Internship Report on

Financial Statement (Ratio) Analysis of selected Bangladeshi Pharmaceuticals Companies

Submitted to:

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Submitted By:

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Date of Submission

31th January 2022

Financial Statement (Ratio) Analysis of selected Bangladeshi Pharmaceuticals Companies

Letter of Transmittal

January 30, 2022
James Bakul Sarkar
Associate Professor
School of Business and Economics
United International University

Subject: Submission of Bachelor's Internship report on "Financial Statement (Ratio) Analysis of selected Bangladeshi Pharmaceuticals Companies"

Dear Sir,

With due respect, I want to submit my report that has been assigned to me as a requirement of the internship program for completing my undergraduate degree from The School of Business and Economics, United International University. I have prepared my **Internship report on "Financial Statement (Ratio) Analysis of selected Bangladeshi Pharmaceuticals Companies" with** my best efforts to make it specific, coherent and meaningful as per your guidelines which is being submitted along with this letter.

I would like to thank you for your valuable guidance and support while preparing this report. I hope with great anticipation that you would be kind enough to accord your approval to this report.

Sincerely Yours,

____

Sabiha Mahmud

ID: 114171026

School of Business and Economics
United International University

Declaration

I, **Sabiha Mahmud**, the student of Bachelor of Business Administration, bearing the ID: 114171026, hereby declare that this paper, submitted in fulfillment of the requirements of the degree of Bachelor of Business Administration (BBA) in the Department of Accounting and Information Systems, United International University, is wholly my work unless otherwise referenced or acknowledged. This paper has not been submitted to any other academic purpose or further research.

Sabiha Mahmud

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School of Business and Economics
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Executive Summary

Pharmaceutical industry in Bangladesh has grown tremendously since the beginning of its journey in late 80's of the last century. A few decades ago, this nation had to heavily rely on medicines imported from abroad. Also it had to rely on drugs manufactured by multi-national corporations to fulfill the in house demand. Now, Bangladesh's pharmaceutical industry can meet 98 percent of domestic demand, which was estimated to be around USD 3 billion in 2019. Local manufacturers hold in the market is nowadays around 9O% and the remaining 10% of the market is operated by foreign manufactures. Bangladesh has a well-developed medicine sector which generates a tremendous amount of money. Also, this sector is so effective that by investing heavily in R&D, this sector has been successfully producing cancer medicines and biological products such as insulin's and vaccines.

As we sail through the paper, we will see the findings of five Bangladeshi pharmaceutical businesses, as well as their financial statement comparisons which are presented in this paper. Types of ratios such as organization Profitability, Liquidity, Solvency, and Activity ratio exists. These analysis of ratios is used to assess the financial performance of this industry. Square, Beximco, Acme, Renata & Orion are the names of the pharmaceutical firms. Square Pharma is the leading pharmaceutical business in the world, according to the IMS assessment for 2019. Beximco is ranked third, Renata is ranked fourth, and Orion is ranked twentieth. Among the companies of the Bangladeshi medicine industry, companies that rank first through tenth, accounting for around 68 percent of the market, are referred to as market controllers. Square, Beximco, and Renata are the top three ranked pharmaceutical companies in this research. Beacon was picked as a medium category, and one was chosen, which is ranked 20th in the market. This would show the industry's total financial strength, taking into account the varied market positions. This research is based on financial statements from the industry, which is known as ratio analysis. As a result, data was gathered from annual reports from a few firms. Additional information was gathered from the Lanka Bangla Web Portal. Other data was gathered from numerous financial reports and highlights, as well as references in the report's subsequent sections. This industry ratio analysis study has defined five important categories to discuss their financial strength. To explore this further, the industry average has been taken into account. Finally, in the latter section of the paper, the conclusions of the ratio analysis for these pharmaceutical businesses are explained in detail.

CHAPTER 1- INTRODUCTION

Publicly traded enterprises are a country's economic backbone. Their inception, prosperity, and demise are all indicators of the country's financial situation. The rate of growth and fall of publicly traded corporations is a pretty dependable indicator of an economy's growth and development. The number of publicly traded companies in Bangladesh is rapidly expanding due to the exponential growth in major sectors of trade, commerce and cement industries. These businesses are critical to the country's economy.

