

INTERNSHIP REPORT

ON

**Financial performance Analysis of Crystal Martin Apparel Bangladesh
Limited**

Supervised By:

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Daffodil International University

Date of Submission: 31/10/2020

Financial performance Analysis of Crystal Martin Apparel Bangladesh Limited(CMABL)



Letter of Transmittal

To

Sayma Suraiya

Assistant Professor in Mathematics

Department of General Educational Development

Faculty of Science and Information Technology

Daffodil International University

Subject: Submission of Internship Report on Financial Performance Analysis of Crystal Martin Apparel Bangladesh Limited.

Dear Madam,

With Due respect, I want to state that recently I have completed my Mandatory Internship which carries 3 credits. I performed my internship from **Crystal Martin Apparel Bangladesh Limited(CMABL)**. I have the pleasure to submit an Internship Report after working with them for 3 months. As a part of this, I have prepared a report on the **Financial Performance Analysis of Crystal Martin Apparel Bangladesh Limited**. I have tried to provide all the information in the report which I believe can be able to make the report more relevant, workable, and further usable. I applied all the practical knowledge of my intern period to make the report meaningful and informative.

I am thankful to you for your direction and guidance to make this report. It was not possible to make the report perfectly without your guidance and help. Your final approval is needed for making this report tangible. I am also thankful to the Managing Director of the company and thanks to all the officers and employees who helped me in developing my work.

So, I hope you will check it and give permission to bring this report out to existence.

Sincerely Yours

Sobuj Khan

.....

Md. Sobuj Khan

ID No: 161-11-4983

Department of Business Administration

Daffodil International University



Declaration

I am **Md. Sobuj Khan**, student of Bachelor of Business Administration (BBA) Major in Finance from Daffodil International University, I do hereby declare that an internship report on “**Financial Performance Analysis of Crystal Martin Apparel Bangladesh Limited**” has been authentically made by me under the guidance **Sayma Suraiya**, Assistant Professor in Mathematics, Department of General Educational Development, Daffodil International University in fulfillment of the requirement for the award of Bachelor of Business Administration.

I am also declaring that this report was not submitted for any degree or title recognition before.

Sobuj Khan

.....
Md. Sobuj Khan

Id no: 161-11-4983

Department of Business Administration

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Certification

This is to certify that the internship report on **financial performance analysis of Crystal Martin Apparel Bangladesh Limited**. Submitted by **Md. Sobuj Khan**, ID No: 161-11-4983, department of Business Administration, regular section of the BBA program has been acknowledged and accepted with gratification.

The report can be accepted in terms of quality and form.

Sayma Suraiya

.....
Sayma Suraiya

Assistant Professor in Mathematics

Department of General Educational Development

Faculty of Science and Information Technology

Daffodil International University



Acknowledgment

First of all, I express my gratitude to supreme **ALLAH** for blessings, approval, Protection, mental power, and wisdom in all aspects of my life. I originally received cooperation from individuals whose names cannot be mentioned in this report, but with my heartiest appreciation and gratitude, I would remember them. I am very grateful to **Sayma Suraiya Madam, Assistant Professor in Mathematics**, Department of General Educational Development, Daffodil International University for guiding me to finish my internship. I am also very obligated to her for her scholarly and constructive suggestion, guidance which was of great co-operate in preparing this report on Crystal Martin Apparel Bangladesh Limited financial performance. I am grateful and would like to give thanks to all of my teachers in the Department of Business Administration; Daffodil International University. We would like to thank the management of **Crystal Martin Apparel Bangladesh Limited** for allowing me to do my internship successfully and also their knowledge sharing, suggestion, and guidance. I am also deeply indebted to **Nuwan Amarasinghe, Chief Finance Officer** and **Mostafa Kamal Rubel, Head of HR, Administration & CSR, Crystal Martin Apparel Bangladesh Limited** for their permission to lead my internship without which it would be incomplete. The support I got from the whole Finance and Accounts team is can't explain in words.



Executive Summary

The work experience I gathered from February 22, 2020, to May 22, 2020, as an intern in Crystal Martin Apparel Bangladesh Limited Department of Finance and Accounts. Since 2011, Crystal Martin Apparel Bangladesh Limited is one of Bangladesh's garments export-oriented companies. Crystal Martin Apparel Bangladesh Limited is a Garments Manufacturer and Exporter, having all state of the art facilities with an annual turnover of \$31.9 million. They produce their product for their buyer and client those are coming from the international market mainly UK and Continental European Retailers. I am sharing this report because of my 3-month internship experience.

The only reason to choose **Crystal Martin Apparel Bangladesh Limited** for its seven-position Garments Manufacturer in the World. It is a wonderful opportunity to learn and see these operations and gather practical knowledge.

The document renders Crystal Martin Apparel Bangladesh Limited a monetary performance overview for 2015-2018. The file includes a top-level view of the ratio (operating ratio, liquidity ratio, operation ratio, productivity ratio, and leverage ratio), the company's financial balance sheet, and income statement.

And the closing component describes how Crystal Martin Apparel Bangladesh Limited figures out their present state of affairs distinction between the previous situations and also has a recommendation on how to cope with their problem.

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Chapter 01

Introduction



1.1 Introduction

The garments industry is booming in Bangladesh, particularly after the removal of the global quota system. Now a days Canada exporting garments to more than 70 countries along with the US, EU, Latin America, and the Middle East. Last year, garments export was nearly 264.38 BDT billion and in Bangladesh. The primary competitors of Bangladesh are nations like China, India, Sri-lanka, Hong Kong, and Vietnam.

The Readymade garments industry dwells in a unique position within the Bangladesh economy. It has worried as the primary export earning a quarter of Bangladesh, which experienced phenomenal growth over the last 30 years. Over the last decade's adventure, the readymade garments industry has secured its position as the main supply of growth of our export, employment, and financial development via industrialization in Bangladesh. The industry is at once employing almost 305 million people and 80% of them are women who are mainly the poorest rural households.

