

Internship Report

**“Analysis of Pharmaceutical Industry in Bangladesh &
GlaxoSmithKline”**

Submitted to:

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GlaxoSmithKline”

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Subject: Submission of Internship Report

Dear Sir,

This is my great honor to submit the internship report that I have prepared for last 3 months long in GlaxoSmithKline Limited Bangladesh, under Accounts & finance department. The title of the report is “Analysis of Pharmaceutical Industry in Bangladesh & GSK. A Guideline for Potential Shareholders”. The report is the final outcome of successful completion of my internship program at the GSK. In my report I have tried to identify and describe the work process followed by my assigned department and also tried to analyze the financial performance of the company.

I would like to articulate my gratitude for your excellent guidance in preparing the report. It would be a great achievement for me if you find this report informative enough to fulfill the requirements. I am really grateful to you.

Sincerely Yours,

.....

Md. Fayez Uddn

ID- 111 141458

Acknowledgement

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Furthermore, I would like to acknowledge with much appreciation to my supervisor Md Mahmudul Islam, Accounts & Finance Manager of GSK, Bangladesh and Md. Golam Mustafa, ATM Abdul Matin Meah and S M Sydul Arefin, Finance Executives of GSK Bangladesh for their intimate and tremendous support and cooperation

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Executive summary

The national pharmaceutical market in Bangladesh has been increasing in recent years and currently the market stands at 142 billion BDT. Demand for good quality drugs is on the rise and the local market is expected to reach BD 160 billion by 2018. Bangladesh pharmaceutical companies supply generic products and can charge premiums for their products. The top 10 companies have about 67% of the market. It is very complicated to enter this sector due to a high investment.

GlaxoSmithKline Bangladesh Ltd is listed on the Dhaka Stock Exchange and has been fairly successful in the stock market. GlaxoSmithKline Bangladesh Limited has a very high dividend payment rate that primarily attracts the company's shareholders. The profitability of this company declined in 2016. The company has a very low current ratio that could pose a threat to it. Therefore, the company should focus more on this problem and should be careful to monitor the debts. Although, after comparing the financial report of GSK with that of Beximco Pharmaceutical and Reckitt Benckiser, it was found that GSK had a good financial performance

It should work on expanding their product line, as it has a narrow product line and should also improve their current relationship. Shareholders would benefit greatly if the company could increase its earnings per share ratio. To improve performance, GSK should focus more on expanding the product line and payment rate.

Chapter 1:

Introduction

1.1. Background of the Study

There are a number of sectors that Bangladesh can be proud of and, undoubtedly, the pharmaceutical sector is one of these sectors, rather it is the sector, which is the second most important contributor to the public treasury. There are about 234 companies in this sector and the approximate total size of the market is about 30,000 million Taka a year, of which about 97% of the total medicines are created by local companies and the remaining 3% is imported. The imported medicines mainly include anticancer drugs, vaccines against viral diseases, hormones, etc.

Indeed, the true growth of local pharmaceutical industries began after the promulgation of the "Drug Control Act" in 1982 in Bangladesh to limit the massive import of drugs and encourage local drug production. Many multinational companies (multinationals) were dissatisfied with this development.

In Bangladesh, the pharmaceutical sector is now one of the fastest growing sectors. In 2004, it was estimated that the total size of the pharmaceutical market in Bangladesh was Tk. 28.416 million. With an annual growth rate of around 10%, the Bengali pharmaceutical industry is now moving towards self-sufficiency to meet local demand. The Bangladeshi pharmaceutical industry is the second largest contributor to the national treasure after garments, and is the largest sector of intensive employment of white collar workers in the country.

There are about 450 generics registered in Bangladesh. Of these 450 generics, 117 are in the controlled category, that is, in the list of essential drugs. The remaining 333 generic are in the uncontrolled category. It is estimated that the total number of brands / items registered in Bangladesh is 5,300, while the total number of dosage forms and strengths is 8,300.

The pharmaceutical industry in Bangladesh is dominated mainly by domestic producers. On the total pharmaceutical market in Bangladesh, local companies have a market share of around 87%, while

Multinationals have a market share of 10% rest of the 3% imported. Of the top ten pharmaceutical companies in Bangladesh, eight are local pharmaceutical companies, while only two are multinationals. The two main domestic producers, namely Square and Beximco Pharma, hold a combined market share of around 29% of the country's total pharmaceutical market.

1.2. Objective of report

The objective of the report can be classified two forms:

- General Objective
- Specific Objective

1.2.1: General Objective:

This Internship report is mainly prepared to meet the Bachelor of Business Administration requirement (B.B.A) under the Faculty of UIU Business School, UIU.

1.2.2: Specific Objective

More particularly this study involves the following aspects:

- ✓ To give an overview of the pharmaceutical industry
- ✓ To give an overview of GSK

- ✓ Focus on the products, services, work environment and facilities provided to GSK employees.
- ✓ To identify the pharmaceutical trend and growth
- ✓ Comparing theoretical and practical activities of different modes of GSK

1.3. Significance of the report

The pharmaceutical industry are increasing at a very surprising rate and contribution to the national economy. The current size of the industry with global prospective standards and could emerge as the main sector of income production in the country. Bangladesh is self-sufficient to meet local demand for pharmaceuticals, which is why I want to study in this area. I'm trying to identify how to develop this sector, how to grow this sector and get an idea of the pharmaceutical sector in Bangladesh also GSK. This report is more significance for me because it's increase skill about pharmaceutical sector and also get idea real practical activities modes of GSK.

1.4.1. Origin of the Report

The UIU internship program is a postgraduate requirement for BBA students. This study is a partial requirement of the BBA curriculum internship program at the UIU. The main objective of the internship is to ensure that the student is exposed to the world of work. And have many purpose of the internship program like

- ✓ To identify the job responsibility of the organization
- ✓ To achieve knowledge the real world
- ✓ To comparing the lessons in UIU with reality
- ✓ To meet of the BBA program

This report is the result of a three-month training program conducted at GlaxoSmithKline (GSK) in Bangladesh and is prepared as a requirement for completion of the UIU BBA program. Accordingly, I have to present this report based on the "Standards and effects of GSK employee satisfaction". This report also includes information on GSK products and services, the general description of the organization and also the facilities they offer to satisfy their employees.

1.4.2. Methodology

The information used to prepare this report was compiled from primary and secondary sources, which together provided more complete information.

An open method of discussion was followed to gather primary information by informally interviewing the various department heads, the managers of the company. Participants were selected on purpose, as they usually participate in direct or indirect marketing. The observations were also used to collect primary data while working on different desktops. Secondary data has been accumulated from two sources:

- Internal
- External

The previous sources were annual reports, periodicals, articles and pamphlets published by the company. But in the next case, the sources are magazines, research articles and articles from various online sources.

1.1.3. Limitation if the study

This report face from several limitations:

- The most important of these was the "time limit". Time was not adequate to complete the study more perfectly
- Another important limitation was "the inaccessibility in many sections of the organization". I encountered difficulties in getting an appointment from the desired respondents, as well as the appropriate response from the respondents selected because it was reserved for the company.

- This report also suffered from inadequate secondary information.
- The accuracy of the facts in this report can be compromised due to outdated information.
- The results may not be generalized to the GSK as a whole.
- Records, publications, facts and figures are not available. These restrictions have reduced the purpose of the actual analysis.
- Some useful information can't be expressed in this report for reasons of confidentiality.

Chapter 2: Analysis of the Industry

2.1 Specification o the industry

I was completed internship in GSK which is Pharmaceutical Industry in Bangladesh.

Pharmaceuticals industry can broadly classified into two categories,

A. Patent

B. Generic

Patent medicine are the product that are innovation by the companies. Who have their own lavatories and also have own research team for work on own lavatory. These type of product for many years to enjoy the monopoly market but after the years of business formulation is sold in the market so that others can go into mass production.in Bangladesh 20% drug using this category medicine.

Generic medicine are the product that are manufacture in mass scale. This are market by many companies under the different name, where the formulation of this product is almost same. Category of the product prices are competitive, Bangladesh mainly concentrated this type of product about 80% drug because as labor cost is one of the lowest in the world.

In Bangladesh this sector is one of the most develop & importance sector which is contributing in our country economy. After the Promulgation of drug control Ordinance- 1982 the improvement of this sector was accelerated. The Professional Knowledge, thought and innovative idea of the pharmacists working in this sector are the key factors fir this development.

Key points of National drug policy of 1982

- Provide administrative and legislative support to ensure the quality of essential drugs that are relevant to national health needs
- Reduce the price of drugs, ensuring the lowest competitive price.
- Eliminate non-essential medicines from the market.
- Promote the production of drugs and local raw materials.
- Develop an appropriate drug monitoring and information system to prevent the misuse of waste and ensure the correct use of drugs.
- To guarantee GMP and qualified pharmacist in manufacturing companies

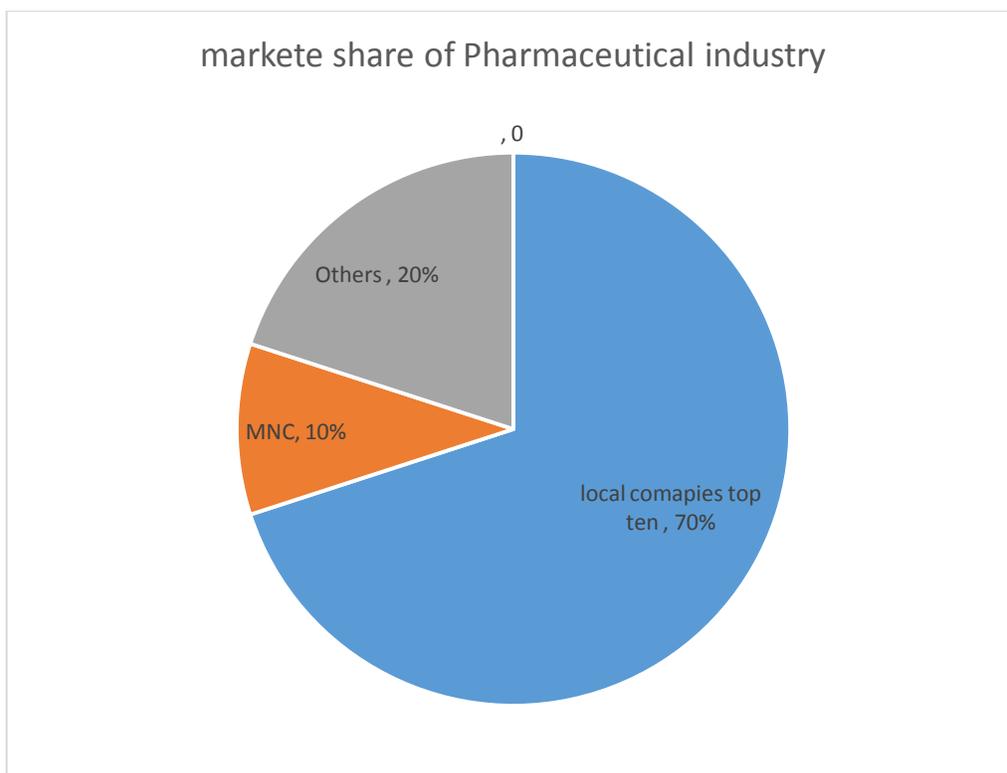
Since the 1982 NDP was implemented, most of the multinationals sold their businesses to local pharmacists. This has stimulated the evolution of local pharmaceutical sectors. According to the website of the Directorate General of Drug Administration (DGDA), the value of the locally produced drug was 175 million rupees in 1981, which increased to 325 million rupees in 1985.

Due to recent development of this sector we are exporting medicine to global market including European & African market. This sector also providing approximately 95% of the total medicine requirement of the local market. Leading Pharmaceutical companies are expenses their business with the aim to expanding export market. Recently few new industries have been established with hi tech equipment & professionals which increasing this sector. In our country have several sector on which is Bangladesh can be proud of and undoubtedly the pharmaceutical sector one of them. This sector which is the 2nd largest contribute to the government treasury. There are 231 companies in this sector and the total market size approximately taka 78500 million per year of which about

95% of the total requirement of medicine is made by local companies and other 5% is imported. The imported drugs mainly include of the vaccines for viral diseases, hormones, cancer drug etc.

In our country Pharmaceutical industry is now heading toward self-sufficient in meeting the local demand. This industry is second highest contributor to the government after garments sector. This sector is the biggest white-collar intensive employment sector of the country. There are about 470 generics registered in Bangladesh. Out of this 470 generics, 120 are in the control category i.e. in the essential drug list. Other generics in the decontrolled category. The total number of dosage forms and strength are 8300 and the total number of brands are registered in our country is recently estimated to be 5300. In our country pharmaceutical industries is mainly dominated by local manufacturers. Of total pharmaceutical market of Bangladesh, enjoying 87% market share the local companies while the foreign companies having a market share of 10% of total market.

During the last decades the Pharmaceutical industries of Bangladesh has been taken a newer height. Nowadays local companies filled local demand and they exporting the medicine into 79 countries. Pharmaceutical sector providing a lot into the national economy by exporting raw materials and finished goods. In our country is ready to enter the highly regulated market. For this reason several pharmaceutical companies are investing to develop high tech pharmaceutical industries. Some renowned companies have already entered in our country which are high regulated market like GSK Bangladesh, Healthcare Bangladesh Sanopi Bangladesh, , and TGA Australia etc. According to Bangladesh law foreign companies will be able to export medicine.



Graph 2.1.1: market share of Pharmaceutical industry

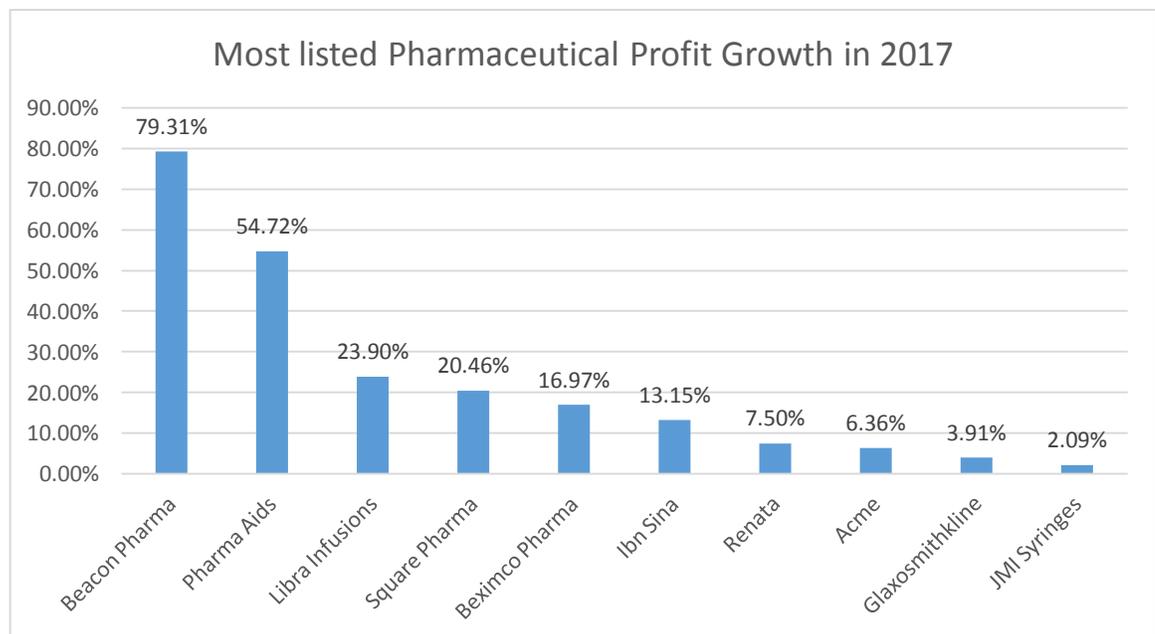
, Bangladesh firms operation 87% of the market in pharmaceuticals, on other hand Multinational companies operate 10% in total market share of pharmaceuticals, and final 3% is imported. 231 pharmaceuticals companies are registered in Bangladesh but only 78 are actively producing drugs. The top 35 to 42 companies dominated this sector. In Bangladesh top 10 hold approximately 68% market share of pharmaceuticals. The top two domestic companies SQUARE & BEXIMCO capture over 35% market share of pharmaceuticals in Bangladesh. Pharmaceuticals industries is relatively more concentrated in Bangladesh because Bangladesh government always try to develop this sector and also government help them.

2.2. Size, trend, and maturity of the industry

2.2.1: Size, trend: the annual sales in 2015-16 fiscal year Pharmaceutical product sale at 15600 crore while it was established in 1982 this year was sales only 170 crore so Pharmaceutical industry size increasing year by year.

According to IMS Health Care report in 2012 the market size stood at TK 9390.4 crore and its rose to TK 18755.6 in 2017. Bangladesh Pharmaceutical market size doubled between 2012 and 2017, so most of the significant growth rate & investment environment has been deemed highly attractive.

