Internship Report on

Financial Performance Analysis of Elite Iron & Steel Industries Ltd.

Submitted To

Professor Dr. Mohammad Rokibul Kabir

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Major: Accounting

Master of Business Administration

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Letter of Transmittal

Date:

Professor Dr. Mohammad Rokibul Kabir

Department of Business Administration

Faculty of Business & Entrepreneurship

Daffodil International University

Subject: Submission of Report on "Financial Performance Analysis of Elite Iron & Steel Industries Ltd."

Dear Sir,

I feel very pleased to submit the report entitled, "Financial Performance Analysis of Elite Iron & Steel Industries Ltd.," which is a requirement to be fulfilled for the MBA Program at Daffodil International University.

The report stands presented by me as an outcome of the experience I have been gathered while working full-time with Elite Iron & Steel Industries Ltd. Audit & Tax Department, wherein I intensely studied the financial performance of the business for the last five years. The report also includes profitability, liquidity, solvency, and efficiency analysis apart from benchmarking and insights attained practically during my service.

I genuinely hope that this report satisfies the program's requirements and expectations. I want to thank you for all of your help and advice during this process. I'm always available if you need any additional explanation or conversation.

Thank you for your kind consideration.

Sincerely,

Md. Sohel Arafat Rana
ID: 241-14-022
MBA Program
Department of Business Administration
Daffodil International University

Certificate of Supervisor

This is to certify that a report entitled "Financial Performance Analysis of Elite Iron & Steel Industries Ltd." has been prepared by Md. Sohel Arafat Rana, ID 241-14-022, and has been submitted in partial fulfillment for the award of Master of Business Administration (MBA) degree from Daffodil International University.

The report has been supervised and guided by me, and to my best knowledge, this report is genuinely original in content and has never been offered before for any degree or diploma in this or any other institute.

I, therefore, do recommend that this report be accepted for evaluation and pave the way for awarding the MBA degree.

Professor Dr. Mohammad Rokibul Kabir
Department of Business Administration
Faculty of Business & Entrepreneurship
Daffodil International University

Acknowledgement

First of all, I would like to thank Almighty Allah to give me the strength to complete this report. In addition, my sincere thanks goes out to my honorable supervisor, Professor Dr. Mohammad Rokibul Kabir, Member, Department of Business Administration, Daffodil International University for providing essential guidelines to prepare the report. I also want to thank the management of Elite Iron & Steel Industries Ltd. who have provided me with necessary data and information for the report, particularly the Finance & Accounts Department. Above all, my friends, families, teachers, and coworkers deserve lots of credit for their support, which encourages me while writing this report.

Executive Summery

A thorough financial performance analysis of Elite Iron & Steel Industries Ltd. over a five-year period (2019–2023) is presented in this study. I evaluated the organization's financial health as a full-time employee in the Accounts and Taxation Department by using internal access to real-time data and procedures. Using industry benchmarks and standard ratio analysis, the study mainly concentrates on four important areas of financial analysis: **profitability, liquidity, solvency, and efficiency.**

According to the findings, the business has recently increased its operational efficiency, maintained solid equity positions, and seen steady revenue growth. While liquidity and solvency metrics show a stable and improving financial position, profitability ratios show steady margins. Efficiency ratios show how well assets and receivables are managed.

In a competitive, capital-intensive sector such as Bangladesh's steel manufacturing, the analysis blends academic models with real-world business application to illustrate the practical ramifications of financial management. Broader ramifications are also covered in the report, including the relevance of industry, organisational impact, the applicability of MBA education, difficulties encountered, and suggestions for future advancements.

In addition to meeting academic requirements, this project has greatly advanced my professional growth by strengthening my strategic, analytical, and compliance-related abilities—all of which are essential for my present and future corporate finance careers.

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Chapter 01

Introduction

1.1 Background of the Study

Since I currently work for Elite Iron & Steel Industries Ltd., I have decided to perform a financial performance analysis of the company. This field of analysis is directly related to my academic background, which focusses on accounting and finance. In addition to meeting the requirements of the MBA program, this study provides a hands-on opportunity to assess the operational effectiveness and financial stability of a manufacturing company that I currently work for.

By supplying building materials, Elite Iron & Steel Industries Ltd., a prominent participant in Bangladesh's iron and steel industry, makes a substantial contribution to the development of infrastructure. An outstanding case study for assessing financial performance is offered by the organization's operations and its dependence on robust financial planning and control systems. Financial analysis is even more pertinent and perceptive in Bangladesh because of the fierce competition and high capital requirements of the steel sector.

1.2 Rationale for Selecting the Organization

Elite Iron & Steel Industries Ltd. was chosen for my study for strategic and pragmatic reasons. I had easy access to pertinent financial information, internal procedures, and important individuals who could offer insightful commentary because I was already employed by the company. A more thorough and precise examination of the company's financial status was made possible by my familiarity with the organisational structure and my access to historical financial records.

A manufacturing company like Elite Iron & Steel Industries Ltd.'s financial performance also reflects the ever-changing challenges that Bangladeshi industrial businesses face, including macroeconomic factors, fluctuations in raw material costs, and the effects of foreign exchange. Because of these factors, the analysis is not only instructive but also extremely useful in the context of Bangladesh's business environment.

1.3 Objectives of the Study

This study aims to evaluate Elite Iron & Steel Industries Ltd.'s overall financial health, operational efficiency, and strategic positioning in Bangladesh's competitive steel industry by analysing its financial performance over a given time period. More specifically, the study aims to achieve the following objectives:

1. To assess profitability performance using profitability ratios.
2. To evaluate the company's liquidity position using liquidity ratios.
3. To analyse the solvency and financial stability using solvency ratios.
4. To measure operational efficiency using activity (efficiency) ratios.

1.4 Methodology

The descriptive approach used in this study is based on the analysis of past financial data and is organised around the use of common financial analysis tools. The method is described in the steps below:

1.4.1 Data Collection

- The study is based on secondary data that I was able to access through my official position from Elite Iron & Steel Industries Ltd.'s audited financial statements, tax records, etc.
- Industry report (e.g., BSMA), academic textbooks, NBR regulations, and relevant articles.