1.2 Objectives of the study

The main objective of the study is bellowed:

- ❖ To deliver a summary of that organization
- ❖ To examine the economic performance using the last four years of data by using, measuring and evaluating different kinds of ratios.
- ❖ To find out the flaws and problems which are affecting the overall performance.
- ❖ To offer some probable solutions for overcoming the organization's economic problems.

1.3 The methodology of the Study

All of this report's information is work revel in and evaluation in the course of the internship. I had the capacity in this examination to encompass information on academia's insensible work life. I collected data from some of the sources.

Primary sources:

- ✚ The practical experiences that are gathered in Crystal Martin Apparel Bangladesh Limited.
- ✚ Virtual meeting with team of workers and also from the face to face communication to other staffs.
- ✚ Checked vintage records, files, and paper.



Secondary Sources:

- + Annual report of Crystal Martin Apparel Bangladesh Limited.
- + Crystal Martin Apparel Bangladesh Limited's website.
- + Explorer of the company
- + Used the internet for information purposes.
- + Various paper formats and articles related to CMABL.

1.4 Limitations of the Study

In this Work, it has some restrictions. I confronted this look at different styles of difficulties. For this time restriction, I surely couldn't write a remarkable report. This Report is not enough for an entity like CMABL to understand details.

Other Limitation:

- + The 3-month period is not sufficient time to recognize the company entirely.
- + The company's coverage of now not disclosing its data and records is a prime obstacle to the practice of this report.
- + The company's website is not up-to-date, so it was hard to discover its facts.
- + Lack of experience.



Chapter 02

Profile Of Crystal Martin Apparel Bangladesh Limited



2.1 At a Glance

Crystal International Group was based in Hong Kong by the use of Mr. And Mrs. Kenneth Lo in 1970. At our inception, we had a workshop with some stitching machines and knitting looms producing sweaters.

Today, we've round 20 self-operating manufacturing centers spanning across five countries. With personnel of about 80,000, we deliver over 470 million portions of clothing a year to the best-in-class garb brands in the world, presenting them the proper product at the proper time at the proper cost. Our broad variety of garb products includes lifestyle wear, denim, intimate, sweater and sportswear, and outside apparel.

Our co-advent enterprise model is vital to achieving and improving our industry-main role as supported via the powerful combination of our almost 5 decades of industry experience, long-time period partnerships with globally main apparel brands, an assorted product portfolio, and a multi-country production platform, which has driven our capacity to launch new commercially a hit merchandise for our customers continuously.

We have developed primarily based on our corporate lifestyle of caring "For the Greater Good" — where the good of customers, colleagues, society, and the global surroundings are our priorities. We trust sustainability permits us to create "shared value" for shareholders and stakeholders through our enterprise process. To this end, we take a holistic approach to sustainability the use of the five pillars: Environment, Innovation, Product Integrity, Employee Care, and Community Engagement.

2.2 Welcome To Crystal Martin Apparel Bangladesh Limited

CMABL is a Wholly-Owned Division of the Crystal Martin International Focused on Supplying High-Quality Apparel to the UK and Continental European Retailers.

CMI is based in Nottingham, UK, and has Factories in Sri-lanka, Bangladesh, and Cambodia.

2.3 Values

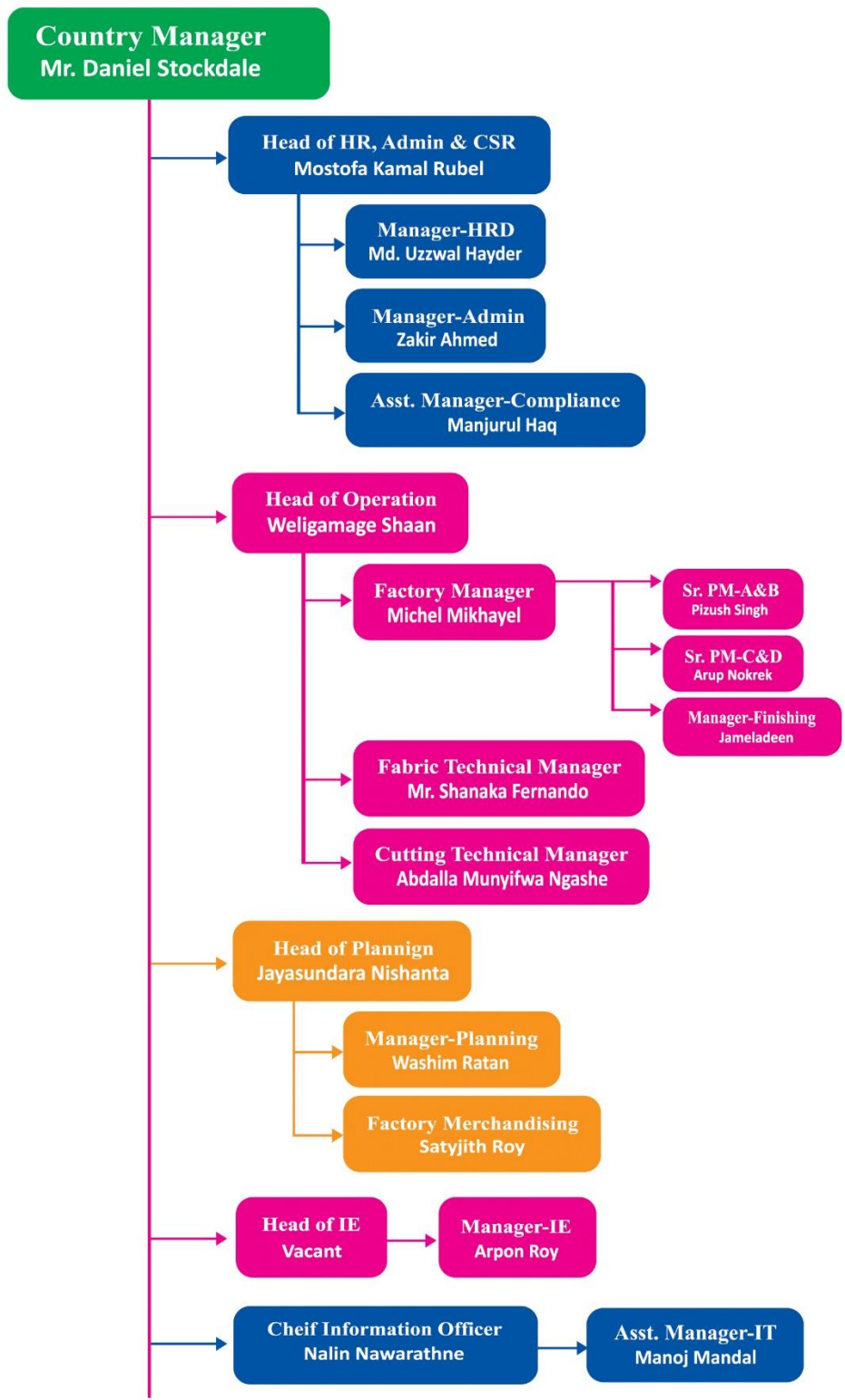
- ✚ Respect for people.
- ✚ Delight our Customer.
- ✚ Embrace Innovation.
- ✚ Deliver Bottom Line Results.
- ✚ Live Quality.