Pharmaceutical industry market is heavily retail oriented in Bangladesh They want to the bulk of distribution undertaken by the companies themselves and leaving Wholesalers to play a limited role. In 2017 most of the Pharmaceutical companies published their profit



Graph 2.2.1: most of listed Pharmaceutical profit growth 2017 (Prime Finance Asset Management)

So According to source Beacon pharmaceutical has been 1st position because they show profit ascend 79.31 percent year –on-year and Pharma aids & Libra infusion were 2nd and 3rd position related to in term of profit growth. But Square, Beximco and ibn Sina show double profit growth in last year. According to World Bank statistics in Bangladesh per capita healthcare expense in 2010 was \$ 23 but in 2015 it rose to &37.

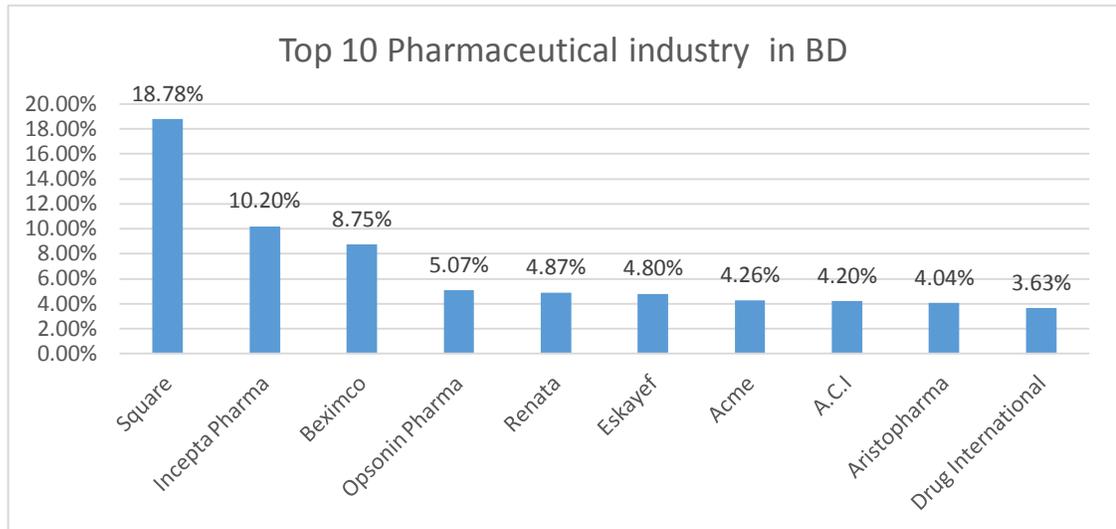
Square gain highest profit of taka 1160.58 crore in 2017 on other hand Renata earned 288.83 crore, and Beximco earned 240.9 crore.

In 2015 Bangladesh exports their spending for pharmaceutical products stood \$249 billion but they expected it will increasing to \$345-375 billion by 2020.” While the most of the emerging markets in the low and middle income country are dominated by multinational pharmaceutical companies, Bangladeshi companies have the capacity to penetrate these market” i.e.

In Bangladesh Pharmaceutical industry size increasing year by year because large consumer base and government take two effective policies have taken for growth of this sector:

- A. The drug Control in 1982 which is banned foreign companies from selling imported Pharmaceutical products in the country.
- B. The relaxation of the world trade organization agreement on trade-Related aspects of intellectual property rights (TRIPS).

In Bangladesh, Pharmaceutical industry trend it dominated by local companies. Now give top 10 Pharmaceutical industry in Bangladesh



Graph 2.2.2: Top 10 Pharmaceutical industry in BD (Pharmaceutical Index)

According to Pharmaceutical index, Square leads to 18.78% of the total market share in Bangladesh, followed by Incepta leading to 10.20% of market share and Beximco leading to 8.75% of market share, Opsonin 5.07%, and Renata 4.87% of total market share so on. On the other hand, MNC total market share in Bangladesh is 10%.

Local companies are dominated because they can manufacture quality products at a reasonable price and lower labor cost.

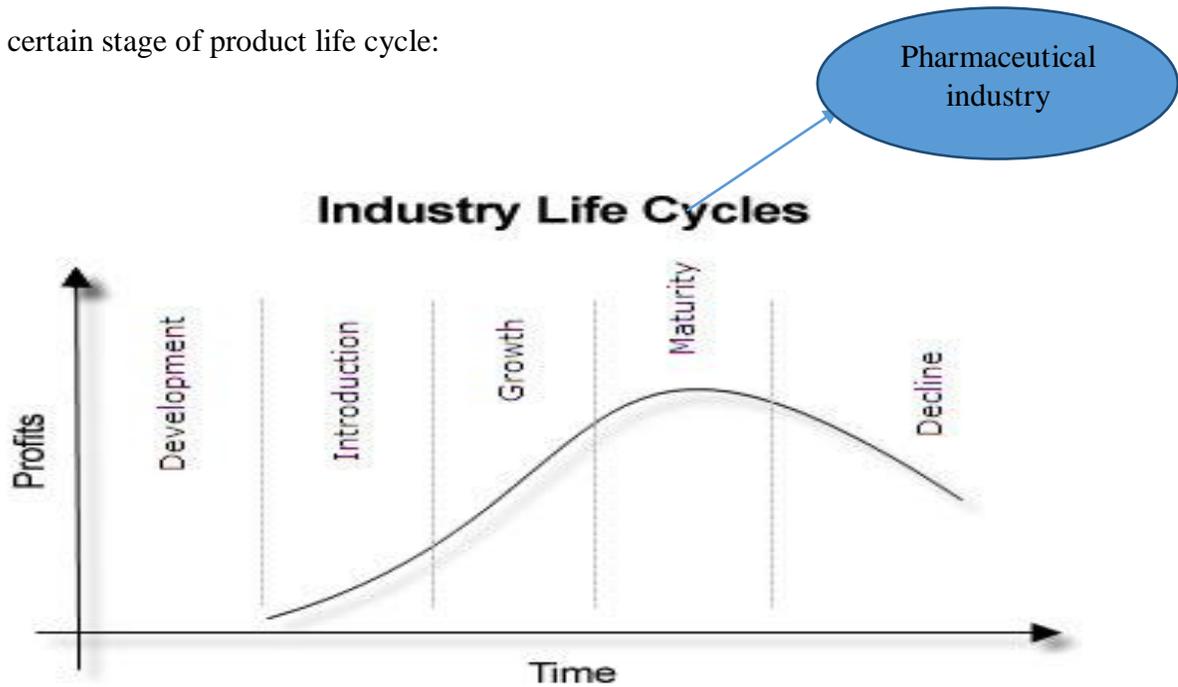
Bangladesh Pharmaceutical industry is regulated by 2 bodies

- A. Director General of drug administration (DGDA)
- B. Pharmacy council of Bangladesh (PCB)

DGDA is the national drug regulatory authority under the Ministry of Health and Family Welfare. They control all activities related to import and export of sale, pricing, raw materials, production, licensing, and registration of all kinds of medicine.

PCB was established under the Pharmaceutical Ordinance act in 1976 to control pharmacy practice in Bangladesh i.e.

2.2.2 Maturity of the Pharmaceutical industry: All product and service have standing of a certain stage of product life cycle:



Graph 2.2.2: Industry life cycle

This cycle 1st steps develop to product or industry. This stage a creating a new, unique product offering and develop patent which are beginning of the industry. This stage firm may be alone or it may small entrepreneurial company.

2nd steps is introduction which is refer to introduce their industry related their customer for this reason it's require more advertising as a result cost will be increasing. This stage firm will use focused strategy. This stage firm profit usually negative because introduction stage firm require a significant cash outlay for continue to promote & differentiated of industry but market demand

will grow from introduction stage as the Industry cycle curve experience growth at an increasing rate so new said to be the industry is entering the growth stage.

3rd stage is growth, this stage are require large amount of capital because this stage industry goal differentiating a firm offering from their competitor. This stage industry try to product offer more standardization of product which is help to develop strong competitor from other and also they achieve their goal. If the industry can be successfully marketing their firm and creating demand, it will help to increasing sales growth, so profit will be positive. Most importance think that this stage possibility of entry new rivalry. So this stage profit will be positive but capita more require.

4th stage is maturity, **in Bangladesh pharmaceutical industry stood in maturity stage.**

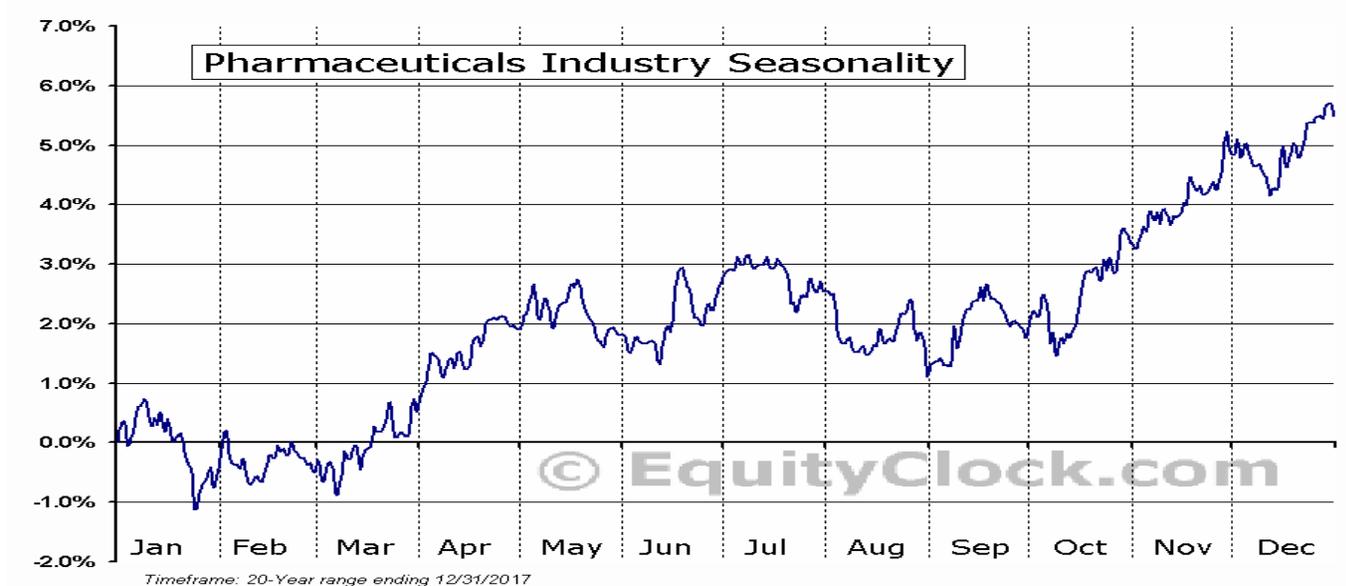
This stage curve flatter so growth may be slower. But profit positive in this stage. In this stage must ensure their quality of product and services. Firm will separate their product from other competitor by producing lowering cost and offering lowering price, but in this day by day profit margin lower.

5th stage is decline, final stage of industry life cycle. This stage sales volume decreasing and many industry will be market out. Firm can't survive in this stage because firm face negative profit or another industry or product created which are more favorable related to their customer, but most renowned industry can survive because they can able to established good image in their customer mind.

2.3 Seasonality:

is a refer to some character which are increasing demand some specific time or period like weekly, monthly, quarterly, or yearly, i.e. Eid-ul-fittar increasing demand on Panjabi it's called seasonality.

Usually Pharmaceutical industry do not impact seasonality because of, it is require anytime while it's needed. But some analysts/reporter find that its impact on pharmaceutical industry



Graph 2.3.1: Pharmaceutical Industry Seasonality (Equity clock.com)

According to graph. Pharmaceutical industry maximum return end of the year that means at this time demand will be increasing. So any firm should be careful about seasonality because it is increasing demand for this reason firm will be preferred this period and this time return will be increasing.

2.4. External Economic factor of pharmaceutical industry

It is refer to the influencing business from outside. In a firm various external factors can influencing to achieving objective and goal. This factor can be competitor, legal, political, social, and technological & government etc.

In pharmaceutical industry some economic factor will be impact, which are effects on development pharmaceutical industry of a like;

- Interest rate
- inflation
- Taxation changes
- Exchange rate,
- Economic growth.

2.4.1: Interest rate: In last two decade Bangladesh pharmaceutical industry growing up but if increasing interest rate this industry will be affected. Interest rate currently is 7.13 %

(Bangladesh Bank) if it increasing the firm will be unable to take loan because higher interest, it will increasing cost.

2.4.2: Inflation: as a country higher inflation is not god. In Bangladesh inflation rate is 5.96 % (Bangladesh Bank). If increasing inflation rate which are less value of money. It means value of money is decreasing and consumer will have to more pay for medicine which is difficult for them.

2.4.3: Taxation change: if impose higher tax on pharmaceutical industry they can't able growing. In Bangladesh pharmaceutical industry dramatically growing up but it will be hamper if impose the higher tax.

2.4.4: Exchange rate: in our country Exchange rate converted by dollar price. Higher the dollar value that means local currency value lower. Nowadays Bangladesh Pharmaceutical industry exporting their product. So exchange rate will be impact on pharmaceutical industry.

2.4.5: Economic growth: economic condition impact on country expenditure pattern. If as a country face economic crisis, people want to try spend less in their healthcare if economic crisis globally than the country decreasing export which will be a big barrier to achieving export goal of Bangladesh pharmaceutical industry.

So, pharmaceutical industry of Bangladesh day to day growing in globally but it will be hamper, if external economic factor are not good.

2.5. Technological factor of Pharmaceutical Industry

Technological factor refer to the factor which are impact on how to operate business that are related to organization equipment. This factor currently most significant impact of any business effect on the success.

Technology is constantly change in the world. In 2015. Approximately 6% on global economy revenue. Which are almost \$364.5 billion, was driven by digital technology. But by 2018 it increasing revenue, almost 11.45% or \$770 billion annually.

So technological factors have influence pharmaceutical industry because technology can changes human mind, in pharmaceutical industry new technology can be creating new opportunity for organization. Technology can change way to communication system form their respective customers. Nowadays business are competitive environment and also it is globalization which are significant is identifying good business strategies that is help to bit up their competitive.

One of the most importance think firm are more concern tow technological environment

A. The process of innovation

B. The process of technology transfer

- The process innovation refers to their concern about basic science to established new process, technologies, method and product.
- When the process of technology move form new technology to laboratory to market which are flexible way to produce product and application.

Technology can be dramatically change in manufacturing process. Manufacturing technology get advantage easy way to produce product. Which is seen new machine, tools, and better service. Nowadays technology give facility e-business and it is impact on Pharmaceutical industry. In Bangladesh mobile operator provide basic health service through by their operator. Recently Google say they develop online health care.it can possible through by technology.

Now technology greater impact on management because technology help take easy decision, several way to product & service design, development, production & distribution. They can easily meeting through by video conversation and they can take decision within few time.

Technology also help to cooperative with foreign country. In Bangladesh Pharmaceutical industry exporting several country and they can communication with their respective country. It is possible through by technology prosperity.

2.6. Political, legal and regulatory factor of Pharmaceutical industry

This factor include political, government regulations and legal which are both are formal and informal rules under which industry should follow like

- Tax policy
- Employment laws
- Environmental regulation
- Trade restriction and tariff
- Political stability

2.6.1: Tax policy; in Bangladesh law any companies gain profit and loss they are require to pay BDT 5000 as a minimum tax. If increasing tax it's difficult to sustain for business,

List and type company tax rate in Bangladesh

List and type company	tax rate on profit
Private limited company, non-listed company	35%
Publicly traded listed company in stock exchange	25%
Publicly traded bank, insurance, and non-banking financial institution	40%
Non-publicly traded bank, insurance and non-banking financial institution	42%
Merchant bank	37.5%
Cigarette manufacturing company	45%
Tobacco product manufacturing company	45%
Mobile operator company	45%

Table 2.6.1: corporate tax

In Bangladesh most of the pharmaceutical firm have a good position and they declare dividend because they earn profit and day by growing. In pharmaceutical industry meet local demand and also export foreign country so not require to create barriers on this industry, government need to reduce tax and also reduce duties from imported raw materials as a result its more grow up year by year.

2.6.2: Employment law: In Bangladesh labor law a significant impact on any industry. This law primarily assign to keep worker safe and treated fairly.so every firm should maintain labor law otherwise it will be creating conflict between labor and firm owner.

2.6.3: Environmental regulation: this regulation usually recover two things.

1. Pollution control: chemical or other undesirable items should avoid which are create pollution and hamper people.
2. Conservation management: any industry should follow health of ecosystems to safe land, ensuring several of species, etc.

So, environmental problems arise from market failure Because of negative externalities, natural resources are overused and environmental problems increase. There is a serious discontinuity between optimal results determined by maximizing individual benefits and maximizing social welfare, and the costs of environmental pollution are not primarily explained by polluters, forcing Other stakeholders to share these costs. In other words, the costs for those who pollute are much lower than those that affect society. Therefore, it is imperative that governments take measures to correct market failures, limit environmental externalities and seek environmental fairness through environmental regulations.

2.6.4: Trade restriction and tariff: In Bangladesh government restricted foreign pharmaceutical companies because government want to develop local pharmaceutical industry as a result local company get benefits and growing. Now local companies can meets 97% medicine of local demand as well as they are exporting medicine in foreign country.

