Internship Report

on

Financial Performance Evaluation Transcom Electronics Ltd. LTD

SUBMITTED TO

Md. Anhar Sharif Mollah

Associate Professor & Head

Department of Finance & Banking

Daffodil International University

SUBMITTED BY

Tahmima Islam Ritu

ID :- 212-11-6676

Department of Business Administration

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Daffodil International University

Date of Submission: August 17, 2025

Letter of Submission

Date: August 17, 2025

Md. Anhar Sharif Mollah
Associate Professor & Head
Department of Finance & Banking
Daffodil International University

Subject: Submission of Internship Report on Financial Performance Evaluation of Transcom Electronics Ltd.

Dear Sir,

I have the satisfaction to submit my internship report on "Financial Performance Analysis of Transcom Electronics Ltd." being assigned to me for the partial fulfillment of requirement for the completion of BBA Program. The objective of this report is to analyze the financial performance of Transcom Electronics Ltd. in the last three years using financial ratios and provide recommendations.

This report is a manifestation of what I have learnt over the course of my internship and will touch upon concepts related to Financial Analysis, Budgeting and Corporate Finance. It further elaborates on the methods I used, and knowledge acquired, through my field experience in the industry.

I trust this report fulfills your requirements. Would appreciate any feedback you may have to enhance this report.

Thank you for offering me the opportunity to do this internship.

Tahmima

Sincerely,
Tahmima Islam Ritu
ID: 212-11-6676
Department of Business Administration
Daffodil International University

Proof of Internship Completion Letter

Transcom Electronics Ltd.
House 22, Road 04,
Block F, Banani,
Dhaka-1213, Bangladesh
Phone: +880 2222853692, 222295370
Fax: +880 91307307, +880 2 58810055
Website: www.transcombd.com

Date:12 May 2025

To Whom It May Concern,

I'm please to certify that Ms. Tahmima Islam Ritu, ID 212-11-6676, a student of BBA Program has completed his summer internship in Finance & Accounts Department at Transcom Electronics Ltd. for three months from last February 09, 2025 to 10 May 2025.

During her internship she showed commitment to work, self-discipline & capable to execute the work assigned by the Finance & Accounts staff.

We are glad to have had her as an intern and she works with skill and professionalism beyond her years. We send good wishes on whatever she does next.

If there is any further information or clarification that may be required please do not hesitate to contact us.

Yours sincerely,
for, Transcom Electronics Limited

Md Mehadi Hasan Bin Ghani
Head of HR & Admin

Declaration

I, Tahmima Islam Ritu, solemnly declare that this internship report titled "Analysi s of Financial performance of Transcom Electronics Ltd." represents the report of my own work and that I have not previously submitted the report for any other purpose or for any other degree or diploma to the best of my knowledge belief. The report is the result of my internship at Transcom Electronics Ltd., my own observations and recommendations.

I further declare that this dissertation has not been previously submitted in part or in full for any assisted or unassisted assessment of any kind in any other institution and that all secondary sources used in arriving at the finding have been duly acknowledge and the final document properly quoted. All references cited in the preparation of this manuscript have been properly referenced as per the standard citation guidelines.

The accuracy of the information in this report is entirely my responsibility.

Tahmima

Signature:

Tahmima Islam Ritu
ID: 212-11-6676
Department of Business Administration
Daffodil International University

Letter of Acceptance

This is to certify that Tahmima Islam Ritu ,ID 212-11-6676 has prepared the Internship Report on **“Financial Performance Evaluation of Transcom Electronics Ltd.”** under my supervision. This report is being submitted to Daffodil International University in partial fulfillment of the requirements for the degree of Bachelor of Business Administration (BBA), majoring in Finance.

I hereby recommend that this report be sent for evaluation.

Md. Anhar Sharif Mollah
Assistant Professor & Head
Department of Finance & Banking
Daffodil International University

Acknowledgment

It's been an honour and privilege to work for Transcom Electronics Ltd. over the past three months, and having all the support that I received while I was there has lead me to produce this report.

Acknowledgements Above all, I would like to thank Md. Anhar Sharif Mollah, Associate Professor & Head of the Department of Finance & Banking, Daffodil International University, for his valuable guidance, supervision, and constant support throughout my internship program. His positive comments and advice made me adjust the depth and the detail of my work as well as the financial knowledge from the abstract to the actual.

And, special thanks to my internship supervisor and the entire staff of Transcom Electronics Ltd. for giving me the chance to work in such a reputable organization. Their cooperation, encouragement, and knowledge of the company's financial procedures proved a great factor in the successful completion of my internship project.

Secondly, I will like to express my deep sense of gratitude to the staff of Transcom Electronics Ltd., Finance and Accounts, who imparted knowledge and experience to me and that I gained from my internship.

Finally, I would like to thank my family and friends for their endless support and inspiration throughout my life and internship.

Thanks all for your support in getting towards my academic and professional dreams!

Table of contents

Executive Summary

This Report includes an internship report on financial performance of Transcom Electronics Ltd. Ltd. The internship had the commendable goal of assessing financial measures such as profitability, liquidity and operational effectiveness and providing an understanding on how such measures have an impact on the performance and competitive advantage of the company in the electronics market of Bangladesh.

