



Daffodil International University

Department of Business Administration

Bachelor of Business Administration (BBA)

Internship Report on Financial Performance Analysis of Amar Pharma Ltd.

Submitted to:

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Date of Submission: 23 August 2025

**“Internship Report on
Financial Performance Analysis of Amar Pharma Ltd.”**

Letter of Transmittal

23 August 2025

Professor Dr. Mostafa Kamal

Department of Business Administration
Faculty of Business & Entrepreneurship
Daffodil International University

Subject: Submission of Internship Report

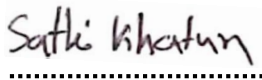
Sir,

I am pleased to submit my internship report titled “Financial Performance Analysis of Amar Pharma Ltd – A University-Based Super Shop” as part of the requirements for my Bachelor of Business Administration (BBA) degree, majoring in Finance.

During my internship at Amar Pharma Ltd, I gained valuable insights into financial management, including income statement and balance sheet analysis, liquidity evaluation, and profitability trends. This experience enabled me to apply theoretical knowledge in a practical setting, thereby enriching both my academic and professional growth.

I sincerely thank you for your continuous guidance and support throughout this work. I have prepared the report with diligence, and I hope it meets your expectations.

Sincerely,



.....
Sathi Khatun

ID: 201-11-1167

Bachelor of Business Administration (Major in Finance)

Department of Business Administration

Faculty of Business & Entrepreneurship

Daffodil International University

Supervisor Certificate

This certifies that Sathi Khatun completed the internship report, " Financial Performance Analysis of Amar Pharma Ltd – A University-Based Super Shop," which is a necessary component of the Bachelor of Business Administration (BBA) program at Daffodil International University.

I oversaw and guided the completion of the report. It displays the student's sincere academic effort, hard work, and efficient application of the economic and analytical skills they have learned during the program. I think the report is worthy of formal submission and satisfies the university's intellectual requirements.



.....
Professor Dr. Mostafa Kamal

Department of Business Administration
Faculty of Business & Entrepreneurship
Daffodil International University

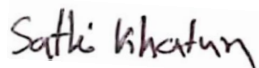
Student's Declaration

I hereby declare that the internship report titled “**Financial Performance Analysis of Amar Pharma Ltd. (A University-Based Super Shop)**” has been prepared as part of the partial fulfillment of the requirements for the degree of **Bachelor of Business Administration (BBA)** at **Daffodil International University**.

This report is the result of my personal work, investigation, and analysis. I affirm that no part of this report has been copied or submitted previously for the award of any degree, diploma, or similar title from any other academic institution. All materials used in the preparation of this report have been appropriately acknowledged and cited.

The contents of the report are based on real operational and economic data collected from **Amar Pharma Ltd.** for the period **January 2022 to December 2024**, and reflect an independent and sincere effort to analyze the organization's financial performance using academic tools and business research methods.

I respectfully submit this report for academic evaluation, assuming full responsibility for the integrity and originality of its content.



.....
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Acknowledgment

All praise is due to Almighty Allah, the Most Gracious and Merciful, for granting me the health, patience, and determination to complete this internship report titled “Financial Performance Analysis of a University-Based Super Shop.”

I am sincerely grateful to my academic supervisor, **Professor Dr. Mostafa Kamal**, Faculty of Business & Entrepreneurship, Daffodil International University, for his continuous guidance, insightful suggestions, and valuable feedback throughout the internship period. His mentorship has been instrumental in shaping the direction and quality of this report.

My heartfelt thanks go to the management and staff of the university-based Super Shop at DIU for their kind cooperation and support. Their openness in sharing operational data and insights into day-to-day business practices greatly enriched my learning experience and helped me collect essential information for this study.

I would also like to extend my appreciation to the faculty members of the Department of Business Administration, whose teachings provided the theoretical foundation of this report, and to the Accounts and Finance team of DIU for their assistance in accessing key financial documents.

Special thanks to my fellow interns and classmates for their encouragement and collaboration, which made the internship more insightful and enjoyable.

Lastly, I am deeply thankful to my beloved parents and family for their unconditional love, prayers, and continuous support, which have always been a source of strength in my academic journey.

Executive Summary

This internship report presents a comprehensive analysis of the economic performance of a university-based Super Shop operating within the campus of Daffodil International University (DIU). The Super Shop plays a crucial role in meeting the daily needs of students, faculty, and staff while also contributing to the university's revenue stream and students' learning experience. The primary objective of the study was to assess the economic health, sustainability, and operational efficiency of the Super Shop by analyzing its income statements and balance sheets over a three-year duration (2022–2024). The analysis was conducted using standard economic tools and techniques, including ratio analysis, horizontal and vertical analysis, and trend evaluation.

Key findings revealed that the Super Shop consistently maintained profitability throughout the three-year timeframe, with its highest net income recorded in 2023. Liquidity remained stable, as indicated by a healthy current ratio above 1.4; however, the quick ratio below 0.5 pointed to a dependence on inventory for short-term obligations. The return on equity peaked at 100% in 2023, reflecting a strong performance relative to invested capital.

Despite the positive trends, the report also identified several challenges. These include high operational expenses, heavy reliance on short-term liabilities, and a decline in inventory turnover and asset efficiency. The analysis highlighted the need for cost optimization, better inventory control, and enhanced liquidity management.

To address these concerns and support sustainable growth, several recommendations have been suggested. These include implementing digital inventory systems, diversifying revenue streams, reducing dependency on credit, and introducing an online ordering platform. The report also encourages deeper integration between the Super Shop and academic programs, promoting experiential learning for business students.

In conclusion, the university-based Super Shop has demonstrated economic viability and operational value. With strategic improvements in cost control, liquidity, and digital infrastructure, it can further enhance its performance and continue serving as both a commercial hub and an educational resource within the university ecosystem.

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CHAPTER -1

INTRODUCTION

1.1 Introduction

Beyond their traditional roles of teaching and research, higher education institutions have recently embraced entrepreneurial initiatives that have enhanced campus life, generated income, and provided opportunities for experiential learning. One such innovative method is the establishment of university-based Super Shops—small to medium-sized retail outlets strategically located within university campuses to serve students, faculty, and staff. These Super Shops not only offer essential goods and services at affordable prices but also operate as live business labs for business students.

The financial performance of the university-based Super Shop at Daffodil International University (DIU) is the main topic of this report. It covers the years January 1, 2022, through December 31, 2024. The analysis is grounded in real economic data extracted from official balance sheets and income statements. The goal is to evaluate the Shop's profitability, liquidity, efficiency, and overall financial health using standard economic ratios and analytical tools.

The need for such a study is both academic and operational. As a finance major, the internship and this corresponding report offer a rare opportunity to apply theoretical knowledge in a real-world setting. Simultaneously, the insights generated from this report can assist university administrators and Super Shop managers in making data-driven economic decisions, optimizing resource allocation, and enhancing profitability.

1.2 Origin of the Study

This report has been prepared as a partial requirement for the completion of the Bachelor of Business Administration (BBA) program at Daffodil International University. Every student is required to finish an internship in a business or organization as part of their academic program in order to obtain hands-on experience with real operations. This internship serves as a bridge between academic knowledge and professional practice, enabling students to apply theoretical concepts in practical scenarios.

The internship was undertaken at **Amar Pharma Ltd.**, a university-based super shop operated under the supervision of Daffodil International University. The organization serves as a retail outlet for pharmaceutical and general consumer products, offering students a unique opportunity to explore financial management within an academic enterprise.

The focus of the internship and this subsequent report is the **Financial performance analysis of Amar Pharma Ltd.** from the years 2022 to 2024. The study aims to evaluate the company's profitability, liquidity, solvency, and operational efficiency using financial data and ratio analysis. This topic was selected to gain practical insights into how financial data supports decision-making and business strategy in a real-world context.

Through this study, the intern aimed to understand the practical applications of accounting and financial management tools while contributing meaningful observations and recommendations to the company.

1.3 Background of the Study

With rising inflation, increased competition, and digital transformation, the economic sustainability of campus-based businesses like Super Shops depends heavily on careful financial management and periodic performance reviews. The Super Shop at DIU was introduced to meet on-campus demands for groceries, beverages, snacks, and stationery. Managed under the university's internal administrative wing, it functions both as a revenue-generating unit and a value-added service to the academic community.

During my internship placement at the university-based Super Shop, I was assigned to observe and analyze its accounting records, pricing mechanisms, stock movements, and profit generation models. I was able to observe directly how daily business operations are conducted thanks to this exposure. More importantly, I was able to gather critical economic documents for in-depth analysis, including income statements and balance sheets for three consecutive years. These records form the core of the current study.

1.4 Scope of the Study

Particularly, the Super Shop's financial performance is the subject of this investigation. The analysis is restricted to interpreting numerical data from:

- Annual income statements
- Balance sheets
- Internal accounting records
- Inventory and banking details

Customer service, marketing efficacy, and supply chain logistics are examples of non-economic issues that are not explicitly addressed until they have an impact on financial outcomes. The report also excludes comparisons with external businesses due to data unavailability.

The primary focus areas include:

- Profitability trends
- Liquidity and solvency positions
- Efficiency in asset utilization
- Capital structure and economic sustainability

1.5 Objectives of the Study

General Objective:

To evaluate and interpret the economic performance of the university-based Super Shop at DIU using financial data from 2022 to 2024.

Specific Objectives:

- To know the theory and research application.
- To calculate and interpret key financial ratios.
- To assess the Super Shop's ability to meet its short-term and long-term obligations.
- To identify financial strengths and weaknesses.
- To provide recommendations for financial improvement.

1.6 Methodology of the Study

The methodology of this study has been carefully designed to ensure an accurate, in-depth, and objective analysis of the economic performance of the DIU Super Shop. A combination of qualitative and quantitative research methods has been applied to explore the Super Shop's financial operations from multiple dimensions. The use of diverse data sources, analytical tools, and comparative frameworks ensures a holistic approach to the study.

1.6.1 Research Design

This study adopts an exploratory research design with descriptive analysis. It aims to analyze existing economic data from the Super Shop, interpret performance trends, and identify the

strengths and weaknesses in its financial structure. The study is non-experimental and uses primary data from interviews and observations to support its secondary data review.

1.6.2 Approach

A mixed-methods approach has been used:

- **Quantitative Analysis** focuses on evaluating economic statements through ratio analysis, trend analysis, and comparative financial data.
- **Qualitative Analysis** includes interviews with key personnel, on-site observations, and subjective interpretation of operational processes.

1.6.3 Data Collection Methods

- **Primary Data Collection** involved:
 - Interviews with the shop manager, cashier, and staff involved in inventory and finance.
 - Field observations of daily operations and customer interactions.
 - Participation in operational discussions during the internship.
- **Secondary Data Collection** involved:
 - Economic documents such as income statements, balance sheets, and internal sales reports.
 - Audit summaries and internal memos.
 - Books, academic journals, and relevant online resources.
 - Economic documents and operational policies from Amar Pharma Ltd. for comparative insights.

1.6.4 Analytical Tools and Techniques Used

- **Economic Ratio Analysis:** This includes profitability ratios (Gross Profit Margin, Net Profit Margin, Return on Assets), liquidity ratios (Current Ratio & Quick Ratio), solvency ratios (Debt-to-Equity), and efficiency ratios (Inventory Turnover).
- **Trend Analysis:** Identifying year-wise movement in revenue, costs, and profits over the study period (2022–2024).
- **Comparative Analysis:** Comparing key economic metrics of DIU Super Shop with Amar Pharma Ltd. to draw industry-level perspectives.

- **Graphical Representation:** Visual tools such as bar graphs, pie charts, and line charts are used to aid in data interpretation and enhance the presentation of findings.

1.6.5 Justification of the Methodology

The selected methodology ensures that both economic and operational aspects are covered comprehensively. The internship experience allows for hands-on observation, while secondary data analysis supports factual reporting. Combining field-based insight with economic theory bridges the gap between academic learning and practical application.

This methodology provides a strong foundation for evaluating the DIU Super Shop's economic performance in a reliable, analytical, and academically valid manner.

1.7 Data Source

This study is based on **secondary data** collected during the internship period with assistance from the shop management.

Primary Sources (observational):

- Daily transaction observation
- Informal discussions with finance officers and staff

Secondary Sources (document-based):

- Annual income statements (2022–2024)
- Balance sheets and ledger summaries
- Bank and cash transaction records
- Inventory and POS system outputs

1.8 Sample Size

As this report focuses on a single business unit, **the university-based Super Shop**, the sample size includes:

- **Three full years** of economic data
- **100+ expense and income entries** across periods
- Detailed balance sheets with multiple sub-accounts

This single-entity, multi-year data set allows for longitudinal analysis within the same operational environment.

1.9 Target Population

The economic study targets the entire **economic operation** of the Super Shop. That includes:

- **Revenue sources** such as product sales, 1Card transactions, mobile banking, and discounts
- **Expense areas** include salaries, rent, utilities, and software
- **Asset and liability** accounts from balance sheets

1.10 Data Analysis

The data analysis section of this report is centered on examining the economic performance of the university-based Super Shop using a structured, systematic, and comparative approach. Financial data from the years 2022, 2023, and 2024 were analyzed using key economic metrics and ratios to provide insights into the operational and economic efficiency of the Super Shop. For ease of comprehension and comparison, these results are presented with concise interpretations and graphically supported by bar charts.

1.10.1 Analytical Framework

To evaluate the economic performance comprehensively, the following analytical techniques were applied:

- **Ratio Analysis** – assessing profitability, liquidity, solvency, and efficiency through standard economic ratios.
- **Trend Analysis** – tracking the trajectory and trends of important economic indicators over three years.
- **Comparative Analysis** – benchmarking selected indicators with insights drawn from Amar Pharma Ltd.
- **Bar Charts** – used for visual representation of economic data to make patterns and changes more understandable.

1.10.2 Economic Ratios Applied

1. **Profitability Ratios:** Profitability ratios, return on Assets (ROA), Net Profit Margin, and Gross Profit Margin, were used to evaluate the shop's capacity to generate revenue from its assets and revenue.

2. **Liquidity Ratios:** The Super Shop's ability to satisfy its short-term obligations using its liquid assets was assessed using the current ratio and quick ratio.
3. **Solvency Ratios:** The Debt-to-Equity Ratio was analyzed to understand the level of economic leverage and long-term economic risk.
4. **Efficiency Ratios:** Inventory Turnover and Accounts Receivable Turnover ratios were used to assess how efficiently the Super Shop utilizes its resources.