2.6.5: Political stability: Many political factors have an impact on the business industry, which derives from the theory of political party feedback to the government on economic trends. When government agencies and leaders set policies, they begin the movements that have a major impact on the legal structure in which companies thrive or begin to decline, and also the financial

market conditions that influence customer attitudes and the level of support that the government offers to companies and businesses.

In Bangladesh have a regulatory agency is a public authority or a government agency responsible for the exercise of an autonomous authority over a specific area of human activity as a regulatory or supervisory authority. An independent regulatory agency is a regulatory agency independent of other branches or branches of government. Two organizations regulate drugs and pharmacies in Bangladesh, a governmental and a semi-governmental one which are

- The Director General of Drug Administration (DGDA)
- The Pharmacy Council of Bangladesh (PCB)

Bangladesh Government always try to maintain the manufacturing of medicine and drug because to protect people from illegal activities. Government try to restricted foreign medicine because government want growing up to local company.

2.7. Barriers to entry

It is refers to create some obstacle for competitor. In Bangladesh pharmaceutical industry established several famous companies like square, Beximco, Oposnin etc. thy are able to highly manage and operating their business successfully. So as a result any new entrants can be face some obstacle like

- High cost of brand development
- Unable to achieve economic scale
- Risk to Customer acceptance
- Risk to distribution network
- Risk to market capture

For this reason it is very difficult for new entrants to enter into the market. Pharmaceutical industry requiring large amount fixed cost for equipment and R&D and also new entrants face high startup cost. In drug sector product differentiating and marketing not importance, it is require for brand because drug is a very sensitive product and brand is a most physiological effect in pharmaceutical industry.in Bangladesh, govern create artificial obstacle for foreign country in pharmaceutical industry, because Bangladesh government wants develop local companies.

2.8. Supplier power

“It is refers to the impose supplier can show of on business by increasing price, poor quality, and reducing availability of their product.”

In Bangladesh power of supplier is low for this industry. Because pharmaceutical industry is fully drive on organic chemical and also this industry is very competitive in Bangladesh.so any producer can move to another supplier any time and receive their requirement demand. Other reason is:

- Concentrated buyer
- Buyer switching cost low
- Buyer is price sensitive
- Threat of forward integration is low
- Buyer purchase product in high volume
- Product is undifferentiated
- Substitutes are available etc.

For this reason supplier try to supply good quality product with reasonable price, otherwise companies can switch to another supplier because in the market have several supplier.

2.9. Buyer of power

“It is refers to the impose buyer can show off on business to achieve them to provide high quality of products, better customer service and low price.”

The pharmaceutical sector is unique among the industries because the patient doctor has an absolute lack of power over prices. The doctor who prescribes drugs, the doctor, cannot ethically

Benefit from the sale of drugs. The entity that pays for the drugs, the insurance company, has only one voice as it will pay the drug distributor, which means it has little power with the drug makers.

The insurer can refuse to pay for treatments that you think are too expensive.

The only entities with bargaining power are pharmacies and medical institutions that comply with the prescriptions of medical patients. Even these entities have little power over new drugs under

patent or drugs with a single manufacturer. Pharmacies focus on their profit margins and have little incentive to provide patients with the lowest possible price. Most of the retailer buy medicine from those manufacturer who are able to loyal them. National pharmaceutical pricing authority (NPPA) tries to maintain the price of all drug but they can't do it because in that much effective way as the market is very competitive.

2.10 Threat of Substitutes

“Threat of Substitutes is the availability of product the buyer can buying instead of other companies”

So, the effect of substitutes depends on the individual drug. DGDA-approved drug that has patent protection, deals with an important health condition and is the first in the market in its class and has

a license to print billions of dollars. The development of a new drug that treats a major disease could be worth tens of billions of dollars a year. However, the thirtieth drug to treat a common condition could take years to recover the costs of research and development. Once a drug loses its patents, manufacturers of generic drugs start selling counterfeit versions at significantly lower prices. A drug that generated \$ 100 million a year in earnings could become one that earns only \$ 1 million a year in overnight profits. Furthermore, there is a big international problem with counterfeit drugs. The best of these fakes duplicates the formula of a real drug and sells it at a lower price, which damages corporate profits. The fake worst are made of low quality materials and can destroy the reputation of legitimate products.

So, threat of substitute products is very low for the industry as nothing can be a substitute for medicines. Biotechnology firms can be a threat for pharmaceuticals

industry but most of the pharmaceuticals producers are collaborating their business with biotechnology firms. This creates the industry to have almost zero threat of substitute products.

2.11. Industry rivalry:

“The rivalry between the industries usually takes the form of maneuvers for a position using various tactics” (for example, price competition, advertising battles, and product presentations).

This rivalry tends to increase in intensity when companies feel competitive pressure or see an opportunity to improve their position.

In most sectors, the competitive movements of a company will have a major impact on competition and will therefore take revenge to counter these efforts. The companies are mutually dependent, so the model of action and reaction can damage all companies and the sector.

Certain types of competition (for example price competition) are very unstable and negatively affect the profitability of the sector. Other tactics (such as advertising battles) can positively influence the industry, as demand increases or product differentiation is improved.

Competitive analysis focuses on forecasting the dynamics of competitors' actions, responses and intentions. The Bangladeshi pharmaceutical industry, the market is captured by some of the leading pharmaceutical companies. In Bangladesh, the top ten companies hold about 70% of the total market share. Thus, the market is controlled by a few companies and this is the reason why the entrance barrier is higher. To enter the pharmaceutical sector, the company needs a great deal of capital investment and experience. According to the EBL Security LTD report, Square Pharmaceutical is the market leader with 18.78% market share, while others are Incepta, Beximco,

Opsonin and Renata. We will focus on the future objective of the competitor in the sector and how to respond to the competitor.

The major pharmaceutical companies have a great advantage in the sector. They have a wide range of products and are spending their product range. By increasing the product range of products, they try to maintain their position in the market. The leading pharmaceutical companies such as Square, Incepta, Beximco, and Opsolin know that there is a huge market opportunity in the internationally. So they are trying to spend their reach and go global. It will help them invest more in quality products.

The current competitive market strategy is to maintain its market share. To maintain their market, companies focus on promoting sales in the market. Pharmaceutical companies know that if they do not promote their product or company they cannot stay in their current position. Competitor beliefs vary from one competitor to another. For example, Square Pharmaceutical ltd is the market leader in the pharmaceutical industry. They will try to maintain the tail of the state by producing superior quality medicines. On the other hand, Incepta will try to increase its production capacity to reach the market leader. We believe that the pharmaceutical industry has a great future in Bangladesh. Therefore, investments in the pharmaceutical industry will not be unjustified.

2.12. Summary of challenges and opportunities of the pharmaceutical industry

Pharmaceutical sectors should be in the right direction to continue promoting this potential sector. The challenges that harden the road must be identified and the necessary initiatives taken to help the sector emerge as a very prosperous one, taking advantage of the vast international market and earning prizes in foreign currencies. Now given challenge and opportunity.

2.12.1: Challenges of pharmaceutical industry:

- Pharmaceutical industries are influenced by price regulation. This regulation has reduced the price capacity of companies. The DGDA (Directorate General of Drug Administration) is the authority that decides the various parameters of price determination, sets the prices of different drugs, which leads to lower profitability for companies. Companies, which are the lowest-cost producers, have advantages, while those that cannot produce must stop production or suffer losses.
- The pharmaceutical sector in Bangladesh is affected by the lack of product patents, which prevents global pharmaceutical companies from introducing new drugs into the country. This discourages our innovation and drug discovery.
- The pharmaceutical market in Bangladesh is, therefore, one of the least penetrated markets in the world; most companies depend on exportation to grow.
- Some of the pharmaceutical companies are in a low financial position. Because of this low financial position, they cannot install the latest technology in their facilities.
- Some companies have unskilled labor. As a result, these companies can't minimize their production cost.
- Sometimes the unit cost of drugs is higher than the purchase price of imported medicines. This creates a situation of imbalance in the internal market
- Competition in the pharmaceutical industry increases day by day. for this reason, all companies face great competition in the market which is decreasing its market share.

- Increasing the cost of wages increases the total cost of drug production. For this price of drug sales is increasing day by day.
- Increasing the interest rate reduces the opportunity for pharmaceutical companies to expand into a huge market.
- Because competition is huge in the market, some companies are testing wrong sales practices or producing drugs below the standard to expand their market share.

2.12.2: Opportunity of Pharmaceutical Industry: In Bangladesh have a big opportunity in this sector like;

- Bangladesh Pharmaceutical Manufacturers are one of the cheapest producers of drugs in the world. Bangladesh producers can produce medicines at a cost between 40% and 50% less than any other pharmaceutical industry in the world.
- Most companies have their own facilities and a large production base where they can produce a large quantity of drugs in one production.
- Some companies have a good reputation in the domestic and global market, such as Square pharmaceuticals ltd, Beximco Pharmaceuticals ltd. etc. There is basically the well-known brand in the market.
- In our country has excellent chemistry, low labor cost and skilled workforce, which is help to get competitive advantage.
- In Bangladesh most of firm have production capacity over the country so they take advantage.
- In Bangladesh, the pharmaceutical industry has a strong distribution system throughout Bangladesh. Most of them have their own warehouses through which they distribute their products in all the districts of Bangladesh.

- Some of the company's export drugs in many countries of the world. Some of them are Bhutan, Germany, Iran, Malaysia, Myanmar, Nepal, Pakistan, Singapore, Thailand, etc. so it's a great opportunity to grow this industry.
- Our government approves some facilities for the pharmaceutical industry whereby companies can obtain financing for themselves with a minimum capital cost. This is increasing our general opportunities for market expansion.
- We have many reliable companies in Bangladesh and we can produce medicines internationally, so this service also helps us to have a worldwide reputation.
- The interest in obtaining a degree in pharmacy increases every day. This can be a good opportunity for companies to get qualified and competent employees.
- Our government has recently given them some facilities that wish to install an advanced production base in their production facilities. This helps the company become self-sufficient in the production of international standard drugs.

So. In Bangladesh pharmaceutical industry day by day increasing. It can able to established renowned brand globally and intentionally. Now, this industry meet 97% local demand throughout the country. This industry have a big opportunity to expand their business.

Chapter 3:

Analysis of the
GlaxoSmithKline
Bangladesh Ltd
(GSK)

3.1. Overview and history of the GSK

Introduction: GlaxoSmithKline (GSK) – is considered to be one of the world's leading research-based pharmaceutical and healthcare companies. GSK is committed to improving the quality of human life by enabling people to **do more, feel better and live longer**. GlaxoSmithKline is mostly known for its being research based pharmaceutical company with a powerful combination of skills and resources that provides a platform for delivering strong growth in today's healthcare environment. It provides significant information to identify and analyze the market need, market size and competition. This project is based on the information of Finance Department of GlaxoSmithKline Bangladesh Ltd., a pharmaceutical and healthcare company, and a comparative financial analysis of the company that could help the future potential shareholders to decide whether to invest on this company or not. It is the only British organization in the world's top 20 pharmaceutical companies. Subsidiary companies are established over 50 countries of the world many with their own manufacturing facilities and the group have agency representation in more than 100 offices around the globe. GSK has leadership in four major therapeutic areas anti infectives, central nervous system (CNS) and respiratory & gastro intestinal metabolic. In addition, it is a leader in the important areas of vaccines and has a growing portfolio of oncology products. GSK supplies products to 140 global markets and has more than 100,000 employees worldwide. GSK has 180 manufacturing site in 41 countries. There are about 450 generics registered in Bangladesh. Out of these 450 generics, 117 are in the controlled category i.e. in the essential drug list. The remaining 333 generics are in the decontrolled category, the total

number of brands/items that are registered in Bangladesh is currently estimated to be 5,300, while the total number of dosage forms and strengths are 8,300.

With an enviable image and reputation for the past 6 decades GlaxoSmithKline (GSK) Bangladesh Limited running its operation as a subsidiary of GlaxoSmithKline Plc. In 1949 the Company kicked off its journey in Bangladesh with its' corporate individuality as Glaxo in Chittagong as an importer. In 1967, the company established its own business unit at Chittagong.

Bangladesh pharmaceutical industry is mainly dominated by internal manufacturers. Bangladesh Pharmaceutical Industry is now heading towards self-sufficiency in meeting the local demand. Also, pharmaceutical products were declared as the "Product of the Year" in 2017. The top 12 leading pharmaceuticals company in Bangladesh including local and MNC's are Square, Incepta Pharma, Beximco, Opsonin Pharma, Eskayef, Renata, A.C.I., Aristopharma, Drug International, Sanofi Aventis, GlaxoSmithKline. GSK is at 3th position among top 12 pharmaceuticals in Bangladesh. Relentless commitment, setting of standards of ethical standards and quality backed leading edge technology of the Company has built a strong relationship between the stakeholders and GSK Bangladesh. With the ever committed 701 numbers of personnel all over the country GSK Bangladesh, which now comprises of both pharmaceutical and consumer healthcare products, continually strive to meet the organization's mission. As a finance major I have done internship under Finance & Accounts Department of GSK Bangladesh and carried out internship report under the direct supervision of mr. Mahmud, Marketing and Trade Finance Manager of GSK

3.1.2: GlaxoSmithKline in Time

- Every second, more than 30 doses of vaccines are distributed by GSK around the world.
- Every minute, more than 1,100 treatments are written for GSK products.
- Every hour, GSK fills more than US\$450,000 to find new medicines.

Every day, more than 200 million people use a GSK brand toothbrush or toothpaste (Sensodyne).

3.1.3: History of GSK

GlaxoSmithKline (GSK) was created in 2000 in the merger of two established companies, Glaxo Wellcome and SmithKline Beecham. These companies originated in the United States and England, respectively, and their histories include a series of mergers that began in the 1800s.

Year	History
1715	Plough Court pharmacy is established, the forerunner of Allen and Hanburys, in London by Silvanus Bevan. The A&H name continues today.
1830	1830 John K Smith opens his first drugstore in Philadelphia. John's younger brother, George, joins him in 1841 to form John K Smith & Co.
1842	Thomas Beecham launches the Beecham's Pills business in England. One of Beecham's first products, a laxative made from aloe, ginger and soap, became Very successful.

1865	Together Smith and Kline acquired numerous companies, like a vaccines business and, most notably, French Richards and Company, another well-respected drug wholesaler.
1880	1880 Burroughs Wellcome & Company is established in London by American
	pharmacists Henry Wellcome and Silas Burroughs, four years after Joseph Nathan opened a London office.
1891	Smith, Kline and Company acquires French, Richards and Company. The original company that John K Smith founded. Probably the most important was the company's absorption in of French, Richards and Company, another respected drug wholesaler.
1963	Betnovate was launched. Betnovate was the first of Glaxo's range of steroid skin disease treatments. In the mid-1960s, Smith Kline & French also acquired RIT (Recherché et Industrie Therapeutiques), a vaccines business.
1995	Glaxo acquired 100% share, of Wellcome PLC on May 01, 1995 and formed Glaxo Welcome PLC.
1998	Glaxo Wellcome attained a number of regulatory milestones for several of its key projects, such as ZEFFIX for the treatment of influenza.
2000	Glaxo Wellcome and SmithKline Beecham merged to form GlaxoSmithKline;

Table 3.1: History of GlaxoSmithKline (GSK)

3.1.4. Mission, Vision and Strategic Aims

Mission

- Improve the quality of human life by enabling people to do more, feel better and live longer

Vision

- Grow a balanced global business, deliver more products of value, simplify the operating model and be a responsible business.

Strategic Aims

GSK has been creating a more **balanced business** and product portfolio, capable of delivering sustainable sales and earnings growth and improved shareholders interest. This is centered on GSK's three business areas of Pharmaceuticals, Vaccines and Consumer Healthcare.

Deliver more products of value by changing their R&D organization so that it is able to sustain a tube of products that offer valuable advances in treatment for patients and healthcare providers.

