

Internship Report on

Financial Performance Evaluation of Greentech Total Textile Solutions



Submitted By

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Letter of Transmittal

December 8, 2022

Ms. Sabrina Akhter
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Subject: Submission of Internship report on Financial Performance Evaluation of Greentech Total Textile Solution

Dear Madam,

It is a wonderful honor for me to present my internship report on Greentech Total Textile Solution's financial performance evaluation. I appreciate you approving this subject for my report as well. Being given a chance to do my survey on a reputable firm like Greentech Total Textile Solution is a really proud and opulent time for me. I have committed my entire attention to completing my internship successfully so that I can submit a successful internship report to you. I sincerely appreciate your helpful advice, recommendations, and directions.

I have made an effort to prepare this report as best I can. But should an error occur, I will be happy to address any prayer or suggestion regarding the report.

Yours Faithfully,

SWARNA

.....

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Letter of Declaration

December 8, 2022

I, Swarna Zahan, student ID: 192-11-847, a student of Department of Business Administration, hereby declare that, the report titled “**Financial Performance Evaluation of Greentech Total Textile Solution**” is prepared by me under the supervision of Sabrina Akhter, Assistant Professor, Department of Business Administration, Daffodil International University, after three months of internship at Greentech Total Textile Solution.

I also declare that this report is my original work based on my experience and was written for academic purposes as part of the BBA program.

SWARNA

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Approval Certificate

This is to certify that Swarna Zahan, ID: 192-11-847, Major: Finance, Program: BBA is a regular student of Daffodil International University, Department of Business Administration, Faculty of Business & Entrepreneurship. She worked directly under my direction to accomplish her research project, "Financial Performance Evaluation of Greentech Total Textile Solutions" with success.

I have gone through the report and found it well written. She has completed the report by herself.

I wish her every success in life.



.....
Ms. Sabrina Akhter

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

Acknowledgment

I owe my gratitude to Almighty Allah for giving me the opportunity to successfully complete my internship in peace. Furthermore, I want to thank everyone who has offered support and advice. I owe a lot of people appreciation for the effective completion of the report. For my internship program, Daffodil International and Greentech Total Textile Solution both gave me with the assistance and direction I needed.

I really would like to express my gratitude to Ms. Sabrina Akhter, Assistant Professor, Department of Business Administration, Daffodil International University, for offering me scholarly and valuable advice that was greatly needed in the writing of this report. There was also a limited amount of time to finish the report, but with her assistance, I was able to overcome the challenges, for which I am grateful.

I am also appreciative to my classmates and seniors who assisted me by lending their support and offering their perspectives on the report's preparation. Finally, I want to express my gratitude to my family for serving as an inspiration and helping me successfully complete my internship program.

Executive Summary

The BBA program at Daffodil International University in Bangladesh requires me to submit the report. The three months of my internship and the company's yearly reports served as the foundation for the report's construction. My internship with Greentech Total Textile Solution is now complete. Sabrina Akhter, Assistant Professor of Daffodil International University and my esteemed supervisor, guided me in selecting the topic, "Financial Performance Evaluation of Greentech Total Textile Solution."

Regarding Greentech Total Textile Solution, the study's findings have given me useful information. This study focuses on assessing the financial performance of Greentech Total Textile Solution from 2017 through 2020. Additionally, to the operational ratios, liquidity ratios, operating ratios, productivity ratios, and leverage ratios, the report offers an overview of the company's financial balance sheet and income statement. For Greentech Total Textile Solution, the consumer brand is the primary market. The final section of the paper describes how Greentech Total Textile Solution distinguishes between their current circumstance and past ones and offers solutions to their issues. It will be simple to understand Greentech's goods, operations, and history after reading the contents.

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Chapter-01

Introduction of the Report

1.1 Introduction

Greentech Total Textile Solution was established focusing on creating high-tech and reasonably priced products for the past few years, they have earned the respect and business of clients all over the world, particularly in the China, Bangladesh, Vietnam, and India markets. With their 3000 m² own production in Guangdong province and their strategic partnership with the world's largest enzyme manufacturer, Greentech Total Textile Solution is able to provide a full range of chemicals for both dyeing factories and washing plants.

They provide eco-friendly chemicals to their valued customers with the goal of making a positive impact on the environment. They cordially invite their friends, domestic and foreign to do business with them. Their mission is the leadership rank and will always be what it means to be a market leader. They are always trying to explore opportunities beyond borders. Greentech Total Textile Solution's vision to achieve its stated mission of assuming the duty and responsibility described above. Greentech Total Textile Solution looks to the country for the region and the world for a more beautiful morning. Greentech Total Textile Solution Financial Performance Evaluation reflects its current state and the state of the last 4 years.

