

INTERNSHIP REPORT
ON
PERFORMANCE ANALYSIS OF LINDE BANGLADESH LIMITED

Submitted to

Dr. Mohammad Tariq Hasan
Associate Professor
School of Business & Economics
United International University

Submitted by

Rahman Sobhan
Id: 114 172 007
BBA in AIS

Date of submission: 23rd July 2022



UNITED INTERNATIONAL UNIVERSITY

LETTER OF TRANSMITTAL

23rd July2022

Dr. Mohammad Tariq Hasan

Associate Professor

School of Business & Economics

United International University

Subject: Submission of an internship report on "Performance Analysis of Linde Bangladesh Limited"

Dear Sir,

With due respect, I would like to express my gratitude for the opportunity to submit my internship report "Performance Analysis of Linde Bangladesh Ltd." for my BBA program. This is the first time I have done a report like this. I made every effort to provide a thorough report. I am confident that this report will provide you with accurate information on the issues. And throughout my internship under your guidance, I have gained invaluable experience that has been proven to be quite beneficial to me.

I hope you will consider the study's limitations while evaluating the report. I will anxiously wait for your response.

Sincerely

Rahman Sobhan

ID: 114172007

BBA in AIS

ACKNOWLEDGMENT

As part of the Bachelor of Business Administration (BBA) curriculum, we may develop practical skills while also transferring theoretical information through the internship program. Interning at Linde Bangladesh is a fantastic experience for me. With a grateful heart, I am grateful to my Almighty for always being for me, and then I had like to thank Dr. Mohammad Tariq Hasan for his assistance during my internship program. With gratitude, I would like to thank Mr. Abu Mohammad Nisar FCS and Mr. Samiur Rashid for allowing me to finish my internship at Linde Bangladesh. This report was written from my point of view and summary. Lastly, I'd want to thank everyone who has seen this report and will also benefit from it in the future.

EXECUTIVE SUMMARY

For a corporation, a business, or a person, performance analysis is critical. Because every company wants to know how they're doing, whether they're doing well or not, and if they're adhering to international standards. There are few methods or formulae accessible to calculate or learn about a company's performance. It is feasible to access an organization's performance using these techniques. This study may reveal the company how changes or managed its assets and equity and how the revenue is generated, how the debt and liabilities were handled, and what is its debt to asset ratio, among other things. It allocated to undertake performance analysis for Linde Bangladesh Limited, and choose to do three-month internship here. There, how to deal with the shareholders, duplicate shares, demit shares, and how the corporation distributes dividends, among other things. Try to collect as much information relative to this Linde performance study. Now it discussed the summary of any information as well as this report with Linde's staff. This report was five years for performance analysis, from 2017 to 2021. First of all, it gathered Linde's annual report, income statement, and other documents relating to the years 2017-2021. Then using Linde's value derived several ratio formulas. This is how computed all of the ratios required, and then compare these results to numbers from five years. It devised positive and negative variances to aid in my analysis of Linde's growth from 2017 to 2021. Finally, IT compared the ratios to the industry standard. Linde is a worldwide corporation with a great deal of data and complexity. Here done some research using minimal data. Despite limited resources, completed reports and attempted to make that as accurate as possible. Overall, they believe that virtually all of the outcomes are better for the organization and industry.

Keywords: Stockholders, performance, profitability, Linde, Bangladesh.

TABLE OF CONTENTS

| | |
|---|-----------|
| LETTER OF TRANSMITTAL | II |
| ACKNOWLEDGMENT..... | III |
| EXECUTIVE SUMMARY..... | IV |
| CHAPTER ONE: INTRODUCTION | 1 |
| 1.1 BACKGROUND OF THE STUDY | 1 |
| 1.2 BACKGROUND OF THE REPORT | 1 |
| 1.3 OBJECTIVES OF THE REPORT | 1 |
| 1.4 LIMITATIONS OF THE REPORT | 2 |
| CHAPTER TWO: COMPANY AND INDUSTRY PREVIEW | 3 |
| 2.1 COMPANY ANALYSIS | 3 |
| 2.1.1 <i>Overview and history</i> | 3 |
| 2.1.2 <i>Trend and growth</i> | 4 |
| 2.1.3 <i>Product/service</i> | 4 |
| 2.2 VISION OF LINDE BANGLADESH LTD | 8 |
| 2.3 MISSION OF LINDE BANGLADESH LTD:..... | 8 |
| 2.4 MANAGEMENT’S ABILITY TO DEAL WITH CHANGE: | 8 |
| 2.4.1 <i>The nature and efficacy of the process used to make key choices in order to bring about change</i> | 9 |
| 2.4.2 <i>Meeting of Sales and Operations</i> | 9 |
| 2.4.3 <i>Meeting of management communication</i> | 9 |
| 2.4.4 <i>Meeting on risk management</i> | 10 |
| 2.4.5 <i>The effectiveness of the methods used to put management decisions into action:</i> | 10 |
| 2.4.6 <i>Internal techniques for identifying and tracking meaningful objectives:</i> | 10 |
| 2.4.7 <i>KPI</i> | 10 |
| 2.4.8 <i>Linde Bangladesh Limited has risk management procedures that are successful in terms of how information is conveyed throughout the company</i> | 11 |
| CHAPTER THREE: METHODOLOGY | 12 |
| 3.1 METHODOLOGY | 12 |
| 3.1.1 <i>The Primary Sources:</i> | 12 |
| 3.1.2 <i>The Secondary sources:</i> | 12 |
| CHAPTER FOUR: COMPANY RATIO ANALYSIS..... | 13 |
| 4.1 INCOME STATEMENT ANALYSIS..... | 13 |
| 4.1.1 <i>Vertical analysis</i> | 13 |
| 4.1.2 <i>Horizontal analysis</i> | 14 |
| 4.2 BALANCE SHEET AND LEVERAGE RATIOS: | 14 |
| 4.2.1 <i>The current ratio for the last five years:</i> | 14 |
| 4.2.2 <i>Quick Ratio of last five years:</i> | 15 |
| 4.2.3 <i>Cash ratio for the last five years:</i> | 16 |
| 4.2.4 <i>Leverage ratios</i> | 18 |
| 4.2.5 <i>Interest coverage ratio</i> | 19 |
| 4.3 RATES OF RETURN AND PROFITABILITY ANALYSIS: | 20 |

| | |
|---|-----------|
| 4.3.1 Profitability Ratio | 20 |
| 4.3.1.2 Operating profit margin ratio: | 21 |
| 4.3.1.3 Net profit margin ratio | 23 |
| 4.3.1.4 ROE..... | 24 |
| 4.3.1.5 ROA | 24 |
| 4.3.1.6 Asset turnover | 29 |
| 4.3.1.7 Total assets to equity ratio..... | 30 |
| 4.4 CASH FLOW STATEMENT ANALYSIS..... | 31 |
| CHAPTER FIVE: INTERNSHIP EXPERIENCE | 32 |
| 5.1 JOB RESPONSIBILITIES AND DUTIES: | 32 |
| 5.2 TRAINING: | 33 |
| 5.3 NEW SKILLS DEVELOPMENT: | 33 |
| 5.4 CORPORATE BEHAVIOR: | 33 |
| 5.5 COMMUNICATION: | 33 |
| CHAPTER SIX: CONCLUSION AND RECOMMENDATION | 34 |
| 6.1 CONCLUSION..... | 34 |
| 6.2 RECOMMENDATION..... | 34 |
| REFERENCES..... | 35 |
| APPENDIX | 36 |

CHAPTER ONE: INTRODUCTION

1.1 Background of the study

Internships are opportunities to receive practical knowledge and experience from any institution, organization or corporation for a specified period of time. It requires practical information in addition to their intellectual knowledge, which acquired over the previous four years through academic institutions, in order to further professional progress and ambitions. It is also a fantastic opportunity for a student to grow and develop in order to reach their goals and objectives. There are various constraints in the intellectual educational system that prevent a student from gaining any practical understanding of the business economic system. As a result, an internship program provides a way for a student to gain practical experience in a business company. Internship procedure as part of BBA in AIS degree helped to learn about "Performance Analysis of Linde Bangladesh Limited". Try to gather information's, data, and other materials, which obtained from Linde Bangladesh. Throughout this report, try to explain expertise and experience. This one is the final course of university before graduating with a BBA in AIS.

1.2 Background of the Report

The performance analysis of Linde Bangladesh is presented in this report. This study will assess Linde's performance and compare it to the previous year's results as well as the industry average. The analysis, according to this research, may reveal the true image of Linde's performance.

