance sheet.

3.8 Description of Fixed Asset to Total Asset Ratio: The Fixed Asset to Total Asset Ratio, also known as the Fixed Asset Ratio, is a financial metric used to assess the proportion of a company's total assets that are tied up in fixed assets. This ratio helps in understanding the asset composition of a company's balance sheet and provides insights into its investment in long-term, tangible assets.

Here's a detailed explanation of the Fixed Asset to Total Asset Ratio:

1. Fixed Assets: These are long-term tangible assets that a company owns and uses to generate revenue over an extended period. Examples include land, buildings, machinery, equipment, vehicles, and furniture. Fixed assets are not intended for sale in the normal course of business.
2. Total Assets: This represents all the resources owned by a company that have economic value and can be used to generate future economic benefits. Total assets include both current assets (e.g., cash, accounts receivable, inventory) and non-current assets (e.g., fixed assets, intangible assets, investments).

The Fixed Asset to Total Asset Ratio is calculated using the following formula:

Fixed Asset to Total Asset Ratio=Total Fixed AssetsTotal AssetsFixed Asset to Total Asset Ratio=Total AssetsTotal Fixed Assets

- Total Fixed Assets: This is the aggregate book value of all fixed assets held by the company, including both tangible and intangible fixed assets.
- Total Assets: This is the sum of all current and non-current assets on the company's balance sheet. It represents the entire pool of resources available to the company.

3.9 Description of Depreciation to Fixed Asset Ratio: The Depreciation to Fixed Asset Ratio is a financial metric that measures the rate at which a company's fixed assets are being depreciated relative to the total value of its fixed assets. This ratio helps in understanding how quickly or slowly the company is expensing its fixed assets over time due to wear and tear, obsolescence, or other factors.

Here's a detailed explanation of the Depreciation to Fixed Asset Ratio:

1. **Depreciation**: Depreciation is the accounting method used to allocate the cost of tangible fixed assets (such as buildings, machinery, equipment) over their estimated useful lives. It represents the decrease in the value of these assets over time due to factors like usage, passage of time, or technological advancements.
2. **Fixed Assets**: Fixed assets are long-term tangible assets held by a company for use in its operations and not intended for sale. They include land, buildings, machinery, equipment, vehicles, and furniture.

The Depreciation to Fixed Asset Ratio is calculated using the following formula:

Depreciation to Fixed Asset Ratio=Total Depreciation ExpenseTotal Fixed AssetsDepreciation to Fixed Asset Ratio=Total Fixed AssetsTotal Depreciation Expense

- **Total Depreciation Expense**: This is the total amount of depreciation charged during a specific period (typically a year) on all fixed assets owned by the company. Depreciation can be calculated using various methods such as straight-line depreciation, declining balance method, or units of production method.
- **Total Fixed Assets**: This is the aggregate book value of all fixed assets held by the company as reported on the balance sheet. It includes both tangible fixed assets (like property and equipment) and intangible fixed assets (like patents and goodwill).

3.10 Description of Fixed Asset Turnover Ratio: The Fixed Asset Turnover Ratio is a financial metric that measures how efficiently a company is generating revenue from its investment in fixed assets. This ratio indicates the amount of sales generated for each dollar of fixed assets employed by the company. It helps assess the effectiveness of utilizing fixed assets to generate sales or revenue.

Here's a detailed description of the Fixed Asset Turnover Ratio:

1. Fixed Assets: Fixed assets refer to long-term tangible assets that a company uses in its operations to generate revenue. Examples include property, plant, equipment, machinery, vehicles, and infrastructure.
2. Net Sales: Net sales represent total sales revenue generated by the company after deducting any sales returns, discounts, and allowances.

The Fixed Asset Turnover Ratio is calculated using the following formula:

Fixed Asset Turnover Ratio=Net SalesAverage Fixed AssetsFixed Asset Turnover Ratio=Average Fixed AssetsNet Sales

- Net Sales: This is the total revenue generated from the company's primary business activities, excluding any non-operating revenues.
- Average Fixed Assets: This is the average book value of fixed assets during a specific period. It is calculated by adding the beginning and ending balances of fixed assets for the period and then dividing by 2.