1.2 Background of the study

The internship program is an essential part of Bachelor of Business Administration (BBA) program. This program is creating a unique opportunity for the student to provide their theoretical knowledge into practices and to gain valuable real work experience. As a prerequisite for the Bachelor of Business Administration (BBA) program from Daffodil International University (DIU), to complete an internship from a reputed organization & prepare a report, based on the organization. I was assigned to Greentech Total Textile Solution for my internship program. I joined Greentech Total Textile Solution on 4th September, 2022 for completing my internship program. And this program has ended on 30th November, 2022. I prepared this report on the basis of my three months practical working experience and under the supervision of Sabrina Akhter, Assistant Professor, Daffodil International University and has prepared internship report named “Financial Performance Evaluation of Greentech Total Textile Solution.”

1.3 Scope of the study

The scope of the report is to find out the financial performance of Greentech Total Textile Solution by analyzing financial statements.

1.4 Objective of the study

The objectives of the study are as follow:

- To know about the Greentech Total Textile Solution and their products.
- To assess the financial performance of Greentech Total Textile Solution.
- To find out the major drawbacks from the previous four years' financial performance.
- To make some recommendations for improving the financial performance of Greentech Total Textile Solution.

1.5 Methodology of the study

The content in this report is entirely based on work experience and evaluations from the internship. In this study, I demonstrated my capacity to apply academic knowledge to the real world of business. I have gathered information from several sources.

- Checking outdated records, papers, and documents
- Face-to-face meetings with staff and other officers;
- Practical work at Greentech Total Textile Solution.
- Created numerous paper formats and papers;
- Used the internet for informational purposes;
- Investigated the business;
- Read the annual report for Greentech Total Textile Solution.

1.6 Limitations of the study

It has some restrictions in my line of work. I had a variety of challenges with this study. I could not possibly produce a top-notch report in this time frame. A company like Greentech Total Textile Solution needs more information than a report to know the specifics.

Lake of duration

The coverage period for this internship is relatively brief. In addition, I had a very little period to do my internship, which was insufficient to get to know the business in general.

Other limitation

- Lack of experience.
- It is challenging to obtain the company's contact information because the website is out of the current.
- Reporting is significantly hampered by the company's policy of not sharing data and information.
- Three months is not enough time to fully comprehend the company's operations.

Chapter-02

Profile of Greentech Total Textile Solution

2.1 Profile of Greentech Total Textile Solution

One of the chemical companies with the fastest expansion and growth is Greentech Total Textile Solution, which aims to maintain and enhance the welfare of industrial chemicals in Bangladesh. A tight guarantee that they will uphold their pledge is provided by their steadfast attention to the quality of their products and services and ongoing innovation.

At Greentech, they are dedicated to exceeding their clients' expectations by offering high-quality, reasonably priced products. Greentech was given the chance to form cooperative partnerships with overseas business partners in order to launch a new line of Chemical Products in Bangladesh in order to further its growth and expansion plan.

2.2 Mission

By using the best process feasible, they hope to improve the lives of their citizens. Additionally, the needs of their customers and society at large are crucial. In addition to developing a pricing strategy that exhibits a singular balance between price and affordability, they desire to introduce new technology and pursue the most value-driven prospects.

2.3 Vision

A sustainable life is defined by the potential for a happier, healthier, and cleaner future as well as a commitment to innovation and morality. This keeps motivating individuals to improve the world by providing value to all we do to make people look and live better.

2.4 Management committee of Greentech Total Textile Solution

Board of directors	
Jashimuddin	Chairman
Khoshru Ahmed Jewel	Director

2.5 Products

Hydrophilic Silicone Oil Finishing Agent

Biodegradable Hydrophilic Silicone Oil Textile Auxiliaries Chemicals Padding Dipping Finishing Process



Technical Information

A silicone softening finishing compound called Hydrophilic Silicone Oil FF-E168 has been altered by unique function-blocks. It is ideally suited for printing and dyeing facilities with complicated fiber types and frequent conversions thanks to its superb comprehensive feel and flawless adaptability.

Sodium Alginate Replacement

Reactive Pigment Printing Sodium Alginate Thickener



Technical Information

ECO-Printing Replacement for Sodium Alginate A composite printing powder is called FT-P600. Applicable to flat and round screens used in traditional printing. You can use it alone or in conjunction. Sodium alginate offers a superior hand feel and penetrating impact.