1.3 Objectives of the Report

Every student only studies theoretical information in our educational institution, but theoretical knowledge and practical knowledge are not the same in real life. However, on the job market, practical expertise takes precedence. Because there is no value added without practical expertise. In the job market, recent graduates have a challenge in terms of practical understanding of their main topic and its use in organizations and the business world. As a result, in order to acquire a BBA in AIS degree, a student must complete an internship program.

Primary objective:

The primary objective of this report is to analyze the financial performance of 5 years Linde Bangladesh Ltd to finish my internship report, used a variety of tools and calculations.

Secondary Objective:

- Compare financial performance with the previous year's performance.
- Find out different financial ratios.
- To know the Linde Bangladesh Ltd.

1.4 Limitations of the Report

Because of a lack of internal data and resources, this study may not even be flawless. And all of this is based on certain fundamental data and calculations. As a result, there may not be any detailed Linde Bangladesh analysis.

CHAPTER TWO: COMPANY AND INDUSTRY PREVIEW

2.1 Company Analysis

2.1.1 Overview and history

Linde Bangladesh Ltd is a leading supplier of industrial process and specialty gases and engineering solutions. Linde Bangladesh Ltd is a member of the Linde group. In 1950, Linde has started in Bangladesh. It has three key establishments at Tejgaon, Rupgonj, and Shitalpur. And it has 18 sales centers all over the country. More than 100 countries can be found in Linde Group Products and service. They manufacture and supply gases for industry and medical, welding products, and ancillary equipment. They also manufactured Bulk gases, Package gases and Products (PG&P), and Healthcare. Maximum revenue generates from product segment and Package gases. The procedure of manufacturing and supplying industrial compressed packaged gases and welding goods which includes dissolved acetylene, compressed industrial oxygen, nitrogen, argon, carbon dioxide, and electrodes. The founder's name of Linde was Carl von Linde. His curiosity as an inventor and the persistence in the implementation of his ideas and theoretical concept which fulfill his customer to their desire for reliability and quality are all timeless factors for success (Bangladesh, home, 2021).

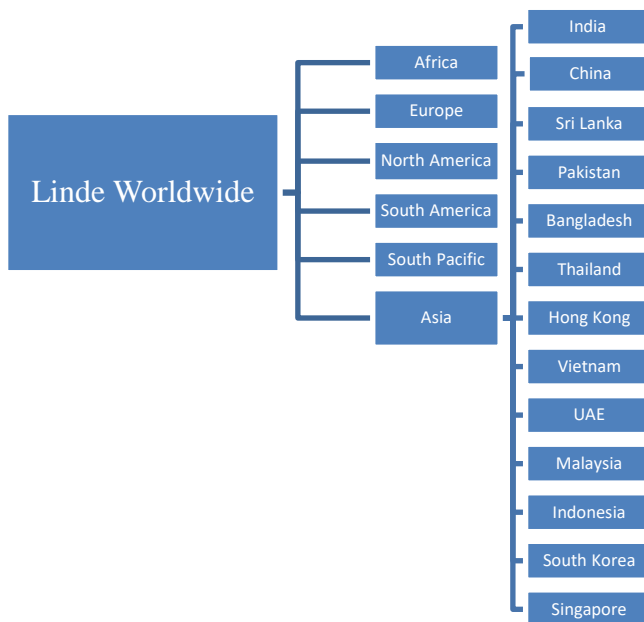


Figure: 1

TITLE: Worldwide Linde

2.1.2 Trend and growth

Population size:

400 employees and laborers and 1000 clients are included with this organization.

Sample size:

Talking with minimum employees with officers and laborers and clients who engaged with my department.

Data analysis process:

Identify the actual activities of the department, percentage calculation, Graph, and pie chart are used.

2.1.3 Product/service

Atmospheric Gases:

- Argon
- Carbon dioxide
- Helium
- Nitrogen
- Oxygen.



Figure: 2

TITLE: Gases

CRYOLINE CF (Cabinet freezer):

The cryogenic food cabinet freezer CRYOLINE CF is ideal for small quantity operations. Food carts are loaded by hand. It is available in several models and sizes freezers which can operate with liquid nitrogen (LIN) or carbon dioxide (LIC). There are another two types:

CRYOLINE CW: Multi-purpose freezer

CRYOLINE XF: High performance spiral freezer



Figure: 3

TITLE: Multi-purpose freezer and High-performance spiral freezer

Food Chilling and Colling:

To maintain temperature control and optimal efficiency while dosing dry ice, a variety of standard CO₂ expansion nozzles and snow horns have been created. All snow horns are constructed to the highest industrial hygiene requirements and may be readily customized to our unique cooling application, either manual, portable, or continually incorporated.

Gas Mixtures:

1. Food gas mixtures
2. Beverages gas mixtures
3. Manufacturing a wide range of gas mixtures



Figure :4

TITLE: Mixture Gas

Welding & Safety Products:

Linde Bangladesh Ltd have more than 100 years' experience in the industrial gases and equipment market. They understand the needs of welding customers. Then they develop complete solutions that meet customers' specific productivity, quality and safety needs. Regardless of market technical challenge, Customers can rely on them to help customers find the best possible solution. Under these welding & Safety products they made given below product for market.



Figure:5

TITLE: Gas Equipment



Figure:6

TITLE: Welding Consumables



Figure: 7

TITLE: Arc Equipment & Accessories

Health & Safety:

1. Medical compressed oxygen
2. Medical liquid oxygen
3. Nitrous oxide
4. ENTONOX
5. Medical air
6. Medical carbon dioxide
7. Sterilizing equipment and gases – special gases, anesthesia machines
8. ICU/CCU monitors and ventilators
9. Resuscitators
10. Medical pipeline

2.2 Vision of Linde Bangladesh Ltd

“We will be the best leading global industrial gases and engineering company where our people provide innovative solutions for our customers in connected world”. “Through constant innovation, operational efficiency, cost effectiveness we will built on our customer satisfaction”. “We compete in Bangladesh as a recognized leader in all business sectors”. (Bangladesh, home, 2021).

2.3 Mission of Linde Bangladesh Ltd:

“Making our world more productive”. (Bangladesh, home, 2021)

2.4 Management’s ability to deal with change:

Linde Bangladesh Limited is part of the Linde Group, which has been in operation for over 130 years. They've modified a lot to cope with market changes, based on the present market environment.

- At 1953, a new oxygen plant was established in Chattogram.
- In 1976, the first Carbon-Di-Oxide factory was started.
- Initiated a welding apprenticeship program.
- In 1995, a 30 TPD ASU plant and a welding production factory were launched.
- In 1998, Rupganj had a production line for making welding.
- At 1999, a 20 TPD facility in Shitalpur was purchased.
- At the year 2000, the ASPEN and LPG bottling plants in Shitalpur and Bogura were commissioned.
- Moved into the newly constructed corporate headquarters in 2004.
- At Rupganj, we were able to reach a hundred crore EBITDA in 2010.
- We were able to commission a third welding production line in 2011 and a fourth welding production line in 2012.
- In 2013, an LPG facility in Bogura was decommissioned;
- In 2017, a 100 TPD ASU plant in Rupganj was acquired. (Bangladesh, home, 2021)

Linde Bangladesh Limited's management is dedicated to providing the highest quality products and services. In terms of health, safety, and the environment, they always provide the best possible circumstances for workers, customers, and stakeholders. They have a number of protocols in place to deal with change, which are listed below:

- Keeping an optimistic mindset
- Recognize that change is inevitable;
- Maintain contact with former coworkers;
- Communicate with others in order to learn the new positions;
- Continually train and motivate employees;
- Provide new skills;
- Look for strategies to assist employees to cope with change (Bangladesh, home, 2021).

2.4.1 The nature and efficacy of the process used to make key choices in order to bring about change

Linde Bangladesh Limited has Sales & Operation Meetings, Management Communication Meetings, and Risk Management Meetings in order to make significant decisions on change.

2.4.2 Meeting of Sales and Operations

The purpose of the sales and operations meeting is to evaluate the sales department's performance and set goals. To begin, sales managers devise a strategy and define a goal. They verified it after the time period to see if it was in the correct location. It will assist you in achieving the ideal posture.

2.4.3 Meeting of management communication

The purpose of a management communication meeting is to define goals for all workers and to devise a situation to improve employee performance. It will occur as a result of adapting to the present market scenario when it is abruptly modified.

2.4.4 Meeting on risk management

The purpose of a risk management meeting is to adjust to risk in order to get out of the danger zone. To begin, management assesses all risks and assigns a priority to each one. Following this discussion, the highest-level executives establish a plan or policy for adjusting risk.