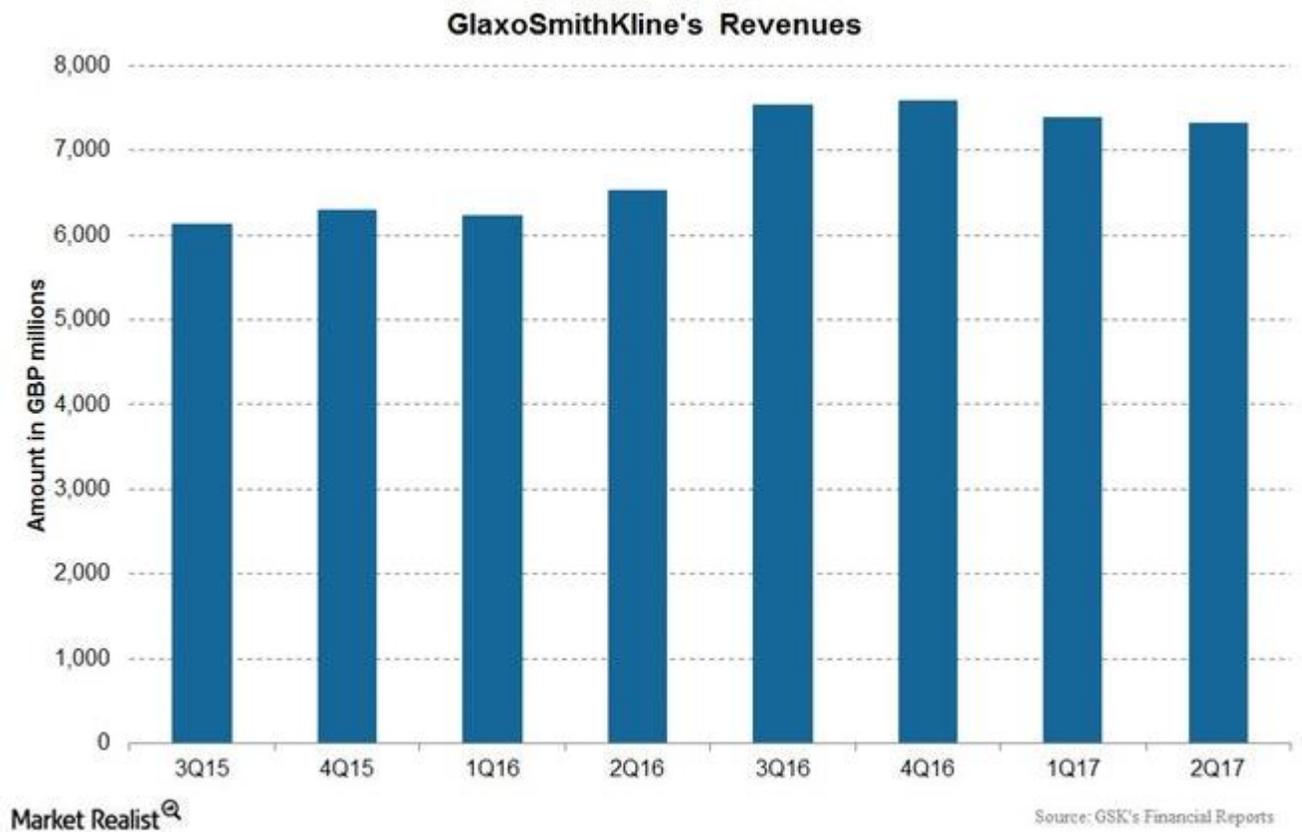
Simplify the operating model by changing shape so that GSK can reduce complexity and become more efficient.

Being a **responsible business** is central of their strategy, and how they deliver success is just as important as what they achieve every time. GSK also ensures that their values are patrolled with the culture of each country's that they operate in.

3.2.1: Trend and Growth

In its earnings release on July 26, 2017, GlaxoSmithKline ([GSK](#)) reported 12% growth to ~7.3 billion pounds in its 2Q17 revenues. The company surpassed Wall Street analysts' 2Q17 estimates for revenues and earnings per share (or EPS). GSK reported EPS of 27 pence for revenues of ~7.3 billion pounds against the estimated EPS of 26 pence and revenues of 7.28 billion pounds.

The chart below shows the revenue trend for GSK over the last few quarters. In this series, we'll discuss the factors affecting these revenues.



Graph 3.2.1.1: GSK Financial reports 2016 & 2017

▪ **Stock performance**

GlaxoSmithKline's ([GSK](#)) stock price fell ~2.6% to close at \$40.85 on July 26, 2017, compared to its previous day's closing price of \$41.96. This decline followed a negative response to its 2017 earnings, in which the company reported an operating loss of 20 million pounds.

However, GSK's stock price increased in the next two trading sessions to close at \$40.93 on July 28. Overall, GlaxoSmithKline's stock price has fallen nearly 5.9% during the last 12 months.

GlaxoSmithKline's top line rose 12% to 7.32 billion pounds for 2017, driven by an operational increase of 3% and a favorable currency impact of 9%. The company's increase in revenues resulted from growth in all three segments— Pharmaceuticals, Vaccines, and Consumer Healthcare. The positive impact of foreign exchange was due to the weakening of the British pound against all major currencies of the developed countries.

Geographically, the US markets contributed nearly 37.2% of GSK's total revenues at ~2.7 billion pounds for 2017, representing 5% operational growth compared to 2Q16. The European markets contributed nearly 26.8% of the company's total revenues at ~2.0 billion pounds for 2017, representing 2% operational growth compared to 2016.

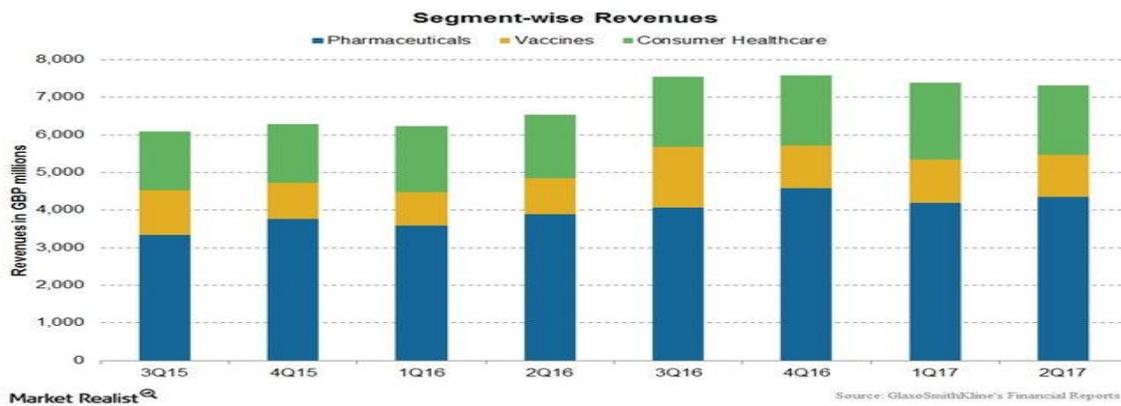
International markets contributed ~36.0% to GSK's total revenues at ~2.6 billion pounds for 2Q17—1% operational growth compared to 2016. The increase in revenues across all geographical areas is due to strong performance of new pharmaceutical products including HIV products and vaccines products.

▪ GlaxoSmithKline's business segments

GlaxoSmithKline ([GSK](#)) is divided into three business segments:

- Pharmaceuticals segment
- Vaccines segment
- Consumer Healthcare segment

GSK reported operational growth of 3% in its revenues to ~7.3 billion pounds for 2017. This growth was driven by an increase in revenues across all three segments.



Graph 3.2.1.2: Segment-wise Revenue (2016& 2017)

▪ Segment-wise performance

Revenues for GSK's Pharmaceuticals segment displayed a shift in product performance, reporting 3% growth in operating revenues during 2017. This growth was mostly driven by the strong performance of new products such as Triumeq, Tivicay, and Relvar/Breo Ellipta and partially offset by the impact of recent divestitures.

During 2Q17, GSK's Pharmaceuticals revenues rose ~12% to ~4.4 billion pounds compared to 2Q16. We'll discuss the details of the segment's products and therapeutic areas later in this series.

The Vaccines segment's operating revenues rose 5% during 2Q17, mostly driven by the strong performance of its meningitis and established vaccines. The revenues for the Vaccines segment rose ~16% to ~1.1 billion pounds in 2Q17 compared to 2Q16.

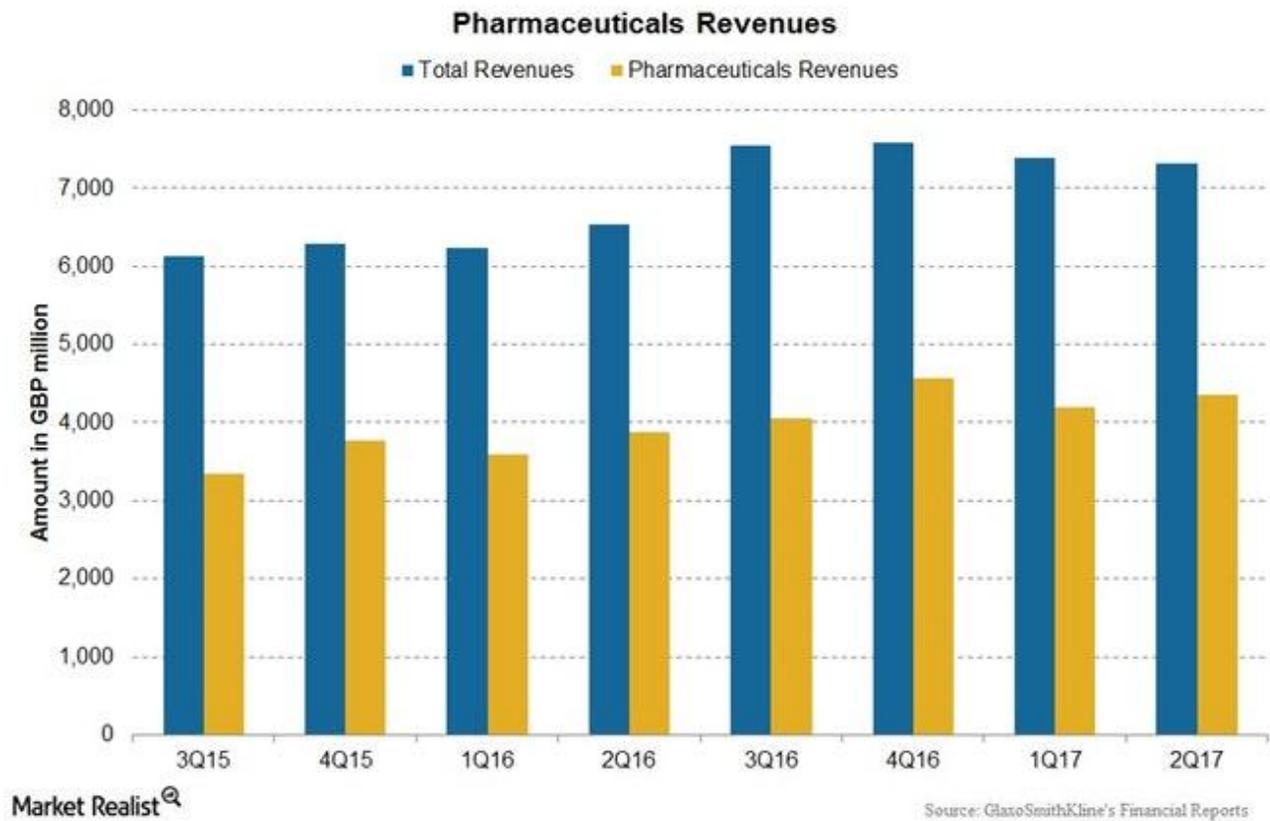
The Consumer Healthcare segment reported flat operating revenues during 2Q17. The reported revenues increased ~10% to ~1.9 billion pounds in 2Q17 compared to 2Q16. The increase was primarily due to the strong performance of the company's pain relief and oral health products.

For broad-based exposure to this industry, investors can consider ETFs like the VanEck Vectors Pharmaceutical ETF ([PPH](#)), which holds 4.6% of its total assets in GlaxoSmithKline. PPH also holds 8.4% of its total assets in Johnson & Johnson ([JNJ](#)), 4.1% in AstraZeneca ([AZN](#)), and 5.1% in Pfizer ([PFE](#)).

▪ **GSK's 2Q17 Earnings: Pharmaceuticals Segment**

As we discussed earlier in this series, GlaxoSmithKline's ([GSK](#)) Pharmaceuticals segment's revenues reported 12% growth to ~4.4 billion pounds in 2Q17 compared to 2Q16. This includes operational growth of 3% and a 9% positive impact of foreign exchange.

The segment's growth was driven by increased sales of HIV products Triumeq and Tivicay as well as new pharmaceutical products such as Relvar/Breo Ellipta and Nucala. The segment's growth was partially offset by the impact of divestments.



Graph 3.2.1.3: Pharmaceutical revenue of GSK

Overall, GSK's Pharmaceuticals segment's contribution to the company's total revenues was 59.5% in 2Q17. The Pharmaceuticals segment comprises various franchises such as HIV Products, Respiratory Products, Immuno-inflammation Products, and Established Products.

- **HIV Products franchise**

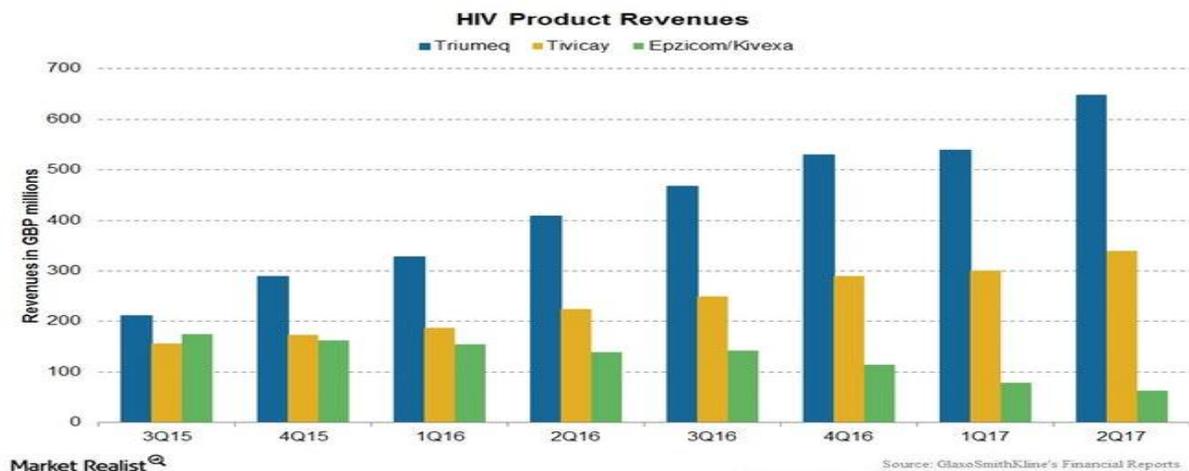
GSK's HIV products are marketed under ViiV Healthcare, a company with GSK as a major shareholder. Pfizer and Shionogi are other shareholders in ViiV Healthcare. HIV products reported 17% growth at constant exchange rates to ~1.1 billion pounds in 2Q17 compared to 2Q16. HIV products comprise more than 25% of the Pharmaceuticals segment's total sales.

▪ Global Pharmaceuticals franchise

GSK's Global Pharmaceuticals franchise deals with Respiratory, Immuno-inflammation, and Established products. The Global Pharmaceuticals franchise reported revenues of ~3.2 billion pounds in 2Q17. Its revenues include 4% operational growth in respiratory sales to 1.8 billion pounds. This trend represents 9% operational growth in Immuno-inflammation Products sales to 93 million pounds and a 7% decline in Established Pharmaceuticals sales at constant exchange rates to ~1.4 billion pounds during 2017.

✓ ViiV Healthcare

ViiV Healthcare is a global specialist company in HIV medicines. GlaxoSmithKline ([GSK](#)) is the major shareholder in ViiV Healthcare, while Pfizer and Shionogi are among the other Shareholders. ViiV Healthcare is completely focused on developing and delivering advanced treatments and care for HIV infections.



Graph 3.2.1.4: HIV product revenue

GSK's HIV Products franchise reported growth of 29.0% to ~1.1 billion pounds in 2Q17 compared to 2Q16. This growth is driven by the strong performance of the drugs Tivicay and Triumeq, partially offset by declining sales of Epzicom/Kivexa in the European markets.

Geographically, the sales of the HIV Products franchise in the US markets rose 36.0%. Sales in Europe were nearly flat at constant exchange rates. The franchise's international markets reported operational growth of 27.0% during 2Q17, mostly driven by the continued uptake of Triumeq and Tivicay. During 2Q17, Epzicom/Kivexa sales fell 63.0% operationally to 63.0 million pounds. This trend resulted from lower sales due to patent expiry, followed by competition from generic drugs since 3Q16.

✓ **Tivicay and Triumeq**

Tivicay and Triumeq are the blockbuster drugs from ViiV Healthcare for the treatment of HIV1 infections. Tivicay is approved for use in combination with other antiretroviral drugs. Triumeq is approved for use in combination with three antiviral drugs. During 2Q17, Tivicay reported 37.0% growth in operating revenues to 340.0 million pounds, driven by growth in the US, Europe, and international markets. Triumeq reported operational growth of 44.0% during its 2Q17 revenue release to 648.0 million pounds. The combined annual revenues for both drugs could reach 4.5 billion pounds by 2020.

✓ Other products

The revenues from other products, including Combivir and Lexiva, fell 25.0% at constant exchange rates to 36.0 million pounds during 2Q17. Selzentry reported a 13.0% decrease in operating revenues to 29.0 million pounds during 2Q17 compared to 2Q16, following lower sales due to competition from other drugs.