Overview The report starts with a brief overview of Transcom Electronics Ltd.' history, mission and present activities. It proceeds to financial analysis, which centers around a few major ratios including Net Profit Margin, Return on Assets (ROA), Return on Equity (ROE) and liquidity ratios like Current Ratio and Quick Ratio. The results indicate a decrease in profitability over the past five years, largely as a result of the increase in operation costs. However, the liquidity and asset turnover have become better, which also signifies that the company is in a better financial position now.

The report highlights some critical issues encountered by the company in its operation, such as poor expenditure management, excessive operational expenditure, and subutilization of the assets. The respective conclusions refer to the recommendations to increase the level of profitability, including improving the management of assets, optimizing supply chain management, and saving programs. The report also stressed that further innovation and market creation would be required to maintain growth.

Based on the above findings, the report concludes that the performance at Transcom Electronics Ltd.Ltd. is moving in the right direction. But there is more that it must do to battle costs and streamline its operations – and to be competitive in the cut-throat electronics industry.

It is through this internship report that the theories and knowledge that I have learnt in the lecture on Financial Management for all this while is put into practice, which I believe throughout my career in future I will apply such knowledge in other business and financial related matters.

Chapter 1: Introduction

1.1 Background

The internship is essential part of B.B.A (DBA) curriculum for finance students of Daffodil International University. It is a valuable opportunity for students to test their theoretical knowledge in a live organisational context thus enabling them to gain practical skills and an insight into how organisations operate. For students wishing to enter a career in business or finance, knowledge of how financial theory can be applied in practice is a must.

I selected Transcom Electronics Ltd. as the ideal place for my internship as it holds strong presence in the Bangladeshi electronics market and focus on innovation and is known for operational excellence. Transcom Eelctronics Limited (TEL), the exclusive distributor of electronics and home appliance products in Bangladesh. The company strongly believes in the pursuit of customer objective, quality assurance and progress that allows one to gain the practical knowledge in the arena of business operations, financial analysis and strategic decision making.

Transcom Electronics Ltd. is well aligned with the curriculum area of Business Administration in that it gives students a chance to be exposed to in-house financial performance analysis and cost control of the company’s products services and goods; all of which are fundamental learning experiences for students pursuing a Finance major as a degree. I was able to practically use what I had learned in the financial analysis, budgeting, forecasting, and performance evaluation to close tha distance between the theoretical knowledge and the practical application.

The objective of this paper is to present a brief account on my internship at Transcom Electronics Ltd. with special reference to financial performance of the company. The study contains the financial analysis which consists of the financial ratio, profitability, liquidity and growth rate analysis and provides some suggestions in order to maintain or to increase the stability and competitiveness of the company.

1.2 Statement of the Problem

I noticed a number of issues regarding the financial performance of Transcom Electronics Ltd. during my internship which could hinder Transcom Electronics Ltd.’ long term future. Part of an important problem that's potential to become a crisis at the company with cost, and in the procurement area of concerns with the raw material, and in inefficient supply chain. Such challenges can result in increased operational expenses, negatively impacting the profitability of an EI. Also, there were some doubts about the efficiency of financial reporting processes and occasional lags in report making, which may influence managerial decision making. If not resolved, competitive advantage may be impaired in making decisions on a timely and informed basis.

Another matter I would like to bring up is the issue with regard to the profitability Ratios of the company , that is most challenging in striking the balance between revenue generating and costs management. Sales have gone up, but profitability has been held back by higher operational costs and inefficient process flows. The objective of this paper is to closely examine these challenges and suggest remedies for enhancement of financial performance.

1.3 Objective of the Study

- To analyze profitability using ratios like Net Profit Margin, ROA, and ROE.
- To assess liquidity through the Current and Quick Ratios.
- To measure performance via Asset and Inventory Turnover ratios.

1.4 Methodology of the Study

The study is qualitative and quantitative . The analytical date was largely secondary date, drawn from the internal financial reports of Transcom Electronics Ltd. and between web sources. CAPtf CPP. The following is a solicitation of symbolic calculations of Net Profit Margin, Return on Assets, Return on Equity, Current Ratio and Quick Ratio is an important key figures in the monitoring of profit, liquidity and efficiency of the company.

The financial analysis was augmented with a liquidity positioned comparison of Transcom Electrinics Ltd. for the last five yearsxii (2019- 2024). It was focused on key market and operational trends, and opportunities for growth. In addition, qualitative contact data from the article were based on participant observation in practice-based learning as a student intern, casual employee interviews, as well as internal meetings. These findings were used to enhance the financial analytics and perception of operational issues the business model was facing.

1.5 Literature Review

The ability of decision-makers to analyze trends and potential problem points in advance helps them make the best strategic decisions all-round business behavior. Financial ratios for assessing company basis and performance: literature review Many studies and papers have emphasized the role of financial ratios in analyzing the health and performance of companies. According to Brealey& Myers, (2019) Profitability ratios, Net Profit Margin, and ROA all call for consideration in how effectively a company is utilizing resources to make profit. The same goes for liquidity ratios such as the Current Ratio and Quick Ratio which describe the ability of a company to pay short term debt without relying too heavily on their inventory or other assets which have less liquidity (Barker, 2021).