2.4.5 The effectiveness of the methods used to put management decisions into action:

Linde Bangladesh Limited implements management decisions through corporate governance systems. They have scheduled Board meetings, audit committee meetings, and other events to alter the firm's risk level and control factors.

2.4.6 Internal techniques for identifying and tracking meaningful objectives:

Linde Bangladesh Limited's management is constantly reviewing staff performance. They organize training and motivation programs to improve staff productivity and performance.

Employee goal-setting procedure:

- Involve employees in goal-setting;
- tie objectives to working units;
- create detailed targets;
- ask supervisors to define their goals;
- have performance meetings;
- collect continual feedback and coaching;
- ensure concentration on key areas;
- Aligning incentive schemes with performance;

2.4.7 KPI

KPI stands for Key Performance Index, which has been allocated to each employee for the purpose of sustaining his to her actions over the course of a specific length of time.

2.4.8 Linde Bangladesh Limited has risk management procedures that are successful in terms of how information is conveyed throughout the company

Linde Group oversees the company's continuous updating and adaptation of these systems. The efficacy is evaluated by the board of directors and an internal statutory auditor. The company's management created a business risk assessment and a risk mitigation strategy to eliminate hazards. Members of the audit committee are expected to assist the Board in monitoring management operations and dealing with risk management concerns.

CHAPTER THREE: METHODOLOGY

3.1 Methodology

This report is the production of three months of hard effort conducting research, and it is quite instructive in nature. It includes data from both primary and secondary sources. Primary data uses a mixed-methods approach, whereas secondary data on the evidence gathered from internet and print sources. Data has been analyzed and compared.

3.1.1 The Primary Sources:

- Talking with office manager
- Various department executives
- Labor of cylinder
- Clients

3.1.2 The Secondary sources:

- Linde Bangladesh online site
- Annual Report
- Various types of articles about Linde Bangladesh
- Recorded data in previous year

CHAPTER FOUR: COMPANY RATIO ANALYSIS

4.1 Income statement analysis

4.1.1 Vertical analysis

It measures the percentage of profit and other financial indicators.

Table: 1

TITLE: Vertical Analysis.

| Particulars | 2017 | 2018 | 2019 | 2020 | 2021 |
|------------------------------------|--------|--------|--------|--------|--------|
| Revenue | 100% | 100% | 100% | 100% | 100% |
| Cost of sales | -53.3% | -58.2% | -55.8% | -52.7% | -54.3% |
| Gross profit | 46.7% | 41.8% | 44.2% | 47.3% | 45.7% |
| Operating expenses | -18.9% | -16.6% | -14.7% | -16.5% | -15.6% |
| Profit from operations | 27.8% | 25.8% | 29.5% | 30.7% | 30.1% |
| Net foreign exchange loss | 0% | 0.0% | 0.0% | -0.2% | -0.1% |
| Other income | 0% | 0.6% | 0.1% | 0.0% | 0.5% |
| Net finance income | 0% | 0.5% | 1.3% | 1.7% | 0.5% |
| Profit before contribution to WPPF | 27.8% | 26.3% | 30.8% | 32.3% | 30.9% |
| Contribution to (WPPF) | -1.4% | -1.3% | -1.5% | -1.6% | -1.5% |
| Profit before tax | 26.4% | 25.0% | 29.2% | 30.7% | 29.4% |
| Income tax expenses | -7.1% | -6.6% | -7.6% | -7.9% | -5.3% |
| Profit after tax | 19.3% | 18.4% | 21.7% | 22.8% | 24.1% |

In this table show the vertical analysis in 2017 profit after tax was 19.3%, and in 2018 profit after tax was 18.4% which is a decrease because the cost of sales increased but in 2019 profit after tax was 21.7% company increased its profit, and in 2020 profit after tax was 22.8% and 2021 profit after tax was 24.1% which is very high profit after tax (Bangladesh, Investor Relationship, 2021).

4.1.2 Horizontal analysis

Horizontal analysis is a technique for examining a company's financial records throughout time. It's frequently shown as a percentage increase over the same line item the previous year.

Table: 2

TITLE: Horizontal Analysis.

| Particular | 2017 | 2018 | 2019 | 2020 | 2021 |
|------------------------------------|------|------|------|------|------|
| Revenue | | 10% | 4% | -17% | 8% |
| Cost of sales | N/A | 21% | 0% | -22% | 11% |
| Gross profit | N/A | -1% | 10% | -11% | 4% |
| Operating expenses | N/A | -3% | -8% | -6% | 2% |
| Profit from operations | N/A | 4% | 19% | -14% | 6% |
| Net foreign exchange loss | N/A | 0% | 0% | 0% | -40% |
| Other income | N/A | 62% | -84% | -67% | 15.4 |
| Net finance income | N/A | 83% | 1.47 | 8% | -70% |
| Profit before contribution to WPPF | N/A | 5% | 22% | -13% | 3% |
| Contribution to (WPPF) | N/A | 5% | 22% | -13% | 3% |
| Profit before tax | N/A | 5% | 22% | -13% | 3% |
| Income tax expenses | N/A | 3% | 19% | -14% | -28% |
| Profit after tax | N/A | 5% | 23% | -13% | 14% |

(Bangladesh, Investor Relationship, 2021)

Horizontal analysis shows the differences present to past years. How to change their revenue to profit.

4.2 Balance sheet and leverage ratios:

4.2.1 The current ratio for the last five years:

The current ratio assesses the company's capacity to pay current liability, such as short-term debt, etc. The current ratio equation is current asset divided by current liability.

Current Ratio = current asset / current liability

Table: 3

TITLE:Current Ratio

| Year | Current Ratio |
|------|---------------|
| 2017 | 1.67 |
| 2018 | 2.00 |
| 2019 | 2.24 |
| 2020 | 2.53 |
| 2021 | 3.10 |

In 2017 company's current ratio was 1.67 that's means the company's ability to pay its liability was 1.67 times. In 2018 company's current ratio was 2 that's means the company's ability to pay its liability was 2 times. In 2019 company's current ratio was 2.24 that's means the company's ability to pay its liability was 2.24 times. In 2020 company's current ratio was 2.53that's means the company's ability to pay its liability was 2.53times. In 2021 company's current ratio was 3.10that's means the company's ability to pay its liability was 3.10times.Here the last five years' current ratio which measures the company's ability to pay its liability in a short time.From 2017 to 2021, the current asset increasing step by step and the company's ability also increasing to pay liability (Bangladesh, Investor Relationship, 2021).

4.2.2 Quick Ratio of last five years:

Quick ratio mainly indicated the short-term liquidity of the company and in short quick ratio measures how quickly a company converts its asset into a liquid portion.

Quick ratio = current asset – inventory / current liability

Table: 4

TITLE:Quick ratio

| Year | Quick ratio |
|------|-------------|
| 2017 | 1.24 |
| 2018 | 1.49 |
| 2019 | 1.77 |
| 2020 | 2.03 |
| 2021 | 2.53 |

In 2017 company's quick ratio was 1.24 that's means the company's ability to liquid its asset was 1.24 times. In 2018 company's quick ratio was 1.49 that's means the company's ability to liquid its asset was 1.49 times. In 2019 company's quick ratio was 1.77 that's means the company's ability to liquid its asset was 1.77 times. In 2020 company's quick ratio was 2.03 that's means the company's ability to liquid its asset was 2.03 times. In 2021 company's quick ratio was 2.53 that's means the company's ability to liquid its asset was 2.53 times. In this table the difference between the last five years' quick ratio, the company quick ratio performance increased year by year (Bangladesh, Investor Relationship, 2021).

4.2.3 Cash ratio for the last five years:

Cash ratio is similar to the quick ratio. It indicates to liquid cash and pay the company's liability.

Cash ratio: $\text{cash and cash equivalents} / \text{current liability}$

Table: 5

TITLE:Cash ratio

| Year | Cash ratio |
|------|------------|
| 2017 | 0.72 |
| 2018 | 0.97 |
| 2019 | 0.57 |
| 2020 | 0.66 |
| 2021 | 1.88 |

In 2017 cash ratio was 0.72 which means the company's extra liquid cash is available at 0.72. In 2018 cash ratio was 0.97 which means the company's extra liquid cash is available at 0.97. In 2019 cash ratio was 0.57 which means the company's extra liquid cash is available at 0.57. In 2020 cash ratio was 0.66 which is mean the company's extra liquid cash is available at 0.66. In 2021 cash ratio was 1.88 which means the company's extra liquid cash is available at 1.88. This year try to increase their cash ratio for their backup the reason was the covid-19 pandemic situation. In this table the 2017 cash ratio was 0.72 and the 2018 cash ratio was 0.97 these two-year cash ratios were high but in 2019 and 2020 fall dawn but the company tries to increase their cash ratio and they did this next year 2021 cash ratio was 1.88.