Perspiration Fastness Improver

Eco-friendly Color Fastness to perspiration Improver Agent For Knitting Dyeing



Technical Information

Rapidity of Sweat Improver FD-H80 is a high-performance formaldehyde-free polymer-based improver of sweat fastness for reactive dyes. It can increase the general cellulose fiber dyeing's washing resistance without changing the color.

Textile Auxiliary Agent

Good Effects Lycra Protector Agent Anti-creasing Function Chemical Fiber Fabrics



Technical Information

Lycra Protector can be used to stop the stretch from breaking or shrinking. Lycra fabric is used in stretch denim or PFD (prepped for dyeing) clothing. Additionally, it can prevent the fabric from slipping to give a good dry hand feeling when used with softer fabrics.

Cationic Softener

Auxiliary Pearl Appearance Cationic Fabric Softener Finishing Agent



Technical Information

The soft finishing agent Fluffy Pearls FF-CWS is a member of the imidazoline quaternary ammonium salt family. All types of cotton, wool, and blended textiles are suitable for soft finishing processes or garment washing processes, which can successfully enhance the fabric's or the garment's functional performance.

Catalase CAT-530

Energy-efficient Textile Auxiliaries Chemicals Remove Hydrogen Peroxide Catalase Enzyme Bleaching Cleaning Process



Technical Information

Developed from the long-chain soak fermentation of genetically altered, self-cloned *Aspergillus niger*, catalase CAT-530 is a high-concentration, industrial-grade liquid enzyme for eliminating

hydrogen peroxide. Remaining hydrogen peroxide can be efficiently catalyzed by CAT-530 deoxygenase into oxygen and water. Dye is not compatible; only hydrogen peroxide is.

Blue Magic PC-PT

Effective Textile Auxiliaries Chemicals Stabilizers Wetting Agent for Hydrogen Peroxide Bleaching



Technical Information

A particular low-temperature effective scouring agent is combined with an enzyme-mimetic catalyst called Blue Magic PC-PT (Pre-treatment agent) to enable hydrogen peroxide bleaching to occur at a lower temperature.

With Blue Magic PC-PT, you may reduce energy consumption and cotton fabric weight loss while achieving a necessary level of whiteness and wettability for dyeing and full bleaching.

Chapter-03

Theoretical Background

3.1 Ratio Analysis

The report's goal is to assess the financial performance of Greentech Total Textile Solution. So, let us talk about Greentech Total Textile Solution's recent financial ratios:

Ratio analysis:

The method of statistical evaluation and interpretation of relationships based on financial statements is known as ratio analysis. It is the capability to use accounting ratios from the balance sheet and statement of profit and loss to view the financial statements.

In order to gain insights into profitability, liquidity, operational effectiveness, and solvency, ratio analysis compares line-item data from a company's financial statements. Ratio analysis allows to compare one firm to another within the same industry or sector and track how one company has changed over time.

Purpose of ratio analysis:

- This report includes the most popular ratios and analyses for assessing Greentech Total Textile Solution's operational and financial performance in 2017, 2018, 2019 and 2020.
- To achieve a complete picture, qualitative components might need to be added to quantitative processes.
- To assist in decision-making, identify factors of corporate performance. In this section an important financial set and its application are described. The selected indicators are organized into four blocks for building the financial statements.

The following:

- i. Liquidity Ratio
- ii. Operating Efficiency Ratio
- iii. Efficiency or Activity Ratio
- iv. Profitability Ratio
- v. Financial Risk

3.2 Liquidity ratio

✚ Current Ratio: Current Asset/ Current Liabilities

The ideal current ratio for a company is between 1.2 and 2, which indicates that it has two times as many current assets as liabilities to repay its debts. If the company's current ratio is less than 1, it signifies that its liquid assets are inadequate to meet its current liabilities.

✚ Quick Ratio: Current Asset – Inventory/Current liabilities

The quick ratio, commonly referred to as the acid-test ratio, is a sort of liquidity ratio used in finance that measures a company's capacity to use its near-cash or quick assets to rapidly pay off or retire its current liabilities.

✚ Cash Ratio: Cash + Market Securities/ Current Liabilities

A measure of a company's liquidity is the cash ratio. It particularly determines the proportion of current liabilities to total cash and cash equivalents held by a corporation. The indicator assesses a company's capacity to pay off its short-term debt with cash or resources that can be converted into cash quickly.

3.3 Operating Efficiency Ratio

✚ Total Asset Turnover: Net sales / Total asset

By comparing the company's net income to its total assets, one can determine how well a company is able to generate income from its assets.

✚ Fixed Asset Turnover: Net sales/ Fixed Asset

Reveals how effectively businesses are using their fixed assets.