3.2.2. Comparative Ratio Analysis

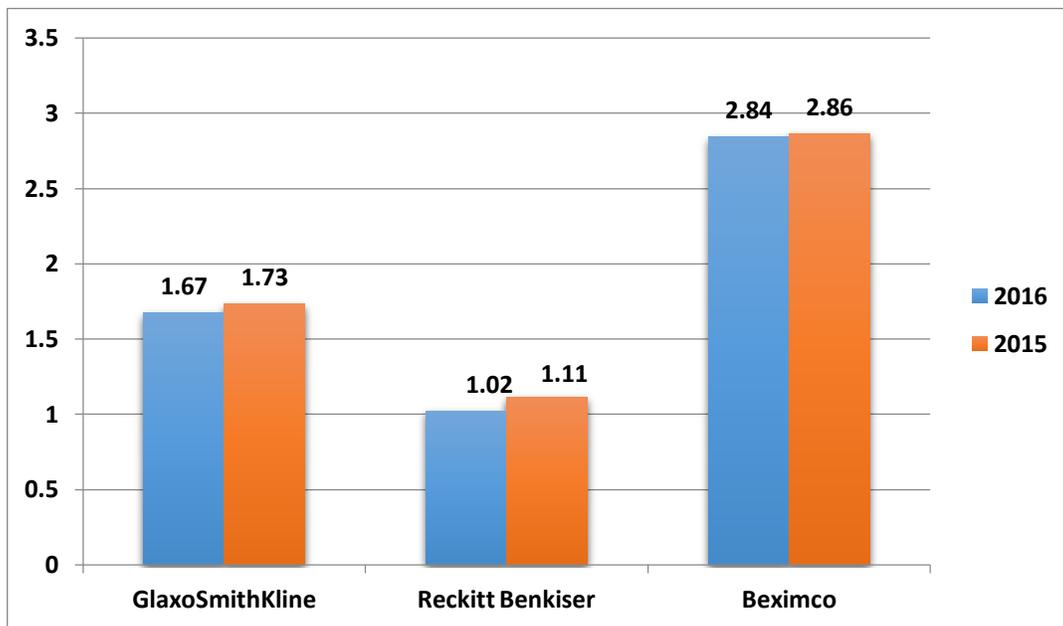
In the comparative ratio analysis section, I have compared the data of GlaxoSmithKline Bangladesh Limited with two other rival companies' data. Here, I showed Beximco Pharmaceuticals Limited and Reckitt Benckiser Bangladesh Limited as the rivals of the company. I have compared some of the key ratios of these three companies' which shows the financial position of the companies. I compared their current ratios, gross and net profit margins, net asset per shares, earnings per shares, dividend per shares, price-earnings ratios, return on asset, return on equity and market price shares. Through all these ratios and information, I think their comparative position became pretty much clear.

Detailed data along with the ratios of Reckitt Benckiser Bangladesh Limited and Beximco Pharmaceuticals Limited gives a glance of an overall performance of GlaxoSmithKline Bangladesh Limited. All the data showed in the further ratio calculation were taken from their respective annual reports.

➤ **Comparative Current Ratio:**

GlaxoSmithKline Bangladesh Limited		Reckitt Benckiser Bangladesh Limited		Beximco Pharmaceuticals Limited	
2016	2015	2016	2015	2016	2015
1.67	1.73	1.02	1.11	2.84	2.86
Times	Times	Times	Times	Times	Times

Table 2.2.2.1: Comparative Current Ratio Analysis



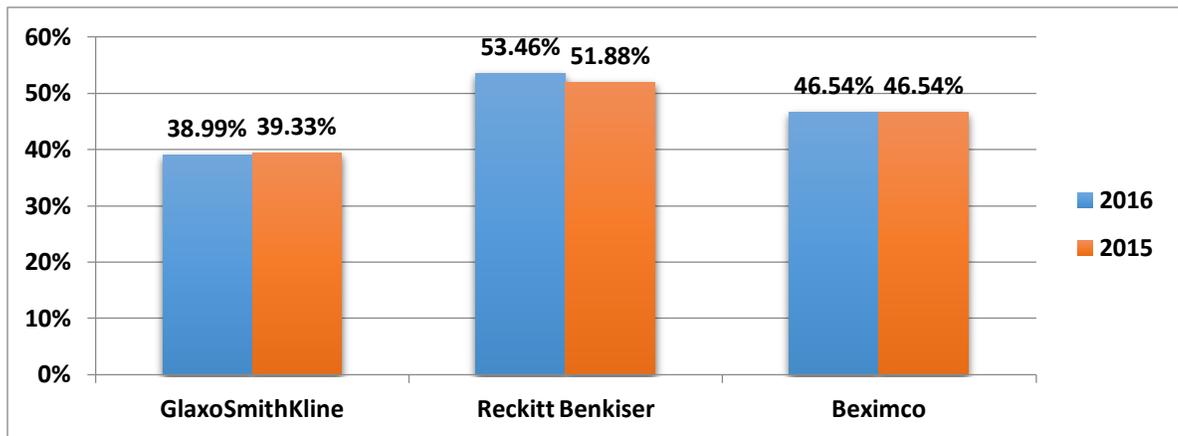
Graph 2.2.2.1: Comparative Current Ratio Analysis

The higher the current ratio is, the better the position of the company. In the analysis above, Beximco Pharmaceuticals has the highest current ratio in 2015 and 2016 and thus it has the best position above mentioned other companies. Which is shown table 2.2.2.1.

➤ **Comparative Gross Profit Margin**

GlaxoSmithKline Bangladesh Limited		Reckitt Benckiser Bangladesh Limited		Beximco Pharmaceuticals Limited	
2016	2015	2016	2015	2016	2015
38.99%	39.33%	53.46%	51.88%	46.54%	47.27%

Table 2.2.2.2: Comparative Gross Profit Margin Analysis



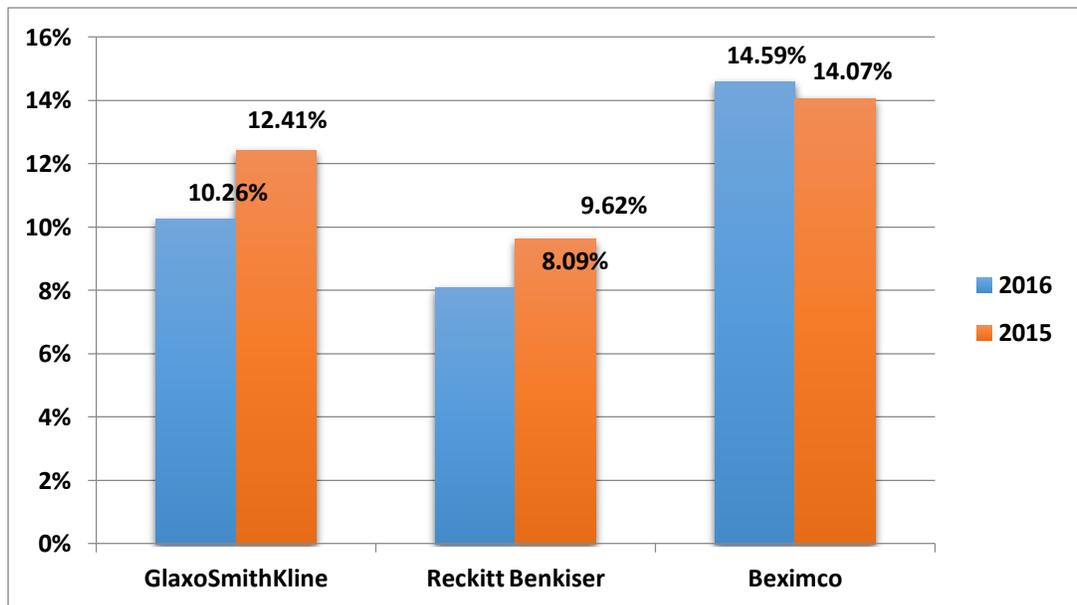
Graph 2.2.2.2: Comparative Gross Profit Margin Analysis

In case of gross margin, Reckitt Benckiser shows the highest profit margin of 51.88% profit in 2015 and 53.46% profit in 2016. So, in competitive gross profit analysis, Reckitt Benckiser has the best position than GSK Bangladesh and Beximco. Which is shown graph 2.2.2.2.

➤ **Comparative Net Profit Margin**

GlaxoSmithKline Bangladesh Limited		Reckitt Benckiser Bangladesh Limited		Beximco Pharmaceuticals Limited	
2016	2015	2016	2015	2016	2015
10.26%	12.41%	8.09%	9.62%	14.59%	14.07%

Table 2.2.2.3: Comparative Net Margin Analysis



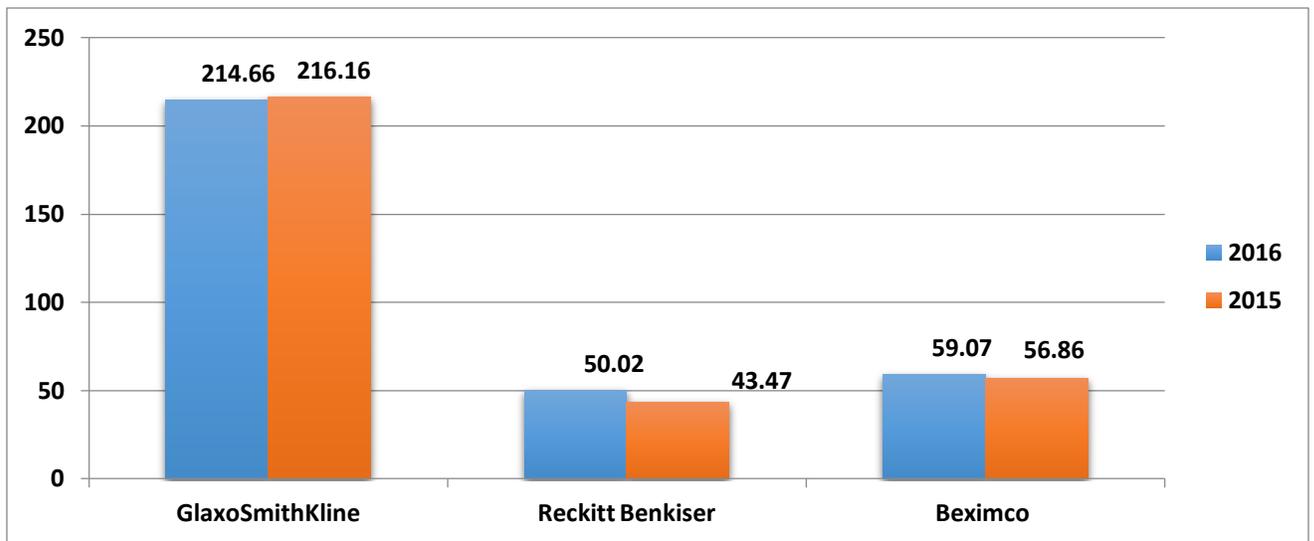
Graph 2.2.2.3: Comparative Net Margin Analysis

In comparison of Net profit, Beximco Pharmaceuticals shows the highest net profit margin from its competitors. It has 14.59% net profit in 2016 and 14.07% in 2015 where GSK only has 12.41% and 10.26% net profit in those years. So, Beximco has higher profitability than two other competitive companies. Which is shown Graph 2.2.2.3.

➤ Comparative Net Asset per Share

GlaxoSmithKline Bangladesh Limited		Reckitt Benckiser Bangladesh Limited		Beximco Pharmaceuticals Limited	
2016	2015	2016	2015	2016	2015
214.66	216.16	50.02	43.47	59.07	56.86
Taka	Taka	Taka	Taka	Taka	Taka

Table 2.2.2.4: Comparative Net Asset per Share Analysis



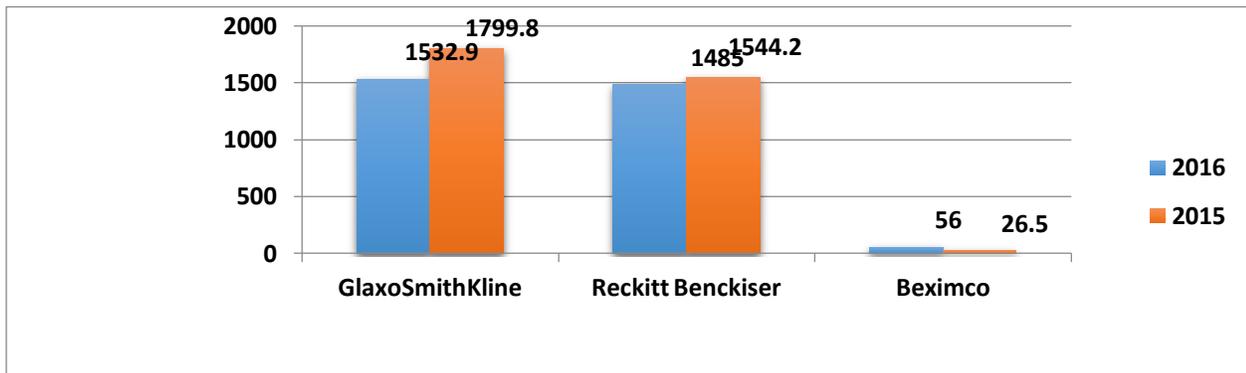
Graph 2.2.2.4: Comparative Net Asset per Share Analysis

GSK Bangladesh generates a very high amount of net asset per share, which is 216.16 taka per share in 2015 and 214.66 taka per share in 2016, where the closest competitor, Beximco only generates 56.86 taka and 59.07 taka per share in the same years. This makes it in a better position in the market than its competitors. Which is shown table 2.2.2.4.

➤ Comparative Market Price per Share

GlaxoSmithKline Bangladesh Limited		Reckitt Benckiser Bangladesh Limited		Beximco Pharmaceuticals Limited	
2016	2015	2016	2015	2016	2015
1532.90	1799.80	1485	1544.2	56	26.50
Taka	Taka	Taka	Taka	Taka	Taka

Table 2.2.2.5: Comparative Market Price per Share



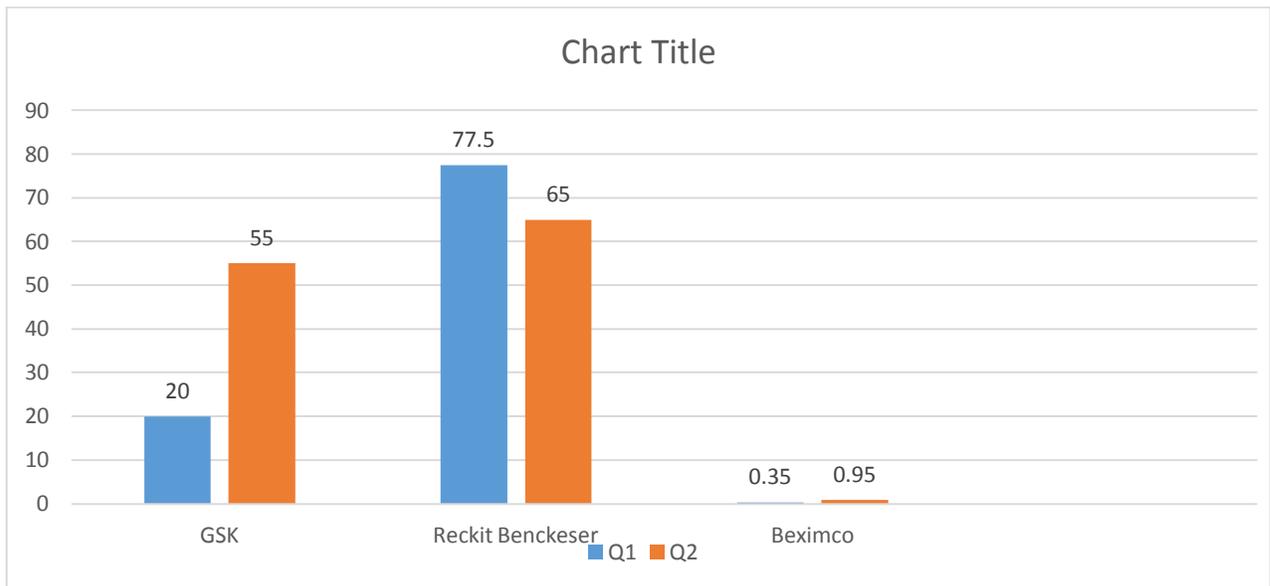
Graph 2.2.2.5: Comparative Market Price per Share

The shares of GSK Bangladesh has higher market price than any other competitors in the market. The market value per share of GSK Bangladesh was 1799.8 taka in 2015 which later declined to 1532.9 taka in 2016. The closest competitor, Reckitt Benckiser’s share price was 1544.2 taka in 2015 and 1485 taka in 2016. As GSK has the highest market value, it has achieved the market leader position over other pharmaceuticals companies. Which is shown graph 2.2.2.5.

➤ **Comparative Dividend per Share**

GlaxoSmithKline Bangladesh Limited		Reckitt Benckiser Bangladesh Limited		Beximco Pharmaceuticals Limited	
2016	2015	2016	2015	2016	2015
50 Taka	55 Taka	77.5 Taka	65 Taka	0.35 Taka	0.95 Taka

Table 2.2.2.6: Comparative Dividend per Share Analysis



Graph 2.2.2.9: Comparative ROE Analysis

From dividend payout analysis, it can be shown that, Reckitt Benckiser paid the highest dividend per share to its common stockholders in 2015 and 2016 than other two companies. It paid 65 taka per share dividend in 2015 and 77.5 taka per share dividend in 2016, where GSK paid 55 taka in 2015 and 50 taka in 2016. So, from this viewpoint, Reckitt Benckiser has the best position in than other two companies. Which is shown table 2.2.2.6.