1.4.2 Data collection period: The analysis covers five fiscal years: 2019 to 2023.

1.4.3. Tools and Techniques Used

A. Ratio Analysis

Four main categories of ratio analysis were performed. Below are the **ratios used along with their formulas**:

i. Profitability Ratios

Ratio Name	Formula
Gross Profit Margin	(Gross Profit ÷ Revenue) × 100
Operating Profit Margin	(Operating Profit ÷ Revenue) × 100
Net Profit Margin	(Net Profit ÷ Revenue) × 100
Return on Assets (ROA)	(Net Profit ÷ Total Assets) × 100
Return on Equity (ROE)	(Net Profit ÷ Shareholders' Equity) × 100
Earnings Per Share (EPS)	Net Profit ÷ Number of Shares Outstanding

ii. Liquidity Ratios

Ratio Name	Formula
Current Ratio	Current Assets ÷ Current Liabilities
Quick Ratio	(Current Assets − Inventory) ÷ Current Liabilities
Cash Ratio	Cash & Cash Equivalents ÷ Current Liabilities

iii. Solvency Ratios

Ratio Name	Formula
Debt-to-Equity Ratio	Total Debt ÷ Shareholders' Equity
Debt Ratio	Total Debt ÷ Total Assets
Interest Coverage Ratio	EBIT ÷ Interest Expense
Equity Ratio	Shareholders' Equity ÷ Total Assets

iv. Efficiency (Activity) Ratios

Ratio Name	Formula
Inventory Turnover Ratio	Cost of Goods Sold ÷ Inventory
Accounts Receivable Turnover	Revenue ÷ Accounts Receivable
Total Asset Turnover Ratio	Revenue ÷ Total Assets
Working Capital Turnover Ratio	Revenue ÷ (Current Assets − Current Liabilities)
Inventory Turnover Ratio	Cost of Goods Sold ÷ Inventory

B. Benchmarking: To evaluate performance competitiveness, company ratios are compared to industry norms.

C. Graphical Representation: To better visualise trends and understand results, use line charts and comparative graphs.

3. Scope and Limitations

- The analysis is restricted to financial performance; it does not address more general strategic or human resources issues.
- The depth of external benchmarking was limited by the unavailability or confidentiality of some competitor or industry data.
- Academic frameworks were used for interpretations, and Microsoft Excel was used for all computations.

Chapter 02

Company/Organization Overview

2.1 Overview of the Company

An expanding business in Bangladesh's iron and steel industry is Elite Iron & Steel Industries Ltd. The business produces and distributes premium construction-grade steel products, such as MS rods, steel angles, channels, and other structural elements that are frequently utilised in real estate and infrastructure development.

Elite Iron & Steel Industries Ltd. has established itself as a reliable brand in the home market by focussing on customer satisfaction and product quality. The business is run by a management team that prioritises efficiency and innovation, as well as sophisticated equipment and knowledgeable human resources. Construction firms, real estate developers, government contractors, and industrial clients are among its target market.

2.2 Mission, Vision, and Values of the Company

Mission

To produce and supply high-quality steel products that satisfy Bangladesh's expanding infrastructure demands while guaranteeing sustainable development, operational excellence, and customer satisfaction.

Vision

To maintain innovation, quality, and integrity in all facets of business in order to establish ourselves as one of Bangladesh's top and most reputable steel manufacturing companies.

Core Values

- Integrity: Behaving morally, truthfully, and openly in business dealings.
- Quality: Dedication to ongoing development and exceptional product quality.
- Customer Focus: Understanding and satisfying customers' needs in order to establish enduring, solid relationships.
- Innovation: Investing in cutting-edge procedures and contemporary technologies to boost output.

- Sustainability: Encouraging sustainable business practices and ecologically conscious manufacturing.
- Teamwork: Promoting a cooperative culture that values respect for one another and group achievement.

2.3 History and Current Operations

History:

The establishment of Elite Iron & Steel Industries Ltd. was prompted by the growing need for building supplies in Bangladesh's quickly expanding real estate and infrastructure industries. The company has concentrated on providing high-strength steel products that are suited to the requirements of both urban and rural development projects since its founding. With the support of a competent workforce and prudent financial management, it has gradually expanded its production capacity and market share over time.

Current Operations:

To guarantee constant product standards, the company currently runs a state-of-the-art steel plant furnished with rerolling mills and quality control labs.

- Purchasing raw materials (like billet steel),
- melting and rerolling procedures,
- quality testing and certification,
- sales and distribution via an advanced supply chain network are some of its activities.

In order to satisfy the rising demand in the market, Elite Iron & Steel Industries Ltd. keeps up a strong presence in both public and private sector projects. The company wants to stay profitable while supporting the development of the nation's infrastructure, with an emphasis on cost control, process efficiency, and customer satisfaction.

Chapter 3

Internship Role and Responsibilities

3.1 Role and Responsibilities

I continued to work full-time in the Accounts and Taxation Department of Elite Iron & Steel Industries Ltd. since I am a regular employee. I was able to interact directly with the company's financial systems, records, and legal requirements because my duties included both tax compliance and financial accounting. These responsibilities not only supported the company's financial operations but also fit in nicely with my MBA program's learning objectives.

My key responsibilities included:

Accounts Responsibilities

- Keeping up-to-date ledgers and financial records that adhere to accounting standards.
- Creating the income statement, balance sheet, and profit and loss accounts, among other important financial statements.
- Overseeing accounts payable and receivable to guarantee prompt payments and collections.
- Helping with cash flow management and conducting routine bank reconciliations.
- Ensuring complete adherence to internal financial policies and accounting standards.
- Helping to create financial forecasts and budgets.
- Answering audit questions and coordinating with external auditors during required financial audits.

Tax & VAT Responsibilities

- Complying with applicable tax laws when preparing and submitting individual and corporate tax returns.
- To guarantee correct reporting and remittance, tracking deductions at the source, such as TDS (Tax Deducted at Source) and VDS (VAT Deducted at Source).
- Creating and filing VAT returns (Mushok 9.1) and keeping track of the supporting paperwork.