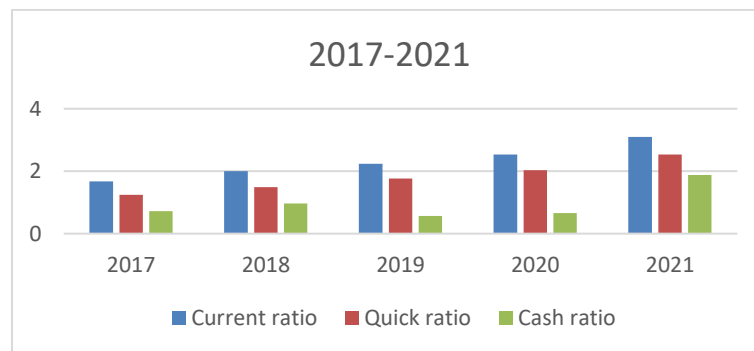


Figure: 8

TITLE: Balance sheet ratio.

In this chart, we can see Linde Bangladesh current ratio, quick ratio, and cash ratio performance increased (Bangladesh, Investor Relationship, 2021).

4.2.4 Leverage ratios

The leverage ratio measures a company's operating expenses mix to get a simple idea of how changes in production volume will affect operating income. The debt ratio means the amount of leverage used by the company for debt to the asset. total liability divided by the total asset. In total assets, current assets and non-current assets are included. Same for total liability current liability plus noncurrent liability.

$$\text{Debt ratio} = \text{Total liability} / \text{Total asset}$$

Table: 6

TITLE:Debt ratio.

| Year | Debt Ratio |
|------|------------|
| 2017 | 38% |
| 2018 | 35% |
| 2019 | 33% |
| 2020 | 32% |
| 2021 | 28% |

In this table 2021 debt ratio was better than previous four years. Debt ratio low means company's asset more than its liability. 2017 the Debt ratio was 38% and 2018 debt ratio was 35%, that means debt ratio decreases 3% in one year. In other years' debt ratio decreases 2%,1% and 4%. In 2021 was lowest debt ratio. Debt ratio difference between 2017 to 2021 (Bangladesh, Investor Relationship, 2021).

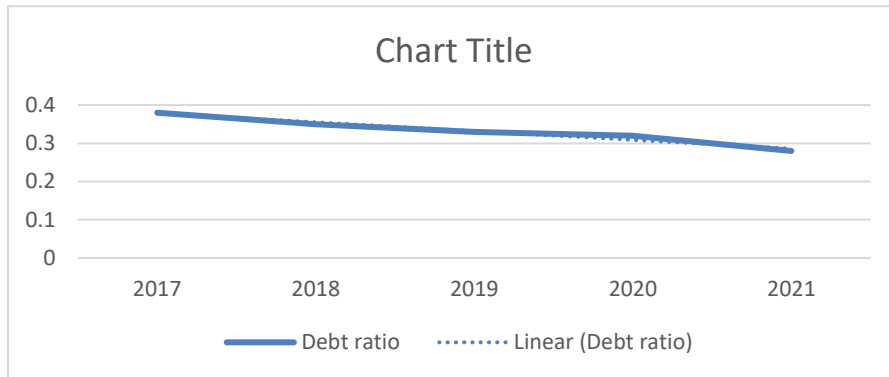


Figure: 9

TITLE: Leverage ratio.

In this chart the company uses the leverage ratio. From 2017 to 2021 the debt ratio continuously decrease that's means the company used the leverage ratio properly.

4.2.5 Interest coverage ratio

The interest coverage ratio assesses a company's ability to interest and debt. That means, earnings before interest and tax/ interest expenses

Table: 7

Interest coverage ratio

| Year | Interest coverage ratio |
|------|-------------------------|
| 2017 | 3.38 |
| 2018 | 3.90 |
| 2019 | 3.9 |
| 2020 | 3.90 |
| 2021 | 5.69 |

The interest coverage ratio was 2017 was 3.38 which means the company pay interest expenses and outstanding debt 3.38 times. 2018 was 3.90 which means the company pay interest expenses and outstanding debt 3.90 times. The interest coverage ratio was 2019 was 3.90 which means the company pay interest expenses and outstanding debt 3.90 times. The interest coverage ratio was 2020 was 3.90 which means the company pay interest expenses and outstanding debt 3.90 times. The interest coverage ratio was 2021 was 5.69 which means the company pay interest expenses and outstanding debt 5.69 times. Interest coverage ratio was low in 2017 but 2018, 2019, 2020 no change in Interest coverage ratio. In 2021 Interest coverage ratio was higher 5.69.

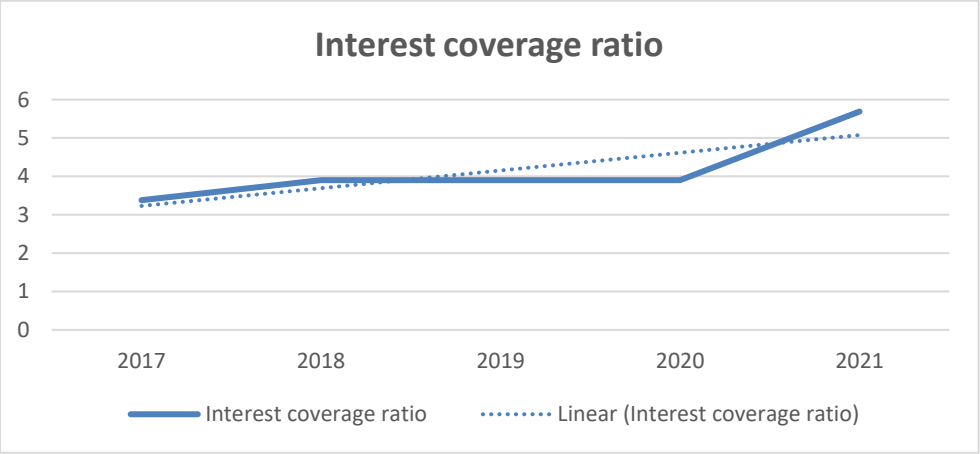


Figure: 10

TITLE: Interest coverage ratio.

Linde Bangladesh maintains its Interest coverage ratio very smartly. 2017 Interest coverage ratio was very low but they try to increase their Interest coverage ratio for paying interest expenses and outstanding debt (Bangladesh, Investor Relationship, 2021).

4.3 Rates of return and profitability analysis:

4.3.1 Profitability Ratio

To calculate the profitability ratio, a few specific ratios need to be calculated first. Those are given below:

Gross profit margin ratio: $\text{Gross profit} / \text{Net sales}$

The gross profit margin of ratio 2017 = 47%

The gross profit margin of ratio 2018 = 42%

The gross profit margin of ratio 2019 = 44%

The gross profit margin of ratio 2020 = 47%

The gross profit margin ratio of 2021 = 46%

This ratio is given by Linde Bangladesh annual report 2021.

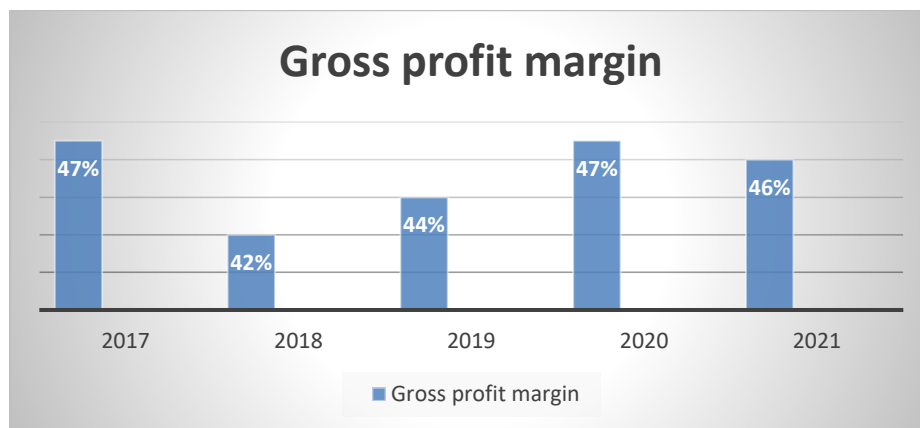


Figure: 11

TITLE: Gross profit margin ratio

Typically, the gross profit margin is defined as the percentage of sales.

In this chart 2017, Linde Bangladesh sales were high is 47%, 2018 lower than in 2017, in 2019 gross profit margin was higher than in 2018. in 2020 gross profit margin was 47% but in 2021 was 46% which is lower than 2020 (Bangladesh, Investor Relationship, 2021).