Chapter-4

Analysis & Discussion

4.0 SWOT Analysis:

- The SWOT analysis of Beximco Communications Limited examines four important elements: Strengths and Weaknesses as internal factors, and Opportunities and Threats as external factors.
- Below is an effective paraphrasing of the SWOT analysis for Beximco Communications:
- Strengths and Weaknesses represent internal aspects, whereas Opportunities and Threats pertain to external factors.
- Here is a concise SWOT analysis of Beximco Communications Limited.

Strengths of BCL:

- BCL's strengths lie in its substantial financial investments.
- Utilization of advanced manufacturing facilities,
- Seasoned and proficient management team.
- Adaptable organizational framework.
- Positive corporate reputation.
- Modernized the information systems (IS) and ERP software.
- Streamlined stocks operations.
- And effective engagement with stakeholders, among other factors.

Weaknesses of BCL:

- BCL faces weaknesses such as a shortage of staff.
- Absence of a gas line to the manufacturing plant.
- Potential demotivation among employees due to recent losses.
- Inadequate monitoring procedures.
- And a lack of stringent management policies.

Opportunities of BCL:

- BCL has opportunities stemming from the rapid growth of Bangladesh's industry.
- Access to cost-effective exertion.
- Compatibility high-quality premium supplies.
- Potential expansion of market proportion and brand recognition of the company.
- Prospects for international partnerships with affiliated companies.
- And participation in overseas trade fairs to penetrate new markets.

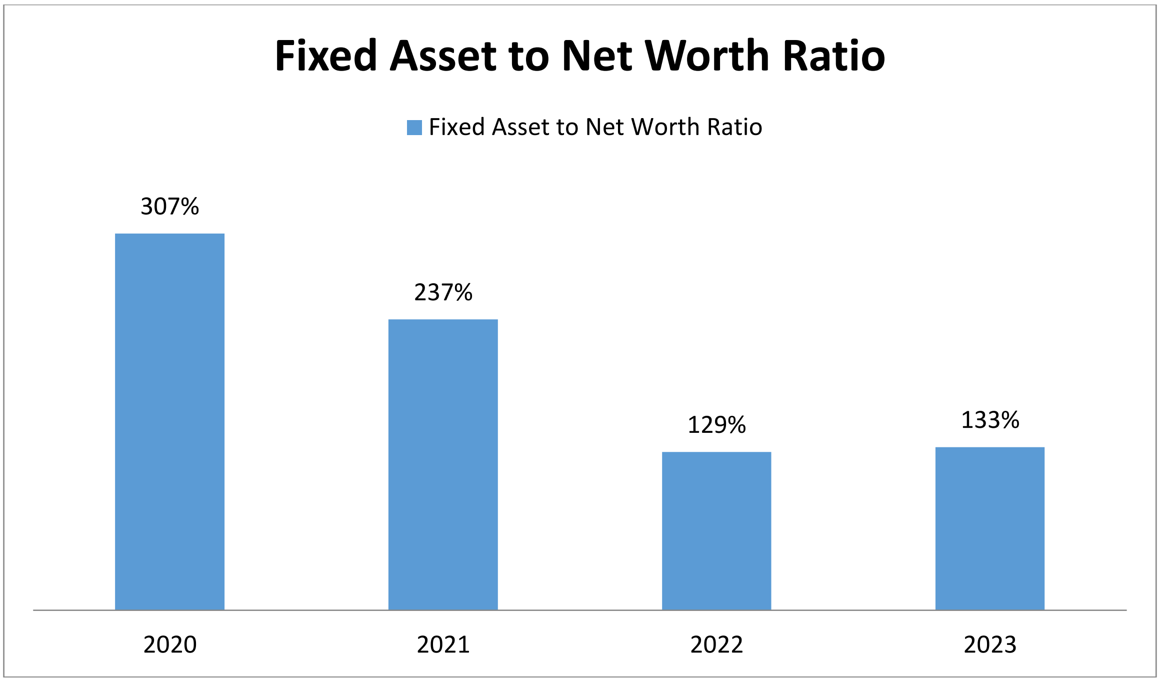
Threats of BCL:

- BCL faces threats including reduced international demand due to the recent global economic recession.
- Rising production material costs.
- Frequent changes in government regulations.
- Heightened competition within the sewing thread manufacturing sector.
- Political instability hindering business growth.
- Increased expenses due to social crimes and security concerns.
- And challenges in implementing VAT and tax regulations.