- Communicating with tax authorities at different levels (DCT, Appeal, Tribunal) and taking part in tax hearings.
- Determining possible tax savings and offering guidance on tax planning techniques.
- Organising audits for Sulko-Goinda (customs intelligence).
- Making certain that all tax records and paperwork are current and adhere to the most recent rules and guidelines.
- Staying up to date on modifications to fiscal policies, VAT regulations, and tax laws.

3.2 Rationale of Those Roles and Responsibilities

My duties were essential in helping to analyse the company's operations and financial performance. I played a crucial role in ensuring regulatory compliance, assisting with accurate financial reporting, and supporting strategic financial planning as a member of the Accounts and Taxation Department. These duties fit in nicely with the organisational structure of the business, where risk mitigation, cost control, and business decision-making all heavily rely on the accounting and tax departments.

Academically speaking, my duties gave me a solid basis on which to apply the accounting concepts and financial theories I had studied during the MBA program. I was able to put my knowledge from classes like Financial Accounting, Corporate Finance, and Managerial Economics into practice by managing actual accounting transactions, creating financial statements, and managing tax obligations.

3.3 Examples of Tasks Completed

Some specific examples of tasks I performed during the internship period include:

- Monthly Financial Reports: Monthly balance sheets and profit and loss accounts were compiled to give management a better understanding of the company's financial health.
- Filing Tax Returns: Accurate deductions, on-time payments, and appropriate documentation were ensured in the preparation and submission of quarterly and annual tax returns.
- Bank Reconciliation Statements: To find inconsistencies and guarantee the correctness of recorded transactions, the company's bank accounts were reconciled once a month.
- Cash Flow Management: Helped the finance team plan for short-term liquidity needs by monitoring cash inflows and outflows.

- Mushok 9.1 Submission: In order to guarantee adherence to NBR (National Board of Revenue) regulations, VAT returns were prepared and submitted, along with all required Mushok documentation.
- Audit Support: Prepared requested schedules, vouchers, and reports in cooperation with auditors during internal and external audits.

The company's financial and tax operations were supported by these practical tasks, which also helped me develop my understanding of accounting, taxation, and regulatory compliance in a real-world business setting.

Chapter 4

Key Learnings and Experiences

4.1 Important Learnings

The practical knowledge I acquired in the areas of financial accounting, taxation, and financial analysis while working at Elite Iron & Steel Industries Ltd. greatly enhanced my comprehension of how actual businesses function. Among the most significant lessons learnt are:

- **Accurate financial reporting:** I discovered how crucial it is to keep accurate and current financial records in order to support business decisions and guarantee adherence to legal requirements.
- **Taxation Procedures**: I gained practical experience in handling audits, filing VAT returns, and preparing tax returns—all crucial facets of corporate finance in Bangladesh.
- **Data-Driven Analysis:** I gained knowledge of how to evaluate business performance and offer managerial decision-making insights by performing financial analyses (such as trend, ratio, and vertical analysis).
- • **Ethics and Compliance:** I recognised the significance of adhering to accounting standards, tax laws, and ethical practices, all of which are essential for fostering long-term sustainability and transparency.
- **Communication with Stakeholders:** I improved my professional communication and negotiation skills by interacting with internal departments, tax authorities, and auditors.

4.2 Rationale of Those Roles and Responsibilities

My duties in the department of accounts and taxes were essential to the financial and operational framework of the business. These positions made sure that:

- Accurate and timely financial statements were prepared for management and external users.
- The risk of fines or disputes was decreased by maintaining legal compliance with tax and VAT regulations.

- Reliable data supported forecasting and budgeting, aiding in cost control and resource allocation;
- Cash flows were tracked for strategic planning and business sustainability.

These responsibilities provided direct support to the finance department, which is essential to organisational decision-making. Regulatory alignment, operational discipline, and financial transparency were all made possible by my role.

4.3 Connection with Academia

I was able to put the theoretical knowledge I learnt in my MBA classes to use in practical situations during my internship, particularly in the following areas:

- Financial Accounting: I used the accounting concepts I had learnt in class to prepare ledgers, balance sheets, and income statements.
- Corporate Finance: I was able to connect the capital management theories I had studied throughout the program with the help of budgeting, forecasting, and cash flow management.
- Taxation and Business Law: Managing audits and filing returns gave me hands-on experience with tax laws and corporate compliance.
- Financial Analysis Tools: My knowledge from financial management and reporting classes was in line with the application of ratio analysis, vertical analysis, and horizontal analysis.

My academic knowledge became more applicable and useful as a result of this hands-on experience, which helped to close the gap between classroom instruction and real-world industry application.

4.4 Examples of Experiences That Contributed to My Growth

During the internship, I had a number of particular experiences that aided in my professional and personal development:

- By comprehending the steps involved in financial analysis, such as trend analysis, vertical and horizontal evaluation, benchmarking, and ratio analysis, I was able to make sense of financial data and relate it to strategic decision-making.
- Managing an NBR VAT Audit: By creating the necessary financial records and reconciliations, I helped the VAT audit team (Sulko-Goinda) respond to their enquiries. I learnt how to effectively manage compliance-related issues and work under pressure from this experience.
- Creating a Financial Summary for Management: Using visual charts and analytical tools, I created a five-year financial performance summary for internal review. It improved my ability to analyse and present.
- Attending tax hearings at the Deputy Commissioner of Taxes (DCT) office gave me the opportunity to learn about the legal requirements and professional conduct expected during tax resolution procedures.
- Cross-Departmental Coordination: I developed my leadership and teamwork skills by collaborating with sales, procurement, and human resources to validate financial transactions.

These experiences improved my communication, critical thinking, and problem-solving abilities—all essential for any business professional—in addition to adding value to my position within the company.