4.3.1.2 Operating profit margin ratio:

The operating profit margin is a measure of financial performance that indicates the proportion of profit generated by a company's operations before taxes and interest costs are deducted.

Operating profit margin ratio: Operating profit/Net sales

Table: 8

Operating profit margin ratio.

| Year | Operating profit margin ratio |
|------|-------------------------------|
| 2017 | 52% |
| 2018 | 44% |
| 2019 | 53% |
| 2020 | 58% |
| 2021 | 55% |

Operating profit margin ratio 2017 was 52% on average but in 2018 Operating profit margin ratio was low 44%, in 2017 company earned profit 8% of higher than 2018. In 2019 company increased their Operating profit margin ratio which is 53% but 2020 Operating profit margin ratio was highest 58% and 2021 Operating profit margin ratio 55%.

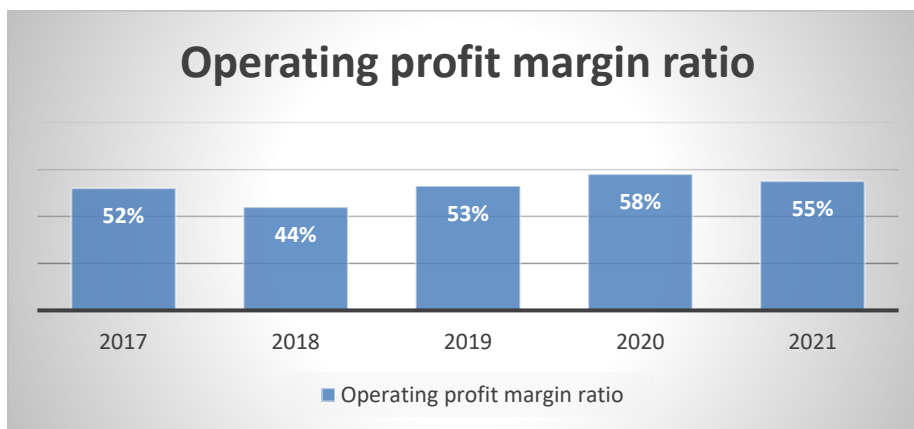


Figure: 12

TITLE: operating profit margin ratio.

In this chart 2017 to 2021 operating profit margin ratio was 52%, 44%, 53%, 58%, 55% (Bangladesh, Investor Relationship, 2021).

4.3.1.3 Net profit margin ratio

Net profit margin ratio= Net profit/Net sales

Table: 9

TITLE:Net profit margin ratio.

| Year | Net profit margin ratio |
|------|-------------------------|
| 2017 | 36% |
| 2018 | 32% |
| 2019 | 39% |
| 2020 | 42% |
| 2021 | 44% |

In 2017 Net profit margin 36 % and 2018 Net profit margin was 32%. In 2018 Net profit margin decreases 4% and 2019 to 2021 Net profit was increased.

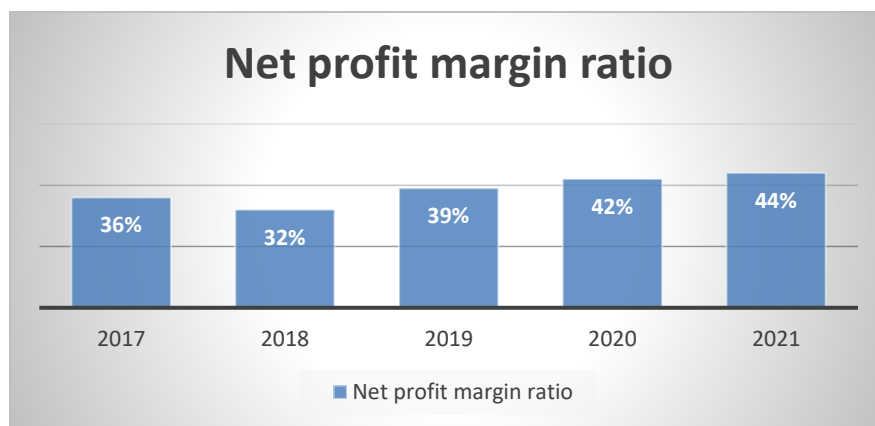


Figure: 12

Net profit margin ratio

In this chart net profit margin increased every year (Bangladesh, Investor Relationship, 2021).

4.3.1.4 ROE

Return of equity = Net profit after tax / shareholder's equity * 100

Return of equity of 2017 = 952,738/3,675,819 in thousand.

$$= 0.26$$

Return of equity of 2018 = 1,003,774/4,472,691 in thousand.

$$= 0.22$$

Return of equity of 2019 = 1,231,588/4,472,692 in thousand.

$$= 0.28$$

Return of equity of 2020 = 1,073,609/5,108,709 in thousand.

$$= 0.21$$

Return of equity of 2021 = 1,225,776/5,413,837 in thousand.

$$= 0.23$$

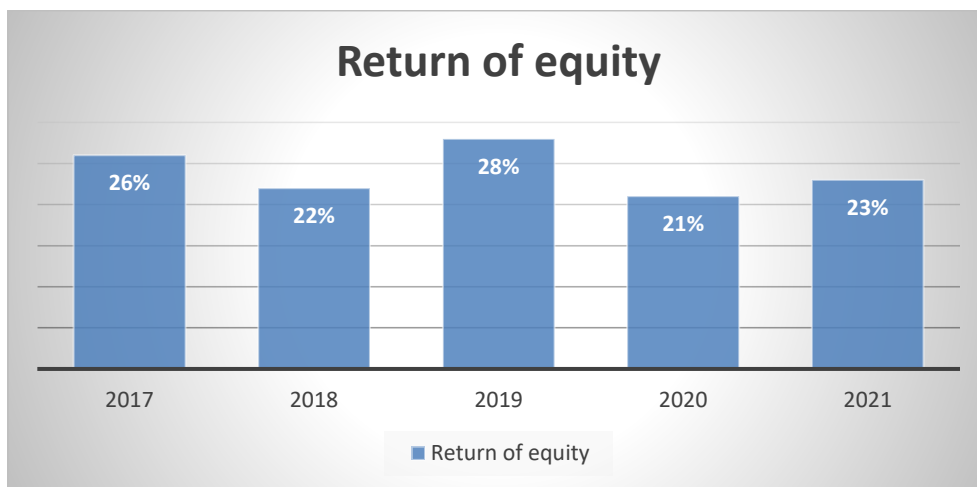


Figure: 13

ROE.

4.3.1.5 ROA

Return of asset: Net profit after tax/total asset*100

Return of asset of 2017 = $952,738/5,944,832$ in thousand.

$$= 0.16$$

Return of asset of 2018 = $1,003,774/6,849,247$ in thousand.

$$= 0.15$$

Return of asset of 2019 = $1,231,588/7,651,824$ in thousand.

$$= 0.16$$

Return of asset of 2020 = $1,073,609/8,004,514$ in thousand.

$$= 0.14$$

Return of asset of 2021 = $1,225,776/8,406,626$ in thousand.

$$= 0.15$$

Here is the more different type of ratio which is given in Linde Bangladesh annual report 2021.

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|-------------------------------|--------|-------|--------|--------|--------|
| Earnings per share (TK) | 62.6 | 65.96 | 80.93 | 70.55 | 80.55 |
| Price-earnings ratio-times | 21 | 18 | 16 | 18 | 20 |
| Return on Capital Employed | 26 | 22 | 24 | 20 | 20 |
| Debt equity ratio-times | - | - | - | - | - |
| Dividend per share (TK) | 34 | 37.5 | 50 | 40 | 55 |
| Dividend percentage (%) | 340 | 375 | 500 | 400 | 550 |
| Net assets per share (TK) | 241.54 | 293.9 | 335.7 | 355.75 | 395.55 |
| Operating cash flow per share | 76.13 | 76.87 | 103.25 | 77.7 | 80.35 |

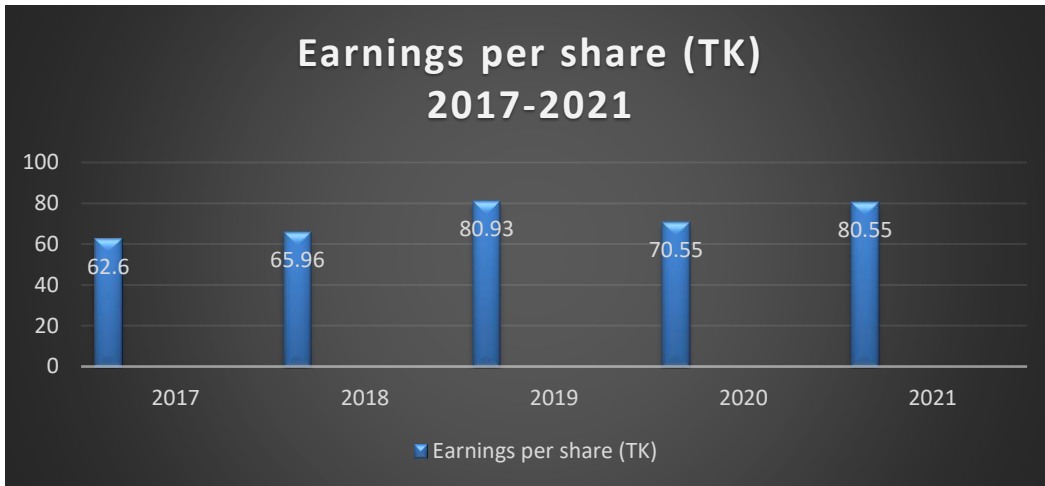


Figure: 14

TITLE:earnings per share.