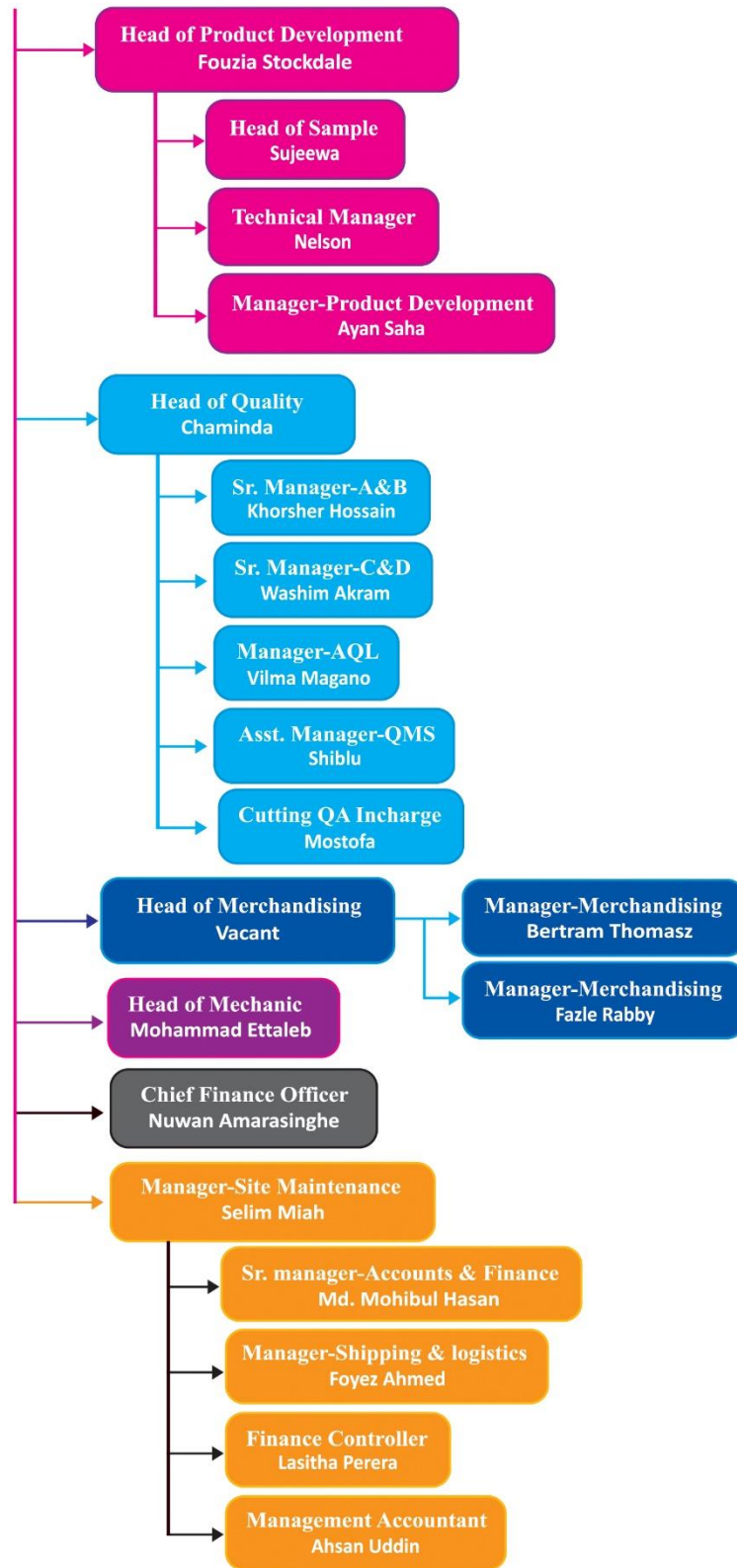
2.4 Vision

- ✚ To be an Enterprise that Focuses on stakeholder interests.
- ✚ Social Responsibility and Environment stewardship.



2.5 CMABL ORGANOGRAM







2.6 Mission

- To be the Most Productive Enterprise in our Industry in Terms of Sales and Profit, with Quality Products and services that our Customers Favorably Regard as Value for Money.