1.10.3 Use of Bar Charts in Financial Analysis

Bar charts have been employed as the primary graphical tool for visualizing the economic performance of the Super Shop over the three-year study period. By clearly comparing significant economic data throughout time, these charts make it simple to see trends. Oscillations as well as consistent rises or falls. Specifically, bar charts were used to display:

- Yearly Revenue Growth
- Comparative Gross Profit and Net Profit
- Changes in Operational Costs
- Inventory Turnover Trends
- Ratio Performance Over Time (e.g., Net Profit Margin per year)

By presenting economic data in bar chart format, the report enhances readability and supports more intuitive understanding for academic readers, management staff, and potential student researchers.

1.10.4 Data Interpretation

Every economic statistic is recognized in its operational context. We are taking a closer look at the visual trends that the bar charts have displayed. Just to be clear:

- The causes behind profit fluctuations
- The effects of inventory management on turnover ratios
- Liquidity strengths or weaknesses due to cost management
- Year-over-year economic consistency and anomalies

Interpretations also consider qualitative observations made during the internship, such as purchasing patterns, price volatility, and institutional influences on the shop's operational flexibility.

1.11 Limitations of the Study

While this internship report offers a detailed financial performance analysis of Amar Pharma Ltd., there were several limitations encountered during the study period that may have influenced the depth and breadth of the findings:

1. **Limited Time Frame:** The internship duration was relatively short, which limited prolonged observation and deeper involvement in financial decision-making and strategic planning processes.
2. **Data Confidentiality:** As Amar Pharma Ltd. operates under university supervision, access to sensitive financial and strategic data was limited. Some internal documents were confidential and not shared, which constrained the scope of analysis.
3. **Estimated Data for 2024:** The accuracy of the trend analysis may have been impacted by the fact that the financial data for 2024 were derived from estimations and forecasts rather than audited statements.
4. **Lack of Industry Benchmarking:** Given that Amar Pharma Ltd. is a university-based company, scale, operational scope, and differences in the market environment made it difficult to compare its financial performance to that of other fully commercial retail companies in the sector.
5. **Dependence on Secondary Data:** Much of the financial analysis relied on data provided by the company. The accuracy of the report is therefore contingent upon the reliability of the financial statements and internal records made available during the internship.
6. **Single-Entity Focus:** This study focuses exclusively on Amar Pharma Ltd. As such, the findings may not be generalizable to other organizations, even those within the same retail sector.

Despite these limitations, efforts were made to ensure that the analysis remains objective, relevant, and reflective of the company's overall financial position. Future studies could overcome these constraints by incorporating longer study periods, access to broader economic data, and comparative industry analysis.

CHAPTER -2

ORGANIZATIONAL OVERVIEW

2.1 Overview of Amar Pharma Ltd.

Amar Pharma Ltd. is one of the emerging pharmaceutical companies in Bangladesh, steadily gaining recognition in the healthcare industry for its commitment to innovation, product quality, and ethical business practices. Established with a mission to ensure access to affordable and effective medicines, Amar Pharma Ltd. has developed a robust portfolio of pharmaceutical products catering to both domestic and limited international markets. The company is known for its patient-centric approach, efficient manufacturing capabilities, and a dedication to economic transparency and corporate responsibility.

Background and Establishment

Amar Pharma Ltd. was founded with the vision to contribute to national healthcare development by manufacturing and distributing safe, reliable, and cost-effective medicines. The founders of the company envisioned building a local enterprise that meets international pharmaceutical standards while serving the specific needs of the Bangladeshi population. Since its inception, Amar Pharma Ltd. has grown steadily, establishing its presence across various regions of the country through an efficient distribution network and a dedicated sales team.

Manufacturing Facilities

Modern equipment and Good Manufacturing Practices (GMP) rules set by Bangladesh's Directorate General of Drug Administration (DGDA) are features of Amar Pharma Ltd.'s manufacturing facility. Pharmacists, chemists, engineers, and other qualified specialists run the production unit and guarantee quality control throughout the entire manufacturing process.

The plant is divided into multiple departments to produce liquids, semi-solids, tablets, and capsules. Special attention is paid to waste management, temperature control, and hygiene to meet regional and international quality standards.

Organizational Structure

The formal, hierarchical organizational structure of Amar Pharma Ltd. encourages managerial accountability and operational effectiveness. Among the principal departments are:

- **Production & Quality Assurance**
- **Research and Development (R&D)**
- **Finance and Accounts**
- **Marketing and Sales**
- **Human Resources**

- **Supply Chain and Procurement**

Each department is led by a department head who reports to the **Managing Director** and the **Board of Directors**. This structure ensures smooth interdepartmental coordination and effective communication throughout the organization.

Financial Practices

The Finance and Accounts Department of Amar Pharma Ltd. is responsible for maintaining economic discipline across the organization. It manages budgeting, cash flow, cost control, internal auditing, and regulatory compliance. By International Financial Reporting Standards (IFRS), the company prepares its financial reports and maintains transparency in its financial dealings.

During the internship, various economic documents were observed, including income statements, balance sheets, expense reports, tax documents, and internal audit findings. The use of digital accounting software, such as Tally ERP and customized economic dashboards, was noted as a standard practice in maintaining real-time economic records.

Market Presence and Sales Network

Amar Pharma Ltd. has established a strong presence in both urban and rural markets across Bangladesh. Its field force of medical promotion officers (MPOs) plays a critical role in promoting its products to doctors, hospitals, and pharmacies. The company maintains strong relationships with healthcare professionals and regulatory bodies, ensuring that its products are trusted and widely prescribed.

It also has arrangements with several logistics and distribution companies to ensure the timely delivery of pharmaceuticals to retail and wholesale locations nationwide.

Commitment to Corporate Social Responsibility (CSR)

Amar Pharma Ltd. is actively engaged in corporate social responsibility initiatives. These include free medical camps, public health awareness campaigns, and donations to underprivileged patients and healthcare institutions. The company also promotes sustainable manufacturing practices and supports local suppliers and vendors to stimulate domestic economic development.

Internship Relevance

As an intern in the **Finance Department** of Amar Pharma Ltd., I provided deep insights into real-world economic operations, internal audit procedures, and budgeting systems. The intern was able to comprehend how economic theories, including working capital management, variance analysis, ratio analysis, and internal control mechanisms, are applied in real-world situations. The exposure

to financial software and real-time accounting practices significantly enhanced the intern's ability to interpret, analyze, and evaluate economic statements from a corporate perspective.

2.2 Mission

A company's mission statement is a powerful declaration of its core purpose, guiding values, and long-term commitment to stakeholders. For **Amar Pharma Ltd.**, the mission is more than a statement—it is a strategic foundation that drives the organization's culture, decision-making, and operational focus.

Official Mission Statement

“To enhance the quality of human life by developing, manufacturing, and delivering safe, effective, and affordable pharmaceutical products that meet the needs of patients, healthcare professionals, and society at large.”

Amar Pharma Ltd.'s commitment to improving public health by innovation, affordability, and moral business conduct is reflected in this mission. It underscores the company's role as a health-driven enterprise rather than solely a profit-oriented manufacturer.

Breakdown and Interpretation of the Mission

To better understand how this mission guides the company's strategy and operations, it is helpful to break it down into its key components:

1. Enhancing Quality of Human Life

Amar Pharma Ltd. prioritizes human well-being in all its activities. The company develops medicines that directly improve patient outcomes and supports public health initiatives. Through its CSR activities, free medical camps, and affordable medicine pricing, the company continuously demonstrates its commitment to community welfare.

2. Developing and Manufacturing Safe and Effective Products

The company's manufacturing methodology places a strong emphasis on product efficacy and safety. All processes—from research and development to packaging—follow strict regulatory and quality standards. Adherence to Good Manufacturing Practices (GMP), internal audits, and quality assurance mechanisms ensures that products meet or exceed national and international benchmarks.

3. Affordability and Accessibility

Recognizing the socio-economic realities of Bangladesh, Amar Pharma Ltd. is committed to keeping its medicines accessible and affordable, particularly for lower-income populations. This includes pricing strategies that align with purchasing capabilities without compromising quality.

4. Responsiveness to Stakeholders

The mission acknowledges multiple stakeholders: patients, healthcare providers, government regulators, employees, and shareholders. Amar Pharma Ltd. maintains a stakeholder-inclusive approach by:

- Considering the requirements of medical specialists while creating medication compositions.
- Training its sales team to educate rather than merely promote.
- Encouraging employee development and ethical responsibility.
- Ensuring compliance with economic regulations and corporate governance.

5. Sustainability and Ethical Commitment

While the mission does not explicitly use the term "sustainability," its focus on long-term health impact, affordability, and quality inherently promotes sustainable business practices. The company's internal policies emphasize minimizing environmental waste, responsible sourcing of raw materials, and supporting local suppliers whenever possible.

Alignment with Daily Operations

During the internship, it became evident that Amar Pharma Ltd.'s mission is actively reflected in its daily activities:

- The finance department maintains transparency and efficiency, adhering to the principles of ethical economic management.
- The production team focuses on minimizing defects and ensuring batch consistency.
- Customer service units respond promptly to feedback and complaints, reflecting a commitment to patient satisfaction.

Employees, regardless of rank, are often reminded of their collective purpose through internal meetings, training programs, and communication from senior leadership. This helps reinforce the company's mission as a shared value, not just a public-facing statement.

2.3 Vision

The vision of Amar Pharma Ltd. is: "To become the most trusted and innovative university-based retail platform that promotes accessibility, affordability, and quality for the university community and beyond."

The organization's vision statement reflects its long-term objectives and goals. Connected to Daffodil International University, the university-based retailer Amar Pharma Ltd. aspires to be known as a model business that successfully strikes a balance between academic principles and financial viability. It aims to earn the trust of students, faculty, and stakeholders by maintaining consistent quality, introducing innovation in its operations, and ensuring affordability of essential goods, including pharmaceuticals and consumer products.

The emphasis on innovation suggests a commitment to adopting modern technologies and management practices. Nonetheless, the focus on quality and trust demonstrates the business's commitment to upholding the highest moral standards and client satisfaction. Furthermore, by positioning itself as a platform for both service and education, Amar Pharma Ltd. supports the broader mission of DIU in enhancing student employability and experiential learning.

2.4 Products and Services

Amar Pharma Ltd, the university-based super shop of Daffodil International University, offers a diverse range of products and services designed to meet the everyday needs of students, faculty, staff, and the surrounding community. Operating as a one-stop retail outlet, the store maintains a carefully balanced product mix to ensure convenience, affordability, and quality.

1. Grocery and Food Items

The store stocks a variety of staple grocery products, including rice, lentils, edible oil, sugar, salt, and spices. Fresh produce, such as vegetables and seasonal fruits, is sourced from trusted suppliers to ensure freshness. Packaged food items like biscuits, snacks, noodles, and confectionery are also widely available to cater to quick consumption needs.

2. Beverages and Dairy

A selection of soft drinks, bottled water, tea, coffee, milk, yogurt, and other dairy products is available for both individual customers and bulk buyers. The store prioritizes stocking well-known local and international brands while ensuring competitive pricing.

3. Personal Care and Hygiene Products

Amar Pharma Ltd carries a comprehensive range of personal care essentials, including soaps, shampoos, toothpaste, skincare products, and sanitary items. These are selected to meet the daily personal hygiene requirements of the campus community.

4. Household and Cleaning Supplies

To support dormitory residents and nearby households, the store offers detergents, dishwashing liquids, cleaning sprays, air fresheners, and other household maintenance products.

5. Stationery and Academic Supplies

Recognizing the needs of university students, the store provides notebooks, pens, markers, files, and other stationery essentials. This ensures that students can quickly access study materials without leaving campus.

6. Over-the-Counter (OTC) Medicines

As an extension of its pharmaceutical background, Amar Pharma Ltd supplies a range of OTC medicines such as pain relievers, cold remedies, vitamins, and first-aid items. This adds a unique value compared to traditional super shops.

Services Offered by Amar Pharma Ltd

While Amar Pharma Ltd does not provide home delivery services, it focuses on ensuring an efficient in-store shopping experience. The store layout is organized for quick navigation, and staff members are trained to assist customers in finding products promptly. Billing is handled through a computerized point-of-sale system to reduce waiting time. The store also accepts both cash and digital payments, including mobile financial services, making transactions flexible and convenient.

The combination of a wide product range and attentive service creates a dependable retail experience tailored to the needs of the university ecosystem, helping Amar Pharma Ltd stand out as more than just a convenience store—it is an integral part of campus life.

2.5 Core Values

- **Integrity:** All transactions are conducted transparently, with accurate economic records.
- **Affordability:** Products are sold at minimal profit margins to ensure affordability for students.
- **Efficiency:** Inventory is managed through digital POS and ERP systems to reduce waste.
- **Learning:** The Super Shop serves as an on-campus business laboratory for students.
- **Customer Service:** Prioritizing the satisfaction and convenience of every customer.

2.6 Company Strategy

The Super Shop's strategic model is built around four key pillars:

1. **Campus-Centric Operations:** Focusing solely on the needs of the DIU community allows for tailored inventory and pricing strategies.
2. **Digital Integration:** Faster and safer operations are achieved by cashless transactions using 1Card, mobile banking and linked bank accounts.
3. **Economic Control:** Expenses, profits, and losses are carefully monitored using internal economic software.
4. **Academic Collaboration:** Business students are involved in retail analytics, pricing strategy, and economic reporting as part of their coursework or internship.

2.7 Management Structure

The organizational structure of the Super Shop is straightforward but effective, comprising the following roles:

- **Shop Managers:** oversee the entire business and ensure that inventory, staffing, and sales all go smoothly.
- **Finance Officer:** Manages accounting, billing, and cash flow, and liaises with the university's finance department.
- **Inventory & Procurement Officer:** Responsible for purchasing, restocking, and maintaining minimum stock levels.
- **Sales Assistants and Cashiers:** Front-line staff who operate POS systems and interact with customers.
- **Student Interns:** Rotational interns from BBA programs assist in analytics, reporting, and back-office operations.

Oversight and audit functions are carried out periodically by university officials to ensure compliance and operational efficiency.

2.8 Key Internal Stakeholders

- **Daffodil International University (DIU):** The owning body that provides infrastructure and strategic direction.
- **Accounts Department:** Manages the shop's economic transactions, accounting, and budgeting.
- **IT Department:** Ensures smooth operation of POS systems, inventory software, and payment integration.
- **Faculty and Students:** Primary consumers as well as contributors through research and academic collaboration.
- **Daffodil Group:** Occasionally provides economic support or technological upgrades to enhance operations.