Earnings per share were high in 2021 and 2019. in those two years' company, profit-generating efficiency is high.



Figure: 15

Price-earnings ratio-times.

A higher Price-earnings ratio-times ratio indicates that investors are prepared to spend a higher share price now in anticipation of future growth. Here Price-earnings ratio-times are allowing average.

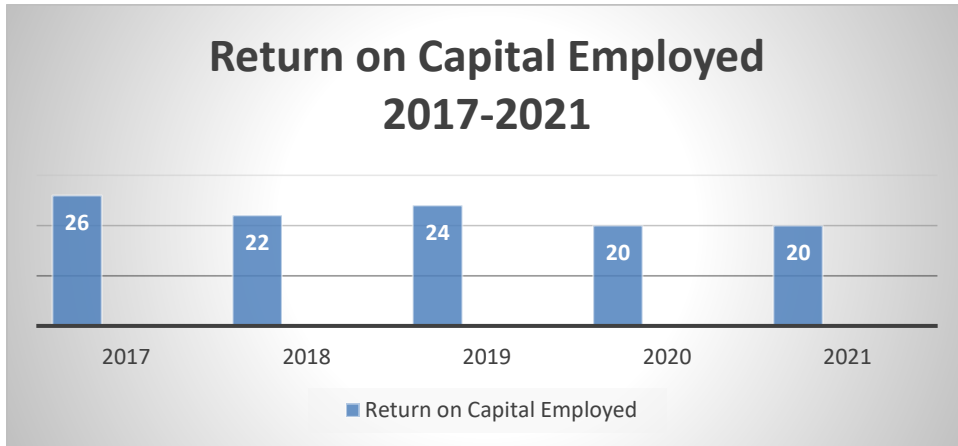


Figure: 16

rate of return employed.

A financial ratio that may be used to evaluate a company's strong financial efficiency is the rate of return employed. At put it differently, this ratio can help determine how well a business earns profits from the cash when it is invested. In this chart 2017 Return on capital employed ratio was high.

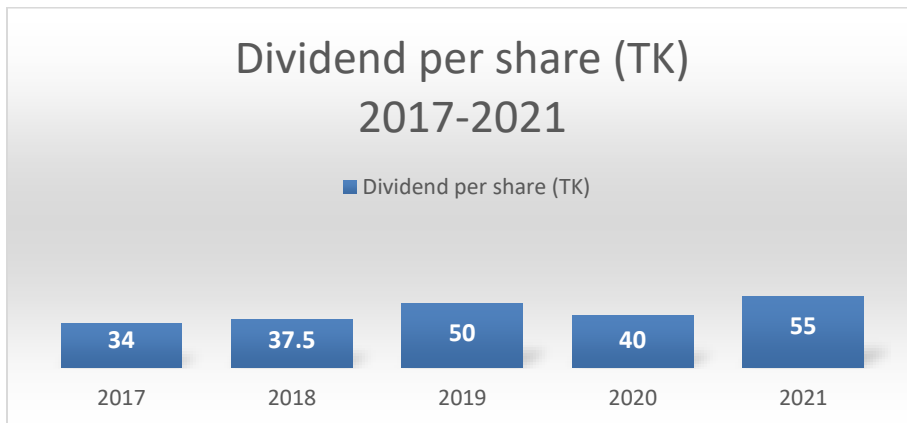


Figure: 16

Dividend per share.

Companies pay a dividend to their shareholders every year. In that five the year 2021 was a high dividend-paying year.

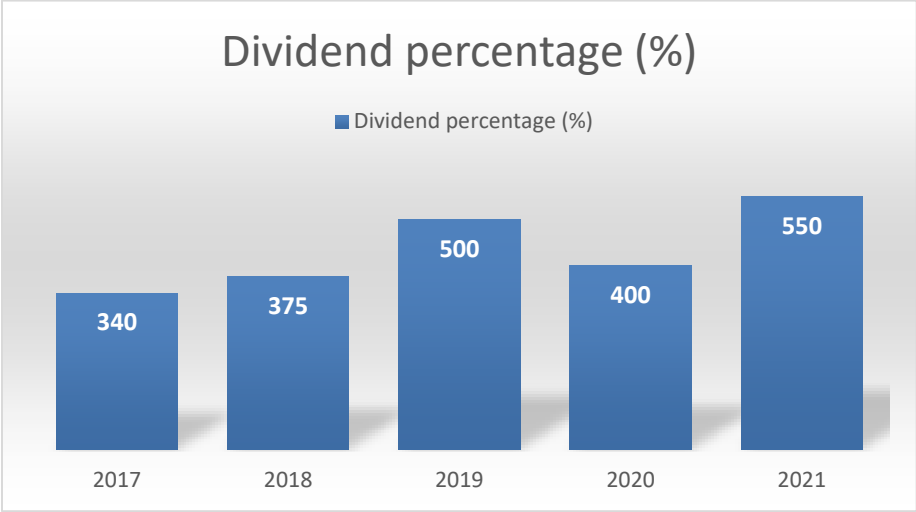


Figure: 17

Dividend percentage.

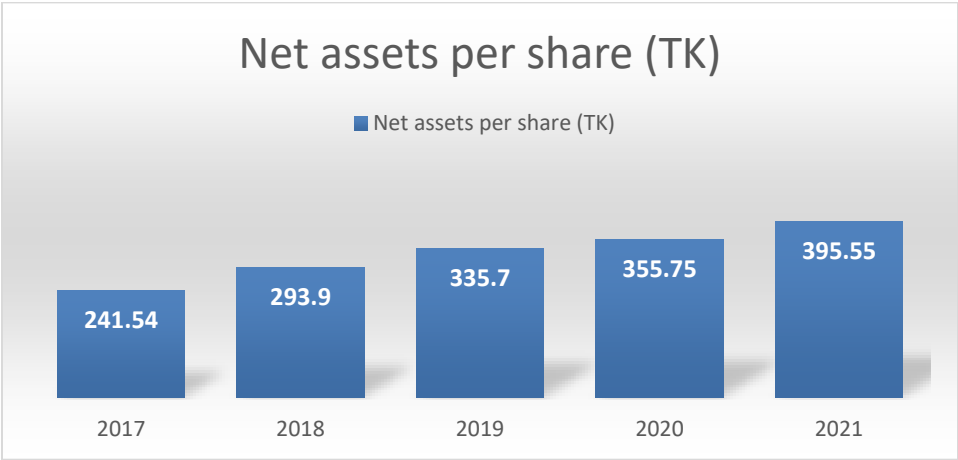


Figure: 18

Net asset per share.

The net asset value of a fund is divided by the number of outstanding shares to get the net asset value per share. In this chart, year 2021 high net asset per share was 395.55.

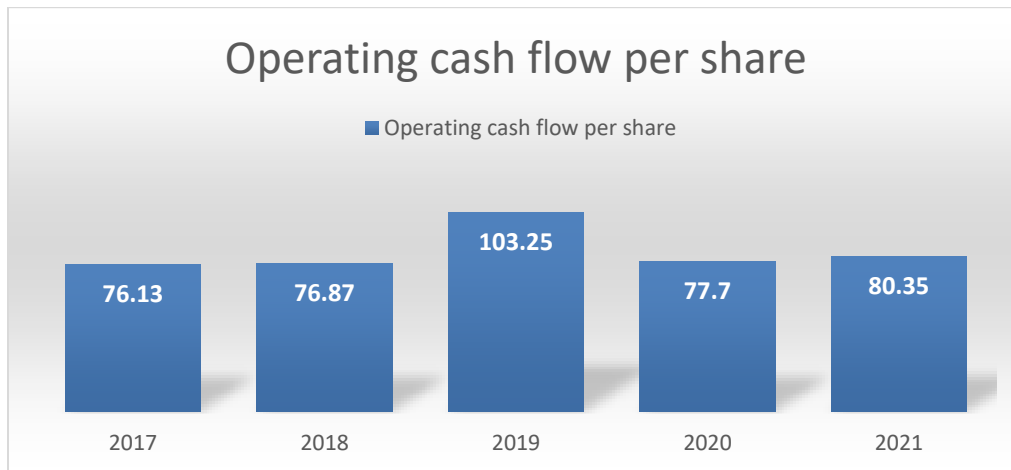


Figure: 19

Operating cash flow per share.