2.7 CMABL Organization

Company name	Crystal Martin Apparel Bangladesh Limited
Country Manager	Mr. Daniel Stockdale
Head of HR, Admin & CSR	Mostofa Kamal Rubel
Head of Operation	Weligamage Shaan
Head of Planning	Jayasundara Nishanta
Chief Information Officer	Nalim Nawarathne
Head of Product Development	Fouzia Stockdale
Head of Quality	Chaminda
Head of Merchandising	(Vacant)
Chief Finance Officer	Nuwan Amarasinghe
Manager Site Maintenance	Selim Miah

2.8 TimeLine

Year	Work Do For Establishment
2008	Established SQ Loop in Bangladesh as a Joint Venture
2011	Established Crystal Martin Apparel in Gazipur, Dhaka as 100% CMI Owned Company
2012	<ul style="list-style-type: none"> Factory Relocated to Valuka, Mymensingh Head Office Relocated to Gulshan-2, Dhaka-1212
2016	<ul style="list-style-type: none"> Obtained Acord Certificate for Infrastructure Accredited by M&S, NEXT, TESCO & BSCI
2018	30% Business Expansion Project

2.9 Capacities

Resources	Capabilities
Sewing Floor	16800 Sqft
Total Workforce	2912
Available Machine Hours	3.9 M
Standard Machine Hours	1.9 M
Annual Turnover	\$31.9 Million



2.9 Buyers



Next



Tesco



M&S



Dunnes Stores



Crystal Martin Apparels
Bangladesh Ltd

2.10 CMABL Products

- + Menswear Range
- + Ladies T-Shirt
- + Ladies Ware Range
- + Sports & Thermal
- + Night Dress & Tatty Teddy
- + Stain Range
- + Classic & Rosie Gowns
- + Onesie & CDCs
- + School Sportswear



Chapter 03

Theoretical Background



3.1 Ratio Analysis of Crystal Martin Apparel Bangladesh Limited

The objective of this report is Crystal Martin Apparel Bangladesh Limited evaluating financial performance. So that here discuss recent years' financial ratio of CMABL.

3.1.1 Ratio Analysis:

Ratio evaluation is the technique of statistical relationship assessment and interpretation based on financial statements. It is the capacity to view the monetary statements using accounting ratios from the balance sheet and the report of earnings and loss.

Purpose of ratio analysis:

- ✚ Identifying factors of business performance in the help of decision-making.
- ✚ Quantitative strategies may need to be supplemented with qualitative factors so that you can achieve an entire picture.
- ✚ Here, this record consists of the most common ratio and analysis to assess the running and economic overall performance of Crystal Martin Apparel Bangladesh Limited over time 2015, 2016, 2017, and 2018.

In this section an important set of financial and its applications are described. The selected ratios are organized into the four building blocks of financial statement analysis. These are as follows:

- ✚ Liquidity Ratio
- ✚ Operating Efficiency Ratio
- ✚ Efficiency or Activity Ratio
- ✚ Profitability Ratio
- ✚ Financial Risk.

3.2 Liquidity Ratio

❖ Current Ratio
$$= \frac{\text{Current Asset}}{\text{Current Liabilities}}$$

This is a quintessential liquidity ratio which installed a company's liquidity position. The cutting-edge ratio of 2:1 is the superior ratio.

❖ Quick Ratio
$$= \frac{\text{Current Asset} - \text{Inventory}}{\text{Current Liabilities}}$$

It is the ratio of a company's speedy wealth to its fast present-day liabilities. 1:1 is considered enough liquidity.



❖ Cash Ratio
$$:\frac{\text{Cash}+\text{Marketable Securities}}{\text{Current Liabilities}}$$

This is the liquidity ratio this is maximum conservative. All contemporary assets besides maximum liquid: coins equivalents and coins equivalents.

3.3 Operating Efficiency Ratio

❖ Total Asset Turnover
$$:\frac{\text{Net Sales}}{\text{Total Asset}}$$

This technique is a company's capacity to generate sales from its property by way of contrasting the company's net sales with total belongings.

❖ Fixed Asset Turnover
$$:\frac{\text{Net Sales}}{\text{Fixed Asset}}$$

Announced how efficiently companies use their fixed assets.

❖ Current Asset Turnover
$$:\frac{\text{Net Sales}}{\text{Current Asset}}$$

How effective it is to apply the current resource.

❖ Equity Turnover
$$\frac{\text{Net sales}}{\text{Total equity}}$$

This proportion of a company's sales to the fairness of its investor.

3.4 Efficiency Ratio

❖ Average Collection Day
$$:\frac{360}{\text{Accounts Receivable}}$$

- It's a formula by using it to figure out how many times the company can turn the credit into cash for sales.

❖ Accounts Receivable Turnover
$$:\frac{\text{Net Credit Sales}}{\text{Average Accounts Receivable}}$$

- It's time to convert the company's credit sales into cash.

❖ Inventory Turnover
$$:\frac{\text{Cost of Good Sold}}{\text{Average Inventory}}$$

- This is the number of times the stock is purchased and Good's cost sold throughout the year.



- ❖ Inventory Processing Day : $\frac{360}{\text{Inventory Turn Over}}$
- ❖ Accounts Payable Turnover : $\frac{\text{Cost of Good Sold}}{\text{Average Accounts Payable}}$

It is primarily used to calculate a company's time to repay its lender.

- ❖ Payable Payment Day : $\frac{360}{\text{Payables Turnover}}$

This means how the company pays its investor money within a period

3.5 Profitability Ratio

- Operating Profit Margin : $\frac{\text{Operating profit}}{\text{Sales}}$

This profit margin measures profitability without interest and taxes.

- Gross Profit Margin : $\frac{\text{Gross profit}}{\text{Sales}}$

The name of gross margin is the ratio of gross profit to net sales.

- Net Profit Margin : $\frac{\text{Net profit}}{\text{Sales}}$

Performance the between of revenue and cost the making the product the sold

- Return on Asset : $\frac{\text{Net Income}}{\text{Total asset}}$

It's used for how the company effectively used their asset.

- Return on Equity : $\frac{\text{Net income}}{\text{Common Equity}}$

Essentially it's the shareholder's equity. The average return on assets invested by investors is also measured.

3.6 Common Size Income Statement

A popular tool for measuring productiveness concerning revenue is the usual size profits statement. That item is expressed as a percentage of sales at the claim. Common profits statement is largely beneficial in comparing overall performance over the years.



3.7 The common size of Balance Sheet

A balance sheet is a financial statement that shows the assets, shareholder equity, and liabilities of a company at one point at a time.

3.8 Trend Analysis

A trend analysis could be a portion of technical evaluation aimed toward predicting destiny marketplace movements supported past information. Exploitation the old-year facts of a shopper, fashion analysis is also done overtime to work out the share amendment within the info selected. The pattern proportion is that the percentage qualitative analysis that bears to the identical product from exclusive years among the bottom year. Trend analysis is important because of its long-time amount perspective. The assessment question is observed or associate degree awing management indicator is discovered.