Moreover, Tirole (2017) argues that the level of operational efficiency affects financial performance. If companies can utilize their supply chains well and eliminate all overheads then worldly success awaits. There are also studies that show the impact of market factors, such as sector sentiment or economic status on a company's financial results. The Report of Bangladesh Electronics Manufacturers Academy Electronics Industry (2022) clearly points out that the condition of electronics in Bangladesh also affect financial policy.

1.6 Limitation of the Study

This study provides insights in the financial performance of Transcom Electronics Ltd. however it is also subject to certain limitations in generalization. For one, the review is based on secondary information that was taken from other reports and not to mention not the latest or complete overview of the company's financial background. Also, the projection doesn't take into account, external factors like government policies, market conditions and consumption patterns, which would also have a bearing on the operations of Transcom Electronics Ltd.

The study also does not delve into detailed so called soft side of financial decision making at Transcom Electronics Ltd. such as managerial behaviour or intra-organisational communication through which efficiency and profitability may affected. Lastly, the study period is constrained by the five-year nature of the dataset from 2019 to 2024 so long term trends and the effects of market shocks within the electronics industry could be antique.

Chapter 2: Company/Organization Overview

2.1 Overview of Transcom Electronics Ltd.

Product of Transcom Transcom Electronics Ltd. Limited is one of the largest electrical, electronics, appliances, pharmaceuticals and IT products manufacturing and marketing conglomerates in Bangladesh. The owner company is the Transcom Group, a well-known conglomerate in Bangladesh in industries such as food and beverage, pharmaceuticals, and electronics. Transcom Electronic Limited believes in introducing world class products and services for the consumers of Bangladesh.

The company's diverse product portfolio includes large home appliances, mobile phones, consumer electronics, and LED lighting solutions. Some of the prominent brands under Transtcom Electronics are Transtec, Hitachi and Samsung. The products are promoted and sold through a network of distributors, retailars and direct sale channels that cover a wide geographical area in the urban and rural parts of Bangladesh.

Transcom Electronics Ltd. The top electronic retailer in the market, Transcom Electronics Ltd. already made its name for quality, after-sales service and large variety in product range. Ability to adjust according to consumer preferences & wide distribution network of the company has made it one of the most trusted names in Bangladeshi electronics market.

2.2 Mission, Vision, and Core Values

- **Mission**:
  Transcom Electronics Ltd.' mission is to provide high-quality, reliable, and innovative electronic products that improve the lives of its customers. The company aims to be a leader in the consumer electronics market by offering advanced technology and superior customer service, contributing to the development of the local economy.
- **Vision**:
  Transcom Electronics Ltd. strives to become the **leading electronics company** in Bangladesh and beyond, known for innovation, product quality, and exceptional customer service. The company envisions building a sustainable business model that balances profitability with social and environmental responsibility.

- **Core Values**:

  - **Quality**: Transcom Electronics Ltd. is committed to providing products that meet international standards of quality, ensuring durability and reliability for its customers.
  - **Customer-centric:** The company values customer’s feedback and provide excellent after-sales support.
  - **Integrity**: Transcom Electronics Ltd. operates with honesty and transparency in all aspects of its business, building trust with its customers, employees, and stakeholders.
  - **Innovation**: The company continuously invests in new technologies to provide cutting-edge products that meet the evolving needs of consumers.
  - **Social Responsibility**: Transcom Electronics Ltd. is dedicated to contributing to the community and environmental sustainability through responsible business practices.

2.3 History and Current Operations

History of Transcom Electronics Ltd.:
Transcom Electronics Ltd. was originally founded in the early 90s under the Transcom Group. The company began with distribution of international electronic brands, but soon started marketing locally produced electronic products under its own brand Transtec. Through the years, Transcom has developed into a one-stop consumer electronics store that meets the needs of any consumer by providing a variety of products: from reefers and gas ranges to TVs and smart phones.

That will certainly happen over the past 20 years for companies who have entered in the local and regional market. Its cooperation with the world’s renowned brands such as Samsung and Hitachi made it to stand strong in the competition and its distribution of Transtec products enabled it to cater to the local market with full efficiency.

Current Operations:
Transcom Electronics Ltd. is FMCG which operates in consumer electronics, appliances, mobile phones and lighting fixtures. The company has a strong distributional network which spreads through all the big cities and towns in Bangladesh. Sales Transcom Electronics Ltd. markets its products through retail outlets and e-commerce channels as well as a network of dealers and agents.

There is a modern service center to offer after-sales services and product repairs. Moreover, Transcom Electronics Ltd. is committed toward conservation of environment and social responsibility, undertaking business operations which is favourable to the environment and the local community.

Transcom Electronics Ltd. has grown - and never stopped growing - to accommodate the shift towards high tech, energy-saving products in the electronics field. With decades of experience,Transom Electrics Ltd emerged as a company that looked at market challenges right in the eye and stole the show, leading the brand with its technology of the day products and taking brand to heights that its competition caters to. The company also has spent more time on digital innovation and e-commerce to keep up with the needs of the tech-savvy consumers of the weekday.