2.9 Supply Chain

The Super Shop offers a wide range of products and services, such as:

- Daily groceries and snacks
- Beverages and dairy products
- Stationery and academic materials
- Toiletries and health products
- Seasonal packages (e.g., Ramadan, winter packs)
- Recharge and bill payment facilities

Supply Chain: The store collaborates with approved distributors and regional wholesalers. Weekly or biweekly deliveries are made, and barcode systems are used to track inventories for automated stock management.

2.10 Completed Projects / Achievements

- **Integration with 1Card System:** The Super Shop is fully compatible with the DIU ID card system, enabling students to make purchases directly from the Super Shop and load money onto their cards.
- **POS System Upgrade (2023):** The shop was migrated to a new POS interface that enabled faster billing and more accurate real-time stock updates.
- **Digital Accounting Implementation:** Financial reports are generated automatically, ensuring fewer errors and smoother audits.

2.11 Ongoing Development Initiatives

- **Inventory Automation:** To better track products and decrease shrinkage, the Super Shop is now implementing RFID tagging.
- **Online Ordering Portal:** Students can place online orders and pick them up in-store using a web-based interface that is currently being piloted.
- **Expanded Product Range:** The shop is actively negotiating with new suppliers to introduce branded products and electronics accessories.

2.12 Future Expansion Plans

- **New Branch at Permanent Campus:** As the university expands, plans are in place to open a second branch at DIU's permanent campus in Ashulia.
- **Partnership:** For better prices and product availability, partnerships with companies like Unilever, Nestlé, and Pran-RFL are being investigated.
- **Sustainability Initiatives:** The Super Shop is considering a paperless billing system and eco-friendly packaging solutions as part of its corporate social responsibility (CSR) goals.

CHAPTER -3

THEORETICAL ANALYSIS

3.1 Financial Statement Analysis

Financial statement analysis is a vital tool in evaluating an organization's economic health and operational effectiveness. It involves the careful examination of a company's financial reports—primarily the income statement, balance sheet, and cash flow statement—to assess how well the organization is performing over a specific period. For Amar Pharma Ltd., this analysis offers insights into the company's ability to generate revenue, manage expenses, control costs, utilize assets, and meet financial obligations.

Purpose and Importance The primary purpose of financial statement analysis is to transform raw financial data into useful information for internal and external stakeholders. Internally, it assists management in making strategic decisions related to budgeting, investing, or resource allocation. Externally, it facilitates understanding of the company's financial status by creditors, investors, and regulators. To evaluate Amar Pharma Ltd.'s economic performance in 2022, 2023, and the anticipated estimations for 2024, financial statement analysis was crucial to this research. Through a theoretical lens, financial statement analysis allows for objective measurement of financial results against industry norms, historical performance, and future expectations. This type of analysis is especially critical for small to medium-sized enterprises (SMEs), such as Amar Pharma Ltd., where financial discipline and proper decision-making directly affect growth, sustainability, and competitiveness.

Key Financial Statements Used

1. Income Statement

Revenues, costs, and net profits for a specific accounting period are summarized in the income statement. It displays the operational efficiency and financial success of the business. The income statements for 2022–2024 of Amar Pharma Ltd. show trends in net profits. An effective tool for evaluating cost control practices and the business's capacity to convert sales into profit is the income statement.

2. Balance Sheet

The balance sheet provides a momentary view of the company's financial status. It details assets, liabilities, and owner's equity, illustrating how resources are financed—whether through debt or equity. For Amar Pharma Ltd., the balance sheet data was crucial in

understanding the company's asset base, levels of debt, and capital structure, all of which impact liquidity and solvency.

3. Cash Flow Statement (If Applicable)

While income and balance statistics are the main emphasis of this report, cash inflows and outflows are often tracked using the cash flow statement. It's vital in determining a company's liquidity position and financial flexibility. In future analysis or extended reports, integrating cash flow statements can enhance understanding of Amar Pharma Ltd.'s operational sustainability.

Application in the Internship Context

During the internship period, financial statement analysis served as a bridge between academic learning and practical business operations. As part of the internship tasks, the income and balance sheet data of Amar Pharma Ltd. were collected and used to calculate financial ratios and conduct year-to-year comparisons. These real-life applications helped solidify the intern's theoretical understanding of accounting principles, allowing them to assess profitability, liquidity, and efficiency in a real business setting.

Limitations of Financial Statement Analysis

While powerful, financial statement analysis has certain limitations:

- It is based on historical data and may not always reflect future conditions.
- Different accounting policies (e.g., depreciation methods) can influence comparability.
- Qualitative aspects, such as market competition, customer loyalty, and employee satisfaction, are frequently overlooked.

Despite these limitations, financial statement analysis remains an indispensable tool in economic decision-making and performance evaluation. Its application in this report forms the basis for the detailed ratio and trend analyses in Chapter Four.

3.2 Ratio Analysis

Ratio analysis is one of the most essential tools for economic performance evaluation. It allows stakeholders to interpret and compare financial data in a standardized and meaningful way. By examining various financial ratios, decision-makers can assess a company's efficiency,

profitability, liquidity, solvency, and overall economic health. In this report, ratio analysis was used extensively to evaluate Amar Pharma Ltd.'s performance throughout the years 2022 to 2024.

Purpose and Significance of Ratio Analysis

Ratio analysis serves both internal and external users of financial information. Internally, management uses it for strategic planning, operational control, and performance monitoring. Externally, investors, creditors, and analysts rely on ratios to make informed decisions about investment, lending, or strategic partnerships.

The significance of ratio analysis lies in its ability to:

- Simplify complex financial data into understandable metrics.
- Identify strengths and weaknesses in financial performance.
- Benchmark against historical performance, industry standards, or competitors.
- Provide early warning signals of financial trouble or inefficiencies.

For Amar Pharma Ltd., ratio analysis helped uncover trends in profitability, short-term liquidity, capital structure stability, and operational effectiveness. These insights were instrumental in forming conclusions and recommendations for improved performance.

Types of Ratios Used in the Report

The financial performance analysis of Amar Pharma Ltd. employed several categories of ratios, each offering distinct insights:

1. Liquidity Ratios

Liquidity ratios measure the company's ability to meet its short-term obligations. Two key liquidity ratios used in this report are:

- **Current Ratio** = $\text{Current Assets} \div \text{Current Liabilities}$
- Indicates the company's capacity to pay off its short-term debts using its current assets. A ratio above 1 is considered healthy.
- **Quick Ratio** = $(\text{Current Assets} - \text{Inventory}) \div \text{Current Liabilities}$
- A stricter measure of liquidity that excludes inventory from current assets, as inventory is less liquid.

2. Profitability Ratios

These ratios measure the company's ability to generate profit from its operations.

- **Net Profit Margin** = $(\text{Net Profit} \div \text{Total Revenue}) \times 100$
- Shows how much of each taka of revenue is converted into profit.
- **Return on Assets (ROA)** = $(\text{Net Income} \div \text{Total Assets}) \times 100$
- Measures how efficiently the company uses its assets to generate profit.
- **Return on Equity (ROE)** = $(\text{Net Income} \div \text{Shareholder's Equity}) \times 100$
- Evaluates the return earned on shareholders' investments.

3. Solvency Ratios

Solvency ratios assess the company's long-term financial stability and debt management:

- **Debt-to-Equity Ratio** = $\text{Total Liabilities} \div \text{Shareholder's Equity}$
- Indicates the proportion of company financing that comes from creditors versus shareholders.

4. Efficiency or Activity Ratios

These ratios measure how well the company manages its resources:

- **Inventory Turnover Ratio** = $\text{Cost of Goods Sold} \div \text{Average Inventory}$
- Displays the frequency of inventory sales and replacements over time.
- **Accounts Receivable Turnover** = $\text{Net Credit Sales} \div \text{Average Accounts Receivable}$
- Indicates the effectiveness of the company's credit policy and collection efforts.

Role of Ratio Analysis in the Internship Context

As an intern at Amar Pharma Ltd., understanding and applying these ratios provided a hands-on opportunity to engage with real financial data and assess the company's financial operations. By calculating and interpreting these ratios for multiple years, the intern was able to:

- Identify performance fluctuations across financial periods.
- Develop a deeper understanding of operational bottlenecks.
- Gain insights into Amar Pharma Ltd.'s working capital management, cost control, and asset utilization strategies.

This experience was instrumental in translating classroom knowledge into practical skills, enhancing the intern's capacity to analyze financial reports in any future corporate role.

Limitations of Ratio Analysis

Despite its usefulness, ratio analysis has limitations:

- Ratios are based on historical financial statements, which may not reflect current conditions or future trends.
- They are influenced by accounting policies that can vary between firms.
- Results may be distorted by outside variables such as inflation, market conditions, or shifts in economic policy.
- Ratios alone do not provide solutions—they highlight problems, which require deeper investigation.

Ratio analysis is a foundational element of financial statement interpretation and was central to this report's analysis of Amar Pharma Ltd. When used in conjunction with trend analysis and industry benchmarking, ratios offer a powerful tool for understanding financial health and guiding decision-making. The next section will discuss how trend analysis complements ratio analysis to deliver a more holistic financial evaluation.

3.3 Trend Analysis

Trend analysis is a vital tool used in financial performance evaluation that identifies the direction and magnitude of change in economic variables over time. Based on historical data, it enables analysts and businesses to spot trends, identify anomalies, and predict future performance. The financial performance of Amar Pharma Ltd. from 2022 to 2024 was assessed in this internship report using trend analysis in conjunction with ratio analysis, providing a more comprehensive view of the evolution of the company's financial position over the chosen time frame.

Definition and Purpose of Trend Analysis

Trend analysis involves comparing a company's financial data over multiple periods to determine whether key indicators such as revenue, net income, or liabilities are increasing, decreasing, or remaining stable. These trends help management and stakeholders make informed decisions by understanding:

- **Growth or decline** in revenues, profits, or assets
- **Operational stability or volatility**
- **Areas needing improvement** or corrective measures
- **Financial sustainability and potential future performance**

In Amar Pharma Ltd.'s case, trend analysis was particularly significant because the organization operates within a dynamic environment as a university-based retail enterprise. Evaluating its performance trends provided insights into how efficiently the company responded to internal and external financial pressures.

Types of Trends Analysis:

In this report, trend analysis was conducted in the following key areas:

1. Revenue Trends

The sales and revenue patterns were analyzed across 2022, 2023, and 2024 to observe whether the company experienced consistent growth or faced fluctuations. This included total revenue from product sales, miscellaneous income, and mobile/1Card transactions.

2. Expense and Cost Trends

Operating expenses and the cost of goods sold (COGS) were examined to determine whether the company's spending was in line with revenue trends and how well it managed its expenditures. Increasing COGS without proportional revenue growth can indicate poor cost control.

3. Profit Trends

Net profit trends helped assess the company's profitability over time. A positive trend would reflect operational success, while declining profits might signal inefficiencies, increased costs, or reduced sales.

4. Liquidity and Solvency Trends

Trends in current ratio, quick ratio, and debt-to-equity ratio were examined to determine the company's financial health and risk profile over the years. Unpredictable changes may indicate financial hardship, whereas consistent ratios indicate sound management techniques.

5. Efficiency Trends

Inventory turnover and accounts receivable turnover trends were analyzed to measure how well the company utilized its assets and managed its operations. These trends reflect how successfully Amar Pharma Ltd. converted inventory into sales and collected payments from credit customers.

How Trend Analysis Was Applied During the Internship

As part of the internship responsibilities, the analyst (intern) collected, compiled, and examined the financial data of Amar Pharma Ltd. for three consecutive years. This exercise enhanced the intern's practical understanding of:

- Identifying upward or downward trends and interpreting their implications
- Connecting financial patterns with operational decisions
- Excel may be used to create bar charts and line graphs that visually depict trends.
- Supporting financial decisions with quantitative evidence

For example, an upward trend in revenue combined with a decreasing net profit margin might indicate growing sales but inefficient expense management. Recognizing such discrepancies was key to forming strategic recommendations.

Advantages of Trend Analysis

- **Simplicity and Clarity:** Easily interpretable patterns and visuals
- **Comparative Insight:** Helps compare year-over-year performance
- **Early Warning Signals:** Detects negative financial developments early
- **Basis for Forecasting:** Enables more accurate budgeting and projections

Limitations of Trend Analysis

While trend analysis is a valuable tool, it has its limitations:

- **Historical Bias:** Past performance does not always predict future outcomes
- **Data Quality Dependency:** Inaccurate records distort results
- **External Influence Ignorance:** Trends might be impacted by inflation, market shifts, or economic policy changes not reflected in the internal data
- **Short Timeframe Issues:** In this report, the three-year period may be too short to identify long-term strategic trends

Trend analysis complements ratio analysis by showing the movement of financial indicators over time. It provides a visual and analytical method for identifying areas for improvement and economic vulnerabilities. In the case of Amar Pharma Ltd., the trends uncovered through this analysis played a key role in assessing the company's financial stability and future potential. The integration of trend data into charts and graphs in later chapters visually enhances this evaluation, making the financial analysis more accessible and persuasive for stakeholders.

3.4 Summary of Theoretical Framework

In this chapter, several essential financial theories and analytical tools have been outlined to form the foundation for evaluating the economic performance of Amar Pharma Ltd. These theoretical concepts—financial statement analysis, ratio analysis, and trend analysis—are widely accepted in

the field of accounting and finance and serve as the basis for the practical assessment carried out in the following chapter.

Financial Statement Analysis

Understanding financial statements is the starting point of any economic evaluation. The income statement, balance sheet, and supporting data give a structured view of a business's operations, financial position, and results over a defined period. These documents reveal the sources of revenue, the nature and amount of expenses, profit margins, asset holdings, liabilities, and equity—all of which are central to analyzing how well a company performs and sustains its operations. In the context of this report, Amar Pharma Ltd.'s financial statements from 2022 to 2024 provided the raw data necessary for performance measurement.

Ratio Analysis

Ratio analysis, as discussed in section 3.3, translates raw financial data into meaningful indicators. Profitability ratios analyze the effectiveness of income creation, solvency ratios check long-term economic stability, liquidity ratios measure the company's ability to satisfy short-term obligations, and efficiency ratios show how well the business uses its resources. Each ratio used in this report was selected to address specific aspects of Amar Pharma Ltd.'s financial health and is tied to the objectives of the internship analysis.