3.9 DuPont analysis

➤ **DuPont Formula**

The Dupont model, also called the Dupont formula, is a financial equation based on the go back on equity ratio used to calculate a company's ability to enhance its capital return.

ROA= Net profit margin × Total asset turnover

The approaches formula into the equation

$$\text{ROA} = \frac{\text{profit margin}}{\text{net income/net sales}} \times \frac{\text{total asset turnover}}{\text{net sales/average total asset}} \times \frac{\text{financial leverage}}{\text{total asset/equity}}$$



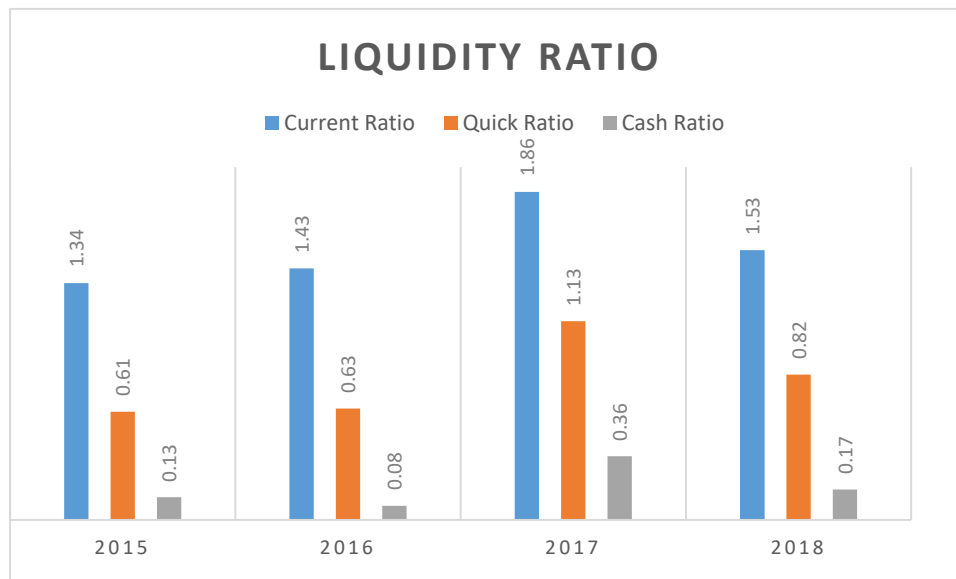
Chapter 04

Financial Performance Analysis

4.1 Ratio Analysis

4.1.1 Liquidity Ratio

Particulars	2015	2016	2017	2018
Current Ratio	1.34	1.43	1.86	1.53
Quick Ratio	0.61	0.63	1.13	0.82
Cash Ratio	0.13	0.08	0.36	0.17



Interpretation:

The current ratio measures the firm ability to pay its current liabilities by only cash. **The cash ratio** of *CMABL* 2015 – (1.34), 2016-(1.43), 2017-(1.86), 2018-(1.53) in 2018 cash ratio was increased. So it is good for *CMABL*.

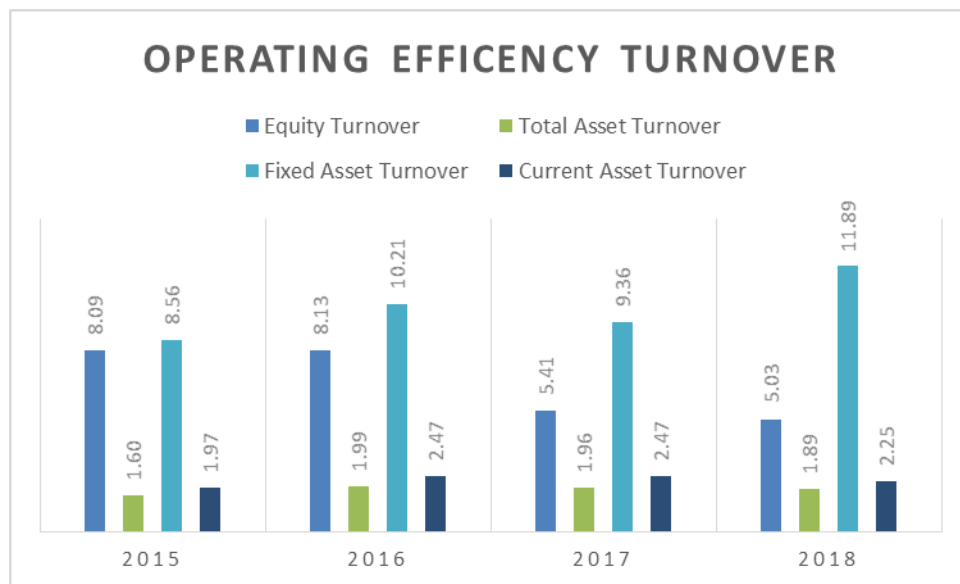
Cash ratio prefers marketable securities and cash also divided by current liabilities. In 2015-(0.61), 2016-(0.63), 2017-(1.13), 2018-(0.82). This ratio is ups and downs. So it is not good for *CMABL*.



The quick ratio is showing a firm's ability to meet current liabilities with its most liquid assets. In 2015 to 2018 ratio was decreased. The worst performance was in 2016 – 0.08 and the best performance was 2017-0.36

4.1.2 Operating Efficiency Ratio

Particular	2015	2016	2017	2018
Equity Turnover	8.09	8.13	5.41	5.03
Total Asset Turnover	1.60	1.99	1.96	1.89
Fixed Asset Turnover	8.56	10.21	9.36	11.89
Current Asset Turnover	1.97	2.47	2.47	2.25



Interpretation:

Equity turnover ratio 2015- 8.09, 2016-8.13, 2017-5.41, 2018-5.03. This is a good sign for *CMABL*.