Chapter 3: Internship Role and Responsibilities

3.1 Role and Responsibilities

During my internship at Transcom Electronics Ltd. in Finance and Accounts department and worked for cost management, process and revenue efficiency, financial analysis etc. My responsibilities included:

- Financial Costing Analysis: I was in charge of helping to analyse the major operating expenditure like Ocean Freight Bill, C&F Bill, Local Transport Bill and Casual Bill. These jobs allowed us to see where and how to slash costs to make money.
- Cost management :Their management of costs Involved in Ocean Freight Bill & C&F Bill checking & costing, booking & costing for ocean freight, customs clearing, transport.
- Logistics and distribution: From collecting entry, issuance of invoice, and checking of a bill I took charge as a member of a logistics team. And I learned operational controls around the goods and service flow down doing transactions to maintain reliable financial reporting.
- Wages Management and Monitoring: I worked on Casual Bills Processing, included Labor hours tracking and overtime computation and compare running names to company Pay schedule.

3.2 Rationale of Those Roles and Responsibilities

They were also aligned with the business policy of Transcom Electronics Ltd., which were on the cost-efficient and cost containment and operations effectiveness. Here is how my responsibilities fit into the company's larger structure:

- Saving in the costs: Assisted in the scrutiny of the payments as OF Bill, C&F Bill and Local Transport Bill are paid in the process of which options of saving in the terms of logistics and supply chain management was identified. Ability to keep Shipping/ Freight Cost in Check is the Key to Your Profit Margins.
- Wage and Payroll Accuracy: I have contributed as a Casual Bill tracker by confirming that staff were paid when in fact it was me at the end of month on bills. That is a must to keep up good relation between the staff as well as is obligatory under the labor law.

- logistics: cooperated with logistics moc, simplified operation process of collection entry, releasing invoice, paying bill, etc which ensure the financial documents timeliness, accuracy. This helped to maintain the flow without interruption in the distribution.
- Aiding Financial Decisions: I helped our finance team decide between making financial decisions to buy at home by reviewing their financial documents, such as the C&F Bill, we were able to know what was spent on the procurement and shipping costs. It was crucial to be competitive at all times and to have a smooth operation.

3.3 Example of the Task

One of the major projects I have worked on was the Ocean Freight Bill and C&F Bill analysis. I had to calculate the price per box with the shipping and document costs. It explained how these costs impact the profitability of the company.

For example:

- Ocean Freight Bill: I looked at the ocean freight rate and what types of containers are being utilized. The regular price for a 40 ft container was 1120 BDT/USD until end of June. I've compared it against the market AND found ways to save some money on shipping.
- C&F Bill: I helped review the C&F Bill, which contained port charges, shipping agents fees, as well as VAT on the document fee. The C&F agent is supposed to clear the goods and see that all the required documents are in order. The agent is also responsible for recording the total cost less customs duties and port duty charges.
- Local Transport Bill: I took part in a review of local transport costs which were negotiated on aspects such as fuel, distance and size of container. We also wanted to ensure that the transport cost did not exceed 40,000 BDT per container and I contributed to monitoring this so we remained within budget.

I also help out in calculations of wages for casual workers, so that we can track their attendance and calculation of their overtime - under Casual Bill. These numbers were important in making sure the workers received the pay they deserved on time.

Chapter 4: Key Learnings and Experiences

4.1 Important Learnings

During my internship at Transcom Electronics Ltd., I learned a lot and there were many experiences and lessons that have contributed to my personal and professional growth:

- Cost control: what I understood was that the only way to profit from your venture was by being laser-focused on your operating costs. Leveraging resources to utmost use, I analyzed the key expenses including Ocean Freight Bill, C&F Bill and Local Transport Bill which would add to the cost of company's profits. I learned the hard way that managing these costs is key to maintaining healthy profit margins, and it's important to get a handle on them rather than focusing strictly on revenue growth.
- Financial Accuracy: I learned that reporting of finances can be really important. Misreporting or belated financial information may lead to wrong decisions and financial loses. I also learned the importance of timely and accurate financial reports, in order to make informed decisions, by working closely with the finance department.
- Inter functional work: I have understood the relevance of working across functions, be it finance or operations or logistics and that it takes meeting the company's financial targets and operational targets. Early in career, I learned that we either make or mar based on the logic communication & collaboration among teams.
- Financial Ratios I learned about common financial ratios such as Net Profit Margin ROA and Inventory Turnover. For me these were not simply numbers, but they were academic but practical instruments which enabled me to look at the company's overall financial condition and where necessary, to identify potential room for improvement starting with the data collected.
- Time Management : It aided me in handling multi tasks of cost analysis, financial reporting & comparing them parallelly and time management. How to structure a project, meet deadlines, and multitask in a fast-paced environment.

It was these types of experiences that shaped my view of how in business administration and finance you could make things move etc.

4.2 Rationale of Those Roles and Responsibilities

My background in finance was very beneficial to the company in terms of saving money tracking, budgeting and time management. Key opex lines that I analyze were Ocean Freight Bill, C&F Bill and Local Transport Bill and impact to the company cost profile was my responsibilities. I helped Transcom Electronics Ltd to become more profitable and financially viable by minimizing costs in the above areas. What’s more, the portion of wage administration that I managed ensured that casual workers were paid on time and correctly to satisfy employee needs. Which fit quite well with the company goals to gain more control over the financial side of things and the correctness of the reportings, which lead to that this would be a workpackage that I carried out.