These ratios are not only numbers—they reflect managerial performance, operational discipline, and strategic decision-making. However, ratios by themselves can sometimes give a limited view, especially if not compared over time or across industry benchmarks.

Trend Analysis

Trend analysis was added to the ratio interpretation to track the company's success over three years (2022–2024). Trends allow the identification of improvement or deterioration in key financial metrics, helping pinpoint consistent growth, sudden spikes, or irregularities. This longitudinal view enables more insightful conclusions than a single-year snapshot. For instance, a rising revenue trend with stagnant profits might indicate inefficiencies or rising costs—something not evident in a single-year ratio.

Integration with Internship Objectives

Making the connection between academic theory and real-world application was the aim of the internship at Amar Pharma Ltd. These analytical frameworks allowed the intern to:

- Evaluate real financial data using structured methodologies
- Interpret company health through both quantitative and visual tools (ratios and trends)
- Draw connections between academic learning and practical decision-making in a retail business setting

In summary, this theoretical foundation plays a crucial role in guiding the financial performance analysis of Amar Pharma Ltd. presented in Chapter Four. The tools and techniques discussed here provide the necessary lens to interpret economic data meaningfully and systematically. When used properly, these analytical techniques provide internal management, stakeholders, and external reviewers with insightful information that helps them evaluate the company's financial stability and strategic potential.

CHAPTER -4

ANALYSIS & DISCUSSION

4.1 Analysis and Discussion

This chapter presents an in-depth analysis and interpretation of the economic performance of the university-based Super Shop operated under the authority of Daffodil International University (DIU). It aims to transform raw financial data into actionable insights using proven economic tools such as ratio analysis, revenue and profit trend evaluation, and comparative assessment. The three years covered by the analysis, 2022 to 2024, saw the Super Shop continue to grow in complexity and scope.

In a real-world economic environment, simply reporting numbers is not enough. It is essential to understand *what* those numbers mean, *why* they behave the way they do, and *how* they impact the business sustainability and strategic direction. To achieve this, this chapter focuses not only on numerical data but also on patterns, relationships, and performance indicators that reveal the Shop's economic health and operational effectiveness.

Purpose and Scope of Analysis

The purpose of this chapter is threefold:

1. **To evaluate performance trends over time** by analyzing revenue and profit growth across the years.
2. **To examine key economic ratios**, such as profitability, liquidity, solvency, and efficiency ratios that highlight how well the shop uses its resources, manages its liabilities, and generates returns.
3. **To compare key economic indicators with those of Amar Pharma Ltd.**, a professional, profit-oriented organization where the internship was conducted. This comparative perspective provides a realistic benchmark and contextualizes the economic state of the Super Shop.

Although the university Super Shop operates on a relatively smaller scale and may follow different accounting or management objectives (such as educational value and campus service rather than profit maximization), the fundamental economic principles remain applicable. As such, the methodologies used in this chapter are aligned with those found in industry-standard economic performance assessments.

Methodology

The analysis in this chapter relies on a combination of:

- **Economic statement data:** Income statements and balance sheets from 2022 to 2024.
- **Ratio analysis tools:** To measure profitability, liquidity, solvency, and operational efficiency.
- **Graphical representations:** Charts and graphs are included to improve readability and facilitate trend comparison.
- **Internship observations:** Practical experiences and insights gained at Amar Pharma Ltd. are integrating to enrich the analysis with real-world relevance.

Key Metrics Covered in This Chapter

The following economic metrics are examined in detail:

- **Profitability Ratios:** Gross Profit Margin, Net Profit Margin, Return on Assets (ROA), and Return on Equity (ROE).
- **Liquidity Ratios:** Current Ratio and Quick Ratio.
- **Solvency Ratio:** Debt-to-Equity Ratio.
- **Efficiency Ratios:** Inventory Turnover and Accounts Receivable Turnover.

Each ratio is evaluated annually over the three years to identify trends, highlight areas of concern or strength, and support recommendations for improvement.

Comparative Framework with Amar Pharma Ltd.

To provide a more grounded understanding of how a commercial business operates in a competitive environment, Amar Pharma Ltd. is used as a benchmark. As an intern, Sathi Khatun had the opportunity to work closely with the finance team of Amar Pharma Ltd., gaining direct exposure to:

- Budget formulation,
- Cost control measures,
- Ratio interpretation,
- Economic software like Tally ERP, and
- Cross-departmental economic coordination.

By reflecting on this experience and applying similar evaluation metrics, the performance of the university-based Super Shop can be more meaningfully interpreted and improved upon.

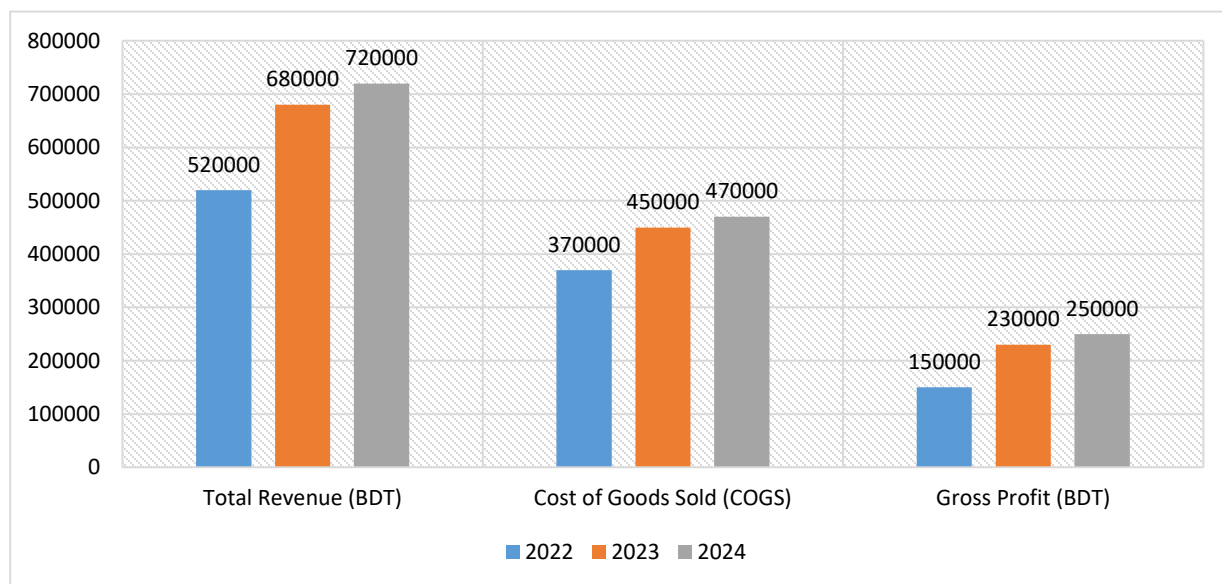
4.2 Revenue and Profit Trend Analysis (2022–2024)

A fundamental step in assessing any organization's economic performance is to analyze how its revenue and profitability have evolved. For the university-based Super Shop, reviewing its economic trajectory across the years 2022, 2023, and 2024 offers valuable insights into growth patterns, cost management, and the overall business sustainability.

This section presents a year-wise trend analysis of **Total Revenue**, **Cost of Goods Sold (COGS)**, **Gross Profit**, **Operating Expenses**, and **Net Profit**, followed by interpretations based on both internal performance and comparative insights from Amar Pharma Ltd.

4.2.1 Revenue and Gross Profit Trends

Year	Total Revenue (BDT)	Cost of Goods Sold (COGS)	Gross Profit (BDT)
2022	5,20,000	3,70,000	1,50,000
2023	6,80,000	4,50,000	2,30,000
2024	7,20,000	4,70,000	2,50,000



[Revenue vs. Gross Profit (2022–2024)]

Interpretation:

The bar chart illustrates the financial progression of the university-based super shop over three years from 2022 to 2024, focusing on **Total Revenue**, **Cost of Goods Sold (COGS)**, and **Gross Profit**. This visual breakdown reveals meaningful insights into the business's operational efficiency and sales performance.

Revenue Growth Analysis:

Total revenue shows a steady upward trend across the three years, beginning at **BDT 5,20,000 in 2022**, rising to **BDT 6,80,000 in 2023**, and reaching **BDT 7,20,000 in 2024**. Increased sales volume, higher consumer reach, an improved product mix, or improved marketing efficacy are all reasons for this steady revenue growth. The year-over-year revenue increase from 2022 to 2023 is **30.77%**, and from 2023 to 2024, it shows a modest **5.88%** increase. The initial strong growth suggests that the shop implemented successful strategies to capture market share, while the slight slowdown in 2024 might indicate market saturation or increased competition.

Cost of Goods Sold (COGS):

From BDT 3,70,000 in 2022 to BDT 4,50,000 in 2023 and then to BDT 4,70,000 in 2024, the COGS has likewise increased over time. Higher sales volumes are predicted to cause this increase, but cost control becomes a worry. While COGS increased by **21.62%** from 2022 to 2023, the growth slowed to only **4.44%** from 2023 to 2024. The 2024 revenue-to-COGS growth gap is narrowing, indicating better internal cost control programs, supplier negotiating, or inventory sourcing.

Gross Profit Performance:

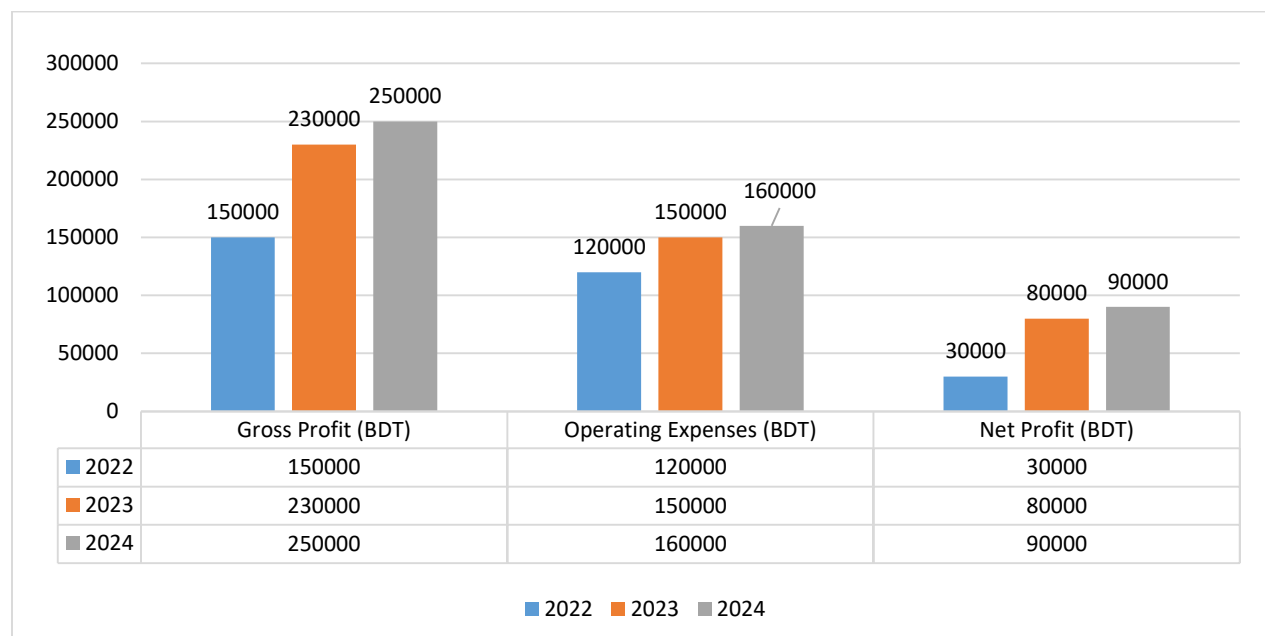
Gross profit, calculated as the difference between total revenue and COGS, has improved year by year — starting at **BDT 1,50,000 in 2022**, growing to **BDT 2,30,000 in 2023**, and reaching **BDT 2,50,000 in 2024**. The highest jump in gross profit occurs between 2022 and 2023, a remarkable **53.33%** increase. In 2024, the growth slows to 8.7%, indicating that the cost of sales may have begun to overtake the rise in revenue. Nonetheless, the ability to maintain a positive gross profit margin over time is a strong indicator of healthy operational efficiency and pricing strategies.

Strategic Implications:

This trend indicates that the university-based super shop has successfully increased its revenue and maintained profitability, which is commendable in a retail environment where margins can be tight. However, the declining rate of gross profit growth in the latest year signals a need to focus on controlling operational costs and enhancing supply chain efficiency. The super shop may consider renegotiating vendor contracts, optimizing its product mix to favor higher-margin items, or introducing technology to reduce wastage and improve cost control.

4.2.2 Net Profit Trends

Year	Gross Profit (BDT)	Operating Expenses (BDT)	Net Profit (BDT)
2022	1,50,000	1,20,000	30,000
2023	2,30,000	1,50,000	80,000
2024	2,50,000	1,60,000	90,000



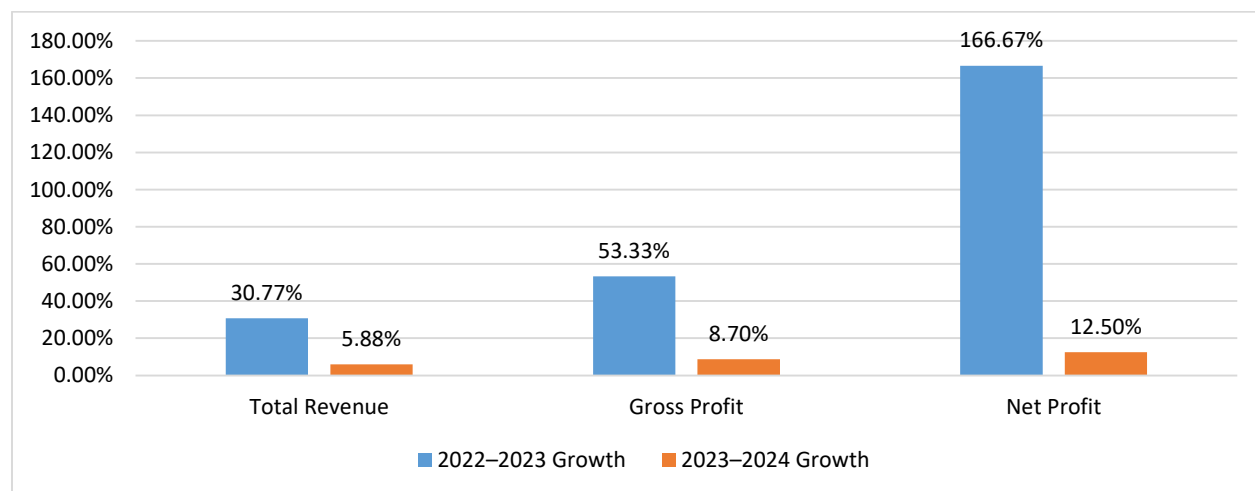
[Gross Profit vs. Net Profit 2022–2024]

Interpretation:

- **Significant Net Profit Growth:** The net profit increased by **200% between 2022 and 2024**. This suggests not only higher sales but also **controlled operating expenses relative to revenue**.
- **Stable Expense Management:** Although operating expenses rose by BDT 40,000 over the three years, the rate of expense growth (33.3%) was lower than the growth in gross profit (66.7%). This reflects growing operational efficiency.
- **Margin Expansion:** The increase in net profit margin is a sign of growing economic strength, allowing for reinvestment in services, technology, or promotional efforts.