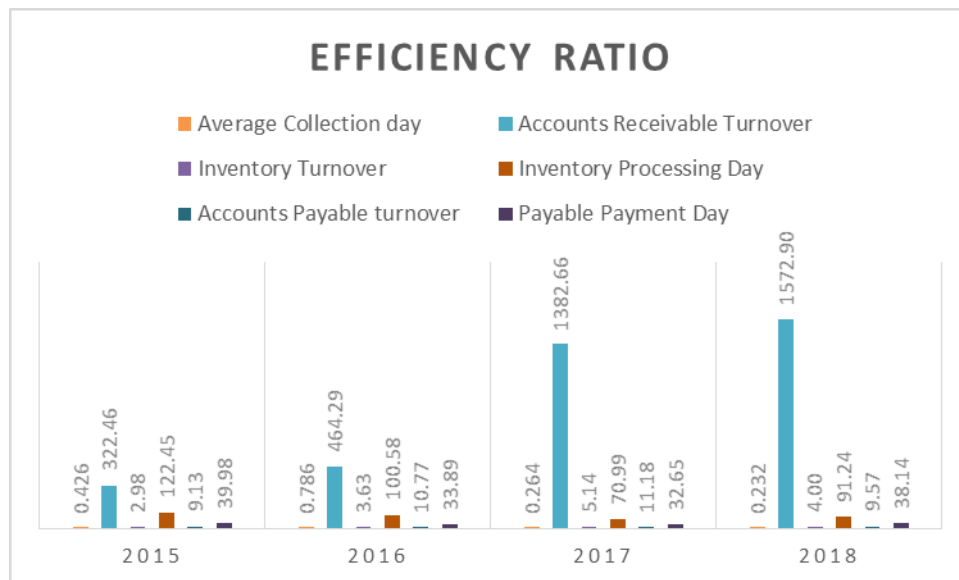
Total Asset turn over in 2015-1.60, 2016-1.99, 2017-1.96, 2018-1.89. Over the year it has been fluctuating.

Fixed asset turnover 2018-11.89, 2017-9.36, 2016-10.21, and 2015-8.56. 2018 which is a good sign for *CMABL*.

Current asset turnover also measures the same 2018-2015.

4.1.3 Efficiency Ratio

Particular	2015	2016	2017	2018
Average Collection day	1.13	1.00	0.30	0.32
Accounts Receivable Turnover	322.46	464.29	1382.66	1572.90
Inventory Turnover	2.98	3.63	5.14	4.00
Inventory Processing Day	122.45	100.58	70.99	91.24
Accounts Payable turnover	9.13	10.77	11.18	9.57
Payable Payment Day	39.98	33.89	32.65	38.14





Interpretation:

The average collection day 2018 is a good sign for *CMABL* which is 0.32.

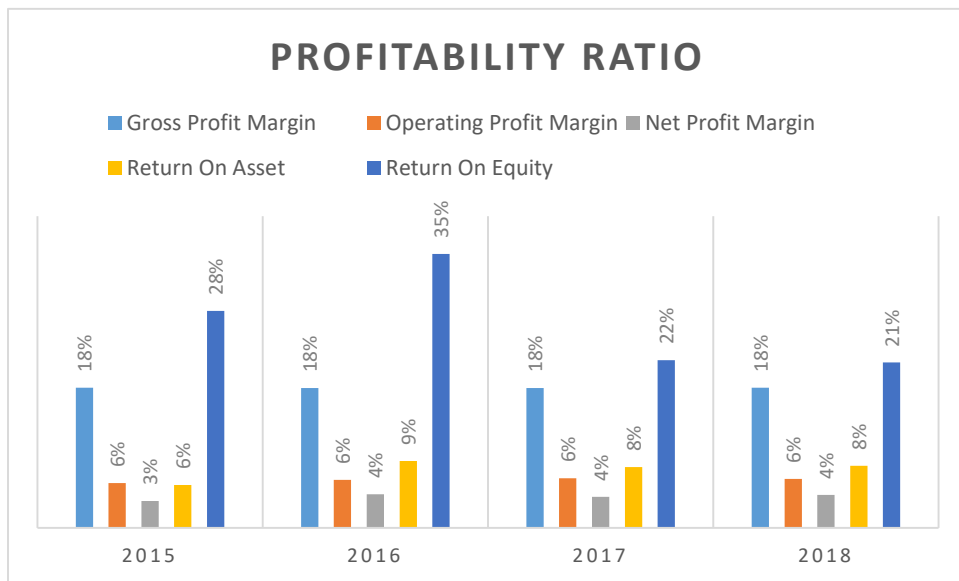
Accounts receivable turnover also a good sign for *CMABL* which 1572.90. That means better than the previous year.

Payable turnover day is good for *CMABL*. If find out the last few years.

Inventory processing day also good for *CMABL* which in 2018- is 91.24.

4.1.4 Profitability Ratio

Particular	2015	2016	2017	2018
Gross Profit Margin	18%	18%	18%	18%
Operating Profit Margin	6%	6%	6%	6%
Net Profit Margin	3%	4%	4%	4%
Return On Asset	6%	9%	8%	8%
Return On Equity	28%	35%	22%	21%



Interpretation:

The gross profit margin of *CMABL* 2015-2018 almost the same in the last previous year 18%.

Operating profit margin also 2015-2018 most similarly 6%.



The net profit margin is increasing by 2018 to 4%. ROA is almost the same 2018 is 8%. ROE is a decrease from 2018 from 2015 to 2018 (21%).