4.3 Connection with Academia

This Internship of Transcom Electronics Ltd was an opportunity for me to utilize the types of theory and practice relationship which I taught in my BBA courses of Daffodil International University. Theoretical shit which I used in class materialized in my internship particularly in financial analysis, budgeting and cost control.

In Financial Management (FIN401), I learned how to analyze a firm’s profitability using profitability ratios such as Net Profit Margin, Return on Assets (ROA), and Return on Equity (ROE). These concepts come to apply when I critically review the profitability and performance over the course of the past five years of Transcom Electronics Ltd. I could analyse using these ratios how effectively the company used it's resources to create profits (which was one of the main goals for my internship).

Similarly, I studied Principles of Accounting (ACT101) and Financial Accounting (ACT303) which informed me about accounting processes, relevant terms, how to compile balance sheets, income statements and cash flow statements and the meaning of all these financial statements. This information was very useful when I had to analyze the company’s financial position in details, and used the Current Ratio and the Quick Ratio to find out that the company was liquid and its short-term debt-paying was good.

It’s been a great learning experience to realize how important the things I learned about in the classroom (I learned about operational efficiency and cost management and financial decision making) apply to the way a company actually functions each day. It gave me a better understanding of the practical application of these academic ideas in its practical model, solidifying the theme as valid in my corporate life.

4.4 Example

The most learning experience I had in my internship was analysis on OCEAN Freight Bill and C&F Bill. It felt overwhelming at first particularly in complex and large documents, but as I did it some more, I devised a process to dissect the costs and find the areas for potential savings. For so was a well for my analytical, problem solving mind. It's the same with Casual Bills, in which I've had to list who was working what hours and tell their boss and the co-workers: how many hours of OT COULD they enter. It honed my skills in organization as I adapted to the quick repayment of correct wages. Those were the occasions that made me become a better person, even a better professional, where I got to apply all those theoretical lessons and practices I’ve been facing in order to survive in a finance job.

Chapter 5: Financial Performance Evaluation

5.1 Financial Ratios Analysis

Profitability Ratios:

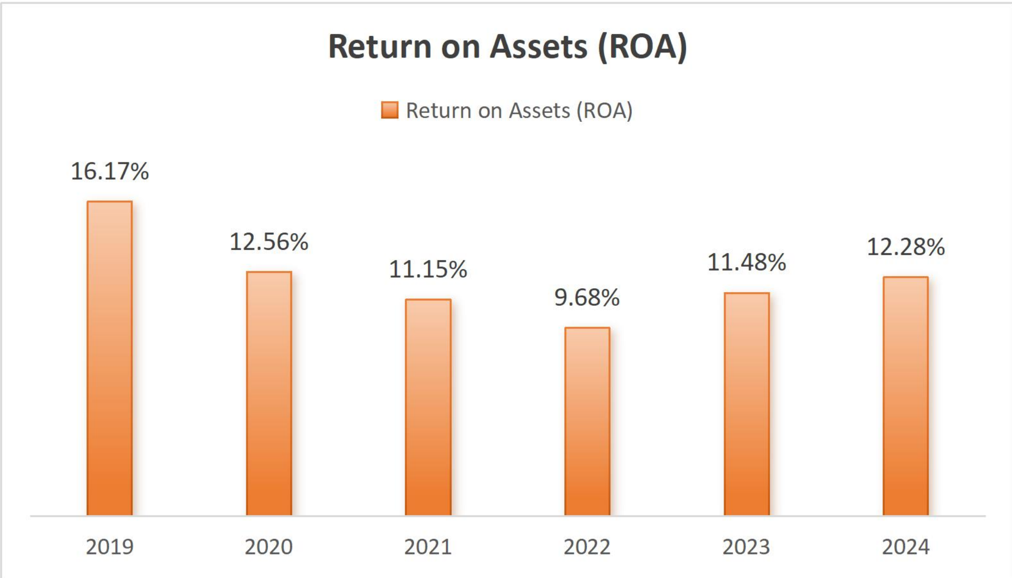
Net Profit Margin: This is really measuring how much profit a company makes out of its revenue. The decreasing net profit margin of Transcom Electronics Ltd. is a sign of the fact that even though revenue is on the rise costs are growing at a faster pace, bringing down the company's profitability.

Ratio	2019	2020	2021	2022	2023	2024
Net Profit Margin	16.17%	12.56%	11.15%	9.68%	11.48%	12.28%

Net Profit Margin ratio drafted as an evaluation of the profitability or the effectiveness of the company, the comparison between the business owners or the common users also provide an accessible way to show how many sales are retained as net income after subtracting all operating and non-operating expenses. As of 2019, the company had a ttm profit margin of 16.17% a figure that implies good profitability. But this percentage has fallen over the years, hitting a low of 9.68% in 2022. The decrease in margin was driven by accelerated expansion of operating expenses relative to revenue. Fortunately the company was recovering in 2023 and 2024 with the margin inching up to 11.48% and 12.28% respectively. That's a good trend and that is in the sense that we're just doing a better job of managing costs, we're more efficient operationally and therefore even in a tough market profitable.

Return on Assets (ROA): This determines how efficiently the company uses its assets to earn profits. The decrease in ROA would indicate the inefficiency in asset utilisation and indicates the management of assets is needed to be more efficient.