Pharmaceuticals are a key part of the country's industrialization. Now-a-days the Bangladeshi medicine industry is the nation's economic pulse. This industry's creation, boom, and collapse all demonstrates the nation's economic situation. With the tremendous expansion prime industrial sector, the quantity of publicly traded pharmaceutical businesses in our country is rapidly expanding. After examining the Business Life Cycle, we discovered that all these enterprises on the list have only recently entered the middle stage. No organization has ever made it to the mature level. In a nutshell, the country's pharmaceutical industry is steadily improving.

Almost all listed pharmaceutical companies in Bangladesh reported higher profits from July to September 2021, owing to higher sales as people overcame coronavirus fears to access treatments and lower bank financing costs. Profits at eight of Bangladesh's top ten pharmaceutical companies increased: ACI Ltd, Acme Laboratories, Beximco Pharmaceuticals, IBN Sina, Renata, Square Pharmaceuticals, Orion Infusion, and Indo-Bangla Pharmaceuticals.

This industry is well-known for being one of the most important sources of foreign money and for contributing significantly to the country's exports. Again, the country's domestic medicine sector meets the majority of our nation's internal drug demand. However, Bangladesh's pharmaceutical industry is reliant on first world countries as we lack the required raw materials and modern state of the art technology. Maybe now is the appropriate time to build these medicine companies self-sufficient for the nation's benefit. Performance of these medicine companies must be assessed carefully and analyzed properly at this time. However, performance review aint a common practice in our country. In light of this opportunity, the objective of this literature is to assess all over financial performance of a few chosen pharmaceutical industry leaders during the course of the study period. The technique of financial analysis was used to assess the financial performance of Pharmaceuticals. Ratio analysis technique is the most significant among different financial analysis methods. Having useful insight into a company's financial condition, operations, and financial concerns is extremely beneficial.

Problem Statement-

The pharmaceutical industry is one of the most technologically advanced sectors in Bangladesh today. It has expanded rapidly over the last two decades. Professional skills and knowledge, as well as innovative ideas from those involved in this industry, are critical factors in these developments. Approximately 300 pharmaceutical companies are currently in operation. Only 3% of the drugs are imported; the remaining 97 percent are manufactured locally. Because of positive developments in the pharmaceutical sector, Bangladesh is now able to export medicine to global markets. This sector has the potential to grow and become an important export sector for Bangladesh if the underlying obstacles are overcome.

Bangladesh is currently graduating from emerging economy category to nations of middle-income. If we continue this journey smoothly then in 2024 we will achieve developing nation status. Thanks to its incredible achievements in the Human Development Index. By losing our current emerging economy nation status, we may be forced to restructure the concurrent flexibilities of the TRIPS agreement. It will result in very high compliance costs. Bangladesh needs to rework its strategy. Also, the policymakers need to improve the intellectual capital efficiency because the moment this TRIPS exemption dissolves we will face severe consequences. Smart way would be to find a sustainable solution when facing the global competition.

Square, Beximco, Acme, Renata & Orion are the main pharmaceuticals companies in our country. In time of the pandemic we were dependent on them big time. All over the world medicine industry boomed and thus people are considering these stocks as the golden stocks. But is it true to the fact it's not known yet. We Know companies can falsify statements by using creative accounting. In this study we will use the basic ratio analysis methods like Liquidity ratio, solvency ratio, asset turnover ratio etc. to see how these companies are performing and we will compare their performance using graphs to see the changes of these ratios. [1]

[1] The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) is an international legal agreement between all the member nations of the World Trade Organization (WTO).

Objectives of the Study

The primary objective of the study is to complete the partial requirement of the awarding of the BBA degree from the school of business & economics, United International University.

This study intends to fulfill the following goals:

To understand the ratio analysis techniques. Understanding these rations will help us to implement our bookish knowledge in real life scenarios when analyzing any financial statements. By comparing these leading companies we will get an overview of the pharmaceuticals industry of our country.

(i) Evaluating the financial standings or in other words to evaluate the performance of the Pharmaceuticals companies that have been chosen.
(ii) Assessing the financial soundness and flaws of the chosen pharmaceutical companies.