4.2 Common Size Income Statement

Crystal Martin Apparel Bangladesh Limited

The common size of Income Statement

2015 to 2018

Particular	2015	2016	2017	2018
Net Sales Revenue	100%	100%	100%	100%
Cost of Goods Sold	82.02%	82.06%	82.05%	82.02%
Gross Profit	17.98%	17.94%	17.95%	17.98%
Administrative Expenses	1.42%	1.62%	1.56%	1.61%
Administrative Expenses	10.81%	10.18%	10.01%	10.09%
Profit from Operations	5.75%	6.15%	6.38%	6.28%
Other Income	0.36%	0.23%	0.17%	0.19%
Impairment Charge on Goodwill		0.07%	0.08%	0.20%
Finance Cost		0.23%	0.84%	0.21%
Profit Before Contribution to WPPF & Welfare Funds	4.67%	6.08%	5.63%	6.06%
Contribution to WPPF & Welfare Funds	0.22%	0.29%	0.27%	0.29%
Profit Before Tax	4.45%	5.79%	5.37%	5.77%
Income Tax Expenses	-1.01%	-1.46%	-1.38%	-1.55%
Current Tax	-1.12%	-1.49%	-1.39%	-1.52%
Deferred Tax Income/ (Expense)	0.12%	0.03%	0.01%	-0.04%
Profit after Tax for the Period	3.44%	4.33%	3.98%	4.22%

Interpretation:

Cost of goods sold 2015-2018 (82.02%, 82.06%, 82.05%, and 82.02%) which related to every year. **Profit before tax** is 2015-2018 (4.45%, 5.79%, 5.37%, and 5.77%). **Profit after tax** period is 2015-2018 (3.44%, 4.33%, 3.98%, and 4.22%). **Profit before tax** 2018, 2017, 2016, 2015 (4.45%, 5.79%, 5.37%, and 5.77%).



4.3 The common size of Balance Sheet

Crystal Martin Apparel Bangladesh Limited

The common size of Balance Sheet

2015 to 2018

Particulars	2015	2016	2017	2018
Property, Plant and Equipment	18%	19%	20%	16%
Goodwill	1%	1%	0%	
Total Non-Current Assets	19%	19%	21%	16%
Inventories	44%	45%	31%	39%
Accounts Receivable	0%	0%	0%	0%
Loans, Advances and Deposits	18%	20%	21%	24%
Related party transaction	0%	0%	0%	0%
Short Term Investment	1%	2%	2%	2%
Investment in shares and others	9%	9%	10%	10%
Cash and Cash Equivalents	8%	4%	15%	9%
Total Current Assets	81%	81%	79%	84%
Total Asset	100%	100%	100%	100%
Share Capital	6%	6%	8%	7%
FVOCI Reserve				2%
Revaluation Surplus	0%	0%	0%	0%
Retained Earnings	13%	18%	28%	
Gain on Marketable Securities (Unrealized)				28%
Total Shareholders' Equity	20%	24%	36%	38%
Non-Current Liabilities:				38%
Long Term Borrowings	20%	19%	21%	
Long term loan-secured				17%
Total Non-Current Liabilities	20%	19%	21%	
Current Liabilities				0%
Short Term Borrowings	20%	16%	2%	17%
Creditors and Other Payables	0%	0%	0%	
Accounts payable	26%	27%	26%	16%
Accrued Expenses	11%	10%	10%	
Provision for Current Tax				19%
Provision for gratuity	1%	1%	1%	
Provision for leave encashment				1%



Dividend Payable	1%	1%	1%	
Unclaimed Dividend				1%
Deferred Tax Liability	2%	2%	2%	2%
Total Current Liabilities	60%	56%	43%	55%
TOTAL EQUITY AND LIABILITIES	100%	100%	100%	46%

Interpretation:

Total non- current asset 19%, 19%, 21%, and 16% which is 2015-2018.

Total asset 100% in all year 2015-2018. **Total current liabilities** 60%, 56%, 43%, 55% is related 2015-2018.

And last all **total equity and liabilities** 100% (2015-2018).



4.5 Trend Analysis of Income Statement

Crystal Martin Apparel Bangladesh Limited

Trend Analysis

Income Statement

Particular	2015	2016	2017	2018
Net Sales Revenue	100%	128%	113%	138%
Cost of Goods Sold	100%	128%	113%	138%
Gross Profit	100%	127%	113%	138%
Administrative Expenses	100%	145%	124%	156%
Administrative Expenses	100%	120%	104%	129%
Profit from Operations	100%	137%	125%	151%
Other Income	100%	81%	52%	72%
Impairment Charge on Goodwill				
Finance Cost				
Profit Before Contribution to WPPF & Welfare Funds	100%	166%	136%	179%
Contribution to WPPF & Welfare Funds	100%	166%	136%	179%
Profit Before Tax	100%	166%	136%	179%
Income Tax Expenses	100%	186%	155%	213%
Current Tax	100%	169%	140%	186%
Deferred Tax Income/ (Expense)	100%	30%	8%	-45%
Profit after Tax for the Period	100%	161%	130%	169%

Interpretation:

Cost of goods sold 2015-2018 is particularly 100%, 128%, 113%, 138%. **Profit after tax period** 100%, 161%, 130%, 169%. **Profit before tax** 100%, 166%, 136%, and 179%. **Current tax** is 100%, 169%, 140%, 186% in 2015-2018.



4.6 Trend Analysis of Balance Sheet

Crystal Martin Apparel Bangladesh Limited

Trend Analysis

Balance Sheet

Particular	2015	2016	2017	2018
Property, Plant and Equipment	100%	108%	105%	103%
Goodwill	100%	80%	60%	
Total Non-Current Assets	100%	107%	103%	99%
Inventories	100%	105%	65%	103%
Accounts Receivable	100%	89%	26%	28%
Loans, Advances and Deposits	100%	115%	105%	157%
Related party transaction	100%	63%	67%	65%
Short Term Investment	100%	109%	117%	122%
Investment in shares and others	100%	100%	100%	125%
Cash and Cash Equivalents	100%	60%	182%	143%
Total Current Assets	100%	102%	90%	121%
Total Asset	100%	103%	92%	117%
Share Capital	100%	100%	120%	138%
FVOCI Reserve				
Revaluation Surplus	100%	100%	100%	100%
Retained Earnings	100%	140%	193%	
Gain on Marketable Securities (Unrealized				
Total Shareholders' Equity	100%	127%	169%	222%
Non-Current Liabilities:				
Long Term Borrowings	100%	100%	100%	
Long term loan-secured				
Total Non-Current Liabilities	100%	100%	100%	
Current Liabilities				
Short Term Borrowings	100%	79%	9%	97%
Creditors and Other Payables				
Accounts payable	100%	109%	95%	73%
Accrued Expenses	100%	98%	87%	
Provision for Current Tax				
Provision for gratuity	100%	92%	89%	
Provision for leave encashment				



Dividend Payable	100%	115%	124%	
Unclaimed Dividend				
Deferred Tax Liability	100%	99%	96%	101%
Total Current Liabilities	100%	96%	65%	106%
TOTAL EQUITY AND LIABILITIES	100%	103%	92%	53%

Interpretation:

Total asset 2015-2018 is 100%, 103%, 92%, and 117%. Also, those **non-current liabilities** are 100% is all same year. **Total current liabilities** 100%, 96%, 65%, 106% which is all the same year 2015-2018.