➤ **Comparative Price-Earnings Ratio**

GlaxoSmithKline Bangladesh Limited		Reckitt Benckiser Bangladesh Limited		Beximco Pharmaceuticals Limited	
2016	2015	2016	2015	2016	2015
28.65	26.09	23.70	26.29	20.44	11.37

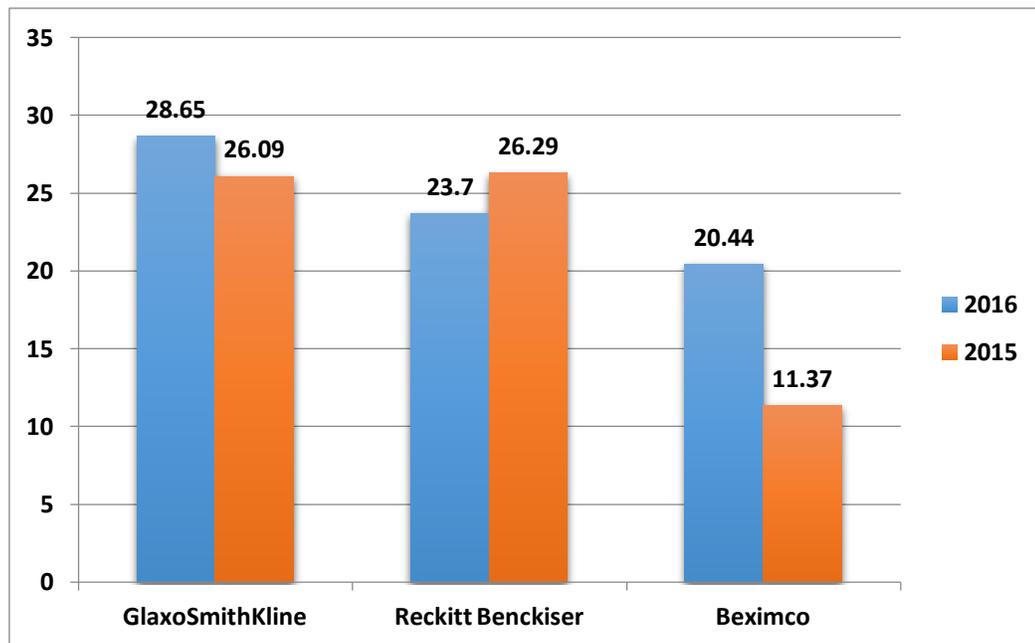


Table 2.2.2.7: Comparative P/E Ratio Analysis

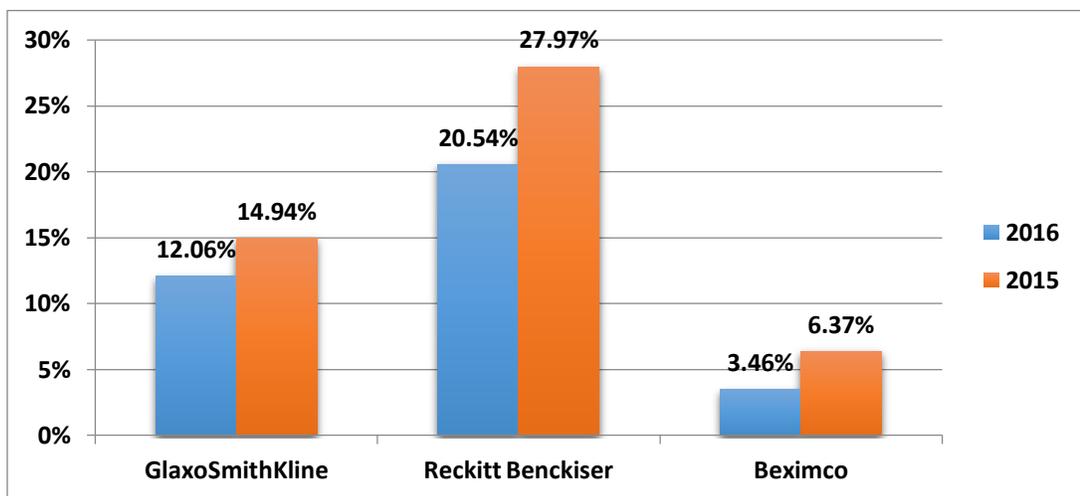
Graph 2.2.2.7: Comparative P/E Ratio Analysis

According to the analysis of price-earnings ratio, we can see that GSK had 26.09 times P/E ratio in 2015 and 28.65 times P/E ratio in 2016, where the closest competitor Reckitt Benckiser had 26.29 times in 2015 and 23.70 times in 2016. The comparison states that GSK has better Price-Earnings ratio than other two companies, Reckitt Benckiser and Beximco. Which is shown table 2.2.2.7.

➤ **Comparative Return on Assets (ROA)**

GlaxoSmithKline Bangladesh Limited		Reckitt Benckiser Bangladesh Limited		Beximco Pharmaceuticals Limited	
2016	2015	2016	2015	2016	2015
12.06%	14.94%	20.54%	27.97%	3.46%	6.37%

Table 2.2.2.8: Comparative ROA Analysis



Graph 2.2.2.8: Comparative ROA Analysis

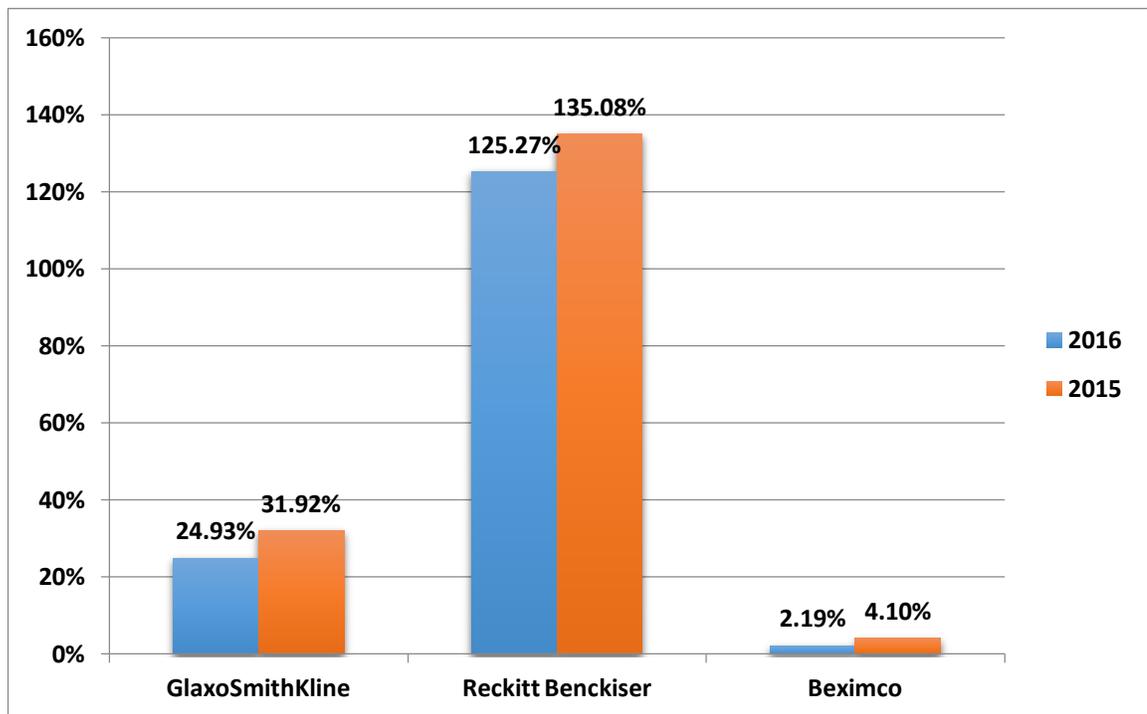
The comparative return on assets analysis shows that Reckitt Benckiser had 27.97% return on their total assets in 2015 and 20.54% return in 2016 where GSK had 14.94% return in 2015 and 12.06% return in 2016. This comparison tells us that Reckitt Benckiser gets higher return on its assets employed than GSK. Which is shown table 2.2.2.8.

➤ **Comparative Return on Equity (ROE)**

GlaxoSmithKline Bangladesh	Reckitt Benckiser Bangladesh Limited	Beximco Pharmaceuticals
---------------------------------------	---	------------------------------------

Limited				Limited	
2016	2015	2016	2015	2016	2015
24.93%	31.92%	125.27%	135.08%	2.19%	4.1%

Table 2.2.2.9: Comparative ROE Analysis



G

raph 2.2.2.9: Comparative ROE Analysis

Reckitt Benckiser has 135.08% returns on its equity employed in 2015 and 125.27% return in 2016, where GSK had only 31.92% and 24.93% return in the same years respectively. So, from this analytical view, Reckitt Benckiser has the superior position than GSK. Which is shown table 2.2.2.9.

3.3. Customer Mix

“Refers to the sales driven by a particular type of customer segment expressed as a percentage of business’s total sale”

Due to the costs incurred in acquiring and serving customers, the modern multi-channel Retailers need clients with whom they can establish relationships, so they should concentrate Customer's life value. The customer mix seems to pass the next transaction and thinks on what is required not only to sell an item, but also to maintain customer loyalty for future purchases. So, what does each of the Ws really mean within the Customer Mix.



3.3.1: WHO

In the Customer Mix, directly considering who the different target customers are. GSK has target customer is upper class and middle class people. Usually GSK product price higher because they always try to produce good quality products.

3.3.2: Why

Why it informs us about our target customer segments and their motivations. Ask dealers to consider not just why a customer wants a particular product, but why the channels used during the customer's journey may be important for the purchase decision, as well as the compliance deadline.

So GSK target customer is upper and middle class people so thy motivation their customer through by premium service which is engage them better as well as a change to product range being required.

3.3.3: What

This replaces the Product in the marketing mix and focuses on what we believe our target customer segments will be more interested in buying. But it goes beyond the product, since what customers want can include the value, comfort or customization of the offer. GSK offer three different type of products like Pharmaceutical, Vaccine and consumer health care. GSK produce same product for every customers.

3.3.4: Where

Replace the post in the Marketing Mix, where the positions are considered for compliance, and also the positions for each other aspect of the client's journey, including research and Purchase. What is offered in a variety of locations can be important for a customer's overall purchase decision and also be a customer. We regularly support customers in their Where decisions, such as implementation plans for international websites, supporting the development of multi-channel strategies and even multi-channel store design. GSK business operation are available in more than 115 countries. In Bangladesh have 6 zone and 12 distribution over the county which are mention previously.

3.3.5: When

Combined with Where, when it gives us a true idea of how important the convenience to the customer experience is. But when it is also important in itself, importance can be the key to

customer demand, especially products like flowers, food or gifts can only be requested if they can be met within a very specific time frame. As consumers in developed economies become more pressured by time, punctuality will only become a more important aspect of the customer mix. GSK sometime special offer on consumer products for their customer

3.3.6: What's next

It is also implicit in what concerns the customer mix the idea that in the modern loyalty of retail clients can rarely be obtained with a single transaction. The moment you convert a customer for the first time, the best dealers already have one strategy for how they will continue to interact with them to go back. This requires proactive customer relationship management (CRM) rather than the kind of reactive and transaction-based CRM programs that are still widespread in the industry. Lifetime customer value is a crucial measure of a retailer's success with his customers and should be an indicator of future sales and profitability. GSK try to increasing loyal customer for this reason they maintain CSRM which is mention above.

3.4. Product/service mix

GSK makes a wide range of medicines, vaccines and consumer healthcare products. They may list many products across a wide range of countries on the following pages. The names of these products can vary by country. As the integration of this business units' progresses, GSK manufactures products for major severe disease such as asthma,

cancer, infections, diabetes and mental health.

GSK is committed to develop new and effective health care products as well. The values on which the company was founded have always inspired growth and will continue to do in times to come. In Bangladesh GSK is providing both Pharmaceutical and consumer Health care products for its consumers.

GSK works in the two broad areas of products markets:

- Pharmaceutical: prescriptions, medicine and vaccines
- Consumer Healthcare: Over the counter medicines, Oral care and nutritional healthcare products.

3.4.1: Product Overview

- **Pharmaceutical:** The GSK line of pharmaceutical products includes antibiotics, antidepressants, gastrointestinal, dermatological, respiratory, oncological and cardiovascular. GSK has a variety of vaccine products, including hepatitis A and B, diphtheria, tetanus, pertussis and influenza.
- **Consumer Healthcare:** GSK has a legacy that dates back more than 160 years and produces some of the most respected health care brands in the world, including: Sensodyne, Voltaren, Theraflu, Parodontax, Panadol, Polident and Otrivin. These

Brands are successful in all the countries in which it operates. These products are based on the needs of millions of people who connect online or enter pharmacies, supermarkets and stalls all over the world every day and choose us first. Their brands are organized into five global categories: pain relief, respiratory, oral health, nutrition /

gastrointestinal

- **Intestinal and skin health.** These categories are defined by the need for specific consumer medical attention and have a complementary range of brands that allows them to evolve with the needs of their consumers.
- **Oral Care Product:** GSK has contributed a lot to solving oral problems by providing a variety of oral health products and supports. They have many oral health products known around the world that people love and are loyal to. The name of the oral health solutions provided by GSK are:

- ❖ Sensodyne
- ❖ Polident
- ❖ Parodontax
- ❖ Biotene
- ❖ Aquafresh

Nutrition Product: GSK also has a wide range of nutritional products that are considered a phenomenon in South Asia, especially in India, Bangladesh, Sri Lanka and neighboring Countries.

For example, only in Bangladesh, Horlicks earns 93% of the healthy drinks market (HFD). The nutritional products of GSK are;

- ❖ Horlicks
- ❖ Eno
- ❖ Tums

- ❖ Boost

- ❖ Glaxos

- ❖ Maltova

- **Skin Care:** GSK is also a leader in skin care solutions and offers innovative science-based skin care products. The GSK marks include medical skin products recommended by dermatologists, as well as specific treatments for cold sores, skin itching and athlete's foot. The products that fall into this category are;

- ❖ Physiogel

- ❖ Abreva

- ❖ Zovirax

- ❖ Lamisil

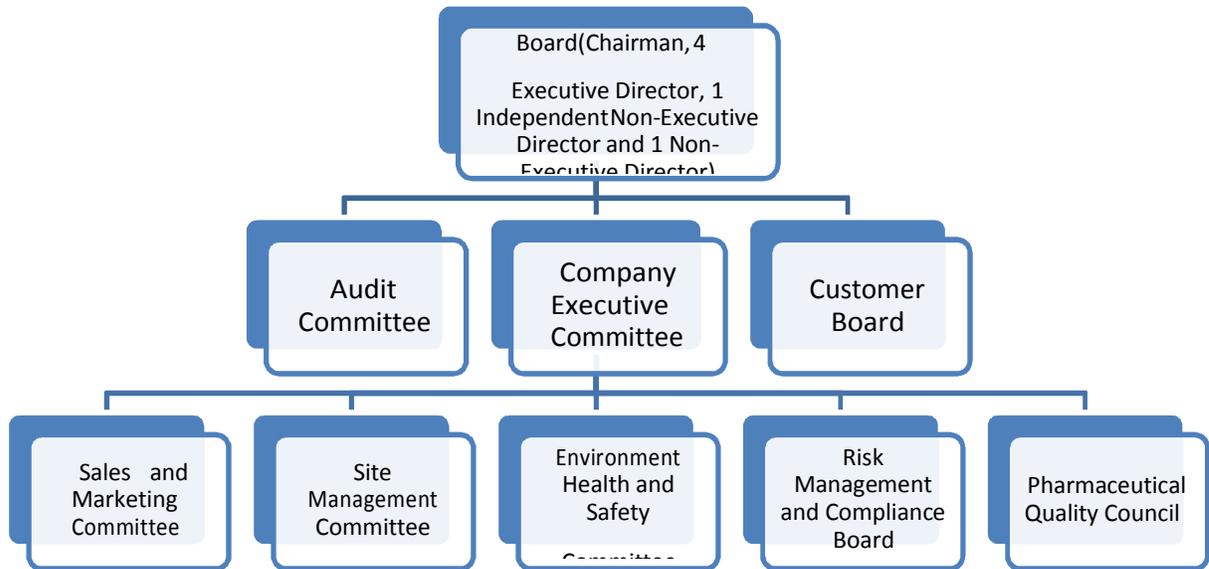
- ❖ Fenistil

Local production	60 products including Berin Cytamen Kefdrin Pentamox
Imported product	17 products including Alkeran Seretide Zinnat
Vaccines	17 products including Engerix-B Fluarix Synflorix
Consumer Healthcare	9 products including Horlicks Boost Maltova Glaxose