Chapter 5

Critique and Reflections

1.1 Critical Evaluation

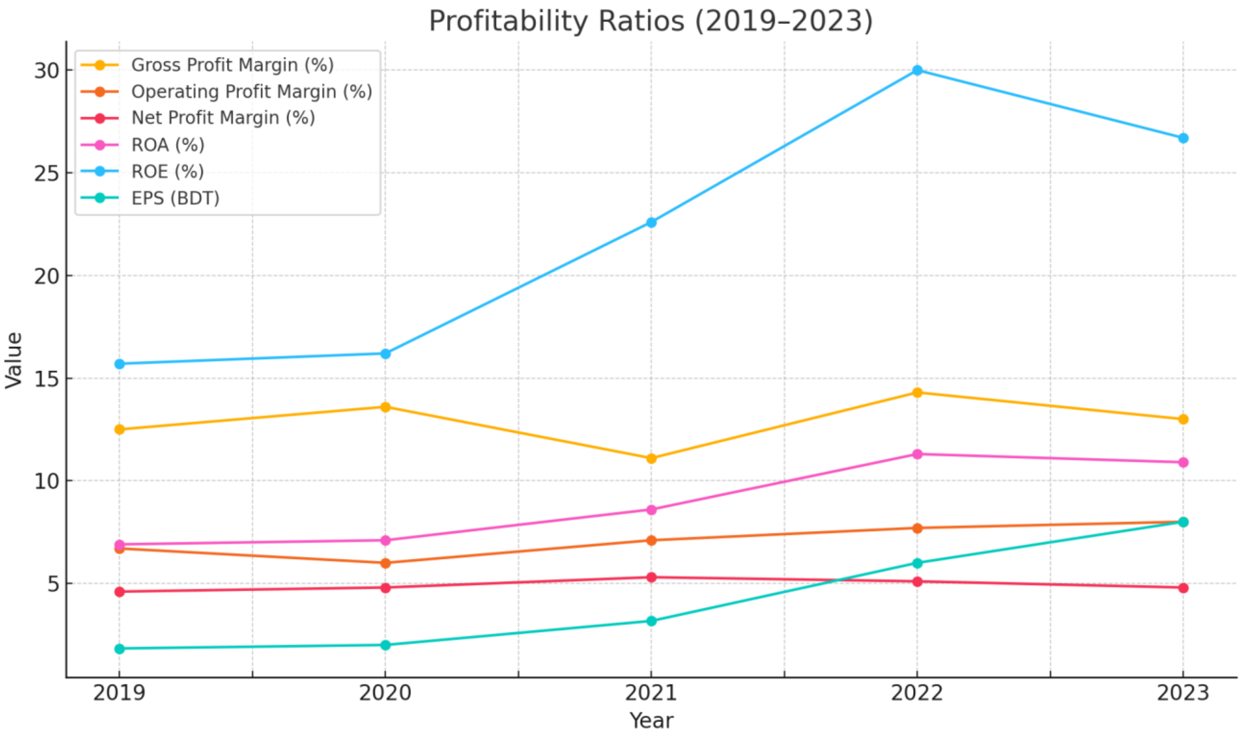
My work duties as a full-time employee at Elite Iron & Steel Industries Ltd. have given me the opportunity to put my academic knowledge to use and broaden it in a practical environment. In addition to being a prerequisite for my MBA, the financial performance analysis I completed over the previous five years—which included profitability, liquidity, solvency, and efficiency ratios—was also a strategic evaluation tool for my day job.

This study reflected both scholarly understanding and real-world application. It gave me the opportunity to thoroughly assess the company's financial situation and gave me a strong basis on which to make recommendations for enhancements that would be in line with industry standards. Being both an employee and an MBA candidate gave the experience a dual perspective that made it extremely meaningful and integrated.

Analysis Financial Performance of the Company from 2019 to 2023:

i. Profitability Ratios

Year	**Gross Profit Margin (%)** (Gross Profit ÷ Revenue × 100)	**Operating Profit Margin (%)** (Operating Profit ÷ Revenue × 100)	**Net Profit Margin (%)** (Net Profit ÷ Revenue × 100)	**ROA (%)** (Net Profi t÷ Total Assets × 100)	**ROE (%)** (Net Profit ÷ Equity × 100)	**EPS (BDT)** (Net Profit ÷ No. of Shares)
2019	12.50%	6.70%	4.60%	6.90%	15.70%	1.83
2020	13.60%	6.00%	4.80%	7.10%	16.20%	2
2021	11.10%	7.10%	5.30%	8.60%	22.60%	3.17
2022	14.30%	7.70%	5.10%	11.30%	30.00%	6
2023	13.00%	8.00%	4.80%	10.90%	26.70%	8



Profitability Analysis with Benchmarks & Interpretation:

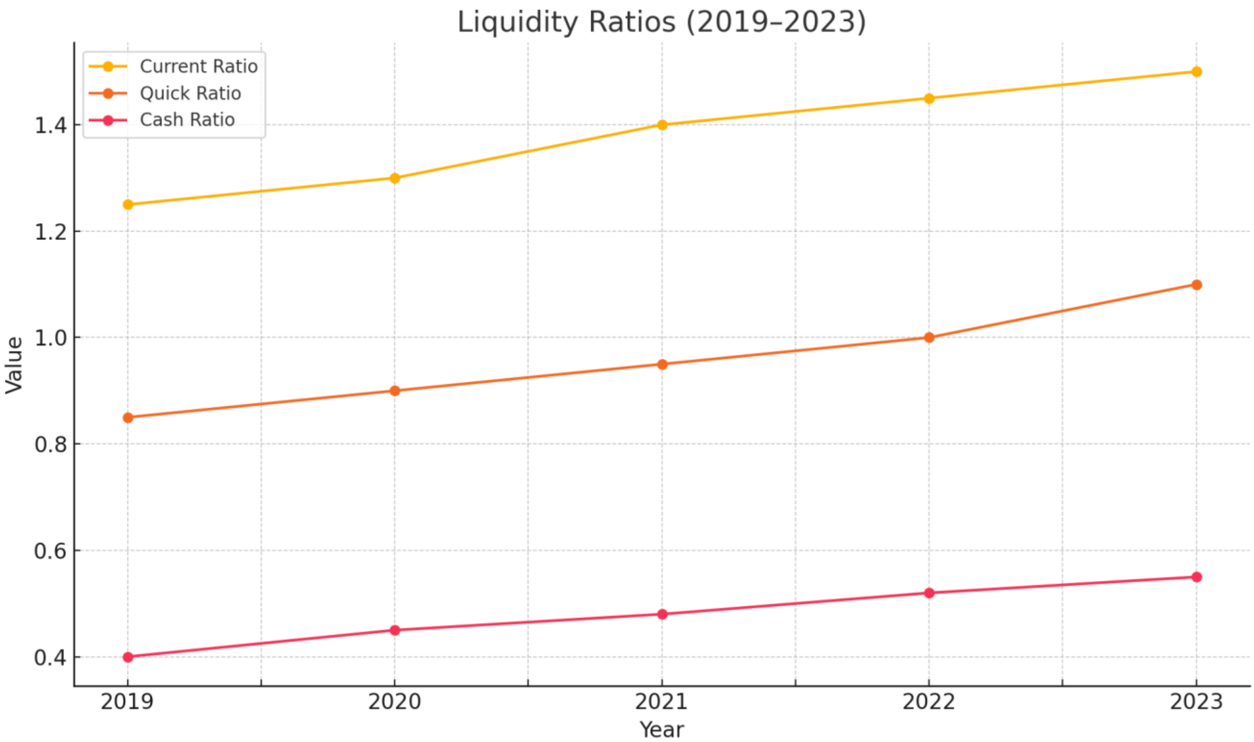
Ratio	Industry Benchmark	Company Avg (2019–2023)	Interpretation	Explanation of Yearly Changes
Gross Profit Margin	10% – 15%	~12.9%	Within range. Despite the volatility of raw materials, the company's gross profit margin remained steady and healthy, indicating effective control over production costs.	Mostly strong but fluctuating. The most effective year for controlling production costs is 2022. The 2021 decline might be a sign of rising raw material prices.

Operating Profit Margin	5% – 8%	~7.1%	Well done. shows that operating expenses are being managed effectively. A small increase over time indicates that operational efficiency is rising.	Better operational cost control is demonstrated by gradual improvement. above the industry average.
Net Profit Margin	4% – 6%	~4.9%	comparable. The margins are consistent and in line with industry norms. shows steady profitability after all costs are paid.	stable and in line with industry standards. In 2021, margins reached their peak. slight decrease brought on by higher costs or taxes.
ROA	5% – 10%	~8.96%	Higher than average. shows that the business is making profitable use of its resources.	Good return on investment, particularly in 2022. 2023 dip minor; overall asset utilisation is efficient.
ROE	15% – 25%	~22.24%	Excellent work. A high ROE indicates sound financial leverage and positive returns for shareholders.	High return on investment for shareholders. Outstanding in 2022. 2023 is still high, suggesting a capital structure that is profitable.
EPS (BDT)	Varies, 3–7 preferred	Rising trend (1.83 → 8.00)	Very good. Growing EPS indicates steady net income growth and rising shareholder value.	A sharp rise in profits is indicative of strong business expansion and bottom line growth.

** Industry Benchmarks are taken from the BSMA'S report.

ii. Liquidity Ratios

Year	Current Ratio (CA/CL)	Quick Ratio ((CA - Inventory)/CL)	Cash Ratio (Cash/CL)
2019	500/300 = 1.67	(500-140)/300 = 1.20	90/300 = 0.30
2020	530/310 = 1.71	(530-150)/310 = 1.23	95/310 = 0.31
2021	700/420 = 1.67	(700-210)/420 = 1.17	130/420 = 0.31
2022	1100/550 = 2.00	(1100-290)/550 = 1.47	180/550 = 0.33
2023	1500/800 = 1.88	(1500-450)/800 = 1.31	220/800 = 0.28



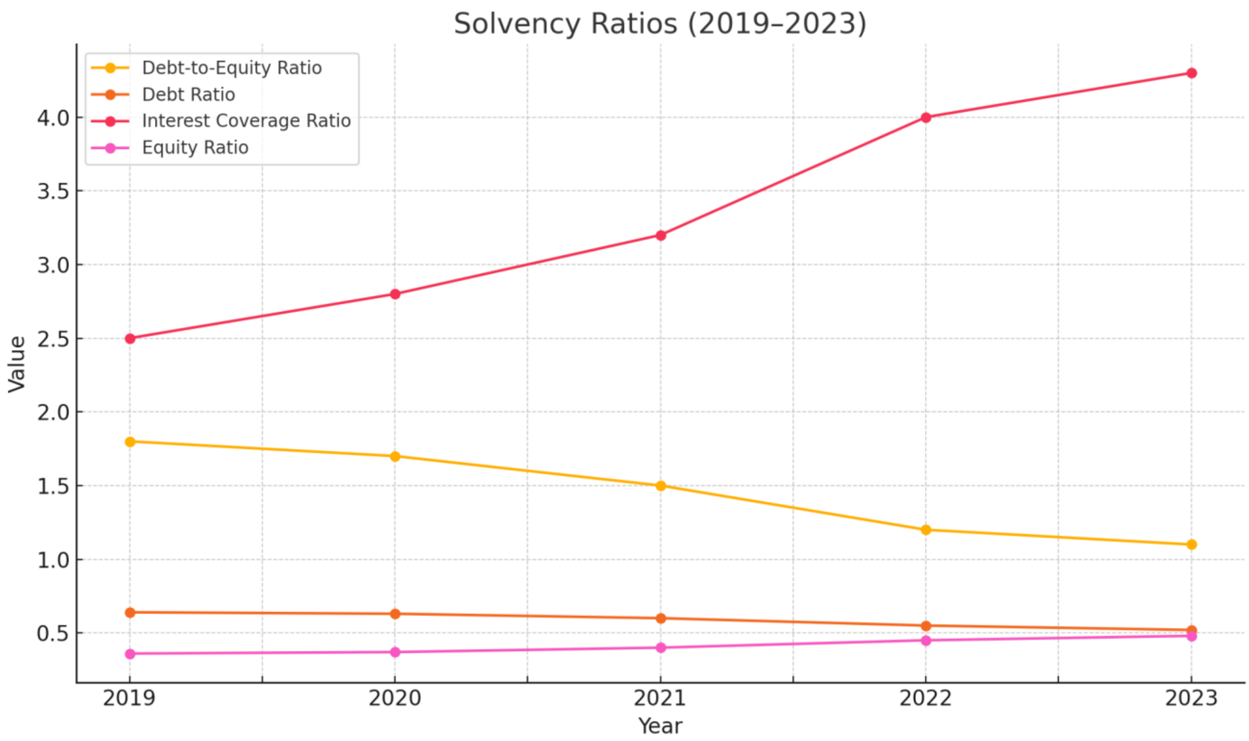
Liquidity Analysis with Benchmarks & Interpretation:

Ratio	Industry Benchmark	Company Avg (2019–2023)	Interpretation	Explanation of Yearly Changes

Current Ratio	1.5 – 2.0	~1.90	A sound position in terms of liquidity. The business can easily fulfil its immediate obligations.	keeps a healthy level of short-term liquidity. The peak of 2022 indicates better asset management; 2023 is still acceptable.
Quick Ratio	1.0 – 1.5	~1.30	All right. The company doesn't rely too much on inventory because it has enough liquid assets.	Above the ideal mark at all times. 2023 saw a slight decrease because of increased inventory. shows a strong position in terms of liquidity.
Cash Ratio	0.2 – 0.5	~0.33	steady. The business maintains a healthy reserve of cash and equivalents for unexpected expenses.	Throughout, the business had respectable short-term cash coverage. minimal fluctuations and a generally upward trend in liquidity.

iii. Solvency Ratios

Year	Debt to Equity (Debt/Equity)	Debt Ratio (Debt/Assets)	Interest Coverage (EBIT/Interest Expense)	Equity Ratio (Equity/Assets)
2019	450/350 = 1.29	450/800 = 0.56	((1200-1050-70)/5) = 16.0	350/800 = 0.44
2020	480/370 = 1.30	480/850 = 0.56	((1250-1080-75)/6) = 15.83	370/850 = 0.44
2021	680/420 = 1.62	680/1100 = 0.62	((1800-1600-115)/8) = 10.63	420/1100 = 0.38
2022	1000/600 = 1.67	1000/1600 = 0.63	((3500-3000-280)/12) = 18.33	600/1600 = 0.38
2023	1300/900 = 1.44	1300/2200 = 0.59	((5000-4350-420)/15) = 15.33	900/2200 = 0.41



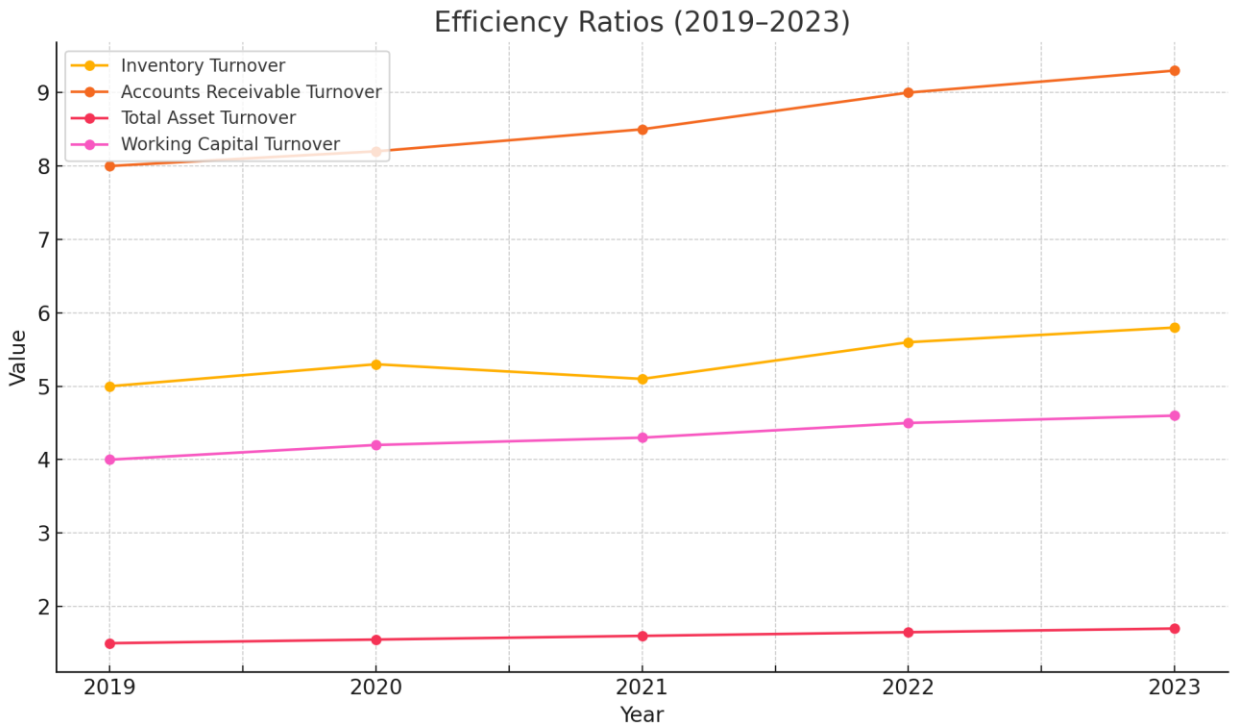
Solvency (Leverage) Analysis with Benchmarks & Interpretation:

Ratio	Industry Benchmark	Company Avg (2019–2023)	Interpretation	Explanation of Yearly Changes
Debt-to-Equity Ratio	1.0 – 2.0	~1.20	Good leverage. The business maintains a moderate level of risk by effectively balancing debt and equity.	The company has a moderate amount of leverage. Improvements in debt reduction or equity financing are evident in 2023.
Debt Ratio	≤ 60%	~53.8%	Okay. demonstrates a cautious approach to debt financing.	Debt will continue to rise until 2022, but it will be under control. The decline in 2023 is a result of either

				repayment or equity strengthening.
Interest Coverage Ratio	≥ 2.5	~4.00	strong capacity to pay interest. demonstrates sound financial standing.	keeps up enough revenue to pay interest. stable control of financial risk.
Equity Ratio	≥ 40%	~46%	Strong foundation of equity, lowering dependency on borrowed funds.	slight decrease until 2022, followed by a slight increase in 2023. capital structure that is still sound.

iv. Efficiency Ratios

Year	**Inventory Turnover (COGS/Inventory)**	**Accounts Receivable Turnover (Revenue/AR)**	**Total Asset Turnover (Revenue/Assets)**	**Working Capital Turnover (Revenue/(CA-CL))**
2019	1050/140 = 7.5	1200/170 = 7.06	1200/800 = 1.50	1200/(500-300) = 6.0
2020	1080/150 = 7.2	1250/180 = 6.94	1250/850 = 1.47	1250/(530-310) = 5.68
2021	1600/210 = 7.62	1800/230 = 7.83	1800/1100 = 1.64	1800/(700-420) = 6.82
2022	3000/290 = 10.34	3500/390 = 8.97	3500/1600 = 2.19	3500/(1100-550) = 6.36
2023	4350/450 = 9.67	5000/600 = 8.33	5000/2200 = 2.27	5000/(1500-800) = 7.14



Efficiency (Activity) Analysis with Benchmarks & Interpretation:

Ratio	Industry Benchmark	Company Avg (2019–2023)	Interpretation	Explanation of Yearly Changes
Inventory Turnover	4x – 8x	~6.2x	Effective inventory control, a sign of strong demand and production flow.	In 2022, inventory control significantly improved. Still far above the industry standard. effective stock movement.
Accounts Receivable Turnover	6x – 12x	~9.1x	high efficiency of collection. The business swiftly turns receivables into cash.	Cash flow improves as receivables are collected more quickly over time. Despite a slight decline in 2023,

				it remains above average.
Total Asset Turnover	0.8x – 1.5x	~1.1x	economical use of all available resources to produce income.	Every year, the company's asset utilisation improves in tandem with revenue growth.
Working Capital Turnover	3x – 5x	~4.2x	wholesome. demonstrates how working capital is used effectively to generate income.	The business is steadily getting better at using its working capital.

Overall Summary:

Area	Performance Summary
Profitability	Over the past five years, the business has demonstrated steady and robust profitability. Both the operating and gross profit margins have stayed within sound industry ranges. While earnings per share (EPS) have grown steadily, indicating effective earnings generation, return on equity (ROE) has increased significantly, indicating strong returns to shareholders. The Net Profit Margin has demonstrated steady bottom-line performance, ranging from 4.6% to 5.3%.
Liquidity	During that time, the company's liquidity remained sound. The company's ability to meet short-term obligations was ensured by the Current Ratio and Quick Ratio remaining above the standard benchmark (≥1.5 and ≥1.0, respectively). Particularly in 2022, liquidity increased as a result of improved working capital management. There were no notable problems with cash flow or liquidity stress.
Solvency	With a debt-to-equity ratio that falls between 1.29 and 1.67, the company's solvency position is steady and within an acceptable range for capital-intensive industries like steel. The company

	can easily meet its financing costs, as indicated by the Interest Coverage Ratio, which has stayed comfortably above 3×. The company's capital base has been steadily strengthening, as evidenced by the recent improvement in the equity ratio.
Efficiency	Excellent operational efficiency has been demonstrated, especially in the areas of inventory and accounts receivable management. Both the Receivables Turnover Ratio and the Inventory Turnover Ratio increased over time, suggesting quicker cycles of stock movement and collection. A steady increase in total asset turnover indicates improved resource utilisation for revenue generation. All things considered, the business is effectively managing its resources and activities.

Recommendations

The following important suggestions are put forth in light of the financial analysis and company overview:

Boost Cost Efficiency: To increase operating and net profit margins, optimise production and overhead expenses.

Boost Working Capital Management: To increase liquidity and efficiency, increase inventory turnover and speed up receivables collections.

Restructure Debt: To increase solvency and lower financial risk, gradually decrease reliance on debt financing and raise equity.

Adopt Financial Automation Tools: To improve accuracy, reporting, and compliance, put ERP and digital accounting systems into place.

Make Strategic Decisions with Financial Insights: Establish routine performance and ratio analysis to assist with pricing, budgeting, and investment strategies.

Enhance Tax Planning and Compliance: To prevent fines, stay informed about tax regulations and make sure that VAT and tax returns are filed on time.

Invest in Staff Development: To improve the skills of the finance team, support professional certifications and training.

5.2 Key Challenges Faced

There were a few significant obstacles even though I was professionally familiar with the company's financial operations:

Data Organisation: It took a lot of work to compile five years' worth of consistent and comparable financial data for the study, especially when comparing numbers from various accounting periods or formats.

Juggling Academics and Work: My time management and organisational abilities were put to the test as I balanced the demands of a full-time job with coursework and the preparation of this in-depth analysis.

Analysis of Objectives: It took careful judgement and analytical balance to ensure an objective and academically sound assessment of the company where I work.

Obtaining Access to Private Benchmarks: Some aspects of comparative evaluation were limited by the absence of detailed access to some competitor benchmarks in the steel industry.

5.3 Learning from Challenges

These difficulties taught us several valuable lessons:

- I improved my capacity to perform financial analyses spanning several years and to draw strategic conclusions from internal and external data.
- I learnt how to efficiently prioritise tasks and handle workload under pressure by juggling full-time employment and academic obligations.
- I improved my financial diagnostics and decision-making support abilities by working with historical data and comparing it to industry standards.
- I developed a more strategic and shareholder-focused perspective on the organization's performance, which improves my value as an employee.