Methodology of the study

The study was primarily based on secondary data. These data's were collected from a number of websites and financial position reports of these 5 companies that we selected for the purpose of this study. They are Beximco, Acme, Orion, Square and Renata. There are 28 pharmaceutical companies on the list of the Dhaka Stock Exchange (DSE). And we chose 5 of the top performing ones. The samples represents three financial years. The annual statements were obtained either from the Stock Exchange official website and some from the web address of the companies. Some Reports and info's which were not available in online sources were gathered from those respective company's head office.

Required numerical figures were accumulated from the sample of five well known pharmaceutical companies in Bangladesh. Only pharmaceuticals in the A and B categories are included in this study. Pharmaceuticals in the "A" category are those that hold an AGM and declare a minimum 10% dividend. And they do it on a regular interval. T+3 is the stock trading days for "A category Pharmaceutical's stock." Pharmaceuticals in the "B" category hold annual general meetings (AGMs) on a regular basis but distribute dividends on less than 10% rate; regular basis is followed. T+3 is also the trading hour for shares in the "B" category

Pharmaceuticals. Pharmaceutical companies in the "Z" category do not hold annual general meetings (AGMs) or issue dividends on a regular basis. T+7 is the trading time for Pharmaceuticals in the "Z" category. Furthermore, when selecting Pharmaceuticals, the industry proportionate size of the organizations, easy publicly available information, and the year of business start; all of these were taken into account. The study covers 3 years, from 2018-19 to 2020-21. The main source of data is collected from secondary sources. All the required data are accumulated from the audited year-end financial standing reports of these selected entities and some reports were taken from Lanka Bangla's portal.

Limitations of the Study-

No study is without limitations thus we faced some difficulties while conducting the study. Mainly it was because of this weird timing in between lockdowns and social distancing. Sickness, Death, Boredom etc. has spoiled the student in us big time. As we are getting used to online studies, we are clinging more into our devices and less into the study materials which has made the overall journey of this graduation process a bit dull. While conducting the study we found that-

1. Information's are available but not all of them are audited so there is no way to verify the authenticity of the information.
2. Bangladeshi stock market is not optimized thus flow of information is somewhat crooked.
3. Ratio analysis approach is not free from biasness.

CHAPTER 2- LITERATURE REVIEW

The pharmaceutical industry in Bangladesh is one of the most developed technology sectors within the country. Manufacturers produce insulin, hormones, and cancer drugs. This sector provides 97% of the total medicinal requirement of the local market. The industry also exports medicines to global markets, including Europe. Pharmaceutical companies are expanding their business with the aim to expand the export market. (BDforever, 2022)

The Bangladeshi pharmaceutical industry is investing heavily in both physical and human capital to comply with good manufacturing practices because it is experiencing a growing trend of going global. Among the emerging economies, Bangladesh is turning out to be a top exporter of pharmaceutical products to the European Union (Zahedee, 2017)

The financial performance continues to dominate as the ultimate indicator of a firm's business performance, reflecting the accomplishment of its financial goals. To conduct the analysis in the present paper, the profitability indicators return on asset and return on equity, the productivity indicator asset turnover ratio and the market performance indicator market-to-book value were used separately as performance measures, following the research of Firer and Williams (2003), Chen et al. (2005), Mondal and Ghosh (2012), Kamath (2008), Joshi et al. (2013), Pal and Soriya (2012) and Chizari et al. (2016).