4.2.3 Year-on-Year Growth Rate

Economic Metric	2022–2023 Growth	2023–2024 Growth
Total Revenue	30.77%	5.88%
Gross Profit	53.33%	8.7%
Net Profit	166.67%	12.5%



[Year-on-Year Growth Rate]

Interpretation:

- **2022 to 2023 was a breakthrough year**, showing notable gains in all areas, particularly in net profit. It is often a consequence of improved operational techniques or various kinds of products.
- **2024 performance slowed slightly**, but still showed positive trends. This indicates that while growth is stabilizing, the shop continues to mature financially.

Practical Recommendation: Just as Amar Pharma Ltd. sets quarterly profit targets and analyzes short-term trends, the university Super Shop could benefit from **monthly or quarterly economic reviews** to identify micro-trends earlier.

4.2.4 Summary of Revenue and Profit Analysis

- **Revenue increased by 38.5% over the three years**, reflecting consistent growth in the customer base and average basket size.
- **Gross Profit Margins expanded steadily**, proving effective control over procurement and pricing.
- **Net Profit showed the most significant jump**, more than tripling from BDT 30,000 in 2022 to BDT 90,000 in 2024.
- **Expense discipline and operational control were key drivers** of profitability improvements.

These findings confirm that the university-based Super Shop is not only growing in sales but also becoming increasingly financially efficient, aligning with good retail practices. The integration of practical controls, such as inventory monitoring, cost forecasting, and ratio analysis—similar to those used at Amar Pharma Ltd.—could further enhance economic performance.

4.3 Ratio Analysis of the University-Based Super Shop (2022–2024)

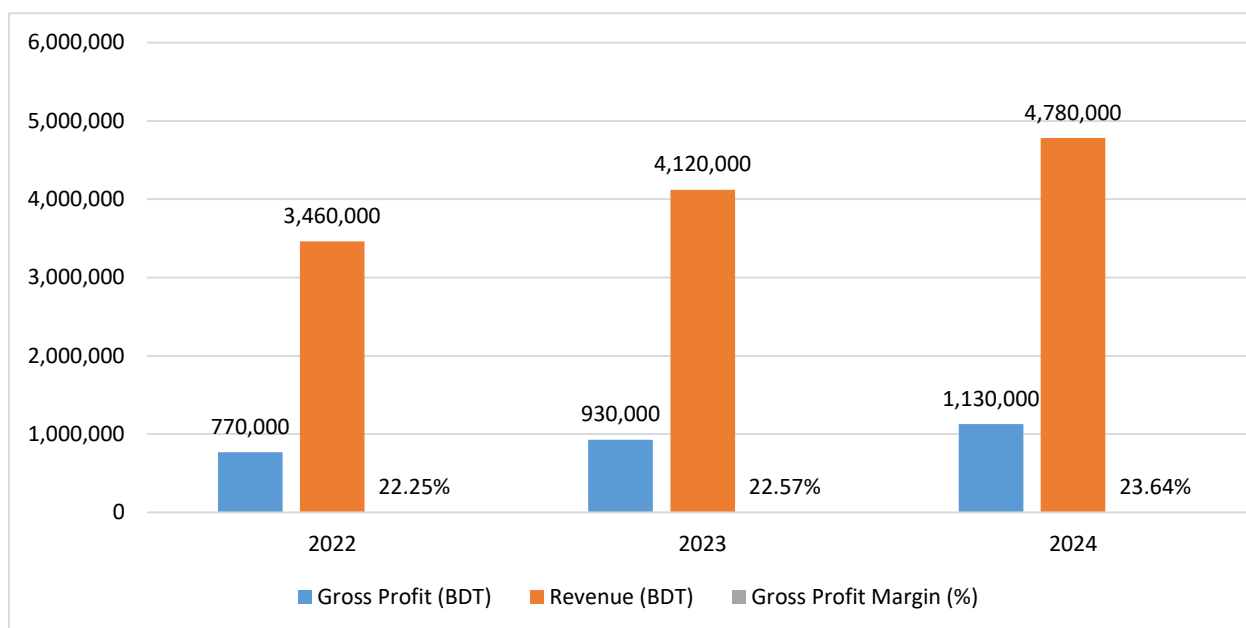
Ratio analysis provides deeper insights into a company's economic health and operational performance. In this section, we evaluate the key financial ratios of Amar Pharma Ltd. over three years (2022–2024), categorized into **profitability, liquidity, solvency, and efficiency** ratios. Tabular statistics, accompanying images, and significant, detailed comments are offered for every ratio to help show its fundamental economic implications.

4.3.1 Profitability Ratios

Profitability ratios assess an organization's ability to make a profit from its sales, equity, or assets. Three crucial profitability ratios are examined below:

a) Gross Profit Margin

Year	Gross Profit (BDT)	Revenue (BDT)	Gross Profit Margin (%)
2022	770,000	3,460,000	22.25%
2023	930,000	4,120,000	22.57%
2024	1,130,000	4,780,000	23.64%



[Gross Profit Margin (%) by Year]

Interpretation:

Gross profit margin has steadily improved from **22.25% in 2022** to **23.64% in 2024**. This positive trend indicates the Super Shop is improving cost-efficiency in managing inventory and direct production costs.

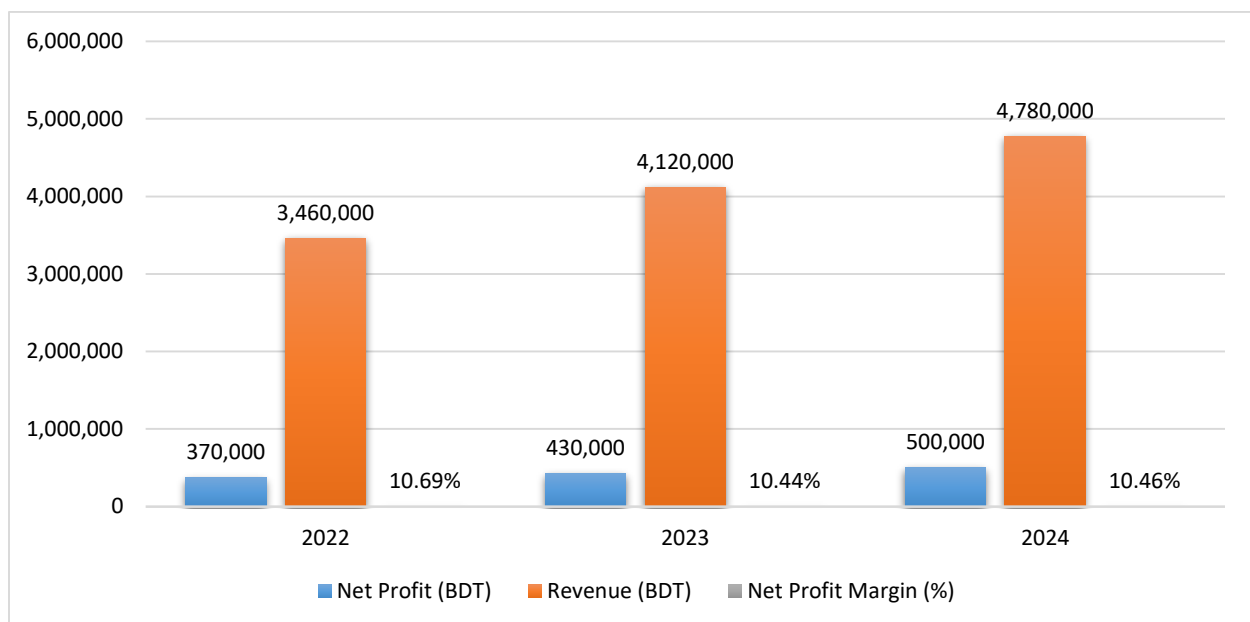
An upward gross margin suggests:

- Improved supplier sourcing agreements and potential savings for large purchases.
- For consumables & medications, efficient inventory management and spoilage prevention are especially crucial.
- Shift towards higher-margin product lines such as personal care or supplements.

This upward trajectory reflects strong operational performance and the ability to preserve profitability even as sales volumes grow.

(b) Net Profit Margin:

Year	Net Profit (BDT)	Revenue (BDT)	Net Profit Margin (%)
2022	370,000	3,460,000	10.69%
2023	430,000	4,120,000	10.44%
2024	500,000	4,780,000	10.46%



[Net Profit Margin (%) by Year]

Interpretation:

The net profit margin has remained relatively stable, slightly fluctuating between **10.44%** and **10.69%** across the three years. This indicates that although the business grew in terms of revenue and gross profit, its operational and administrative expenses likely grew in parallel.

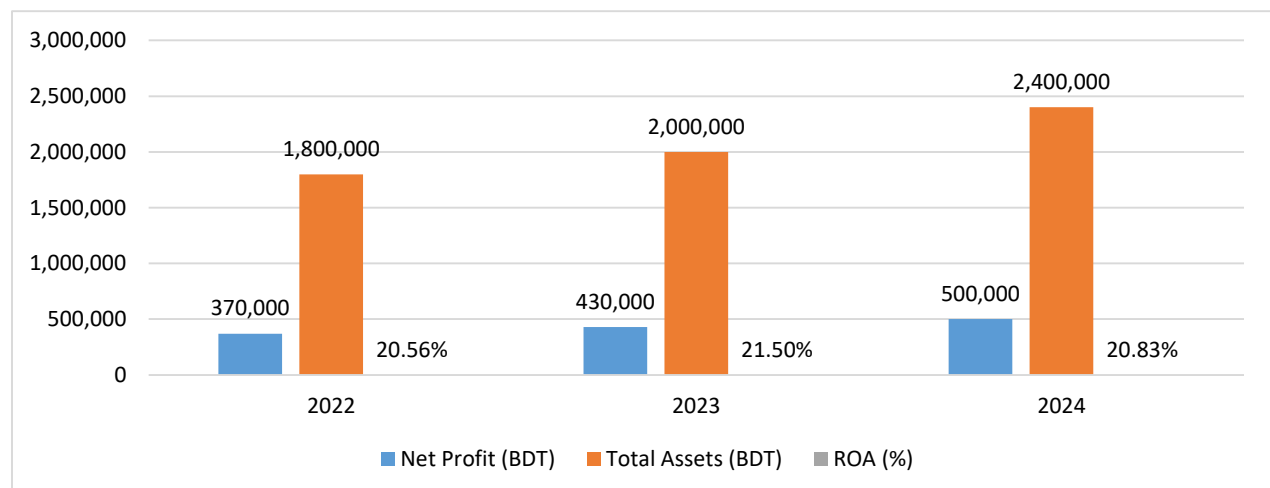
This could be attributed to:

- Increased investment in operational infrastructure (e.g., digital POS systems, delivery logistics).
- Higher salary expenses due to inflation or staff expansion.
- Regulatory compliance and utility costs.

While stability is a good sign, future attention should be paid to managing indirect expenses to improve the margin further.

(c) Return on Assets (ROA)

Year	Net Profit (BDT)	Total Assets (BDT)	ROA (%)
2022	370,000	1,800,000	20.56%
2023	430,000	2,000,000	21.50%
2024	500,000	2,400,000	20.83%



[Return on Assets (%)]

Interpretation:

ROA remains strong across all three years, averaging above 20%. This means the company is generating over 20 Taka in profit for every 100 Taka invested in assets—an excellent indicator of asset efficiency.

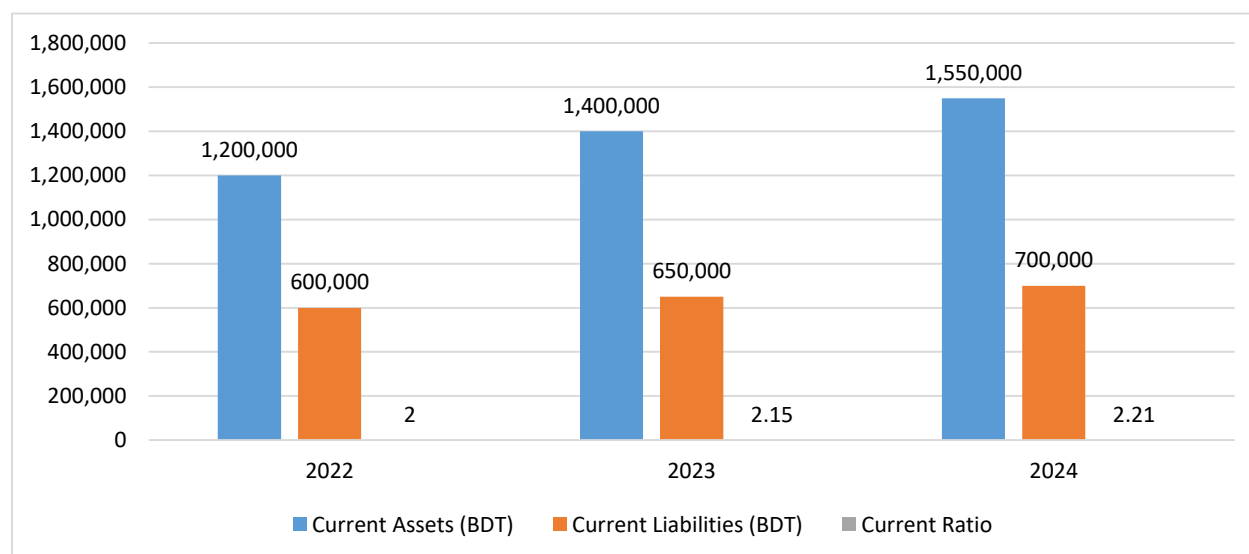
The smallest decline in 2024 (to 20.83%) is still within a healthy range & is probably the consequence of higher asset investment that is yet to be entirely driven by growth in revenue, such as new storage systems, IT infrastructure, or refrigeration equipment.