Table 3.4.1: GSK Product Glossary

3.5. Operations of GSK

3.5.1: Corporate Governance Structure



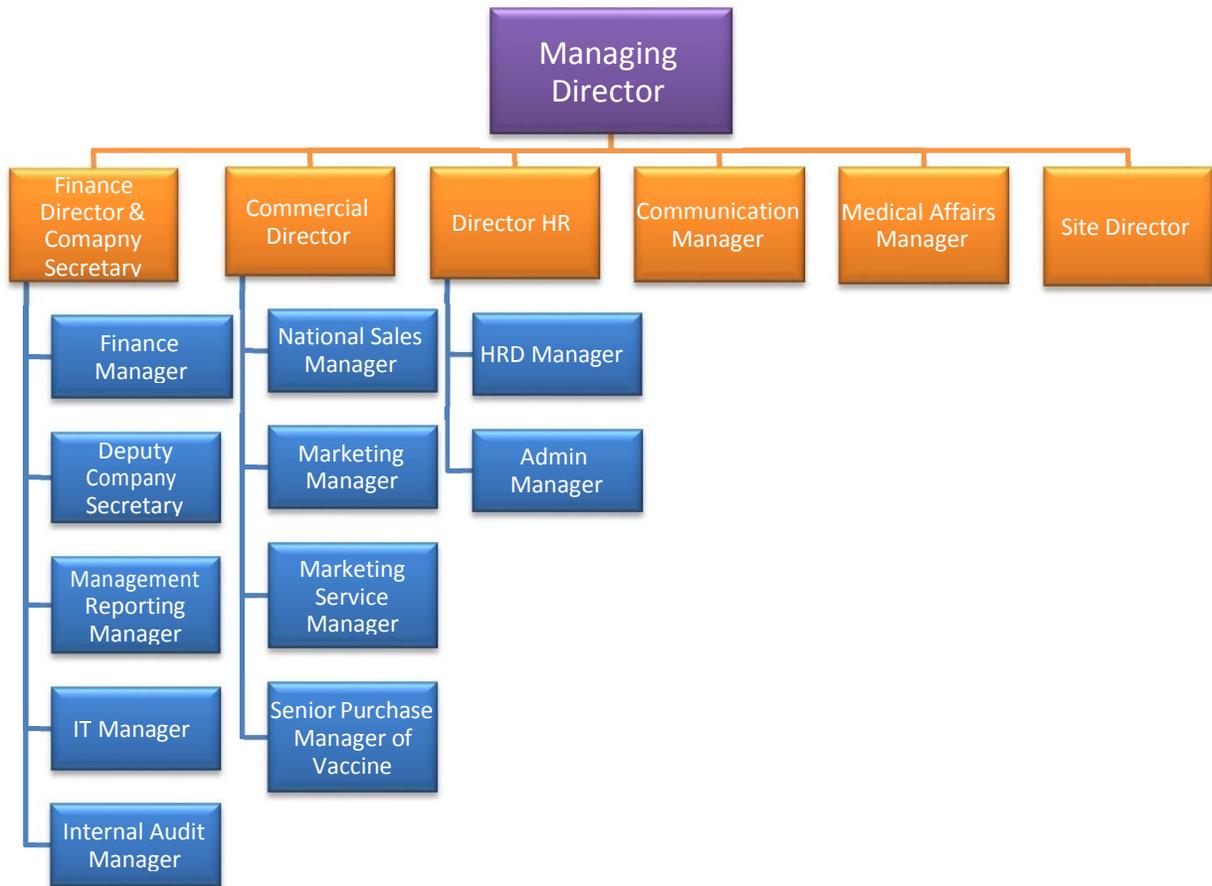
3.5.1: Function Department of GSK

GlaxoSmithKline Bangladesh limited comprises of six major departments. Those are as

Follows: -

- Marketing
- Human Resources
- Sales Department
- Finance & Accounts
- Information Technology

3.5.2: Organizational Structure of the Company



3.5.2: Operations In Bangladesh

GlaxoSmithKline Bangladesh Limited has twelve District Marketing Offices (DMO) throughout the country. These are divided in five zones by which GSK's products are sold and maintained.

District Marketing Offices (DMO): GSK has 12 District Marketing Offices (DMO) in Bangladesh. The locations of DMOs are shown below: -

<i>Zone</i>	<i>DMO</i>
Dhaka	Dhaka, Mynmensing
Chittagong	Chittagong, Maijdee
Comilla	Comilla, Sylhet
Bogra	Bogra, Rajshi, Rangpur
Khulna	Khulna, Jessore
Barisal	Barisal

Table: Marketing Zone of GSK

Distribution Channel

- **Mutual Food-** Mutual foods distributes the consumer healthcare products in Bangladesh and it also makes sure that GSK's products are available throughout the country.
- **Zuellig Pharma-** It is the distributor of pharmaceuticals product of GSK in Bangladesh.

3.5.3. Corporate Social Responsibility (CSR) activities:

Keeping in line with what GSK know and do the best, its CSR targets enable people to lead healthy and improved lives. They do the CSR activities by addressing the primary healthcare burdens of availability, affordability and awareness and by promoting education related to the field of healthcare.

- **GSK and Save the Children**

To combat diarrhea and improve the general hygiene and sanitation in the societies, GlaxoSmithKline initiated the Personal Hygiene and Sanitation Education (PHASE) Program in different countries of the world. PHASE was initiated in Bangladesh with Save the Children (USA) in 2005 with a three year long (2005-2008) program in Nasirnagar, Brahmanbaria. Developing special PHASE materials and provide training to build teachers' capacity in School Health and Nutrition (SHN).

- **The Free Primary School**

In an effort to reach out to slum children GSK Bangladesh is sponsoring a free primary school run by an NGO called Sathee Kalyan Samity, in Rupnagar, Mirpur (a suburban slum area in Dhaka). School is run by an NGO called Sathee Samaj Kalyan Samity (SSKS). The school was opened in February 2010 and GSK has been covering all the costs of running the school.

- **Response to Rohingya Crisis:**

GSK responded to Rohingya crisis last year (2017) and provided the affected people with immediate medicines and other necessary supports.

3.6. SWOT analysis

SWOT analysis of four factors in a sector: Strength, weakness, opportunity and threat. The first two factors are internal and the last two are external factors for a sector. Here, we did this SWOT analysis on Bangladesh of Glaxosmithkline (GSK)

3.6.1: Strength:

- **Good Connections:** one of the major strength of GlaxoSmithKline Bangladesh Limited is its financial feedback and back up as it is one of the top ranked pharmaceutical companies in the world. As it has offices and plants in different leading countries so the firm has never suffered from any financial crisis.
- **Recognized Products:** GlaxoSmithKline Bangladesh limited is a leading company in terms of Consumer Healthcare products. For its multidimensional concept in the context of Bangladesh, it drew the attention of people very quickly and within a short period of time it has got a wide range of customer base. All consumer products are established such as, Horlicks, Boost, Glaxose etc.
- **Passionate Staff:** The recruitment of employees at GlaxoSmithKline

Bangladesh Limited emphasizes on having the skilled graduates and postgraduates who have backgrounds or job experience for that particular job. The reason behind is that GSK wants to maintain high work standard. These type young and fresh workers stimulate the whole working environment of GlaxoSmithKline.

- **Permitted Work Force:** The human resource of GlaxoSmithKline is extremely well thought and perfectly managed. As from the very first the top management believed in

- **Empowered employees.** This empowered environment makes GSK a better place for the employees. The employees aren't suffocated with authority but are able to grow as the organization matures. They feel proud to be a part of the organization.

- GSK has intense demand of their product nationally and internationally which helps them to inflate their business

- Considerable financial resources to grow the business

- Ability to take advantage of economies of scale

- Better product quality relative to rivals

- Goodwill of the company

3.6.2: Weakness

- **Raw material limitations:** GlaxoSmithKline just cannot use raw materials from any source though it might be cheaper than present source. In order to maintain product standard and quality they use their own source.

- **Prolong decision making:** As GSK is a world leader research based multinational company so to a certain extent they cannot compete with the local pharmaceutical company in Bangladesh because for GSK it needs to undergo an extensive research to launch a new product.
- **Lower customer's Confidence:** To the citizens of Bangladesh, GlaxoSmithKline is not uniquely dominated in the field of pharmaceutical industry. Additionally, because of the dominant existence of Square, Beximco pharma people are indifferent in buying medicine from GSK after providing the highest quality products.
- **Greater Production Cost:** Group compliance due to group policy the company has to import raw materials from UK rather than from neighboring countries (other than those which produce locally) resulting in higher cost of production.

3.6.3: Opportunities

- **Higher Demand of Products:** Next to food, clothing and housing, health treatment is a basic need of people. The most important thing of a human being is his or her health. Since health treatment is one of the basic needs of people, there is always a high demand of quality medicines, the prime output of GlaxoSmithKline.
- **Few substitute products:** As GlaxoSmithKline is the world's best research based pharmaceutical company so continuously it has coming up with lot of innovations and inventions. So considering these new products local pharmaceutical companies are totally unmatched with the GlaxoSmithKline

regarding innovations and inventions.

- **A Solid Network:** One of the major positive aspects of GlaxoSmithKline Bangladesh Limited is its worldwide network. Established of different R&D, biotechnology, clinical development, actives supply, product supply and management know-how in different countries facilitate to run the whole operation efficiently.
- Expanding the company's product line to meet a broader range of customer needs
- Market is significantly large and growing
- In Bangladesh, GSK can get labors at a very cheap cost

3.6.4: Threats

- **Pricing:** As GlaxoSmithKline Bangladesh Ltd ensures High quality product and raw materials, so its products price is comparatively higher than other brand's products. Due to this reason Present customers are switching over to other local brands.
- **Moral Standard:** Company ethical issues are so sound that GSK cannot perform any unethical task to manage drug administration and other tribulations to maximize profit.
- **Bangladesh Government's regulation:** Government regulation can be a

big threat, if the government implements restriction to the multinationals to improve the local national pharmaceutical brands

3.7. Strategies to meet the challenges and opportunities

In Bangladesh, Pharmaceutical sectors is very competitive so every company should be in the right direction to continue promoting this potential sector. The challenges that harden the road must be identified and the necessary initiatives taken to help the sector emerge as a very prosperous one, taking advantage. GSK take strategies to meet challenges and opportunities. Now give brief description GSK how to meet strategies to meet challenges and opportunities:

- The pharmaceutical sector in Bangladesh is affected by the lack of product patents, which prevents global pharmaceutical companies from introducing new drugs into the country. But GSK have strong patents
- Some companies have unskilled labor. As a result, these companies can't minimize their production cost. But GSK try to best employee skill section and try also provide proper training about his/her job responsibility.
- Some of the pharmaceutical companies are in a low financial position. Because of this low financial position, they cannot install the latest technology in their facilities. GSK have own R&D and hi-technology equipment so they get advantage.
- The pharmaceutical industry has a strong distribution system throughout Bangladesh. Most of them have their own warehouses through which they distribute their products in

all the districts of Bangladesh for this reason GSK develop 12 distribution channel in Bangladesh.

- Most companies have their own facilities and a large production base where they can produce a large quantity of drugs in one production. GSK try to large volume production.
- In pharmaceutical sector based on loyalty and branding position for this reason GSK have strong brand throughout the world and they continuously try to build stronger brand.
- In Bangladesh, local company leading the total market share because low cost production for this reason GSK established won factory in Bangladesh.
- Today's world is changing very rapidly, in all spheres. Therefore, upgrading the production facility alone is not sufficient to cope with the new environment. The GSK try to a watchful eye in the event of changes in the development of human resources, transport, information technology, management of consumer relations, medical sciences, etc.
- The drugs are on the verge of a scientific and technological revolution that will eventually transform both the nature of the drugs it produces and how it produces them. In the future, therefore, Pharmaceuticals will not only produce powders, creams and the traditionally produced tablets will produce a complete mix of biopharmaceutical, parenteral and diagnostic products. Making targeted treatment solutions will generate more revenue than conventional drugs and offset the growing competition from generic manufacturers. GSK try to the restructuring of the entire pharmaceutical value chain, including the fixed capital base and downward distribution.

Chapter 4: Internship Experience

4.1. Position, duties, and responsibility

Accounts and Finance department is one of the major departments in GSK. Its main tasks are to handle the payment and incentive issues of the sales personnel and other third party sales drives. This department also takes care of the marketing bills and deals with financing regarding promotions and marketing. Accounts and Finance department keeps record of all the supply and third part bills thus any payment issue can have the proper evidence which will help both the company and employees in future to negotiate properly. Accounts and Finance department keeps contact with banks for different transaction purposes and time to time collect the information about deposits and withdrawals about the accounts like Pension Fund, Dividend Payment, Provident Fund, and Treasury Bills etc. The department handles the issues like purchasing and encashment of Treasury Bills, providing the bonus payments and recording the loan payments given to the employees. Accounts and Finance department also handles the allowance issue that is given to the interns and that's why they keep information of all interns thus payment can be made on right time. They also keep records of foreign travel bills.

4.1.2: Specific Responsible of the Jobs as an intern

I started my internship on the 17th of January under the direct supervision of Md. Mahmudul Islam who happens to be the Accounts payable manager of GSK. I was guided and directed by ATM Abdul Matin Meah, Md. Golam Mustafa and S M Sydul Arfin Accounts and Finance Executives. I was responsible for checking the manual claims sent by the DMOs and third party bills and supplier bills. Most of the claims are made and monitored online

but some areas are not covered or have not been able to develop online claims. Thus the manual claim was sent to the head office and I along with another finance intern with me, were responsible for checking and making sure that the claimed amount was correct and go with the corporate policies. I was also responsible for checking the bills sent by different parties and suppliers before they go to the account department for paying off.

4.1.3: About the department's function

Every month, GSK confronts with a numerous numbers of expense claims which GSK is supposed to disburse as per company policy. The policy refers these payments as allowance to the employees. There are many types of expense claims and those are:

- a) Travelling Expense
- b) Medical Expense
- c) Marketing and promotional expenses
- d) Agency claims
- e) Third party claims
- f) Supplier claim

4.2. Training

GSK always try provide same basic training which are help to complete their task. They provide several training like

- Bill checking; they provide training about bills checking. My department have several bills like third party bills, supplier bills. Travel bills etc. they also provide training how to check their bills.
- Travel statements: my departments also paid travel bills for this reason it's require travel statements. So they provide training how to make travel statement.
- Advance income tax (AIT) statements: my trainer md Golam Mustafa paid AIT amount for this reason its require statement. Sir, provide training how to make AIT statements.
- TV Channel bills: GSK using several channel for advertising their product.so they require paid bill and every TV channel have agreements with GSK. My supervisor provide agreements how to check their bills.
- Letter of credit: My supervisor provide training how crate letter of credit (LC)
- Policy: GSK have several policy. My supervisor training about GSK policy.
- Agreements: GSK have several agreements with several parties.my supervisor teach some their agreements like Erebus plastic, US Bangla air-travel, market access, six six-season cycle brand agreements etc.

4.3. Contribution to departmental functions

During my internship I was try best of the organization like;

4.3.1: Verifying T&E Forms

The expense claims of the Corporate Office and GSK's factory are supposed to be sent through T&E Forms. This form allows employees to place their claims for further approval from their Bosses and as soon as the Boss gives the approval, Accounts and finance goes for further processing. I checked whether supporting documents are given or not with this T & E forms.

4.3.2: Data entry

The bills which have been checked like travelling, medicals are needed to put the data into Excel worksheet. Where all the record of medical claims and travelling expense were included. Besides that, I was also responsible for making a VAT Tracker on excel sheet and make sure that all the records of VAT are saved and organized.

4.3.3: Final Settlements File

If any of the bills paid by GSK, Accounts and Finance department arranges a document known as Final Settlement Copy, which refers to keep the document as evidence for both the parties acknowledging that GSK don't have any claim with the person any more neither do the party. As an intern I didn't play any vital role but I assist them done this kind of work.

4.3.4: Uses of Microsoft word and Excel Worksheet

All the data entry task was done by using Microsoft's Excel sheet and if I was supposed to make any report, I was told to use the Microsoft's Word file to prepare it.

4.3.5: Preparing Files and Folders

Most of the times I have prepared personal files and list of problems regarding claims sent by the DMOs and TOs. These files were needed to make by name and employee company code. I also separated the bills with folder like Chittagong factory's bills and corporate office's bills.

4.3.6: Different Aspect of Job Performance

Besides the Accounts Finance department I have done various Job performances which were fallen under other aspects. All of these are discussed below.

- ✓ In part of Accounts Finance department my core task was checking and verifying the expense claims of the DMOs. I used to follow the company policies while deciding that the expense claim is valid or not.
- ✓ Apart from checking and verifying all the expenses bills. I had to input the entries in the system and then also used to check that all valid payments have got clearance. If there were any difficulties or confusions, then I used to inform the Secretarial Executive.
- ✓ As the department accomplishes the payroll activities, so employees used to visit the department for payment purposes and in absence of supervisors, I used to attend them, then used to convey their messages and claims to my

supervisors.

- ✓ The Marketing and Trade Finance department taught me to be prompt, sincere, honest, active, efficient and most importantly it taught me how to communicate in the corporate world. For enhancing these skills in me and for providing me such a refined environment, I will be ever grateful to GSK and specially the Marketing and Trade Finance department.
- ✓ At present month, the preparation for Annual General Meeting is going on and I believe it will be great experience for me. In addition, these I had also done some other major and minor tasks. Overall, I am spending a very busy schedule in GSK and it also helped me a lot to know the primary official works.