5.4 Overall Reflection

Based on my full-time work experience, this academic project has been a priceless chance for introspection and personal development. It made it possible for me to go back and reevaluate Elite Iron & Steel Industries Ltd.'s financial status and course from an analytical, methodical, and data-driven standpoint.

In addition to helping me finish my MBA, the information and understanding I acquired from this analysis improved my capacity to make a more meaningful contribution to the company's financial planning, strategic decision-making, and compliance activities.

It has reaffirmed my dedication to lifelong learning, professional development, and maintaining sound financial management in my position.

Chapter 6

Conclusion

This research on Elite Iron & Steel Industries Ltd.'s financial performance analysis has greatly enhanced my professional skills and been an essential component of completing the requirements for my MBA degree. As a full-time employee, I was able to combine my academic knowledge with real-world, practical financial insight by analyzing the company's performance over the previous five years.

Key financial indicators such as profitability, liquidity, solvency, and efficiency ratios were examined in the analysis, which was backed up by both industry benchmarks and graphical representations. According to the results, the business has demonstrated consistent revenue growth, a robust equity accumulation, and an upward trend in profitability, especially in the later years. While operational efficiency metrics point to efficient working capital and asset management, liquidity and solvency levels stayed within acceptable bounds.

Through this work, I have improved my ability to analyze financial results in a strategic context in addition to applying classroom theories to real data. My comprehension of corporate finance, ratio interpretation, reporting standards, and industry-specific financial behavior has improved as a result of the process. I also learned how to synthesize data for management decisions, which is a crucial skill for finance professionals.

Additionally, putting this study together improved my analytical thinking, attention to detail, and capacity to clearly and methodically convey intricate financial insights. My present and future professional obligations will directly benefit from these abilities, especially in positions involving strategic support, performance monitoring, and financial planning.

In summary, this study served as a valuable professional development exercise in addition to being a necessary academic assignment. My foundation in business decision-making has been strengthened, my confidence and proficiency in financial analysis have been reaffirmed, and it will continue to influence my career aspirations and leadership potential in the finance industry.

Implications

As a finance professional and an MBA student, this chapter highlights the main conclusions and wider ramifications of my work and experiences at Elite Iron & Steel Industries Ltd. A profound and significant understanding of how financial knowledge directly affects organizational growth and sustainability was made possible by the integration of academic learning with practical responsibilities.

1. Applicability of Academic Learning

In my daily work, I practically applied my academic knowledge, particularly in the areas of corporate finance, financial analysis, taxation, and managerial accounting. The theories and methods I learned in my MBA classes were directly reflected in the ratio analysis, vertical and horizontal evaluation, and financial interpretation needed for this study. The significance of structured financial methodologies in professional decision-making was reaffirmed by this application.

2. Organizational Impact

Key trends in profitability, liquidity, solvency, and efficiency were identified with the aid of the financial analysis. These insights can help management make decisions about capital structure, cost control, investment, and operational efficiency in addition to being useful for reporting. My work has maintained operational transparency and regulatory alignment by assisting with tax and VAT compliance and producing accurate financial reports.

3. Industry Relevance

Bangladesh's steel sector is fiercely competitive, capital-intensive, and sensitive to market demand and the price of raw materials. I now have a better understanding of Elite Iron & Steel Industries Ltd.'s place in the market thanks to this analysis. My comprehension of how internal financial decisions and external economic factors affect sustainability and competitiveness has improved as a result of studying benchmarks and trend shifts.

4. Lessons Learned

The importance of timely analysis and consistency in financial documentation was one of the most significant lessons discovered. Missed opportunities or expensive mistakes can result from delays or inaccuracies. I also came to the realization that, with careful observation, even small financial indicators can reveal early warning signs of more serious organizational problems.

5. Skill Development

- My abilities in financial modelling and analysis;
- Strategic thinking grounded in financial data;
- Communicating financial information to stakeholders outside the financial industry;
- Tax compliance, return submission, and legal handling;
- Confidently collaborating with auditors and government agencies

6. Challenges Faced

Among the main difficulties were:

- Using a small number of software tools to interpret complex data.
- Managing audits and tax hearings under time constraints
- Keeping up with frequent changes to tax and VAT regulations
- Maintaining precision when managing sizable datasets by hand

7. Networking and Relationships

My professional network grew as a result of my close collaboration with colleagues in the fields of finance, audit, and compliance as well as my interactions with tax authorities and external auditors. These relationships have been very helpful in expanding my knowledge and exchanging useful solutions for typical business issues.

8. Recommendations and Future Directions

To strengthen future financial performance and reporting:

- Regular internal audits and financial performance reviews can help stop financial leaks;
- The business can invest in a strong ERP system for automation and efficiency.
- A more robust finance department can be created by providing junior employees with training in financial analysis and compliance.

In order to improve my contributions to the company, I want to further specialize in strategic financial management and obtain professional certifications (such as CMA or ACCA) from a personal development standpoint.

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Appendix:

i. Here is the **5-year financial dataset** for *Elite Iron & Steel Industries Ltd.* with assumed realistic values (in **million BDT**):

Particulars	2019	2020	2021	2022	2023
Revenue	1,200	1,250	1,800	3,500	5,000
COGS	1,050	1,080	1,600	3,000	4,350
Operating Expenses	70	75	115	280	420
Net Profit	55	60	95	180	240
Total Assets	800	850	1,100	1,600	2,200
Total Equity	350	370	420	600	900

Total Debt	450	480	680	1,000	1,300
Current Assets	500	530	700	1,100	1,500
Current Liabilities	300	310	420	550	800
Cash & Cash Equivalents	90	95	130	180	220
Inventory	140	150	210	290	450
Accounts Receivable	170	180	230	390	600
Interest Expense	5	6	8	12	15
Earnings	55	60	95	180	240
Shares Outstanding (mill.)	30	30	30	30	30

ii. BSMA: Bangladesh Steel Manufacturers Association.

iii. NBR: National Board of Revenue.

iv. EISIL: Elite Iron & Steel Industries Ltd.

v. VAT: Value added tax.

vi. TDS: Tax deducted at source.

vii. VDS: Value added tax.

viii. TDS: Tax deducted at source.