Financial analysis is the process of determining a company's financial strengths and weaknesses by developing an appropriate relationship between the balance sheet items and the profit and loss account (Pandey, 1991). Lenders, security analysts, managers, and others are interested in financial statement analysis (Prasanna, 1995). Trade creditors are concerned about the company's ability to pay their debts. As a result, their investigation will be limited to assessing the firm's liquidity condition. Suppliers are concerned about the company's viability and longevity. They look at the profitability of the company through time. The firm's solvency and profitability are more important to long-term creditors. The firm's profits are causing the most alarm among investors. As a result, they focus on the firm's current and future profitability, as well as earning potential and risk (2020) (Abu Sina, 1998). Financial ratios are the most basic tools for assessing a company's financial performance (Chin-Feng, 2005). Financial ratios can be used to assess a company's liquidity, profitability, solvency, capital structure, and asset turnover. Hannan (1998) used financial ratios to highlight Bangladesh Shilpa Bank's financial status and performance analysis. He demonstrated how financial analysis tools may be used to assess the financial status and performance of financial and non-financial organizations, including Development Financial Institutions (DFI). Financial ratios were employed by Altman (1968) to predict company bankruptcy. He discovered that the bankruptcy model has a 93 percent accuracy rate and is highly good at forecasting failed and non-failing businesses. Financial ratios were utilized by Sina (1998) to assess Khulna Newsprint Mills Ltd.'s financial strengths and weaknesses. He found that due to lack of planning and control of working capital, operational inefficiency, obsolete store, ineffective credit policy, increased cost of raw materials, labor and overhead, the position of the company was not good. Financial ratios were utilized by Jahur (1995) to assess the operational success of a limited firm. To assess operational performance, he looked at profitability, liquidity, activity, and capital structure. Jahur (1996) used Altman's MDA model to determine Chittagong Steel Mills Ltd's bankruptcy situation. He discovered that the lack of realistic goals and severe government regulation are the primary causes of bankruptcy at the lowest level. Financial ratios were used by Ohlson (1980) to anticipate a firm's problem. He discovered four elements that influence a company's vulnerability. Scale, financial structure, performance, and liquidity are all considerations to consider. Dipak & Milan (2001) determined that cement investment was fairly lucrative in their work "The Assessment of Financial and Operating Performance of the Cement Industry: A Case Study of Confidence Cement Limited (Maji & Malik)" .Salauddin (2001) investigated the profitability of Bangladeshi pharmaceutical companies. He discovered that the Pharmaceuticals sector's profitability was quite good in terms of standard standards of return on investment using ratio analysis, mean, standard deviation, and co-efficient of variation. Hye & Rahman (1997) conducted a research to assess the performance of the selected private sector general insurance companies in Bangladesh. According to the report, private insurance businesses have made significant progress. Due to a lack of adequate revenues for investment, the investigation discovered that insurance companies were holding their surplus cash in the form of fixed deposits with various commercial banks. Bangladesh Shipping Corporation's financial performance was investigated by Salim and Kabir (1996). They discovered that converting long-term debt to equity might significantly improve Bangladesh Shipping Corporation's financial performance. The researcher uses these tools to measure the financial performance of 9 selected Pharmaceutical firms in this paper (Sheikh & Alom, 2021).

A prior study of the Bangladeshi pharmaceutical industry by Gehl Sampath (2007) indicated that the inadequate industrial policy emphasis on scientific and physical infrastructure support and the relatively small domestic market with limited scope for achieving economies of scale are a disincentive for intellectual skills development. Thus, the performance of a firm in terms of tangible assets still carries more weight than intangible assets (Li, 2018)

CHAPTER 3- INDUSTRY OVERVIEW

Bangladeshi Pharmaceuticals Industry

Bangladesh's pharmaceutical industry is poised to become the country's next multibillion-dollar industry as it has reached new heights while working in the medicine areas. There are 200+ registered pharmaceutical organizations in Bangladesh. Great news is that the top leading companies are playing an important part in both local and world-wide markets. The pharmaceutical industry is one of Bangladesh's most developed high-tech sectors. It makes a significant contribution to the country's economy. The development of this sector was accelerated following the introduction of the Drug Control Ordinance (1982). Growth has been observed at a rapid pace over the last twenty years. The applied knowledge, research, and innovations of our nation's pharmacists dedicated in this specialized sectors are the driving force behind this development. Exporting medicines in the global market as well as the European market has been possible because of the recent development of this sector. About 97% of the overall medicine requirement is being met by them for the local markets. Top pharma organizations are spreading their operations. They are proceeding with great care and the goal is to expand business in the remotest corner of the world. In recent times a couple of new industries equipped with modern equipment and specialists with R&D facilities have been established, bolstering the sector's strength. According BAPI and DGDA there are approximately 257 of the companies exists which are registered in Bangladesh. Among 257 of them approximately 150 are fully operational.