4.1 Fixed Asset to Net Worth Ratio:

The fixed assets to net worth ratio, also known as the non-current assets to net worth ratio, provides insights into a company's solvency. It indicates the percentage of the company's fixed assets that are currently unavailable for meeting its debt obligations.

Year	Ratio
2020	307%
2021	237%
2022	129%
2023	133%



Interpretation:

In 2020, the fixed asset to net worth ratio was exceptionally high at 307%. This indicates that a significant portion of the company's assets were tied up in non-current assets relative to its net worth. Such a high ratio might suggest a potential risk of illiquidity or over-reliance on long-term assets to support its financial position.

By 2021, the ratio decreased substantially to 237%, indicating a decline in the proportion of fixed assets relative to net worth. This could signify a shift in the company's asset structure or a decrease in the value of fixed assets compared to its overall equity.

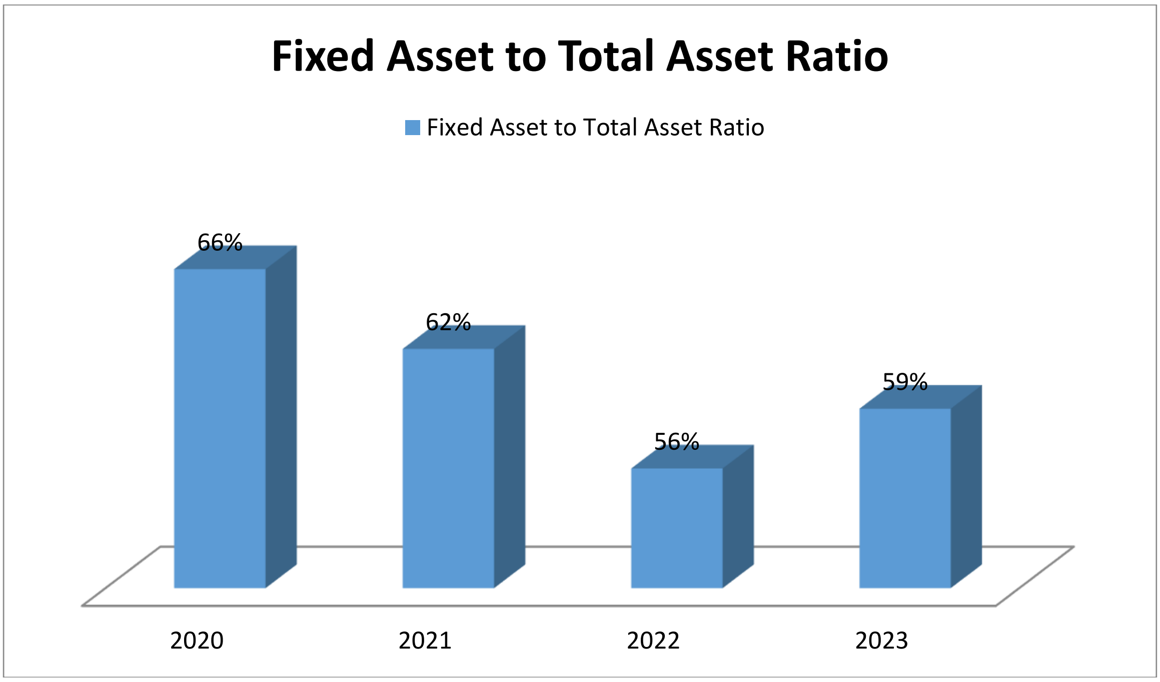
In 2022, the ratio dropped further to 129%. This significant decrease suggests a notable reduction in the proportion of fixed assets relative to net worth. It could imply divestment of non-current assets, an increase in liabilities, or a boost in equity, potentially reflecting strategic changes within the company.

In 2023, the ratio saw a slight increase to 133%. Although the ratio remained relatively low compared to previous years, this upward trend indicates a slight uptick in the proportion of fixed assets relative to net worth. It's essential to monitor whether this trend continues and its implications for the company's solvency and financial health.

4.2 Fixed Asset to Total Asset Ratio:

The fixed to total asset ratio offers valuable insights into the proportion of fixed assets within a company's total assets. A higher ratio suggests a limited amount of cash available for day-to-day operations.