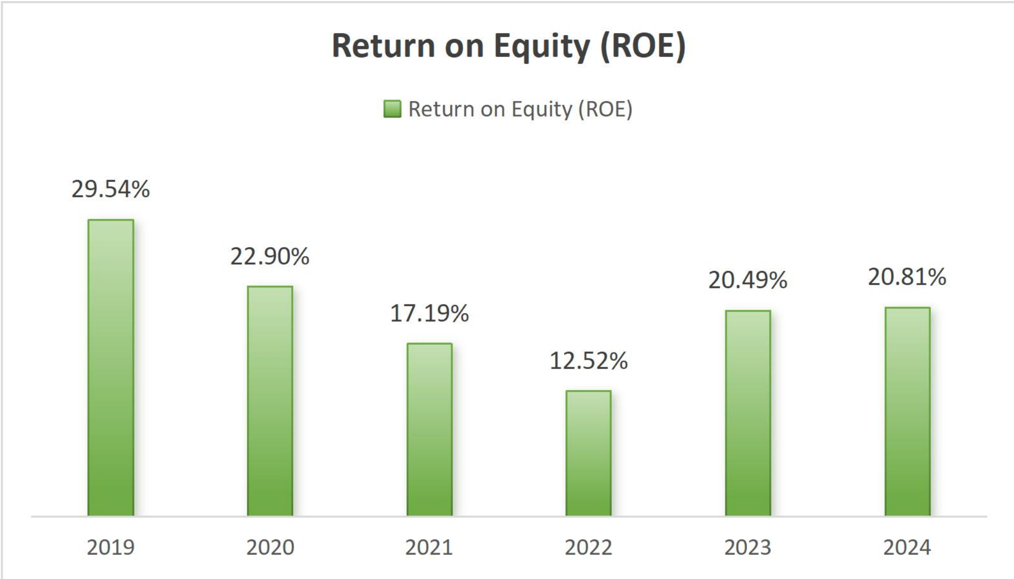
Ratio	2019	2020	2021	2022	2023	2024
Return on Assets (ROA)	16.17%	12.56%	11.15%	9.68%	11.48%	12.28%



The ROA tells us exactly what we want to know, how effective TEC RESOURCE 's assets are at turning into profit. The ROA was 16.17% in 2019 and declined for subsequent year the portion of ROA in percentage was 9.68% for 2022. Then came progress in 2023 and 2024, when the ROA jumped to 11.48% and 12.28%, suggesting the assets were being better utilized and there was growth in earnings.

Return on Equity Return on Equity (ROE):which reflects the earnings generated for the capital invested in the company, a lower ROE is a sign that less investment is used to create similar level of earnings meaning that investors are losing on their investments.

Ratio	2019	2020	2021	2022	2023	2024
Return on Equity (ROE)	29.54%	22.90%	17.19%	12.52%	20.49%	20.81%

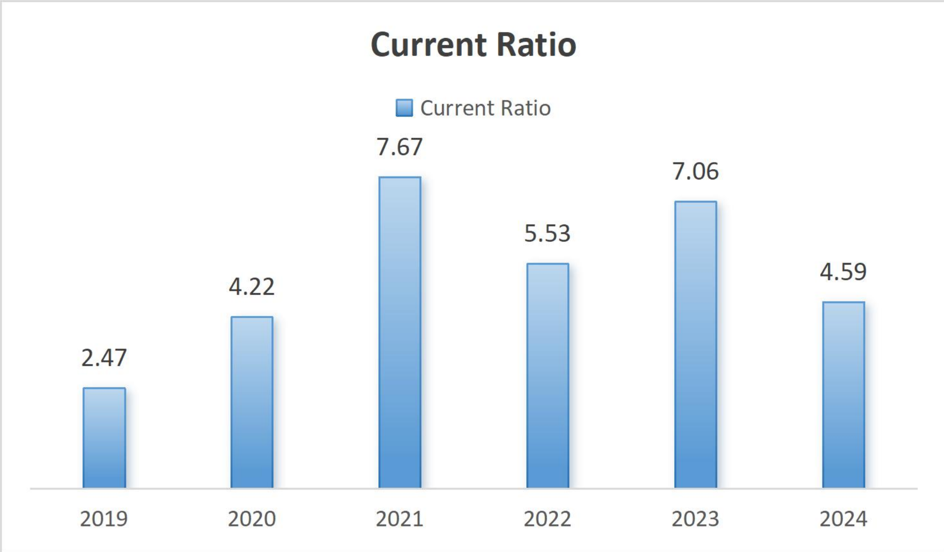


ROE (Return on equity) was recorded as 43.25%. How Transcom Electronics Ltd. made money for and from shareholders with money they invested (and at what interest rate), of profit was made, and how much of it was reinvested, or paid out, in the business. The company's ROE was a pretty healthy 29.54% in 2019. But the share had dropped in years since, to 12.52% in 2022. Fortunately, that trend has reversed, with ROE now standing at 20.49% and 20.81% for 2023 and 2024, respectively, a much more rational level of shareholder returns.

Liquidity Ratios:

Current Ratio: This ratio indicates the ability of Transcom Electronics Ltd. to meet its short-term liabilities with its short-term assets. A stable current ratio is noted, which suggests that the company maintains sufficient liquidity to cover its short-term obligations.