This giant companies produce 98% of the in-country demand. For the remaining 2%, the manufacturers needs to import certain high grade items such as cancer fighting products, hormonal growth drugs etc. About eighty percent of the drugs being produced in Bangladeshi territory are generic in nature. Rest of the 20% drugs are patented.

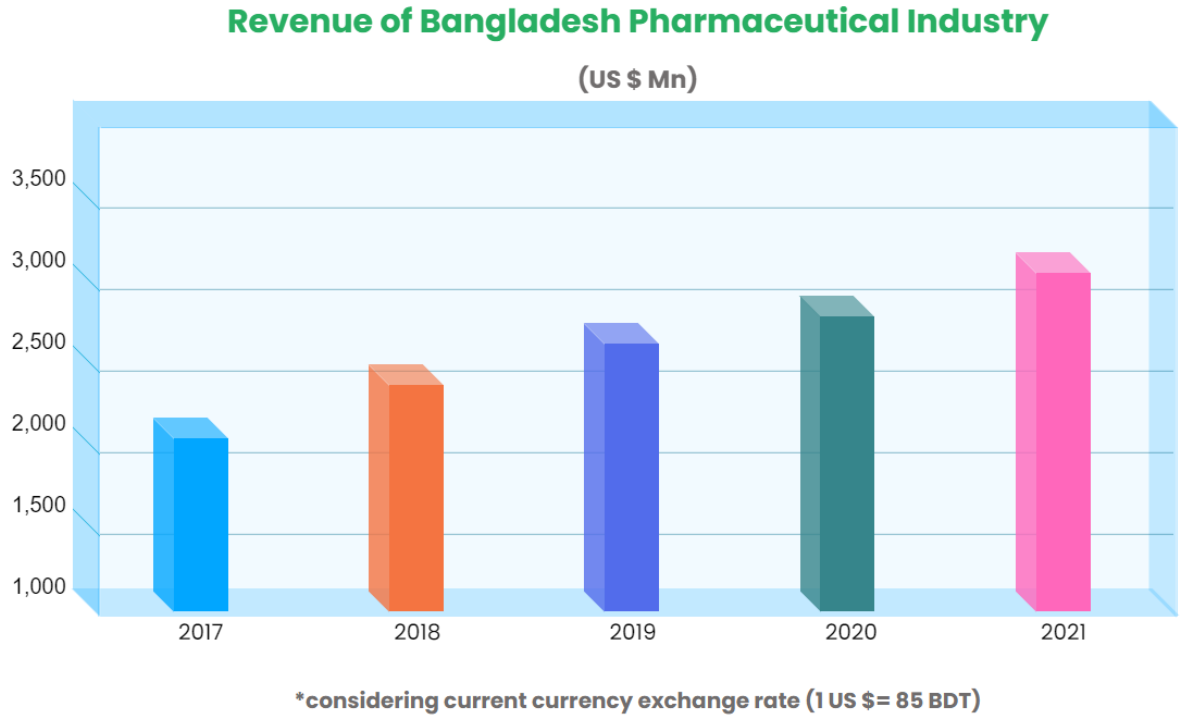
This pharmaceutical industry, is probably one of the Bangladesh's hyper growing industries which is a specialized business sector. Its sector driven by advanced skillsets and big data's. In terms of global market share and capital, Bangladesh is growing big in this industry over the last six years. For the past 31 years, Square Pharmaceuticals Limited has ranked first in the pharmaceutical industry.

Following the footprint, the leading pharmaceutical companies in Bangladesh are Beximco, ACI, Orion, Aristopharma, ACME etc.

Top Pharmaceutical items supplying Companies in Bangladesh -

- Beximco Pharmaceuticals LTD.
- Opsonin Pharma Ltd.
- Reneta Limited.
- Eskayef Pharmaceuticals Ltd.
- ACME Laboratories Ltd.
- ACI Pharmaceuticals.