Year	Ratio
2020	66%
2021	62%
2022	56%
2023	59%



Interpretation

In 2020, the ratio was 66%, indicating that a significant portion of the company's total assets were allocated to fixed assets.

In 2021, the ratio decreased to 62%, suggesting a slight reduction in the proportion of fixed assets relative to total assets.

In 2022, the ratio further decreased to 56%, indicating a continued decline in the proportion of fixed assets.

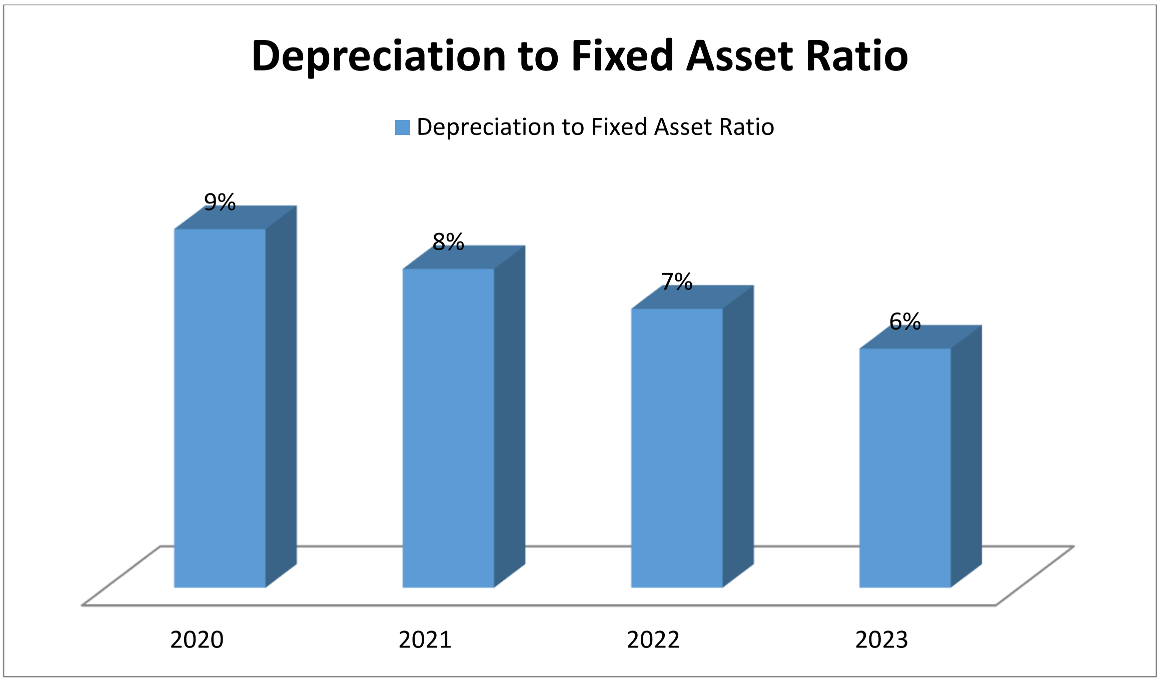
In 2023, the ratio increased to 59%, suggesting a slight uptick in the proportion of fixed assets compared to the previous year, though it remained lower than in 2020.

Overall, fluctuations in the fixed asset to total asset ratio can reflect changes in the company's investment strategy, capital expenditure decisions, or asset management practices.

4.3 Depreciation to Fixed Asset Ratio:

Depreciation to fixed asset ratios often provide important insights into how quickly a business is replacing its fixed assets. Height ratio of depreciation to fixed assets could indicate that a company is writing off outdated equipment to make room for newer models. A high ratio might also suggest that the current fixed assets need to be replaced right away because they have a limited useful life. However, it should be noted that different industries have different upper and lower bonds.

Year	Ratio
2020	9%
2021	8%
2022	7%
2023	6%



Interpretation:

In 2020, the ratio was 9%, indicating that 9% of the total fixed assets (excluding land) were depreciated during that year.

In 2021, the ratio decreased to 8%, implying a slight decrease in the proportion of fixed assets being depreciated compared to the previous year.

In 2022, the ratio further decreased to 7%, suggesting a continued trend of lower depreciation relative to fixed assets.