✚ Current Asset Turnover: Net sales/Current Asset

The effectiveness with which resources/ current assets are being used.

3.4 Efficiency Ratio

✚ Average Collection Day: 360 /Account Receivable

A formula that is used to figure out how frequently a business convert their A/R into cash.

✚ Account Receivable Turnover: Net Credit sales /Average Account receivable

It is used in business accounting to quantify how well companies are managing the credit that they extend to their customers.

+ Inventory Turnover: Cost of Goods Sold /Inventory

This represents the total volume of Good Stock traded and sold over the course of the year.

+ Payable Payment day: 360/ Payable Turnover

This refers to the manner in which the business pays its investors' money over time.

3.5 Profitability ratio

+ Gross Profit Margin: Gross Profit/ Sales

Gross calculates the percentage of profit used by businesses to evaluate how effectively they produce gross profit from the sale of goods or services

+ Operating Profit Margin: Operating Profit / Sales

This margin is essentially a measurement of profitability excluding taxes and interest.

+ Net Profit Margin: Net Profit/Sales

It shows the amount of net profit generated against the company's sales of products or services.

+ Return on Asset: Net Income/Total Asset

This is done to assess how efficiently the company's total assets are being utilized.

+ Return on Equity: Net Income/Owner's Equity

Return on equity signifies how good the company is in generating returns on the investment it received from its owner's.

3.6 Common Size Income Statement

An income statement with each line item expressed as a percentage of revenue or sales is referred to as a common size income statement. The standard size percentages make it easier to understand how each line item or component affects the company's financial status. Common-size income statements have the following goals: to analyze changes in individual profit and loss statement items, to examine trends in various revenue and expense items and to evaluate the effectiveness of the business.

3.7 Common Size of Balance Sheet

A balance sheet with a common size shows the absolute value as well as the proportionate percentage of total assets, total liabilities and equity accounts.

3.8 Trend Analysis

The common process of gathering data and looking for patterns in order to identify trends is known as trend analysis. The phrase has more clearly defined meanings in several academic disciplines. The goal of trend analysis is to forecast future market movements using historical data. To calculate the percentage change in the chosen information over time, trend analysis can be performed using a client's old-year data. The relationship that the same product from several years in the base year bears to the pattern percentage is expressed as a percentage. The long-term view of trend analysis makes it important. A good management signal is found or the evaluation question is located.

3.9 DuPont Analysis

The DuPont model, also referred to as the DuPont formula, uses a company's equity return ratio to determine its potential to increase return on equity.

ROA = Net Profit Margin × Total Asset Turnover

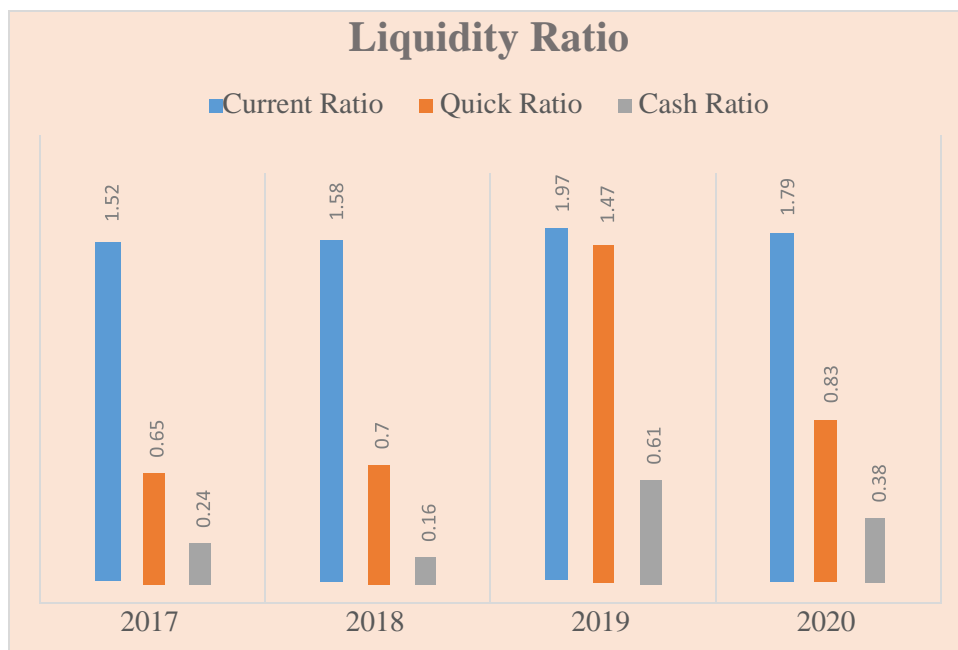
Chapter-04

Financial Performance Evaluation using Financial Statements

4.1 Ratio Analysis:

Liquidity Ratio:

Particulars	2017	2018	2019	2020
Current Ratio	1.52	1.58	1.97	1.79
Quick Ratio	0.65	0.70	1.47	0.83
Cash Ratio	0.24	0.16	0.61	0.38

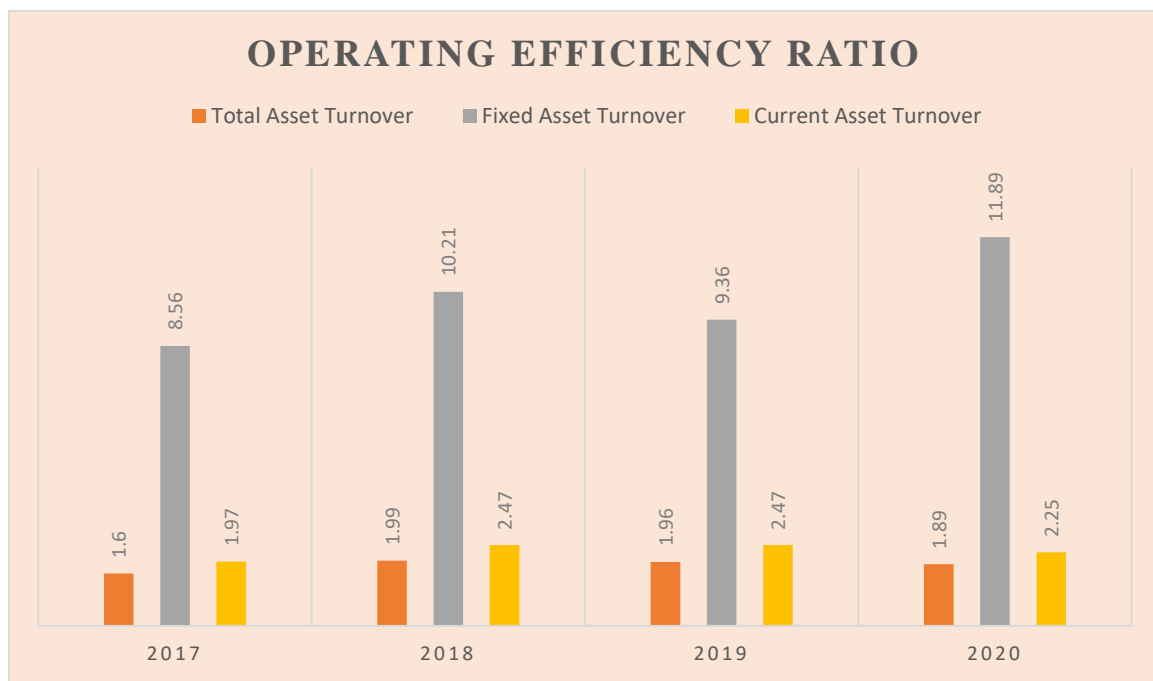


Interpretation

Current ratios measure a company's capacity to settle its short-term debts entirely with current asset. Greentech Total Textile Solutions' current ratio 2017-1.52, 2018-1.58, 2019-1.97, 2020-1.79. The quick ratio raised in 2019 and lowered in 2020. In 2017-0.65, 2018-0.7, 2019-1.47, 2020-0.83, the quick ratio fluctuated. The cash ratio increased in 2019 and then again decreased in 2020. The worst performance was in 2018-0.16, while 2019 had the best performance, overall. Therefore, Greentech Total Textile Solutions strategies need to be reevaluated and corrected.

Operating Efficiency Ratio:

Particular	2017	2018	2019	2020
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