4.7 DuPont Analysis

Crystal Martin Apparel Bangladesh Limited

Particulars	2015	2016	2017	2018
NPM	3.44%	4.33%	3.98%	4.22%
TAT	1.60	1.99	1.96	1.89
EM	5.04	4.09	2.76	2.66
ROE	27.83%	35.17%	21.53%	21.23%

Interpretation: Net profit margin 2015-2018 of CMABL is 3.44%, 4.33%, 3.98%, and 4.22%. **Total Asset Turnover** 2015-2018 of CMABL is 1.60, 1.99, 1.96, and 1.89. **Equity Multiplier** 2015-2018 of CMABL is 5.04, 4.09, 2.76, and 2.66. **ROE** 2015-2018 of CMABL is 27.83%, 35.17%, 21.53%, 21.23%.



4.8 Sensitivity Analysis

Crystal Martin Apparel Bangladesh Limited

Base Info					
Particulars	NPM	TAT	EM	ROE	
2015	0.03	1.60	5.04	0.28	
2016	0.04	1.99	4.09	0.35	
2017	0.04	1.96	2.76	0.22	
2018	0.04	1.89	2.66	0.21	
The sensitivity of NPM with ROE					
Particulars	NPM	TAT	EM	ROE	Changes
2015	0.034	1.60	5.04	27.83%	
2016	0.043	1.60	5.04	34.98%	25.68%
2017	0.040	1.60	5.04	32.19%	-7.97%
2018	0.042	1.60	5.04	34.12%	5.98%
				Average	7.90%
The sensitivity of TAT with ROE					
Particulars	NPM	TAT	EM	ROE	Changes
2015	0.03	1.60	5.04	27.83%	
2016	0.03	1.99	5.04	34.47%	23.84%
2017	0.03	1.96	5.04	33.96%	-1.47%
2018	0.03	1.89	5.04	32.85%	-3.28%
				Average	6.36%
The sensitivity of EM with ROE					
Particulars	NPM	TAT	EM	ROE	Changes
2015	0.03	1.60	5.04	27.83%	
2016	0.03	1.60	4.09	22.59%	-18.82%
2017	0.03	1.60	2.76	15.25%	-32.49%
2018	0.03	1.60	2.66	14.67%	-3.82%
				Average	-18.38%



Interpretation: Sensitivity of Total Asset Turnover with Return on Equity is choose. Because it's 6.36%. So CMABL should utilize the asset properly and maximize it as much as possible. It has a great impact on the reduction of ROE. CMABL should also invest assets in the different projects for that they can sell more and earn more profit and Roe will be increased ultimately.



Chapter 05

Findings

And

Recommendation



5.1 Findings

After analyzing the financial performance of Crystal Martin Apparel Bangladesh Limited the following findings have been found out-

- ✚ The overall performance of CMABL is average.
- ✚ Current Ratio from 2015 to 2018 was decreasing from 1.86 to 1.53.
- ✚ Quick Ratio from 2015 to 2018 fluctuating over this year. In 2018 it was 0.82, which is decreased from 1.12, in 2017. Sometime it is higher on the other hand sometimes it is lower.
- ✚ Cash Ratio from 2015 to 2018 was not equal all the year. Cash ratio should maintain in a balance way in every year.
- ✚ Equity Turnover: 2018 - 8.09%, 2017 - 8.13%, 2016 - 5.41%, 2015 - 5.03% . It is noticeable that equity turnover is decreased.
- ✚ Total Asset Turnover 2015 - 1.60, 2016 - 1.99, 2017 - 1.96, 2018 - 1.89. It is in decreasing trend upto 2018 and the utilization of the asset was not good.
- ✚ Average collection day was fluctuating over the 2015-2018 year. In 2017 it was good.
- ✚ Inventory turnover period is 2015 - 2.98, 2016 - 3.63, 2017 - 5.14, 2018 - 4.00. That means the sales is not increasing.
- ✚ In the comparison of four years analysis Return on Asset (ROA) were decreasing over the period 2017 and 2018 and Return on Equity (ROE) is also decreasing over 2018 which is 21%.



Crystal Martin Apparels
Bangladesh Ltd

5.2 Recommendation

- ✚ As a multinational company CMABL should look for a better performance every year than previous years.
- ✚ The company should increase the current ratio and the quick ratio also focus on cash ratio.
- ✚ They should focus on its equity turnover because it is decreasing over the previous year.
- ✚ Should take steps to increase total asset turnover over the year.
- ✚ To focus on increasing inventory turnover.
- ✚ Return on Asset (ROA), the company should attend the increase in the ROA.
- ✚ They should increase ROE.



5.3 Conclusion

Garments Industries are fully dependent on merchandising and controlling finance. **Crystal Martin Apparel Bangladesh Limited** is a multinational apparel based company that manufactures garments products and their financial performance is decent. But they should aware more regarding their finance sector. This company must know their present condition as it is fluctuating. It will be helpful for their future betterment.

During my training period, I have observed that **Crystal Martin Apparel Bangladesh Limited (CMABL)** produces high-quality products and able to maintain the buyer specific needs and standards. I collect the official paper operation of the company including, bank statement, Petty cash, Purchase Requisition, Goods received notes, and Accounts payable related documents and also audit those documents properly. That's why I understand the company's policy and more, it has been very helpful for me since that 3 months. I follow my advisor's guideline after finishing this internship to prepare my report properly.



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