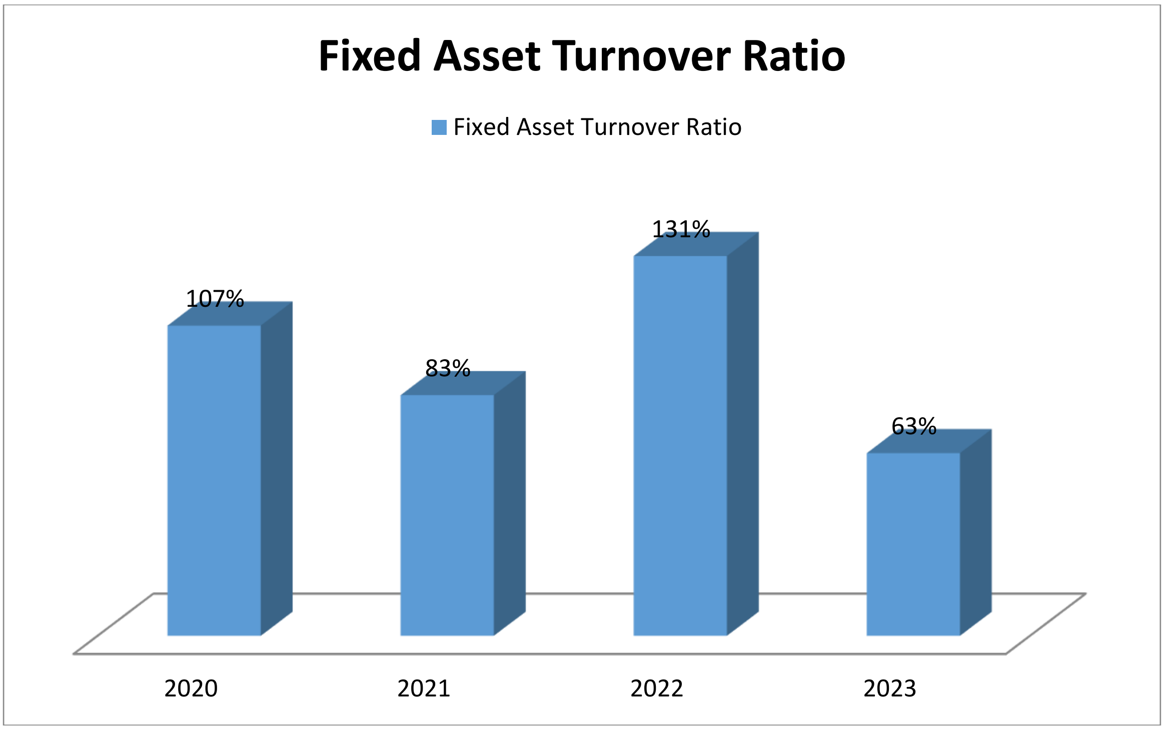
In 2023, the ratio reached 6%, indicating a further reduction in the proportion of fixed assets being depreciated.

Overall, the decreasing trend in the Depreciation to Fixed Asset Ratio over the years may suggest that the company is either more efficiently managing its fixed assets or making fewer investments in new assets that require depreciation. However, it's essential to consider industry norms and specific circumstances when interpreting these ratios, as they can vary significantly across different sectors.

4.4 Fixed Asset Turnover Ratio:

The fixed asset turnover ratio indicates the efficiency with which a business generates revenue from its present fixed assets. An increased ratio indicates that the management is making better use of its fixed assets. A high fixed asset ratio doesn't indicate anything about how well a business can produce cash flows or profits.

Year	Ratio
2020	107%
2021	83%
2022	131%
2023	63%



Interpretation:

In 2020, the ratio was 107%, indicating that the company generated sales revenue equivalent to 107% of its total fixed assets during that year. This suggests efficient use of fixed assets to generate revenue.

In 2021, the ratio was 83%, which suggests a slight decrease in asset turnover compared to the previous year.