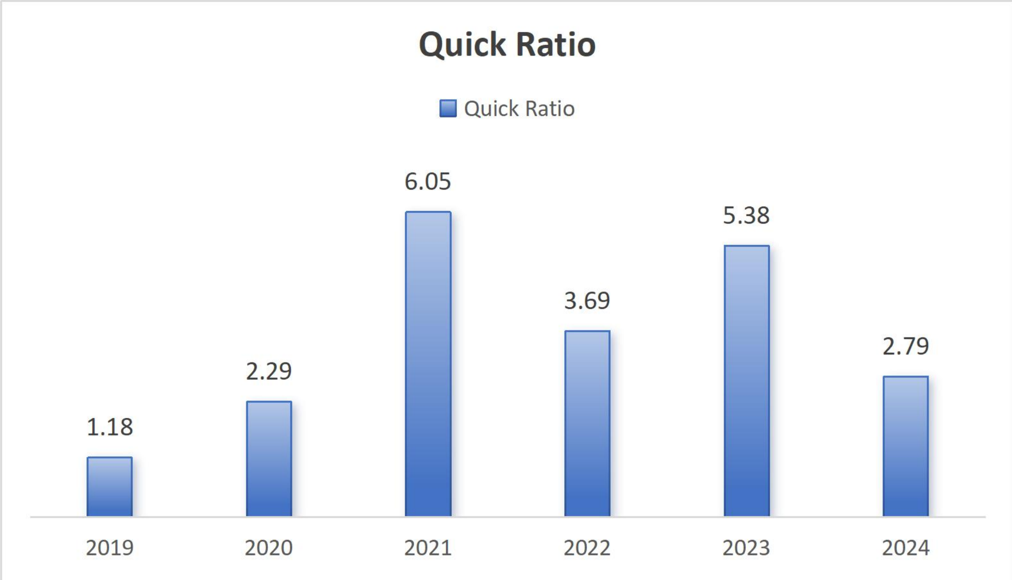
Ratio	2019	2020	2021	2022	2023	2024
Current Ratio	2.47	4.22	7.67	5.53	7.06	4.59



Current Ratio According to the current ratio, Transcom Electronics Ltd. enjoys good liquidity, as its ratio remains steady and above 1. The ratio reached a high of 7.67 in 2021, indicating a very high ability to cover short-term liabilities. While it fell slightly in 2022 and 2023, it remained robust at 5.53 and 7.06, respectively, before ending at 4.59 in 2024, suggesting that the company is still adequately positioned to pay of its short-term debts.

Quick Ratio: A more stringent liquidity measure that excludes inventory from current assets. This ratio also indicates that Transcom Electronics Ltd. is in a stable position to meet its immediate liabilities, though it could be optimized by improving the cash flow.

Ratio	2019	2020	2021	2022	2023	2024
Quick Ratio	1.18	2.29	6.05	3.69	5.38	2.79



The Quick Ratio, used to evaluate the liquidity of a company, calculates the total amount of cash, short-term marketable securities and receivables divided by the total of current liabilities and the Quick Ratio of Transcom Electronics Ltd.: 1.5 (Number>1) showing that Transcom Electronics Ltd. has good standing on its ability to pay short term obligations. This ratio rose to a peak of 6.05 in 2021, reflecting high liquidity. Although it had declined to 3.69 in 2022, 5.38 as of 2023, the number is still a comfortable threshold and closing at 2.79 in 2024 suggests the company still has the liquid cash on hand to meet its current obligations.

Efficiency Ratios:

Asset Turnover: Transcom Electronics Ltd. has more ability to generate sales from its assets. This ratio illustrates the inefficiency of the company in utilizing its assets to produce sales.

Ratio	2019	2020	2021	2022	2023	2024
Asset Turnover	0.81	0.69	0.52	0.44	0.49	0.53

The Efficiency Ratios which tells us how well Transcom Electronics Ltd. is using its asset and inventory. Asset Turnover ratio declined by half from 2019 to 2022 at 0.44 so efficiency in assets use has deteriorated. But it improved in 2023 and 2024, with the ratio springing to 0.49 and 0.53, which means efficientain't asset utilisation. balance sheet), and the Inventory Turnover showed no significant difference and it ranged from 1.17 in 2019 to 1.35 in 2024, which resulted in the improvement of inventory management and the acceleration of the product sale throughout the time.

Inventory Turnover: This ratio is crucial for understanding how quickly inventory is being sold and replaced. A high turnover indicates efficient management of stock, while a low turnover could signal potential overstocking issues or slower sales.

Ratio	2019	2020	2021	2022	2023	2024
Inventory Turnover	1.17	1.1	1.25	1.2	1.22	1.35

The above ratio shows that Transcom is improving in managing the inventory from 2011 to 2012 and from 2012 to 2013. The ratio dipped slightly in 1.17 in 2019 to 1.1 in 2020, but rose in future years to 1.35 in 2024. This efficiency improvement reflects that the company has managed to get better at selling and replacing its stock, leading to higher stock-turn and less risk of markdown and overstock.