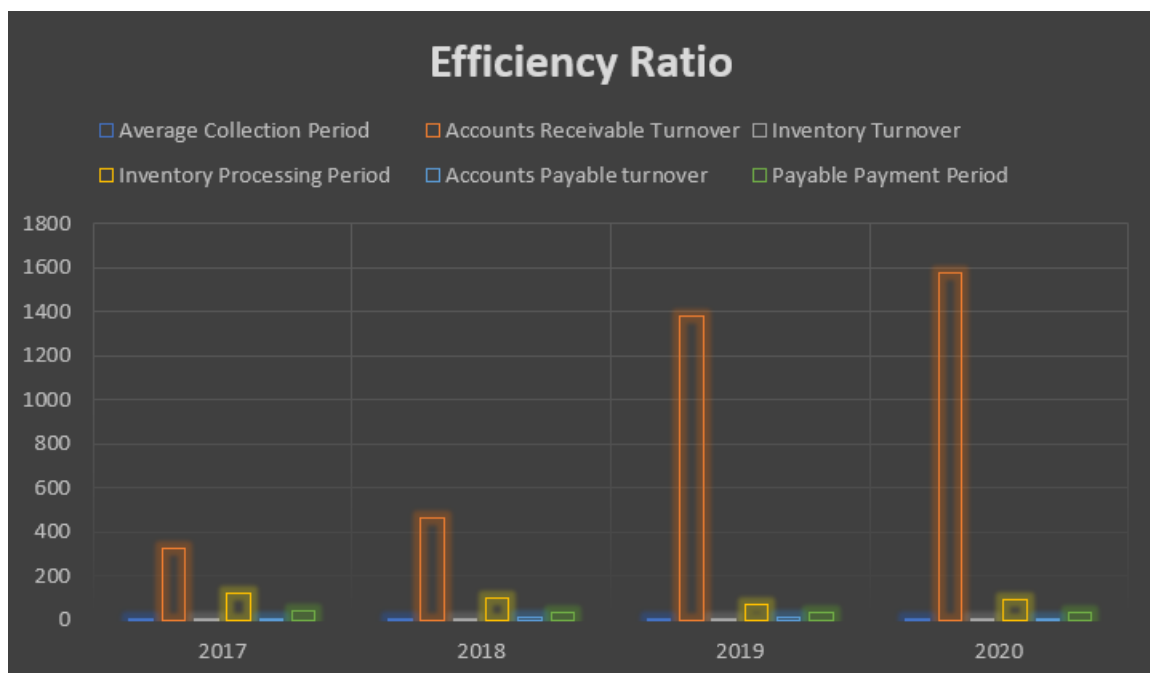


Interpretation

Total asset turnover in 2017, 2018, 2019, and 2020 was 1.60, 1.99, 1.96, and 1.89. Every year, there have been changes but it was somewhat stable. For Greentech Total Textile Solutions, this is encouraging. Turnover of fixed assets (2017: 8.56, 2018: 10.21, 2019: 9.36) It was good for Greentech Total Textile Solutions in 2020-11.89. The same measure of current asset turnover is calculated from 2017 to 2020. The operating efficiency ratios are overall better in 2020 than other year.

Efficiency Ratio:

Particular	2017	2018	2019	2020
Average Collection Period	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 Period	122.45	100.58	70.99	91.24
Accounts Payable turnover	9.13	10.77	11.18	9.57
Payable Payment Period	39.98	33.89	32.65	38.14