- Aristopharma Ltd.
- Orion Pharma
- Drug International Limited



- Emerging generic drug hub in Asia
- Nearly self-sufficient; 98% demand met by local production
- Total market size approx. $3.2 Bn in 2021 with growth rate of 10.72%
- Historically good market growth maintained (CAGR 8.93% in last 4 years)
- Strong manufacturing base with skilled manpower
- Largest white collar labor intensive employment sector in Bangladesh
- 2nd highest contributor to national exchequer
- Registered allopathic pharmaceutical companies: 284 & functional around 213
- All the top 10 companies are local and they have approx. 70% market share
- Leading companies have nearly all major GMP accreditation like USFDA, UK MHRA, EU GMP, Health Canada, TGA Australia, ANVISA Brazil, GCC etc.

CHAPTER 4- COMPANY OVERVIEW

Square Pharmaceuticals Limited

Square Pharma was founded in 1958 and it’s a subsidiary of Square Group. Samson H. Chowdhury and three of his friends founded it. Square Pharmaceuticals Limited is a manufacturer, marketer, and distributor of pharmaceuticals, medicine, basic chemicals, animal health products, agro vet products, and pesticides. They manufacture 669 pharmaceuticals, 74 agro-veterinary items, various pesticides and also basic chemicals. Furthermore, this leading company produces drugs in a various forms such as tablets, injection, insulin, and many more.

Square Pharmaceuticals Limited's most well-known brand name is Seclo. According to IMS health report, market value of the upper mentioned med is in Bangladeshi taka 3,766.56 mil. Square also has some sensation drugs among the hundreds of variants available in our country. Furthermore, 14 blockbuster drugs are listed among the top 50 drugs in Bangladesh. Starting in 1987, this company has been exporting numerous antibiotics and meds all over the earth. Mainly Asia, African continent, North America and Australia continent. 36+ countries of the world are buying its product.

Notable Information

- Org.: Square Pharmaceuticals Ltd.
- Org. : Public Company
- Founded in: 1958
- Key Founder: Samson H. Chowdhury
- Specialties: Manufacturing of solids, metered-dose formulation, sterile ophthalmic.
- Authorized Cap. (BDT): 10,000.00 Million
- Paid-up Capital (BDT): 8,442.39 Million
- Total No. of Outstanding Securities: 844,239,059
- Head Office: Mohakhali, Dhaka, Bangladesh
- Website: squarepharma.com.bd

Beximco Pharmaceuticals Limited

NAPA is the most popular brand of Beximco Pharma. Furthermore, according to Beximco Pharma's official press, they claim to be the leading organization on planet earth which launched the generic variant of the hyped remdesivir against COVID-19.

Bexpharma specializes in making generic medicine. Some are Lifesaver Intravenous Fluids. Also Therapeutic Nutritive Items as well as Active Pharmaceutical Ingredients (APIs). Beximco Pharma manufactures over 300 generic medicines. These are sold under more than 500 separate brand names.

It was founded in 1976. Square began operations in 1980. Based in Bangladesh, they are the leading manufacturer and promoter of pharmaceuticals. The managing directors of this pharmaceutical company are currently Nazmul Hasan Papon. He is the president of the BCB.

BexPharma is the pioneer in our nation which started exporting its products in the USA and Australia. Nowadays they are shipping items destined for the Gulf market. BexPharma currently export products to 50+ countries in every continent. BexPharma is a Dhaka Stock Exchange-listed company. It has a total of 405,556,445. Beximco has a bit less than 438,682,614 Outstanding Shares in the market than Square Pharma.

Notable Information

- Organization : Beximco Pharmaceuticals Limited
- Org. Type: Public Limited Company
- Founded in: 1980
- Key Founder: Salman F Rahman
- Specializes in: Active Pharmaceutical Ingredients (APIs).
- Authorized Capital (BDT): 15,000.00 Million
- Paid-up Capital (BDT): 4,055.56 Million
- Total No. of Outstanding Securities: 405,556,445
- Head Office: Dhanmondi, Dhaka, Bangladesh
- Website: beximcopharma.com

Renata Limited

Renata Limited was mainly known as Pfizer Limited. Renata is among the honorable mention among the nation’s rapid-growing pharmaceutical producers. It holds a tough presence in a variety of medical aspects. Affiliated companies are Purnava Limited, Renata Agro and also the Renata Oncology Ltd.