Chapter 6: Findings, Recommendations, and Conclusion

6.1 Findings

Profitability Decline:

Transcom Electronics Ltd. The business of Transcom Electronic has not been profitable over the last five years. However, since 2019, Average Net Profit Margin has declined from 16.17% to 9.68% indicating increasing expenses. While there was a partial recovery in 2023 and 2024 (up to 12.28%), profitability is under pressure as cost structures are higher.

Asset Utilization:

Return on assets (ROA) has dropped from 16.17 % in 2019 to 9.68% in 2022, indicating inefficient assets utilisation. The company performed better in the years 2023 and 2024 where ROA reached 12.28%, resulting in a better performance in utilizing the assets.

Liquidity Position:

The Current Ratio and Quick Ratio of Transcom Electronics Ltd. is showing a good position for the company to be able to cover its short term liquidity requirements. The liquidity ratios were all easily above 1, with a high point in 2021, and are now back down to a comfortable level, pointing to a very healthy balance sheet.

Efficiency Ratios:

The Asset Turn Over ratio decreased over the timeline, which indicates that the firm did not utilize its assets to its maximum potential to generate revenue. But observe that the Inventory Turnover ratio is improving earlier from 1.17 times in 2019 to 1.35 times in 2024 is indicating a better inventory management and stock management.

6.2 Recommendations

Cost Management:

The company gets a lot more efficient, lowering costs for pricing by doing better with the supply chain (and renegotiating with suppliers & efficient purchases). Net Profit Margin and profitability in general would probably improve.

Asset Optimization:

Asset Utilization to be enhanced. There might be a good value, in this case, but you should definitely do more research and due diligence to avoid any sort of conclusion that this value isn't exactly what you are looking for, even if perhaps the market has not really noticed it yet. Perhaps it would be wiser to reallocate what we already have, do away with resources that are kept idle where they are not required and use capital more creatively.

Streamlining Operational Processes:

And the enterprises must have a sound logistics and distribution to reduce costs of operation. The deployment of advanced supply chain management technologies which can lower costs and accelerate order turnaround times — and subsequently reshuffle Asset Turnover and profitability.

Innovation and Market Expansion:

The company has to continue to reinvest in innovation and to seek new markets, especially in the rapidly expanding world of e-commerce. Transcom Electronics Ltd. can increase its revenue growth its capacity by launching new products and new users.

Profitability Focus:

There has to be a revenue sustenance if we are going to have an efficient containment of cost." Focus on high margin products, increase the efficiency of production and always evaluating the price for higher profitability and to have control on costs.

6.3 Conclusion

There has been continuous increase in the revenue and the assets during the last 5 years which indicates that the company has a strong brand position in the market and the expansion plans. But while sales have improved, Meany has barely been able to keep the business profitable as operating costs have risen and because assets are being used inefficiently and costs aren't managed well. The downward movement in Net Profit Margin, Return on Assets (ROA) and Return on Equity (ROE) suggests that strong green shoots are beginning to appear which indicates that the company is on the right path in enhancing its financial performance.

Transcom's liquidity is also healthy with strong Current and Quick Ratios (short-term debt) indicating the company has sufficient liquidity to meet its short-term debt. Moreover, improvements in Inventory Turnover reflect improved store management, which in turn increases operational efficiency.

In order to maintain the growth and profitability of Transcom Electronics Ltd., there is a need to concentrate on improving the asset utilization, decreasing the operational costs and simplifying the supply chain. If the company concentrate on these areas, it will help them to be more profitable, more efficient and last long in a competitive work place.

To conclude, it can be said that Transcom Electronics Ltd. still can make changes in its financial performance and still can remain in competitive market. The company, focusing on cost competitiveness, operational efficiency and assets optimization, enhances its position in the Bangladeshi electronics market and is expected to sustain growth in the next few years.

Chapter 7: Implications

The hands-on-experience which i achieve from my intern at Transcom Electronics Ltd. would also be helpful regarding my future career acquisition. It also gave me the chance to work on in business some of what I'd learned in theory (especially in cost analysis, cost control, and efficiency). Between one-on-one coaching-and-consulting sessions reviewing the financial basics and posting programs, it landed in my gut that financial decisions play a vital part in any business long-range prosperity. I just learned a huge amount about integrity of statements which can also be powerful tools in the financial world, too.What I learned about a profitable cost center and being lean and efficient is double that good and a third that bad I'm sure I can do something with in my life ahead. I was also able to work very closely with other teams like finance, logistics and operations from which I learnt how to work cross-functionally, exist on the org's goals and work at all levels within the org which were all going to be very essential in any other role in the future.

It's not just that though, I was processing mountains of data, so a lot of that processing and dealing with the accuracy of the financial information spun me around and taught me how to problem solve, time manage and above all think rationally. The networking and then the lessons learned working with the professionals in the industry was so valuable to me in both the finance world and the electronic world. I also realized how critical it was to keep pace with the times, especially when it came to leveraging new technologies for enhanced financial operations and decision making.

This will help me later on in my life in my career, because I did get the hands on hard and soft skill of surviving in a career plus I did get the knowledge on how to control our money strategies. With it I will be able to affect the financial health of any company that I will be working for and deal with financial projects in a way not many general managers of a company can. I will use these experiences to carry the base-line of competence I have created on this internship to higher-level finance and business operations roles as I further my career.

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