The amount of cash a firm makes from its sales, excluding expenditures connected with long-term capital investment, is referred to as operating cash flow per share. In that five-year average operating cash flow per share without 2019, 2019 operating cash flow per share was very high.

4.3.1.6 Asset turnover

Asset turnover is a ratio that may be used to determine how well a firm utilizes its assets to generate sales revenue.

Asset turnover: $\text{sales} / \text{average asset}$

From 2017 to 2021, the net profit margin ratio rises while remaining steady in 2018 and 2017. A high ratio indicates profitability in terms of sales produced and net income per taka of sales. So, compared to earlier years, business was more lucrative in 2020. The ratio of total assets turnover management varies. It grows from 2017 to 2018 by 0.05 before beginning to fall concurrently in 2018 and 2019 and 2020 by 0.80, 0.74 and 0.59. High ratios show that all assets are working effectively to produce sales. In 2017, they successfully sell their asset. In contrast, we expect the

reverse situation in 2018-2020. Their ability to produce revenues with their whole asset base is progressively declining.

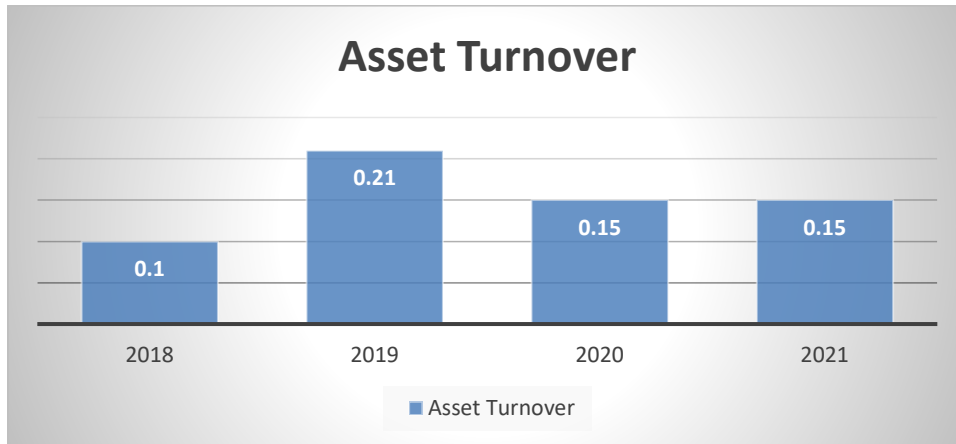


Figure: 20

Asset turnover.

Asset turnover was higher in 2019.

4.3.1.7 Total assets to equity ratio

Total assets to equity ratio = Total asset/Total equity

Table: 10

Total assets to equity ratio

| Year | Total assets to equity ratio |
|------|------------------------------|
| 2017 | 1.61 |
| 2018 | 1.53 |
| 2019 | 1.50 |
| 2020 | 1.48 |
| 2021 | 1.39 |

From 2017 through 2021, the equity multiplier ratio decreased steadily each year. It was 1.61 in 2017 and 1.48 in 2020. We are aware of in this case, we may predict that the corporation may lower its usage of leverage. A large ratio shows that more leveraged and requires greater revenue to satisfy the loan expenses.

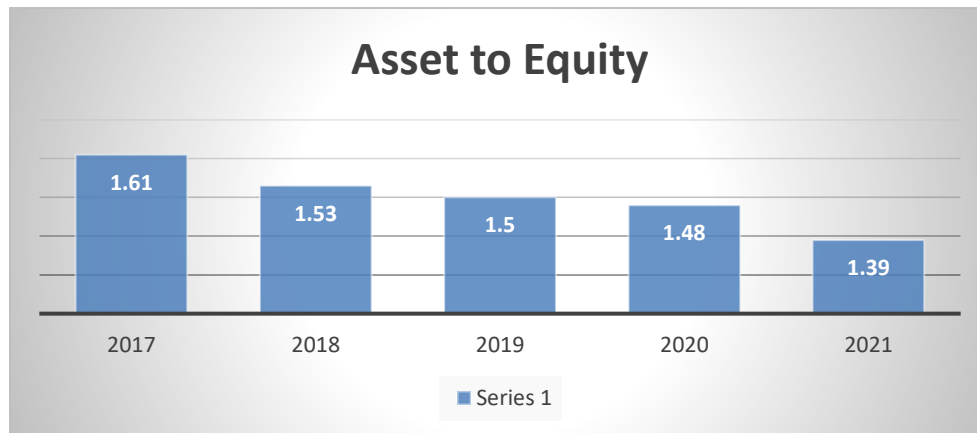


Figure: 20

Equity.

In this chart we can see asset to equity is lower year by year.

4.4 Cash Flow statement analysis

Cash flow statement overview: see appendix-1 for details.

In the cash flow statement, we can see the different types of changes. In 2017 and 2018 company had other receipts but in 2019, 2020, and 2021 they didn't have any other receipts. In 2017 and 2018 pay interest but for the other three years they did not pay interest. In those five years, they utilized their cash for different types of operation activities, investing activities, and financing activities.

CHAPTER FIVE: INTERNSHIP EXPERIENCE

5.1 Job Responsibilities and Duties:

Apart from the usual duties of the Share Department. The most notable ones are discussed below, since they assisted men in learning about new activities, duties, and how to handle them.

1. Registration of new shareholders: Every year company arranges company's Annual General Meeting (AGM). It usually occurs once a year. During this event, the firm has well-attended meetings with stakeholders to resolve certain key concerns with the company's policies and operations. It is common for new people to get interested and purchasing shares of a reputable firm during such meetings. In that regard, given the task of registering new shareholder information, particularly the number of shares they wish to acquire. It's run by their official software, which maintains track of all of their valued stockholder's information. verify the retained shareholder's ID in certain circumstances to educate the existing statutes and potential share purchase locations. The events also covered the future dividends and bonuses that shareholders will get, as well as the company's actions to deal with future possibilities.
2. Sending dividends and sending application letters: Within one month of the annual general meeting, the corporation must deliver dividends and forwarding application letters. Following that, my boss removed me from my official duties and sent me to the share department, where would assist in sorting out the items needed to distribute the dividend and sending letters to recipients. The letters and applications pertaining to the location codes were split. It taught me how to properly notify shareholders and demonstrate how the actions works. Furthermore, the letters and forwarding applications reveal the company's ownership arrangements and current share market statutes. It even assisted the new shareholders in resolving any further questions they had regarding their investments at the time.
3. Waiver for stakeholders often give repeated buyers a 5% discount on product pricing. Infrequent customers, on the other hand, are eligible for a 3% discount. The product price department is in charge of all of this. During my internship, my supervisor assigned me to this department. Under the supervision of the manager, entered all of these facts and numbers into the corporate software with the relevant parameters. The parties were given

detailed information on these exemptions. These reports were very well received by the stakeholders.

5.2 Training:

1. How to manage shareholders' phone calls.
2. How to deal with shareholders.
3. Verify shareholders' certificate details.
4. Checking shareholders' share transfer, transformation, and demit application.

5.3 New skills development:

Linde Bangladesh was able to get a lot of knowledge during the course of a three-month internship, and the staff learned new things they didn't know before. It also aided in the molding and preparation of persons for entry into the corporate world once they had completed their formal education.

5.4 Corporate behavior:

In this line of business, good corporate behavior is desired. Linde Bangladesh has a really pleasant environment. As a result, adapting to the atmosphere and developing my corporate conduct was a breeze for me. Students have little familiarity with business conduct because this internship was their first corporate experience. After joining a business setting, students, on either hand, learn a great deal in a short amount of time. For instance, how to communicate with my superiors or juniors, how to appropriately complain or make a request, and so on.

5.5 Communication:

During my three-month internship, able to meet a number of great individuals and form new relationships. Linde Bangladesh has a really beautiful vibe. On first day of internship, they were shown to a lot of people in the organization. The vast number of new contacts and daily conversations with them considerably boosted employees' communication abilities.