4.4. Evaluation

End of the Internship my supervisor evaluate my duties. According GSK policy, they evaluating an intern based on 10 criteria like

	Excellent	Good	Satisfaction	Fair	Un-satisfaction
Attendance		✓			
Punctuality		✓			
Enthusiasm	✓				
Ability to learn	✓				

Oral & written communication		✓			
Dependability			✓		
Professionalism		✓			
Quality of work					
Acceptance of suggestion		✓			
Overall performance		✓			

4.5. Skills applied

Internship provide valuable professional experience and allow you to test the theories and concepts that have been presented to you throughout your university career, due to internship period I was applied several skills like;

4.5.1: Communication

Communications take place in various ways, but future employers are primarily interested in their ability to write and speak professionally. I have the opportunity to demonstrate your written skills in your resume and your cover letter and your verbal skills while providing weighted answers to common interview questions that are likely to be asked. During the interview, you can mention your experience in oral presentations (which may be required in some of your lessons). The ability to communicate effectively, translate ideas and transmit information is crucial in any field, be it with my supervisor, work colleagues that it is a valuable skill.

4.5.2: Interpersonal skills

The ability to communicate effectively is often linked to the ability to relate well with others or with "people's skills". Depending on the industry, I may interact with customers and suppliers, as well as with your colleagues and managers. It's important to be able to build and maintain relationships and be the kind of person that team members want in the office with them every day. Interpersonal skills are also important because employers are looking for individuals who can identify the desires and needs of others and who can recognize and recognize the value of different perspectives.

4.5.3: Collaboration;

As an intern, I am able to collaborate with other interns and employees of the company. I am ability to communicate and relate well to others is undoubtedly important for collaboration, as well as the ability to work with others to achieve a common goal. As part of a team, I must understand I strengths and weaknesses so that I know how I can contribute in the best way, as well as being aware of how I can bring out the best in others.

4.5.4: Adaptability:

Today's work culture, which I think of doing an internship for a GSK, often requires even higher level managers to wear multiple hats. As an intern, one day I can find myself supporting the sales team and a customer service the day after. Even if I might be interested in a particular aspect of an industry, the willingness to familiarize myself with the different parts of an organization is definitely considered a resource.

4.6. New Skills Development

During my internship I was learning lots issue which are help me for the future like;

4.6.1: Initiative;

I applied for an internship to gain knowledge of an industry and professional experience, but that does not mean he has nothing to offer. During the interview, highlight the cases in which I was committed to contributing or positively influencing change. The potential employer will appreciate the possibility of hiring someone who does not have to wait to receive instructions for each activity.

4.6.2: Receptiveness;

While taking the initiative is important, so is the ability to receive feedback. For example, if you're asked if I have made a mistake, I can mention the comments I have received about the error and how I responded. I know that I am willing and able to face any weakness.

4.6.3: Corporate skill

During my internship period I was learning about corporate culture. How to cooperate with their colleague, how to manage time, how to communicate to others etc.

4.6.4: Advance income tax calculation (AIT):

My internship period learning about AIT amount. How to calculate?

4.6.5: Research and Analysis

I have completed Internship for My course of work, I already have experience in research and analysis. I do not be shy during the interview for an internship; Be sure to see the empirical research I have done for my course. I will receive a lot of new information and I am ability to process this information is a testament to my ability to perform any role assigned to me.

4.6.6: Technical Proficiency

Of course, I am not expected to be an expert in the platform where I am using the company I am applying for, especially if I plan to do an internship for a company in a highly specialized field. But I have to know how to operate on a computer and it is likely that you will be able to browse through the basic productivity software.

4.7. Application of academic Knowledge

During my internship period I am able applied several academic knowledge like;

4.7.1: Time Management

I have time manage to complete the course every trimester and comply with the term assignment during time period. This skills also applied during my internship. I always try to complete my task within deadlines.

4.7.2: Microsoft Office (Word, Excel, PowerPoint)

When I was work in GSk, it's require Microsoft office because most of the bill checked by Ex-cell and I am also completed training about “advance financial on Ex-cell.

4.7.3: Critical Thinking

Critical thinking refers to your ability to analyze and evaluate a situation or a problem and make a judgment. The tendency to think critically can be demonstrated by the willingness to ask questions to understand a problem from all possible points of view and to propose creative solutions to the challenges. It's something that many of my teachers have pointed out, how to solve critical issue.

4.7.4: Presentation skill

When I was completed course every trimester and comply with presentation during course period. This skill help for me because it is build moral and how to increase retention to audience and also build strong relationship with my supervisor and colleague.

Chapter 5:

Recommendation

5.1. Recommendation for improving departmental Operation

From my experience in GSK, I have found that the organization is very organized at accomplishing the tasks, it is very much focused on doing fair business and the corporate environment is really harmless and friendly. GSK Bangladesh truly follows the code of conducts which established by its parent company. All the employees here try to maintain integrity in their every tasks. All the departments are here properly coordinated which fosters the organizational performance a lot. As I was the part of Marketing and Trade Finance department which is a section of Finance department, I have found that employees of these two departments are very much knowledgeable and skilled and very efficiently they plan and implement the financial strategies. They are also very much aware about utilizing the resources and not to waste the assets of the organization unnecessarily.

I have observed and felt that GSK Bangladesh is doing excellent job, one thing that appeared surprising to me is in spite being so efficient at operations and having so much qualified products, GSK Bangladesh is not in the leading position. Market leaders are the local firms, the reason behind this is the government concern to promote the local pharmaceuticals. So,

GSK should take strong initiatives thus they can improve their rank and can lag behind the competitors. On the other hand, most of the consumer health care products are doing so well, especially the health drinks and the glucose powder.

So, my recommendations are:

- ✓ GSK should concentrate more on promotional activities and making people more aware about their company profile and products thus a strong brand image can be established.
- ✓ Like the Consumer Healthcare products, the pharmaceuticals products should be engaged in famous public events.
- ✓ They should be more concerned to reduce the production cost of the pharma products thus they can compete with the local products more successfully.
- ✓ GSK should be very careful in maintaining the copyrights of their products as they are in alliance with some local firms like Mutual food and Zuellig Pharma.
- ✓ Making individuals more clear about their responsibilities
- ✓ Employees should follow a common process in order to complete their task
- ✓ Proper training should be given by the company so that employees can understand how they have to perform their job

5.2. Recommendation for improving self-performance

If I want to evaluate my achievements it's require to self-assessments.at this time I realize that for improving self-performance need some specific area like;

5.2.1: Get Back to Basics

To start, analyze my work product. Pay particular attention to the quality of the work I am doing in relation to the daily activities of my work. Do these duties receive the love they deserve or are overlooked because you have become too comfortable? I Remember, these tasks are often the foundation on which the rest of my work is based: make sure they are solid.

5.2.2: Start the Day With a Positive Thought

My attitude every morning sets the tone for my work day. Starting the day with energy and positive intentions will allow me to make reasonable decisions and allow me to be less impressed by the challenges that may arise.

5.2.3: Set Goal for the Year

During the Internship period I realize that, write a letter for myself as if I were reflecting on everything I have done this year. So imagine myself at the end of that year, what do you mean by having achieved? Express gratitude and be sure to include all things learned as a result of achieving your goals.

5.2.4: Increasing Listening Skills

Let's face it: there are constantly more activities that can hinder the conservation of information. Focus on improving my active listening skills so I can process details in real time and work more efficiently.

5.2.4: Celebrating my successes

I realize that, No matter how big or small, allow myself to celebrate all my victories. This will not only help build confidence in myself, but will also help build the trust others have in me.

5.2.5: Achieving any professional degree

When I was work in GSK, this company most of the higher level of employer have professional degree. During my internship period I realize that if I want to get higher level job it's require professional degree.

6. Conclusion

The pharmaceutical industry in Bangladesh to produce drugs is well established. Many pharmaceutical companies do everything possible to contribute to the economy. To do this, they are trying to use the current resource. Pharmaceutical industry can grow more if the government liberalizes the rule and provides loans. Bangladeshi pharmaceutical companies have to expand their business globally. It will help this country to be a developing country

GlaxoSmithKline Bangladesh Limited is a major and foremost company in the pharmaceuticals business for more than four decades by engineering and delivering quality product to its customers. It has diversified its local business arena and have tried to come up with new solution for its customers. GSK always worries about the superiority of the product and medicine for the customer and also increases the profit for its shareholder and stockholder and also the employees and other parties. They have a stimulating and stimulating mission to improve the quality of human life by allowing people to do more, feel better and live longer.. Most importantly it gives us an idea that what can be the company's performance in the future. The company may identify and access less costly local or foreign source of inventory for their Pharma products to reduce the COGS as well as to acquire strong profit position in the industry. I believe, that if GSK concentrates more on gaining the majority of the market share of pharmaceutical industry in Bangladesh, it would be able to do better in its financial ratios and would also be able to turn its share into blue chip in the share market. In my analysis, I have become able to know more about the financial strength, operational efficiency and management effectiveness of GSK.

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8. Appendix

Daily diary during the internship period

I was started internship from 17th January,2018 at GSK, Due to unavoidable situation I am not able to include full internship diary because I don't know this diary maintaining when my supervisor suggest me you should maintain daily diary than I am try to maintain daily diary during internship period .

04.03.2018

- ✓ Checked mutual food bills
- ✓ Learn about six season agreements
- ✓ Arrange final file setup
- ✓ Writing documents number in paid bills

05.03.2018

- ✓ Desha international employee over time calculation (Contractual Employee with GSK)
- ✓ Training about LC process of GSK
- ✓ Journal voucher adjusted
- ✓ Talk with HR manager about future carrier
- ✓ Checked Daraz bills.

06.03.2018

- ✓ Checked six season bills.
- ✓ Learn about PO. How to make it.
- ✓ Writing documents number in paid bills
- ✓ Learn about galaxy travel agreements with GSK
- ✓ Checked galaxy travel bills

07.03.2018

- ✓ Learn US Bangla agreements with GSK
- ✓ Checked Mind share bills
- ✓ G.A. Trade bills checked.
- ✓ Arranging documents number according to serial number

08.03.2018

- ✓ Making air ticket statement in Excel file
- ✓ Checked air ticket bills of US Bangla
- ✓ Checked market access bills
- ✓ Meet with finance director of GSK

11.03.2018

- ✓ Added GRN (Goods receive notes) with G.A. Trade bills.
- ✓ Writing documents numbers in paid bills.

- ✓ Learn about HSBC documents.
- ✓ Arrange HSBC statements.

12.03.2018

- ✓ Checked market access bills
- ✓ NOVO airways agreements with GSK
- ✓ Make air ticket statements
- ✓ Arrange final file setup which are paid bills.
- ✓ Checked galaxy travel bills

13.03.2018

- ✓ Learn about several TV channel agreements with GSK..
- ✓ Checked advertising bills of several TV Channels.
- ✓ Writing documents number in paid bills.
- ✓ Talking with marketing expert Rahat vai.

14.03.2018

- ✓ Learn about Hello Rent car agreements with GSK.
- ✓ Checked Hello rent car bills.
- ✓ Learn about alamgir automobile agreements with GSK
- ✓ Checked alamgir automobile bills.

15.03.2018

- ✓ Erebus plastics bills checked
- ✓ Brand cycle bills checked
- ✓ Set-up documents of Standard chartered bank.
- ✓ Checked shwarap bills
- ✓ Setup final file which are paid bills

18.03.2018

- ✓ Helping my supervisor mahmud vai for adjusted amount of several party bills
- ✓ Meet with finance controller omar Faruque vai.
- ✓ Checked Glaxy travel bills.

19.03.2018

- ✓ Checked market access bills
- ✓ Learn about green delta agreements with GSK
- ✓ Checked green delta bills.
- ✓ File set-up of G.A. trade bills

20.03.2018

- ✓ Added PO (Purchase Order) with brand cycle bills
- ✓ Checked brand cycle bills
- ✓ Learn about newspaper agreements with GSK which are using for advertising.
- ✓ Checked prothom-alo & daily star bills.

21.03.2018

- ✓ Training about AIT (advance income tax) statements, how to create it.
- ✓ Checked galaxy travel bills.
- ✓ Checked alamgir automobile bills
- ✓ Learn about pdama cans & closure agreements with GSK.
- ✓ Checked pdama cans & closure bills

22.03.2018

- ✓ Writing documents number in paid bills
- ✓ Arrange several bills according to documents number
- ✓ St-up final file several bills

25.03.2018

- ✓ Checked pay-pus bills
- ✓ Re-arrange HSBC, SCB statements with Sydul vai
- ✓ Checked mutual foods bills
- ✓ Writing documents number in paid bills

26.03.2018

- ✓ Learn about meeting systems of GSK
- ✓ Bills checked of dr. meeting
- ✓ Checked Six season bills
- ✓ Added PO number with Brand cycle bills
- ✓ Checked Brand cycle bills

27.03.2018

- ✓ Make AIT statements in excel to January- December, 2017.
- ✓ Checked pdama cans & closure bills
- ✓

28.03.2018

- ✓ Make AIT statements in excel to January- December, 2017.
- ✓ Writing documents number in paid bills
- ✓ Set-up final file of several paid bills
- ✓ Meet with finance manager nayeem vai.

29.03.2018

- ✓ Checked HSBC Statements amount with documents
- ✓ Adding GRN with G.A. trade bills
- ✓ G.A. Trade bills checked

01.04.2018

- ✓ Checked of marketing employee bills of GSK
- ✓ Lear about Heydaet-car agreements
- ✓ Checked bills of Heydaet-car
- ✓ Checked pdama cans & closure bills
- ✓ Glaxy travel bills.

02.04.2018

- ✓ Making air-ticket statements in excel
- ✓ Writing documents number in paid bills
- ✓ Checked hello rent car bills
- ✓ Arranging HSBC statements to 2016 and 2017.
- ✓ Checked pdama cans & closure bills

03.04.2018

- ✓ Checked six season bills
- ✓ Set-up final file of several paid file
- ✓ Meet with consumer finance manager fakhruddin vai
- ✓ Checked glaxy travel bills
- ✓ Checked pdama cans & closure bills

04.04.2018

- ✓ Rearrange SCB statements 2016, 2017
- ✓ Landed cost CX file setup 2017
- ✓ Arrange HSBC advice 2017
- ✓ Checked Hedayet car bills

05.04.2018

- ✓ Adjusted payments voucher with specific bills
- ✓ Desha international employee over time calculation (Contractual Employee with GSK)
- ✓ Checked Green delta insurance documents

08.04.2018

- ✓ Checked market access bills
- ✓ Learn about hotel Westin agreements
- ✓ Checked hotel Westin bills

09.04.2018

- ✓ Checked cycle brand bills
- ✓ Checked galaxy travel bills
- ✓ Adjusted PO with G. A. Trade bills
- ✓ Checked G.A. trade bills

10.04.2018

- ✓ Writing documents number in paid bills
- ✓ Make air-ticket statements in excel
- ✓ Set-up final file according to their documents number

11.04.2018

- ✓ Checked promotional bills (TV channel, Newspaper)
- ✓ Mutual food bills checked
- ✓ Daraz online bills checked
- ✓ Make AIT statements in excel

15.04.2018

- ✓ Attaining at pohela-Boishakh program in GSK

16.04.2018

- ✓ Checked zuleg-pharma bills
- ✓ Learn about LC process of GSK

17.04.2018

- ✓ Make novo-air statements in excel
- ✓ Checked dr. meeting bills
- ✓ Writing documents number in paid bills

18.04.2018

- ✓ Learn about B. Doza agreements with GSk.
- ✓ Checked B. doza bills
- ✓ Make B. doza statements of AIT amounts in Excel

19.04.2018

- ✓ Checked Pay-Pas bills
- ✓ Checked Erebus plastic bills (third party)
- ✓ Set-up final file of paid bills
- ✓ Checked glaxy travel bills

22.04.2018

- ✓ Adjusted journal voucher with specific bills
- ✓ Adjusted PO & tax slip in green insurance bills
- ✓ Checked green insurance bills
- ✓ Re-arrange HSBC statements according their voucher number.

23.04.2018

- ✓ Learn about Badal agreements with GSK
- ✓ Checked badal bills
- ✓ Make badal statements of AIT amount in excel

24.04.2018

- ✓ Learn ZK foil agreements with GSK
- ✓ Checked ZK foil bills
- ✓ Checked hello rant car bills
- ✓ Adjusted badal documents number with AIT amount.

25.04.2018

- ✓ Writing documents number in paid bills
- ✓ Set-up final bills according to their documents number
- ✓ Checked padma cans & closure bills

26.04.2018

- ✓ Make air-ticket statements in excel
- ✓ Checked mindshar bills
- ✓ Checked hotel raddison bills

30.04.2018

- ✓ Checked glaxy travel bills
- ✓ Submit AIT statements of BADAL, Bdoza, & G.A. trade
- ✓ End of my internship period this day so my supervisor mahmud vai .give me some advice for future.