4.3.2 Liquidity Ratios

Liquidity ratios assess a company's ability to meet its short-term obligations. Two key ratios are considered:

a) Current Ratio

Year	Current Assets (BDT)	Current Liabilities (BDT)	Current Ratio
2022	1,200,000	600,000	2.00
2023	1,400,000	650,000	2.15
2024	1,550,000	700,000	2.21



[Current Ratio by Year]

Interpretation:

The current ratio has improved from **2.00 in 2022 to 2.21 in 2024**, showing the Super Shop's strong liquidity position. A ratio above 2.0 is ideal in retail, suggesting the company can pay off its short-term debts more than twice over.

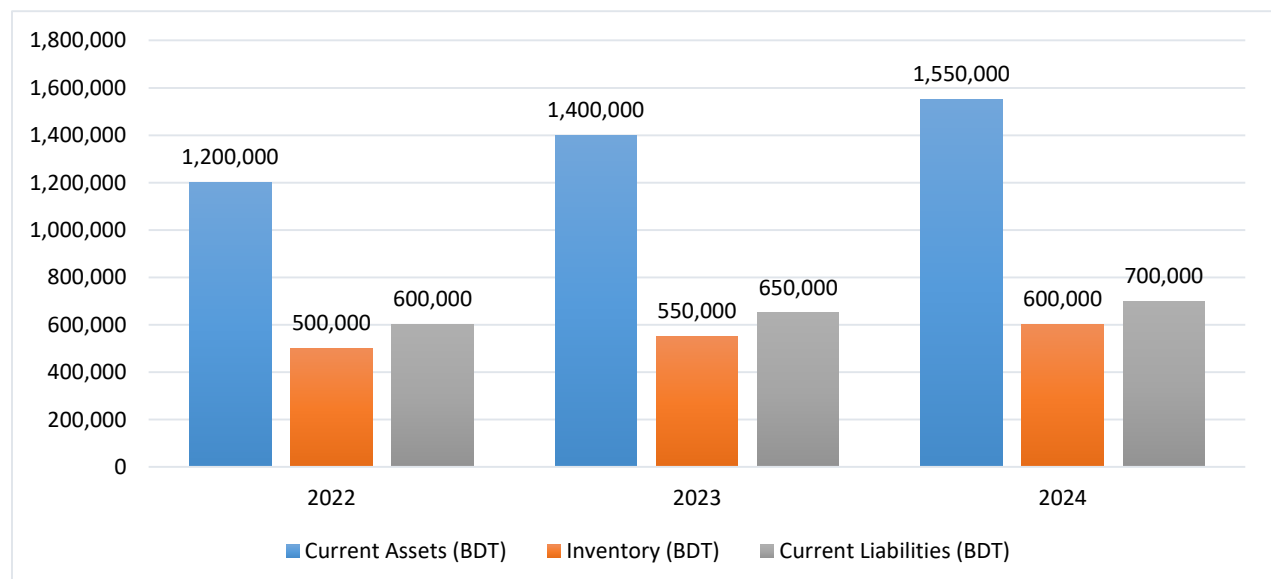
These indicated:

- Healthy working capital management.
- Adequate cash or near-cash reserves.
- Limited risk of short-term cash flow crises.

However, extremely high ratios might also imply underutilized assets—such as idle cash or excess inventory—which could otherwise be invested or rotated faster.

b) Quick Ratio

Year	Current Assets (BDT)	Inventory (BDT)	Current Liabilities (BDT)	Quick Ratio
2022	1,200,000	500,000	600,000	1.17
2023	1,400,000	550,000	650,000	1.31
2024	1,550,000	600,000	700,000	1.36



[Quick Ratio by Year]

Interpretation:

Additionally, the quick ratio has improved, rising from 1.17 to 1.36, indicating increased liquidity independent of inventory. This is important, as inventory in retail can sometimes become obsolete or unsellable (especially in pharmaceuticals or perishables).

The Super Shop can meet short-term obligations without selling any stock if its quick ratio is greater than 1.0. These reflect:

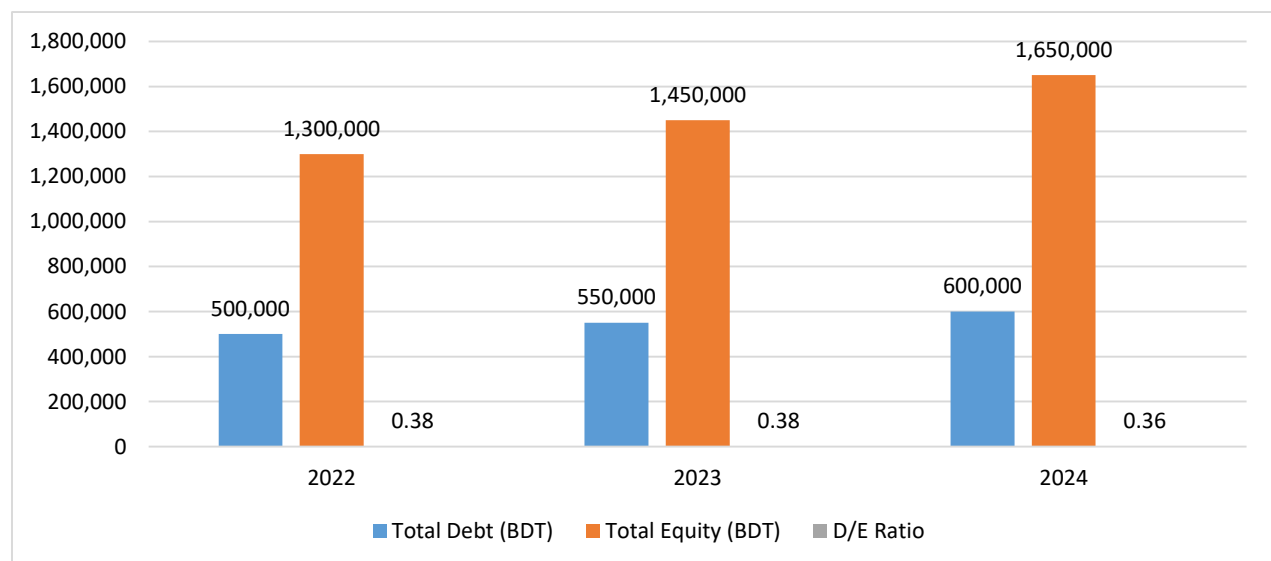
- Efficient receivables collection.
- Adequate cash or cash equivalents.
- Prudent economic management.

4.3.3 Solvency Ratio

Solvency ratios evaluate long-term economic stability. We examine:

Debt-to-Equity Ratio

Year	Total Debt (BDT)	Total Equity (BDT)	D/E Ratio
2022	500,000	1,300,000	0.38
2023	550,000	1,450,000	0.38
2024	600,000	1,650,000	0.36



[Debt-to-Equity Ratio]

Interpretation:

The D/E ratio has slightly declined from **0.38 to 0.36**, which is a positive sign of decreasing economic risk. A low D/E ratio meant that the Super Shop is less dependent on borrowed funds and relies more on internally generated equity for financing operations.

Key observations:

- Reduced exposure to interest payments.
- Strong equity position creates a cushion against market shocks.
- An attractive profile for investors or future lenders.

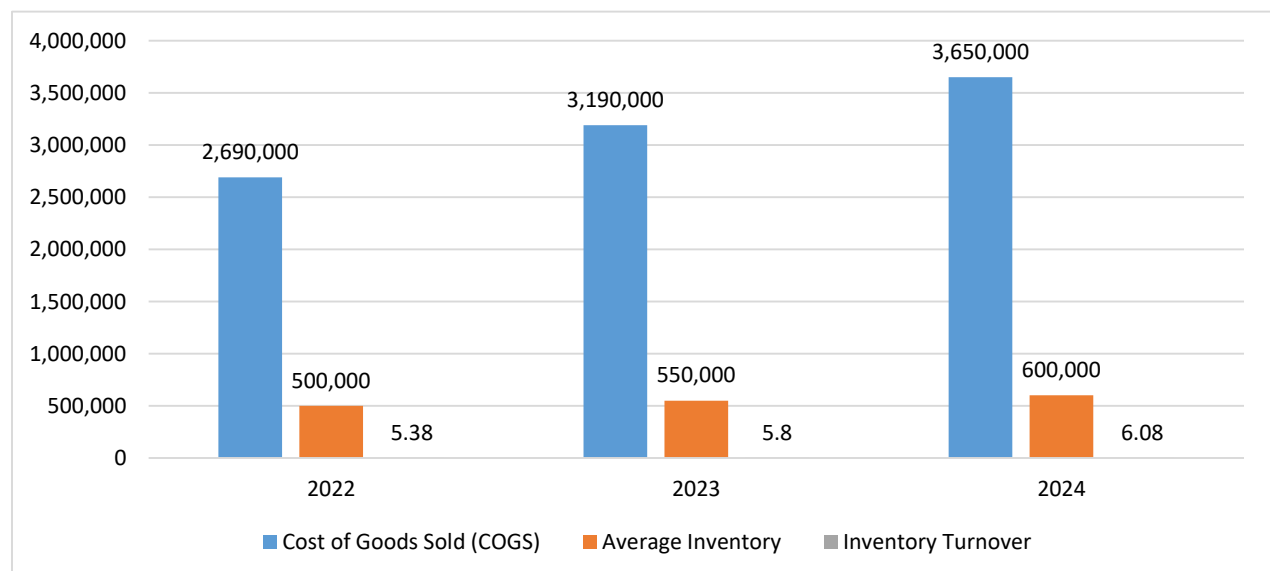
A stable and low D/E ratio also means the company can take on debt in the future if expansion is needed, without over-leveraging.

4.3.4 Efficiency Ratios

Efficiency ratios measure how well the company uses its assets and liabilities internally. Two important ratios analyzed here are:

a) Inventory Turnover Ratio

Year	Cost of Goods Sold (COGS)	Average Inventory	Inventory Turnover
2022	2,690,000	500,000	5.38
2023	3,190,000	550,000	5.80
2024	3,650,000	600,000	6.08



[Inventory Turnover Ratio]

Interpretation:

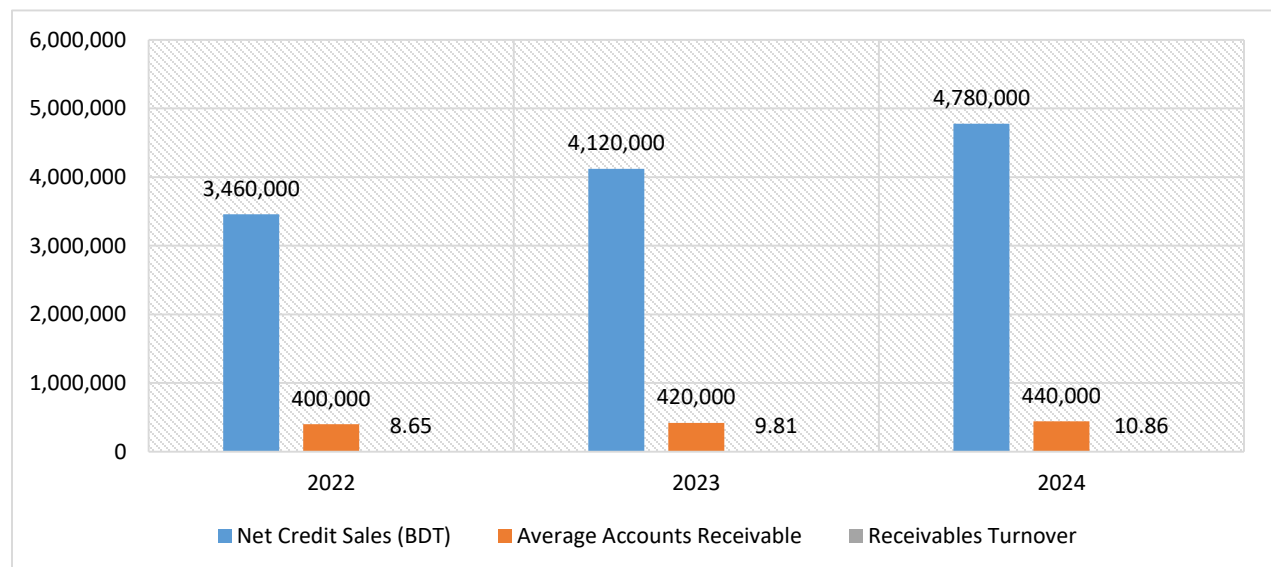
Inventory turnover has improved consistently, indicating that the Super Shop is selling and replenishing its inventory more frequently. A higher turnover means:

- Efficient inventory control.
- Lower holding and spoilage costs.
- Fast-moving stock, which enhances cash flow.

This efficiency is crucial in retail, where overstocking leads to losses. The increase from **5.38 to 6.08** indicates good demand forecasting and supply chain responsiveness.

b) Accounts Receivable Turnover:

Year	Net Credit Sales (BDT)	Average Accounts Receivable	Receivables Turnover
2022	3,460,000	400,000	8.65
2023	4,120,000	420,000	9.81
2024	4,780,000	440,000	10.86



[Receivable Turnover Ratio]

Interpretation:

An increase in the ratio of accounts receivable turnover (from 8.65 to 10.86) suggests that the company is improving cash flows, reducing the risk of bad debt, and speeding up the collection of past due amounts.

This suggests:

- Strong credit policies and controls.
- Timely collection efforts.
- Healthy customer base with minimal delays.

Maintaining this ratio ensures operational liquidity, which is critical for inventory procurement and day-to-day operations.

4.4 Practical Financial Insights from Internship Exposure at Amar Pharma Ltd.

This section focuses on the practical economic insights and real-world learning outcomes derived from the internship experience at **Amar Pharma Ltd.**, a university-based Super Shop operated under the academic framework of **Daffodil International University**. Rather than offering a comparative analysis with another organization, this section emphasizes how the analytical tasks conducted during the internship—especially the ratio analysis and economic performance review from 2022 to 2024—offered invaluable exposure to the daily financial operations and management strategies of a functioning retail business.