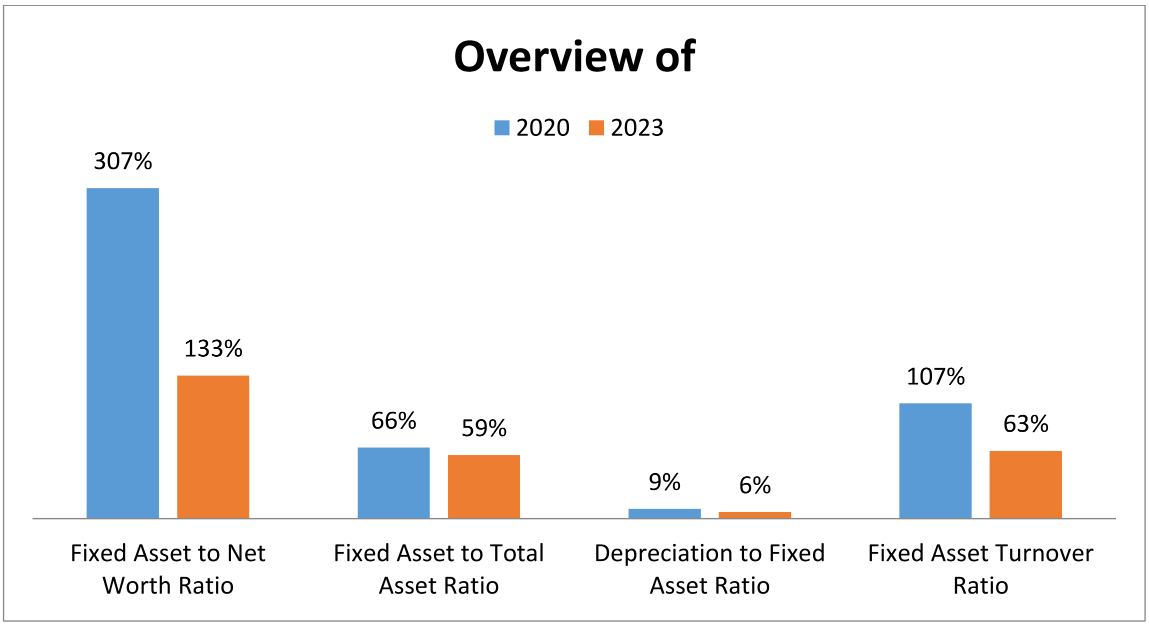
In 2022, the ratio significantly increased to 131%, indicating improved efficiency in generating sales revenue from fixed assets.

In 2023, the ratio decreased to 63%, suggesting a decline in asset turnover efficiency compared to the previous year.

Overall, while the Fixed Asset Turnover Ratio fluctuates over the years, it provides insights into how effectively the company is utilizing its fixed assets to generate sales revenue. A higher ratio generally indicates better asset utilization, but it's essential to analyze other financial metrics to assess overall business performance.

4.5 Summary of Ratio:

The subsequent section presents a comprehensive overview of all fixed asset ratios for Beximco Communications Limited through graphical representation.



The company's financial health and operational efficiency can be gauged through several key ratios. Firstly, the Fixed Asset to Net Worth Ratio, which decreased from an exceptionally high 307% in 2020 to 133% in 2023, signifies a shift in asset allocation and potential strategic changes within the company. Secondly, the Fixed Asset to Total Asset Ratio declined from 66% in 2020 to 59% in 2023, indicating changes in investment strategy or asset management practices. Thirdly, the Depreciation to Fixed Assets Ratio decreased steadily from 9% in 2020 to 6% in 2023, suggesting efficient management of fixed assets or reduced investments in depreciable assets. Lastly, the Fixed Asset Turnover Ratio fluctuated, with a significant increase in 2022 followed by a decline in 2023, indicating variations in asset utilization efficiency. Overall, these ratios provide insights into the company's solvency, asset allocation, and operational efficiency, crucial for assessing its financial health and performance over time.

Given that the company is still in its early stages and hasn't yet turned a profit, conducting further ratio analysis regarding fixed asset performance isn't feasible. Instead, a comparative evaluation of three established multinational companies has been conducted to provide additional insights.

Currently, in Bangladesh, there are three companies providing Direct-to-Home (DTH) services.

Logo	Company Name	Parent Company
	Beximco Communication Limited.	Beximco Group
	Bengal Communication Limited	Bengal Group
	Jadoo Digital And Broadband Limited	Mohammadi Group

Due to limited access to comprehensive data on these companies, I conducted a basic comparative evaluation of their fixed asset management processes to assess Beximco Communication Limited's standing.