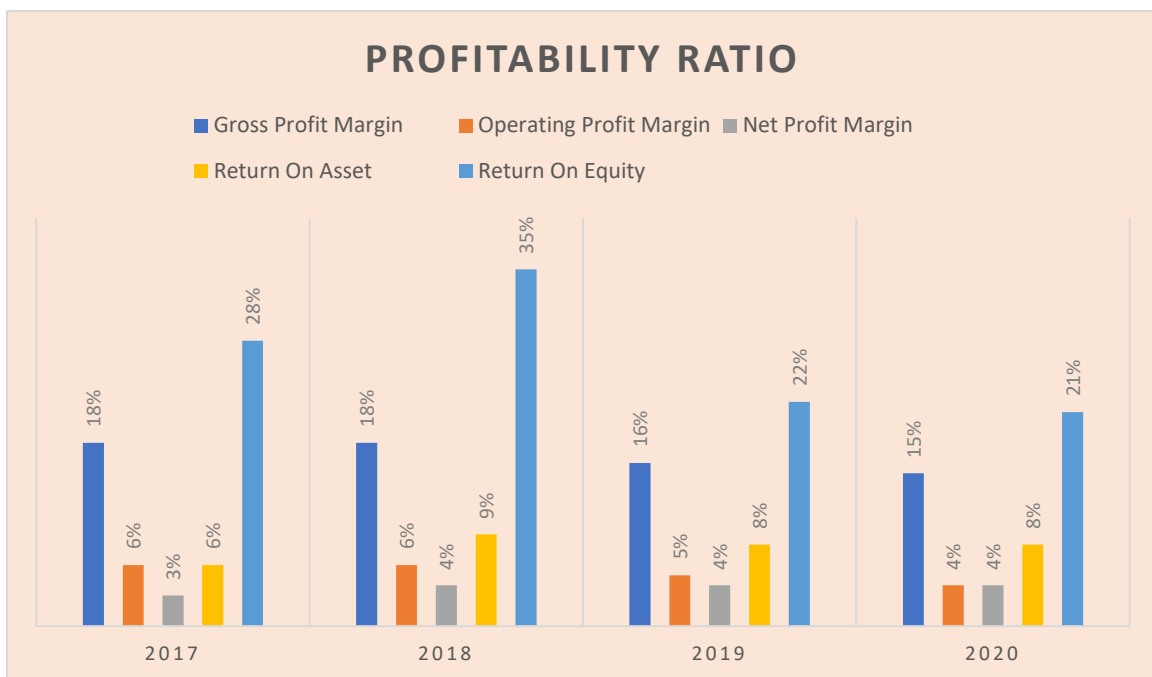
Interpretation

Average collection period 2019 is good sign for Greentech Total Textile Solution, which is 0.30. Account receivable turnover is also good in 2020 for Greentech Total Textile Solution, which is 1572.90. That means better than previous years. Payable turnover period is good in 2019 for Greentech Total Textile Solutions, if compared to the last few years, it was lesser in 2019.

Inventory processing period also better for Greentech Total Textile Solution in 2019 which is 70.99.

Profitability Ratio:

Particular	2017	2018	2019	2020
Gross Profit Margin	18%	18%	16%	18%
Operating Profit Margin	6%	6%	5%	4%
Net Profit Margin	3%	4%	4%	4%
Return On Asset	6%	9%	8%	8%
Return On Equity	28%	35%	22%	21%



Interpretation:

Gross profit margin 2017 to 2020 same in last previous year 18%. Operating profit margin also is similar in 2017 and 2018, which is 6%, a moderate return. But it decreased over the years 2019, 2020. Net profit margin increased in 2018, rose to 4%, and stayed the same up to 2020. ROA

remained the same last two years, the best utilization of assets were in 2018. ROE decreased from 2018 to 2020 and lowered to 21%.

4.2 Common Size Income Statement

Greentech Total Textile Solution

Common Size Income Statement For year The Ended (2017 To 2020)

Particulars	2017	2018	2019	2020
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%
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

There was no significant change in any account.

4.3 Common Size of Balance Sheet

Greentech Total Textile Solution
Common Size of Balance Sheet as on 2017 to 2020

Particulars	2017	2018	2019	2020
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%
Revaluation Surplus	0%	0%	0%	0%
Retained Earnings	13%	18%	28%	-
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%
Deferred Tax Liability	2%	2%	2%	2%
Total Current Liabilities	60%	56%	43%	55%
TOTAL EQUITY AND LIABILITIES	100%	100%	100%	100%

Interpretation:

Total non-current assets range from 2017 to 2020 and are 19%, 19%, 21%, and 16%. 100% of the total asset from 2017 to 2020. From 2017 to 2020, the total current liabilities are 60%, 56%, 43%, and 55%. 100% of the prior total equity and liabilities.

4.4 Trend Analysis of Income Statement

Greentech Total Textile Solution Trend Analysis Income Statement

Particular	2017	2018	2019	2020
Net Sales Revenue	100%	128%	113%	138%
Cost of Goods Sold	100%	128%	113%	138%
Gross Profit	100%	127%	113%	138%
Administrative Expenses	100%	120%	104%	129%
Profit from Operations	100%	137%	125%	151%
Other Income	100%	81%	52%	72%
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 products sold is particularly 100%, 128%, 113%, and 138% from 2017 to 2020. After-tax income was 100%, 161%, 130%, and 169%. 100%, 166%, 136%, and 179% of profits are before taxes. In 2017 to 2020, taxes will be 100%, 169%, 140%, and 186%.

4.5 Trend Analysis of Balance Sheet

Greentech Total Textile Solution Trend Analysis of Balance Sheet

Particular	2017	2018	2019	2020
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%
Cash and Cash Equivalents	100%	60%	182%	143%
Total Current Assets	100%	102%	90%	121%
Total Asset	100%	103%	92%	117%
Revaluation Surplus	100%	100%	100%	100%
Retained Earnings	100%	140%	193%	-
Non-Current Liabilities:	-	-	-	-
Long Term Borrowings	100%	100%	100%	-
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	-	-	-	-
Deferred Tax Liability	100%	99%	96%	101%
Total Current Liabilities	100%	96%	65%	106%
TOTAL EQUITY AND LIABILITIES	100%	103%	92%	53%

Interpretation:

Particularly 100%, 140%, 193% was the retained earnings from 2017 to 2019. Short-term borrowings: 100%, 79%, 9% and 97%. Cash and equivalents grew over the years and was the highest in 2019.