CHAPTER SIX: CONCLUSION AND RECOMMENDATION

6.1 Conclusion

Performance analysis is a broad phrase that encompasses a wide range of computations, observations, knowledge, and expertise. Performance analysis is a difficult and complex undertaking for a firm like Linde Bangladesh. The majority of Linde's performance is up to par. Linde's performance was adequate from 2017 to 2021, however, the corporation should endeavor to conceal its flaws. And it is their primary focus to serve customers so that they may continue to enhance their service and experiment with new ideas.

6.2 Recommendation

Conducting performance analysis is highly difficult and complicated work for a firm like Linde Bangladesh. Most of Linde's performance is up to par. Although Linde's performance from 2017 to 2021 was adequate, the corporation ought to make an effort to hide its flaws. Serving customers is their first priority in order to further improve their offerings and continue to explore fresh concepts.

References

Bangladesh, L. (2021). *home*. Retrieved from <http://www.linde.com.bd/en/index.html>.

Bangladesh, L. (2021). *Investor Relationship*. Retrieved from www.linde.com.bd:

http://www.linde.com.bd/en/investor_relations/financial_statements/index.html

Linde Bangladesh. (2021). *linde.bd*.

Appendix

Appendix: 1

Cash flow statement overview:

| | For the year ended 31 December | | | | |
|---|--------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 2017 | 2018 | 2019 | 2020 | 2021 |
| | 000 | 000 | 000 | 000 | 000 |
| A. Cash flows from operating activities | | | | | |
| Cash receipts from customers | 4,828,248 | 5,394,635 | 5,601,987 | 4,691,298 | 5,016,575 |
| Other receipts | 40,909 | 16,341 | - | - | - |
| Cash paid to suppliers and employees | -3,309,427 | -4,006,246 | -3,735,154 | -3,102,584 | -3,470,539 |
| Cash generated from operating activities | 1,559,730 | 1,404,730 | 1,866,833 | 1,588,714 | 1,546,036 |
| Income tax paid | -401,134 | -234,018 | -295,659 | -406,242 | -323,370 |
| Interest paid | -20 | -936 | - | - | - |
| Net cash from operating activities | <u>1,158,576</u> | <u>1,169,776</u> | <u>1,571,174</u> | <u>1,182,472</u> | <u>1,222,666</u> |
| B. Cash flow from investing activities | | | | | |
| Payment for acquisition of property, plant, and equipment | -969,008 | -551,615 | -438,802 | -113,325 | -236,578 |
| Payment for acquisition of intangible assets | -833 | - | -264 | -129 | -10 |
| Proceeds from the sale of property, plant, and equipment | 1,176 | 37,105 | 6,585 | 6,070 | 21,420 |
| Investment in fixed deposit receipts | -236 | -218 | -1,233,866 | -266,583 | 1,511,202 |
| Interest received | 17,813 | 27,971 | 66,338 | 90,561 | 24,193 |
| Net cash used in investing activities | <u>-951,088</u> | <u>-486,757</u> | <u>1,600,009</u> | <u>-283,404</u> | <u>1,320,227</u> |
| C. Cash flows from financing activities | | | | | |
| Paid to subsidiary | -126 | -126 | -138 | -317 | -69 |
| Dividend paid | -466,229 | -211,027 | -564,433 | -751,753 | -682,649 |
| Repayment of lease obligation | - | - | -564,433 | -6,618 | -6,355 |
| Net cash used in financing activities | <u>-466,355</u> | <u>-211,153</u> | <u>-570,741</u> | <u>-758,688</u> | <u>-689,073</u> |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | 471,866 | -258,867 | -599,576 | 140,380 | 1,853,820 |
| Cash and cash equivalents as at 1 January | 1,132,336 | 1,391,203 | 1,604,201 | 1,004,626 | 1,145,006 |
| Cash and cash equivalents as at 31 December | <u>1,604,201</u> | <u>1,132,336</u> | <u>1,004,626</u> | <u>1,145,006</u> | <u>2,998,826</u> |

Appendix: 2

1. Current Ratio:

Current Ratio of 2017 = $2626970/1573136$ in thousand.

$$= 1.67$$

Current Ratio of 2018 = $3,301,233/1,645,529$ in thousand.

$$= 2.00$$

Current Ratio of 2019 = $3,919,097/1,747,439$ in thousand.

$$= 2.24$$

Current Ratio of 2020 = $4,462,252/1,765,635$ in thousand.

$$= 2.53$$

Current Ratio of 2021 = $4,938,373/1,592,593$ in thousand.

$$= 3.10$$

2. Quick ratio:

Quick ratio of 2017 = $(2,626,955-683,575)/1573136$ in thousand.

$$= 1.24$$

Quick ratio of 2018 = $(3,301,233- 842,895)/1,645,529$ in thousand.

$$= 1.49$$

Quick ratio of 2019 = $(3,919,097- 831,800)/ 1,747,439$ in thousand.

$$= 1.77$$

Quick ratio of 2021 = $(4,938,373-912,468)/ 1,592,593$ in thousand.

$$= 2.53$$

Quick ratio of 2020 = $(4,462,252- 873,442)/ 1,765,635$ in thousand.

$$=2.03$$

3. Cash ratio:

Cash ratio of 2017 = 1,132,356/1,573,001 in thousand.

$$= 0.72$$

Cash ratio of 2018 = 1,604,221/1,645,529 in thousand.

$$= 0.97$$

Cash ratio of 2019 = 1,004,626/1,747,439 in thousand.

$$= 0.57$$

Cash ratio of 2020 = 1,145,006/1,736,159 in thousand.

$$= 0.66$$

Cash ratio of 2021 = 2,998,826/ 1,592,593 in thousand.

$$= 1.88$$

4. Debt ratio:

Debt ratio of 2017 = 2,269,013 /5,944,832 in thousand.

$$= 0.38$$

Debt ratio of 2018 = 2,376,557/6,849,247 in thousand.

$$= 0.35$$

Debt ratio of 2019 = 2543115/7,651,824 in thousand.

$$= 0.33$$

Debt ratio of 2020 = 2,590,677/ 8,004,514 in thousand.

$$= 0.32$$

Debt ratio of 2021 = 2,386,964/8,406,626 in thousand.

$$= 0.28$$

5. Interest coverage ratio

Interest coverage ratio in 2017= 13,56,896/351,522 in thousand.

$$= 3.38$$

Interest coverage ratio in 2018 = 1,406,953/360,700 in thousand.

$$= 3.90$$

Interest coverage ratio in 2019 = 1,675,934/429,401 in thousand.

$$= 3.90$$

Interest coverage ratio in 2020 = 1,448,290/371,267 in thousand.

$$= 3.90$$

Interest coverage ratio in 2021 = 1,528,994/268,569 in thousand.

$$= 5.69$$

6. Operating profit margin ratio:

Operating profit margin ratio 2017. = 1,356,896/2,632,227 in thousand.

$$= 52\%$$

Operating profit margin ratio 2018 = 1,406,953/3,177,097 in thousand.

$$= 44\%$$

Operating profit margin ratio 2019 = 1,675,934/3,170,929 in thousand.

$$= 53\%$$

Operating profit margin ratio 2020 =1,448,290/2,483,603 in thousand.

$$= 58\%$$

Operating profit margin ratio 2021 = 1,528,994/2,761,023 in thousand.

$$= 55\%$$

7. Net profit margin ratio:

Net profit margin ratio for 2017 = $952,738/2632227$ in thousand.

$$= 36$$

Net profit margin ratio for 2018 = $1,003,774/3,177,097$ in thousand.

$$= 32$$

Net profit margin ratio for 2019 = $1,231,588/3,170,929$ in thousand.

$$= 39$$

Net profit margin ratio for 2020 = $1,073,609/2,483,603$ in thousand.

$$= 42$$

Net profit margin ratio for 2021 = $1,225,776/2,761,023$ in thousand.

$$= 44$$

8. Total assets to equity ratio:

Total assets to equity ratio of 2017 = $5,944,832/3,675,819$ in thousand.

$$= 1.61$$

Total assets to equity ratio of 2018 = $6,849,247/4,472,691$ in thousand.

$$= 1.53$$

Total assets to equity ratio of 2019 = $7,651,824/5,108,709$ in thousand.

$$= 1.50$$

Total assets to equity ratio of 2020 = $8,004,514/5,413,837$ in thousand.

$$= 1.48$$

Total assets to equity ratio of 2021 = $8,406,626/6,019,662$ in thousand.

$$= 1.39$$