Chapter-5

Findings, Recommendations & Conclusion

5.1 Findings:

- **SWOT Analysis**: BCL faces weaknesses such as a shortage of staff, absence of a gas line to the manufacturing plant, potential demotivation among employees due to recent losses, inadequate monitoring procedures, and a lack of stringent management policies.
- **Fixed Asset to Net Worth Ratio** The company's fixed asset to net worth ratio declined sharply from 307% in 2020 to 129% in 2022, suggesting a shift away from non-current assets relative to net worth, possibly due to divestment or strategic changes. The slight increase to 133% in 2023 indicates a modest uptick in fixed asset proportion, highlighting the need for ongoing monitoring of financial stability and liquidity.
- **Fixed Asset to Total Asset Ratio:** The company's fixed asset to total asset ratio decreased from 66% in 2020 to 56% in 2022, indicating a trend towards reduced allocation to fixed assets. The slight uptick to 59% in 2023 suggests a modest increase in fixed asset proportion, reflecting potential shifts in investment strategy or asset management decisions over the years.
- **Depreciation to fixed asset Ratio**: The depreciation to fixed asset ratios in 2023 are less than those in 2020. This suggests that 2023 will see less depreciation than 2020.
- **Fixed Asset Turnover Ratio**: The company's Fixed Asset Turnover Ratio fluctuated from 107% in 2020 to 63% in 2023, reflecting varying levels of efficiency in generating sales revenue from fixed assets. The significant increase to 131% in 2022 suggests improved asset utilization, while the decrease in 2023 indicates a decline in efficiency compared to the previous year. These fluctuations highlight the importance of considering multiple financial metrics to evaluate overall business performance
- **Comparative Evaluation**: As the company is still in its early stages and hasn't yet turned a profit, conducting further ratio analysis regarding fixed asset performance isn't feasible.
- **Technology:** As the company is still in its early stages so company needs more advance technology and advance software to run its operation smoothly.

5.2 Recommendations of Beximxo Communication Limited:

- **SWOT analysis**: To tackle the shortage of staff, BCL should consider hiring additional employees or investing in training to enhance the efficiency of existing staff. Implement strategies to motivate employees and boost morale, such as performance based incentives or recognition programs. Strengthen monitoring procedures and enforce stricter management policies to ensure better oversight and control over operations.
- **Fixed Asset to Net Worth Ratio:** Given the decline in fixed asset to net worth ratio, BCL should focus on optimizing asset utilization and possibly consider asset divestiture or restructuring to improve the ratio.
- **Fixed Asset to Total Asset Ratio:** Given the decline in fixed asset to total asset ratio which is good for the company, BCL should focus more on optimizing asset to achieve better result.
- **Depreciation to fixed asset Ratio**: As depreciation is increasing, BCL should monitor depreciation closely and assess if it aligns with the company's asset management strategy.
- **Technology Upgrade:** BCL should invest in advanced technology and software solutions to enhance operational efficiency, streamline processes, and stay competitive in the industry.

5.3 Conclusion:

It was a privilege to work for this renowned Bangladeshi company. I'm now excited to advance my career by working hard and consistently in my job. I have learned so many things there, I'm still learning how effectively Beximco Communications Limited runs its finance and accounting department. Beximco Communications Ltd.'s short-term liquidity affects profitability. The satellite television business in Bangladesh is poised for continued growth, driven by factors such as increasing demand for content, technological advancements, and changing consumer behavior. Beximco Communications Limited (BCL) is well-positioned to capitalize on these opportunities and overcome challenges through its robust business model, strategic initiatives, and market insights.Sales are the first step toward profitability, and the company will soon introduce a new product.

BEXIMCO Group, established in the 1970s by siblings Ahmed Sohail Fasihur Rahman and Salman Fazlur Rahman, has emerged as the foremost private sector entity in Bangladesh today. Initially focused on commodities trading, the group has transformed into a diversified conglomerate, playing a significant role in sectors constituting approximately 75% of Bangladesh's GDP. BEXIMCO's overarching goal is to elevate Bangladesh's presence globally, encapsulated in its corporate mission, "Bringing Bangladesh to the Global Stage."

Beximco Communications Limited has introduced Bangladesh's inaugural "Direct-to-Home" (DTH) service, offering top-tier television entertainment directly via satellite. This digital technology ensures viewers access high-definition picture and sound quality for an enhanced TV watching experience.

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