4.6 DuPont Analysis

Particulars	2017	2018	2019	2020
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%

Sensitivity Analysis

Base Info					
Particulars	NPM	TAT	EM	ROE	-
2017	0.03	1.60	5.04	0.28	-
2018	0.04	1.99	4.09	0.35	-
2019	0.04	1.96	2.76	0.22	-
2020	0.04	1.89	2.66	0.21	-

Sensitivity of NPM with ROE					
Particulars	NPM	TAT	EM	ROE	Changes
2017	0.034	1.60	5.04	27.83%	
2018	0.043	1.60	5.04	34.98%	25.68%
2019	0.040	1.60	5.04	32.19%	-7.97%
2020	0.042	1.60	5.04	34.12%	5.98%
				Average	7.90%
Sensitivity of TAT with ROE					
Particulars	NPM	TAT	EM	ROE	Changes
2017	0.03	1.60	5.04	27.83%	
2018	0.03	1.99	5.04	34.47%	23.84%
2019	0.03	1.96	5.04	33.96%	-1.47%
2020	0.03	1.89	5.04	32.85%	-3.28%
				Average	6.36%
Sensitivity of EM with ROE					
Particulars	NPM	TAT	EM	ROE	Changes
2017	0.03	1.60	5.04	27.83%	
2018	0.03	1.60	4.09	22.59%	-18.82%
2019	0.03	1.60	2.76	15.25%	-32.49%
2020	0.03	1.60	2.66	14.67%	-3.82%
				Average	-18.38%

Interpretation:

NPM is the most sensitive with ROE as $NPM > TAT > EM$, which indicates that the ROE will change drastically according to the fluctuation of NPM.

Chapter – 05

Findings, Recommendations and Conclusion

5.0 Findings:

- The company's quick ratio was 0.65 in 2017, 0.7 in 2018, 1.47 in 2019, and 0.83 in 2020. Since 2019, this ratio has fallen, and if the trend continues in the upcoming year, the company will experience liquidity issues. It needs at least to be above 1 to show that the company has enough quick assets to meet up their current liabilities. In 2019, their strategy of managing quick assets was better than other years. Same with cash ratio, it was the highest in 2019.
- Total asset turnover and current asset turnover remained similar throughout the years, but the fixed asset turnover raised in 2020. Which means they utilized their fixed assets and generated sales revenue.
- Their ACP and Inventory Processing period have been lowered over the years showing a good condition. However, the A/R turnover has drastically increased over the years and was the highest in 2020. The highest means the best performance and management technique.
- The Net Profit Margin is somewhat same over the years but it is under the limit. Means, the company is not making that much profit. The healthy margin is more than 10%, whereas the company only has 8%.
- Their A/R decreased a lot in 2019 and 2020. Meaning that they are selling in credit lesser than before. This can make it seem unattractive to the customers, as they like to purchase on credit.
- Greentech's short-term borrowings have increased significantly in 2020.
- NPM has increased, meaning that they are being able to maximize their profit and have been able to cut out cost as much as possible, TAT has decreased a bit than the last years, EM has decreased over the years which indicates they are failing to utilize their financial debt.

5.1 Recommendations:

- Greentech needs to check the strategies they used in 2019 and try to keep following that. They should manage their current liabilities and try to make it lesser as in 2019, their

current liability was the least than other years, whereas their quick assets were stable over the years. Therefore, they should focus on their current liabilities. Cash ratio is in concerning condition as well. Their cash and cash equivalents' management was very good in 2019, which resulted in raise of, cash ratio, so they can follow their policies of 2019 and avoid making the mistakes they made in 2018, as it was the least.

- Greentech may keep their strategies of managing their operating ratios just as they are doing now, as it is resulting in a good way.
- The A/R turnover raised surprisingly, meaning their acceleration of net credit sales also got higher, and they should keep doing what they have been doing.
- They need to cutout extra cost and create policies to work effectively and efficiently to generate sales with minimum cost.
- Greentech might fix their credit sales policies to increase it to attract potential customers, which will result in more profit, as credit sales is actually a marketing tool.
- Greentech needs to lessen their short-term borrowings to eradicate their liquidity issue they might face in near future.
- To increase TAT, they need to utilize their total asset efficiently and maximize their sales.

5.2 Conclusion:

China-based Greentech Total Textile Solution manufactures and markets chemicals, dyes, bleach, and other textile enzymes. In order to comprehend the current state of Greentech Total Textile Solution, I also learnt about the company's financial performance. Their potential is enhanced. Throughout the three-month period, I obtained all of the company's formal operational records, including the bank statement, credit note, and payroll sheet, payments of the employees. Due to my knowledge of business policies and other things, it has been beneficial to me during the last three months. After completing this internship, I took my supervisor's advice and properly constructed my report.

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