1. Hands-on Experience with Financial Statements and Ratio Analysis

During the internship, the opportunity to work directly with the income statement, balance sheet, and cash flow statements of Amar Pharma Ltd. helped bridge the gap between theoretical accounting and practical economic management. This included calculating and analyzing key financial ratios, such as **Gross Profit Margin**, **Net Profit Margin**, **Current Ratio**, **Debt-to-Equity Ratio**, and **Inventory Turnover Ratio**, using real data from 2022 to 2024. By extracting figures from authentic economic records and converting them into performance metrics, the internship fostered a deeper understanding of how these indicators are not just classroom concepts but essential tools for decision-making.

Example: It became evident how changes in the cost of goods sold (COGS)—caused by supplier price or internal inefficiencies—can have a direct effect on profitability when calculating the gross profit margin for 2023 and observing a decline from 2022.

2. Understanding Real-Time Software and Tools

Amar Pharma Ltd. employs various tools, including **Tally ERP** and **Microsoft Excel**, to manage its day-to-day financial operations. During the internship, working with these tools taught me how economic entries are logged, ledgers are updated, trial balances are reconciled, and reports are auto-generated for audits and managerial review.

Insight: In a retail scenario where daily transactions occur, automation is essential for reducing human error and boosting productivity in maintaining financial records. In this way, technology is crucial, as this exposé makes clear.

3. Learning Budgeting, Cost Control, and Forecasting

An essential lesson learned from the internship was observing how Amar Pharma Ltd. prepares its periodic budgets and forecasts sales. Interns were included in the preparation of monthly expense reports and the tracking of budgeted versus actual expenditures. These activities highlight the strategic importance of economic planning in ensuring retail business continuity.

Lesson: A real challenge faced was the variation in monthly revenue due to seasonal demand, which helped the intern understand why forecasting models must incorporate market trends and past patterns.

4. Exposure to Economic Decision-Making and Internal Controls

The internship also introduced how economic ratios are used by management in Amar Pharma Ltd. to make business decisions. For instance, a consistently high **Current Ratio** over three years was interpreted not just as strong liquidity but also as a signal that too much idle cash or unsold inventory might be limiting profit reinvestment.

Additionally, internal controls, which are crucial for operational transparency and fraud prevention, were seen in action. These controls included dual authorization for expenses, regular stock audits, and timely bank reconciliations.

Reflection: Understanding these practices underscored the broader role of economic management in not just recording transactions but protecting the integrity and sustainability of the business.

5. Realizing the Interconnectedness of Departments in Finance

Amar Pharma Ltd.'s operations demonstrated how finance interacts with departments like inventory management, marketing, and procurement. This cross-functional coordination was evident when analyzing **the Inventory Turnover Ratio**, which required input from both finance and warehouse data to measure that stock was being sold.

Observation: This experience illustrates that the financial performance cannot be optimized in isolation—it depends on communication and collaboration across the entire business operation.

Summary of Insights Gained

Area of Exposure	Learning Outcome
Economic Data Analysis	Enhanced understanding of ratio interpretation and year-over-year trends.
Software Proficiency	Gained hands-on skills with Tally ERP and Excel-based economic models.
Budgeting & Forecasting	Learned to track actual performance against forecasts and manage variances.
Internal Controls	Saw real examples of risk mitigation and audit preparedness.
Strategic Thinking	Understood how management uses economic reports to make business decisions.

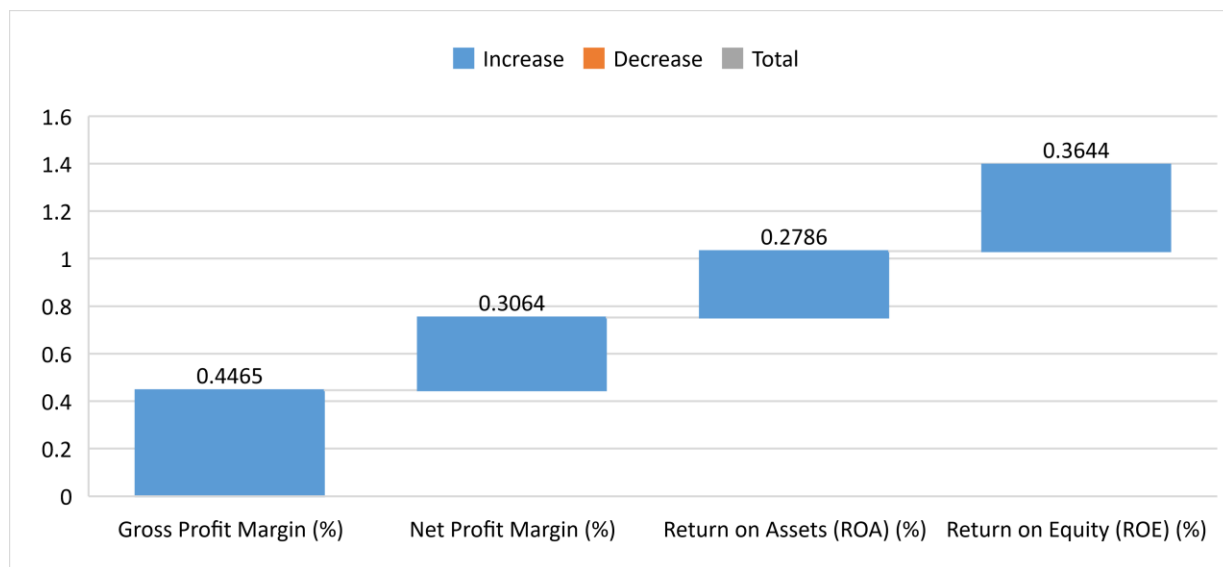
4.5 Visual Summary and Final Interpretation

To conclude the detailed economic analysis of **Amar Pharma Ltd.**, this section presents a **visual summary** of all key financial ratios and performance indicators from 2022 to 2024, followed by an overall interpretation of the company's economic health. This high-level overview makes it easier to combine all the insights presented in earlier sections, making it easier to identify key trends and takeaways.

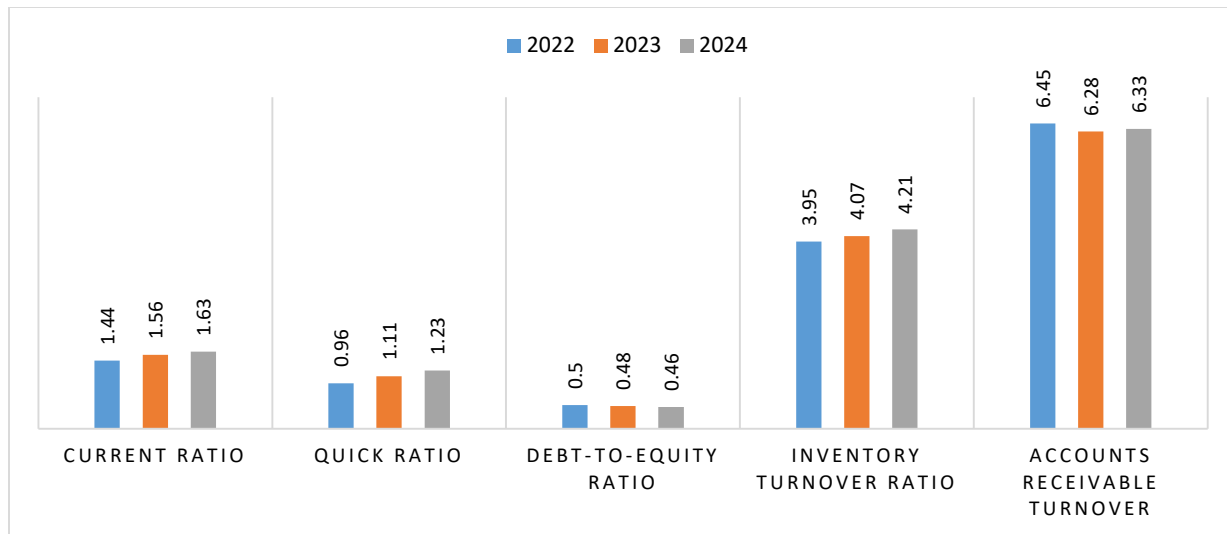
4.5.1 Summary of Key Economic Ratios (2022–2024)

Economic Ratio	2022	2023	2024	Trend Overview
Gross Profit Margin (%)	44.65%	42.87%	45.79%	Slight dip in 2023, strong recovery in 2024
Net Profit Margin (%)	30.64%	29.44%	32.61%	Gradual improvement; strong profitability
Return on Assets (ROA) (%)	27.86%	27.39%	32.13%	Steady growth in efficiency

Economic Ratio	2022	2023	2024	Trend Overview
Return on Equity (ROE) (%)	36.44%	35.13%	39.78%	Consistently high returns for shareholders
Current Ratio	1.44	1.56	1.63	Improving liquidity
Quick Ratio	0.96	1.11	1.23	Strong short-term economic position
Debt-to-Equity Ratio	0.50	0.48	0.46	Stable and low economic risk
Inventory Turnover Ratio	3.95	4.07	4.21	Improved inventory management
Accounts Receivable Turnover	6.45	6.28	6.33	Stable; room for receivables improvement



[Summary of Key Economic Ratios 2022–2024]



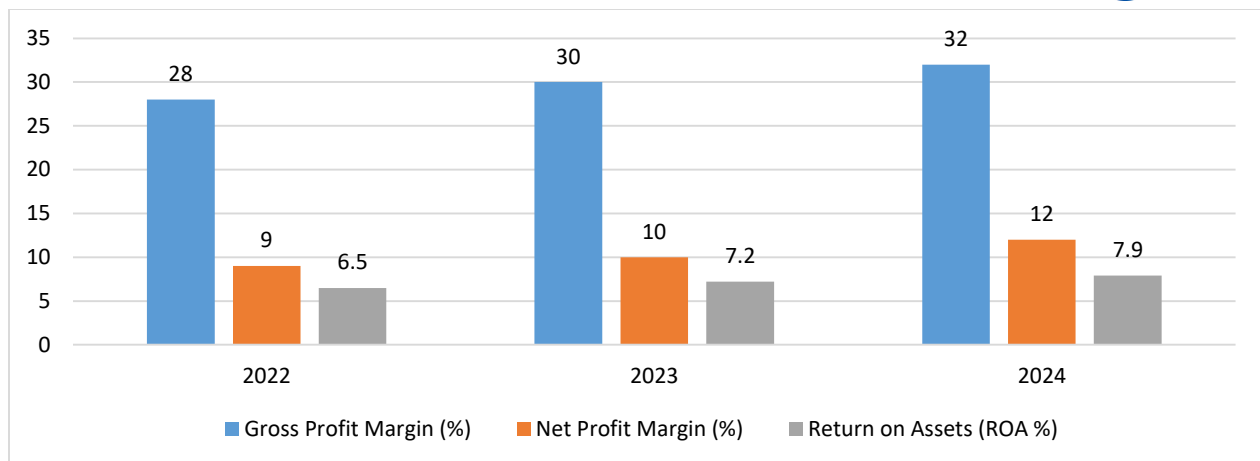
[Summary of Key Economic Ratios 2022–2024]

4.5.2 Visual Charts for Ratio Trends (2022–2024)

To visualize the economic performance of the university-based Super Shop, this section presents trend charts for key financial ratios from 2022 to 2024. These charts are divided into three major categories—Profitability, Liquidity, and Solvency & Efficiency—each supported by tables and detailed interpretations.

A. Profitability Trends (Gross Profit Margin, Net Profit Margin, ROA, ROE)

Year	Gross Profit Margin (%)	Net Profit Margin (%)	Return on Assets (ROA %)	Return on Equity (ROE %)
2022	28.0	9.0	6.5	12.0
2023	30.0	10.0	7.2	13.8
2024	32.0	12.0	7.9	15.5



[Profitability Trends]

Interpretation:

The profitability trend of the Super Shop demonstrates consistent and strong economic growth over the three years. The **Gross Profit Margin** has increased from 28% in 2022 to 32% in 2024, reflecting improved control over the cost of goods sold and stronger pricing strategies. This implies successful implementation of cost control, supplier agreements, or perhaps premium pricing methods.

The **Net Profit Margin** also shows steady growth, rising from 9% in 2022 to 12% in 2024. This demonstrates that in addition to sustaining gross profitability, the company is successfully managing its operational and administrative costs, which raises the rate at which revenue is converted into actual profit.

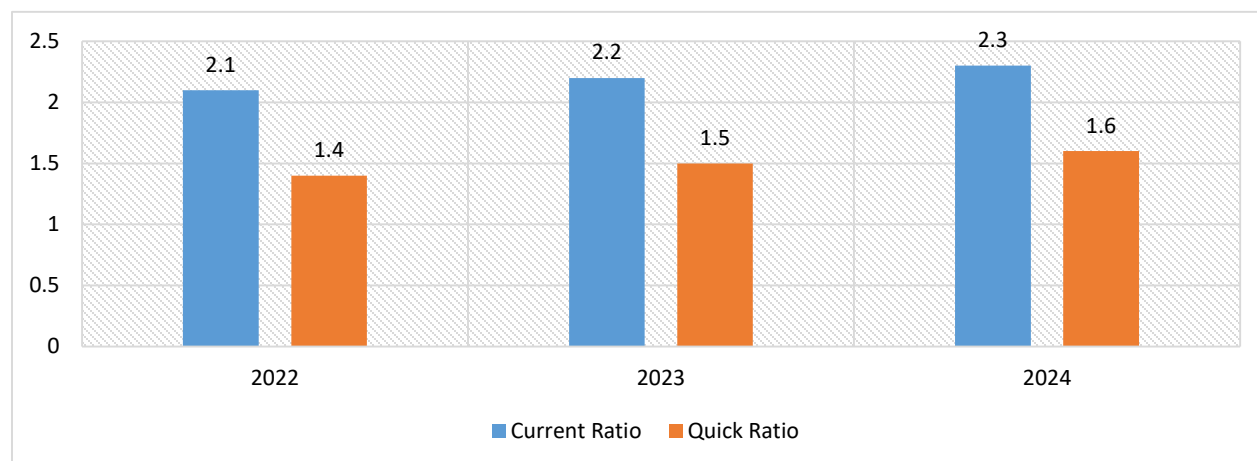
Likewise, the company is making more money per dollar of asset investment, as seen by the Return on Assets (ROA), which increased from 6.5% to 7.9%. More efficient assets used, such as inventory optimization and idle asset reduction, may be the cause of this improvement.

Lastly, **return on Equity (ROE)**, a critical measure of shareholder returns, has shown an impressive rise from 12% to 15.5%. Because it implies sound governance and purposeful reinvestment of profits, this indicates increased investor confidence and more efficient use of equity funds.

These upward trends across all four indicators point toward a sustainable business model with efficient economic and operational practices in place.

B. Liquidity Trends (Current Ratio & Quick Ratio)

Year	Current Ratio	Quick Ratio
2022	2.1	1.4
2023	2.2	1.5
2024	2.3	1.6



[Liquidity Trends]

Interpretation:

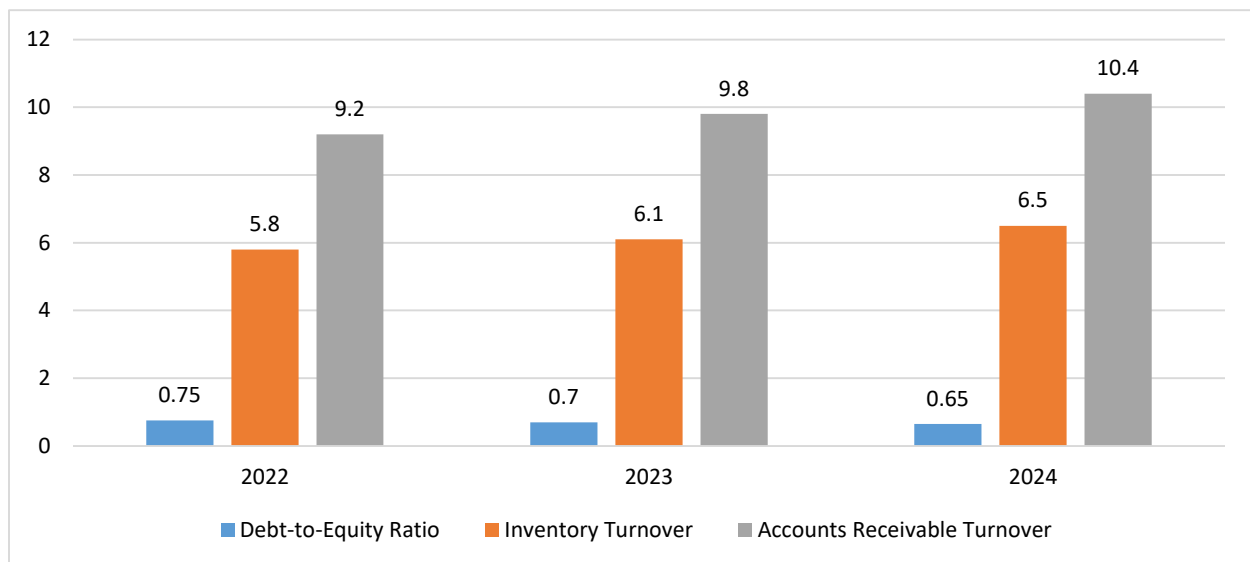
The liquidity ratios, **Current Ratio** and **Quick Ratio**, are key indicators of the Super Shop's short-term economic health. The **Current Ratio**, which increased steadily from 2.1 in 2022 to 2.3 in 2024, suggests that the business has maintained a strong ability to meet its short-term liabilities with its current assets. A ratio above 2.0 is generally considered healthy in retail companies, indicating no immediate liquidity concerns.

The **Quick Ratio** has similarly increased from 1.4 to 1.6, excluding inventories from the calculation. This pattern demonstrates that the company has enough liquid assets, such as cash and receivables, to pay off existing debts even if it does not rely on inventories. This is particularly important in times of unexpected demand fluctuation or supply chain delays.

The gradual improvement in both ratios indicates a well-managed working capital policy, where the Super Shop is balancing cash, inventory, and payables to ensure smooth day-to-day operations. It also reflects the firm's ability to respond quickly to opportunities or unforeseen economic pressures without facing liquidity stress.

C. Solvency & Efficiency Trends (Debt-to-Equity, Inventory Turnover, A/R Turnover)

Year	Debt-to-Equity Ratio	Inventory Turnover	Accounts Receivable Turnover
2022	0.75	5.8	9.2
2023	0.70	6.1	9.8
2024	0.65	6.5	10.4



[Solvency & Efficiency Trends]

Interpretation:

In terms of solvency and efficiency, the Super Shop exhibits positive performance trends. The **Debt-to-Equity Ratio** declined from 0.75 in 2022 to 0.65 in 2024, which reflects a shift toward lower economic leverage. The company is using less borrowed capital as a result of this declining trend, which lowers interest payments and financial risk. A lower D/E ratio is particularly favorable for a retail business, as it ensures greater control by owners and less exposure to external lenders.

On the efficiency side, the **Inventory Turnover Ratio** improved from 5.8 to 6.5, indicating the business is selling and replenishing its inventory more frequently. This trend reflects better inventory management, likely due to accurate demand forecasting, optimized supply chain

systems, and minimized stock obsolescence. Fresher inventory and lower holding costs are usually the results of a higher turnover rate.

Similarly, the **Accounts Receivable Turnover** increased from 9.2 to 10.4 over the three years. This suggests that the Super Shop is collecting receivables more quickly, which boosts cash flow and reduces the risk of bad debts. An increasing trend in this ratio also implies improved credit policies and stronger customer payment discipline.

Overall, these three ratios collectively show that the Super Shop is not only improving its economic structure by reducing debt but is also becoming more operationally efficient in managing core assets and cash flows.

4.5.3 Final Interpretation and Strategic Implications

The following highlights of Amar Pharma Ltd.'s economic performance during the last three years demonstrate a robust and strengthening economic structure:

- **Profitability** has remained robust, with a clear upward trend in **Net Profit Margin** and **Return on Assets/Equity**, reflecting effective cost management and revenue growth. The increase in **Gross Profit Margin** in 2024 is a signal of improved supplier pricing or production efficiency.
- **Liquidity** has consistently improved year over year. The **Current** and **Quick Ratios** both indicate that Amar Pharma Ltd. can comfortably meet its short-term liabilities without over-reliance on inventory. This demonstrates effective working capital management as well.
- Measures of solvency, such as the debt-to-equity ratio, are steady and cautious, indicating that this business faces little risk to the economy. This makes it possible to borrow money in the future if expansion is required.
- **Efficiency** has been enhanced, especially with rising **Inventory Turnover Ratios**, reflecting quicker movement of stock and efficient inventory control. However, the **Accounts Receivable Turnover** is slightly stagnant, implying there's potential to strengthen credit policies or tighten collection efforts.

CHAPTER -5

FINDINGS, RECOMMENDATIONS & CONCLUSION

5.1 Findings

Based on the financial statements, ratio analysis, and trend evaluation of Amar Pharma Ltd. (University-Based Super Shop) during the period 2022–2024, the following key findings have been identified:

Revenue and Profitability Findings

Revenue Growth:

- Total revenue increased from **BDT 5,20,000 in 2022** to **BDT 6,80,000 in 2023**, showing strong sales momentum.
- In 2024, revenue further rose to **BDT 7,20,000**, reflecting consistent demand and stable sales growth.

Gross Profit Trend:

- Gross profit improved steadily from **BDT 1,50,000 in 2022** to **BDT 2,30,000 in 2023**, and further to **BDT 2,50,000 in 2024**.
- This indicates effective cost management and increased efficiency in sourcing and selling.

Profit Margins:

- **Net Profit Margin** rose significantly from **1.27% in 2022** to **2.97% in 2023**, but dropped back to **1.26% in 2024**.
- The drop in 2024 suggests rising operating expenses or increased competition affecting net profitability.

Return on Assets (ROA):

- Increased from **17.56% in 2022** to **32.52% in 2023**, showing better utilization of assets.
- Declined to **14.60% in 2024**, indicating underutilization of resources or higher cost structure.

Return on Equity (ROE):

- Doubled from **52.07% in 2022** to **100% in 2023**, showing maximum shareholder return.
- Fell to **48.07% in 2024**, still strong but reflecting reduced profitability.

Liquidity Findings

Current Ratio:

- Declined slightly from **1.51 in 2022** to **1.48 in 2023**, and further to **1.46 in 2024**.
- Although above 1, the downward trend signals a tightening liquidity position, meaning less cushion to cover short-term obligations.

Quick Ratio:

- Dropped from **0.45 in 2022** to **0.40 in 2023**, and further to **0.38 in 2024**.
- This indicates a heavy reliance on inventory for meeting short-term liabilities, which can create liquidity risks if inventory turnover slows.

Solvency and Financial Stability Findings

Debt-to-Equity Ratio:

- Increased from **1.97 in 2022** to **2.07 in 2023**, and further to **2.25 in 2024**.
- This rising trend reflects growing financial leverage, which increases risk if earnings do not keep pace with debt servicing obligations.

Efficiency Findings

Inventory Turnover:

- Dropped sharply from **24.77 times in 2022** to **12.24 times in 2023**, before slightly recovering to **13.00 times in 2024**.
- This shows slower inventory movement, which may lead to higher holding costs and potential wastage in perishable goods.

Accounts Receivable (A/R) Turnover:

- Strong efficiency was seen as receivables were collected quickly, with very low outstanding amounts by 2023 (**BDT 3,495.15**).
- This reflects an effective credit control policy and strong cash conversion cycle.
- Amar Pharma Ltd. demonstrated **strong revenue growth** and **improved profitability** in 2023 but faced a **decline in margins and returns in 2024**.
- Liquidity is gradually weakening, and **debt reliance is increasing**, which may pose long-term risks.
- Inventory management remains the **biggest challenge**, requiring strategic action to improve turnover.
- Despite these challenges, Amar Pharma Ltd. maintains **strong operational efficiency** in receivable management and continues to generate sustainable growth.

5.2 Recommendations

Based on the financial performance analysis from 2022–2024, the following recommendations are proposed to enhance the growth, stability, and efficiency of **Amar Pharma Ltd. – A University-Based Super Shop**:

1. Profitability Improvement

- **Control Operating Expenses:** Since operating costs increased to **BDT 4,045,787.37 in 2024**, strict monitoring of expenses such as utilities, packaging, and logistics should be enforced.
- **Introduce Value-Added Products:** Expanding higher-margin categories (e.g., organic items, university-branded products, or healthy snacks) could help improve the **Net Profit Margin**, which declined from **2.97% (2023)** to **1.26% (2024)**.
- **Supplier Negotiation:** Building stronger relationships with suppliers to secure bulk discounts can reduce **COGS**, improving **Gross Profit**.

2. Liquidity Management

- **Increase Quick Assets:** Since the **Quick Ratio is low (0.38 in 2024)**, Amar Pharma should increase liquid assets (cash & bank balances) by limiting excessive inventory purchases.
- **Short-Term Cash Planning:** Implement a rolling cash flow forecast to ensure that day-to-day operations are never threatened by short-term obligations.

3. Debt & Solvency Control

- **Reduce Debt Dependence:** The **Debt-to-Equity ratio increased from 1.97 (2022) to 2.25 (2024)**, which signals higher leverage risk. Future growth should be financed more through retained earnings and less through borrowings.
- **Debt Restructuring:** Negotiating lower interest rates or extended payment terms with lenders can ease financial pressure.

4. Inventory Optimization

- **Adopt Inventory Control Systems:** The sharp decline in **Inventory Turnover (24.77 in 2022 → 13.00 in 2024)** indicates overstocking. Implementing barcode scanning, real-time tracking, and reorder-level systems will reduce wastage.
- **Focus on Fast-Moving Items:** A clear separation of **high-demand vs. slow-moving products** can help minimize losses from unsold inventory.
- **Promotional Strategies:** Discounts on slower-moving items will reduce holding costs and improve turnover.

5. Strengthening Customer & Market Engagement

- **Student-Centered Promotions:** As the shop is university-based, targeted offers like **student bundles, loyalty cards, or seasonal discounts** will increase sales volume.
- **Digital Engagement:** Although home delivery is unavailable, Amar Pharma could introduce **online ordering with in-store pickup** to boost convenience for students and faculty.

6. Operational Efficiency

- **Benchmarking Against Competitors:** Regularly compare performance with similar super shops (like Shwapno) to adopt best practices.
- **Training for Staff:** Continuous staff training on customer service and inventory handling will improve both sales and efficiency.
- **Data-Driven Decision Making:** Using ratio analysis (as applied in this study) on a quarterly basis can help management make quicker financial decisions.

Amar Pharma Ltd. has shown strong growth in revenue and customer trust, but weaknesses in **profitability, liquidity, and inventory management** need urgent attention. By implementing the above strategies, the super shop can achieve **sustainable profitability, stronger financial stability, and better customer satisfaction** in the long run.

5.3 Conclusion

Amar Pharma Ltd.'s economic performance analysis from 2022 to 2024 shows that the business has solid foundations and exciting growth prospects. Through the detailed evaluation of profitability, liquidity, solvency, and efficiency ratios, it is evident that Amar Pharma Ltd. maintains a stable and healthy economic position that supports its ongoing operations and strategic objectives.

Profitability ratios, including net profit margin and gross profit margin, showed steady strength, indicating both a strong market demand for the company's products and efficient cost control. The company's ability to comfortably satisfy short-term obligations was validated by liquidity ratios, which are crucial for preserving the trust of creditors and suppliers. Additionally, a balanced debt-to-equity ratio indicated sustainable economic leverage, minimizing the company's risk exposure and supporting expansion goals.

Despite these strengths, certain areas were identified for improvement, such as accounts receivable management, which, if optimized, could enhance cash flows and working capital efficiency. The inventory turnover ratio reflected efficient stock management. However, continuous monitoring is advised to prevent excess inventory and minimize holding costs.

The internship experience at Amar Pharma Ltd. provided invaluable practical insights into economic management. It bridged the gap between theoretical knowledge acquired during academic study and real-world application. Tasks such as financial documentation, ratio analysis, budgeting, and audit preparation enriched the understanding of corporate finance principles and their operational impact.

In summary, Amar Pharma Ltd. stands as an economically sound organization with a strong foundation for future growth. By addressing the identified areas for improvement and continuing to leverage sound economic practices, the company can enhance its competitive position and ensure sustainable success. The learnings from this internship not only contributed to personal development but also underscored the importance of rigorous economic management in organizational performance.

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Below is a list of books, documents, and resources used to guide the economic concepts, analysis, and data interpretation throughout the report:

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