Renata Limited specializes in animal health products. They are regarded as Bangladesh's fourth largest pharma company. This organization operates all over the country. To meet general peoples demand, Renata has established numerous depots across the continent. This big company currently employs over 7800 people. It includes doctors, microbiologists, engineers and other professionals.

Popular brands under this company are named as Maxpro, Algin, Orsef etc.

They sells meds in Afghanistan, Ethiopia, Honduras, Myanmar, the UK and more. Renata is a listed publicly traded entity. They have a paid-up capital of BDT 845.89 million. Its authorized capital is of BDT 2500.00 mill. According to the Dhaka Stock Exchange, it reached market cap. Of 101,992.794 million.

Notable Information

- Org. Name: Renata Limited
- Org. Type: Public Limited Company
- Founded in: 1993
- Chief Operation Officer: Sayed S Kaiser Kabir
- Specializes in: Animal products.
- Authorized Capital (BDT): 2500.00 Million
- Paid-up Capital (BDT): 885.89 Million
- Total No. of Outstanding Securities: 88,589,242
- Head Office: Mirpur, Dhaka, Bangladesh
- Website: renata-ltd.com

ACME Laboratories Limited

ACME Pharmaceuticals; a publicly traded company with market cap. Of BD Taka 14,769.799 million. Again, it holds a paid-up capital amounting BDTaka 2,116.00 million. An authorized capital amounting BDT 5000.00 mil. Company's in total figure of out-standing securities is 211,601,700. Pharmaceuticals, Herbal and Neutraceutical, Ayurvedic, and Veterinary medicines are all manufactured by the company.

It manufactures a wide range of pharma formulations in various dosage forms such as 1.tablet 2.capsule 3.injection 4.cream & 5.ointment and suppository. ACME's cutting-edge manufacturing facility is located in Dhamrai.

It has ultra-modern facilities with cutting-edge machinery. Manufacturing plant got several units, including the Gen. Unitt, the BFS unit, the Liquid and Semi-Solid Unit. Also Herbal and Ayurvedic Units are there. It was founded in 1954 with the lofty goal to ensure good health, vigor, and overall happiness for everyone. ACME Group of Companies is its parent company.

Notable Information

- Organization: ACME Laboratories Ltd.
- Org. type: Public Company
- Established: 1954
- Founded by: Late Hamidur Rahman Sinha
- Supplies Human health drugs
- Authorized Capital in taka: 5,000.00 Million
- Paid-up Capital in taka: 2,116.00 Million
- Total No. of Outstanding Securities: 211,601,700
- Headquarters: 1/4, Mirpur Road, Kallayanpur, Dhaka – 1207
- Website: www.acmeglobal.com

ORION PHARMA LIMITED

Orion is a Finnish pharmaceutical company that operates on a global scale - a well-being builder. Orion creates, manufactures, and sells pharmaceuticals and active pharmaceutical ingredients for humans and animals. The company is constantly working on new drugs and treatment methods. Orion's pharmaceutical R&D is focused on neurological disorders, oncology, and respiratory diseases, for which it develops inhaled pulmonary medication.

Orion's main market is Finland, where it is unquestionably the market leader. Orion's products are sold in over a hundred countries, and the Group's own human pharmaceuticals sales organization serves nearly all key European markets as well as a few Southeast Asian countries. Several collaboration partners sell Orion's products in other markets. Orion's manufacturing plants and the majority of its R&D operations are based in Finland. Orion’s headquarters are in Espoo.

Orion Pharma Limited (Orion Pharma/Company), formerly known as Orion Laboratories Limited, is an ORION GROUP company that owns and operates a modern pharmaceuticals factory and manufactures and sells pharmaceutical drugs and medicines. It also owns approximately 21.76 percent of Orion Infusion Limited, a public company that has been listed on the Dhaka and Chittagong stock exchanges since 1996 and manufactures and markets intravenous fluids.

Notable Information

- Organization: ORION PHARMA Ltd.
- Organization type: Public
- Started: 1965
- Converted into Public Limited Company-24th June, 2010
- Founder: Obaidul Karim
- Specialties: Neurological disorders, oncology and respiratory diseases
- Authorized Capital Tk. 5,000 Million
- Paid-up Capital Tk. 2,340 Million
- Head Office: Orion House 153-154 Tejgaon Industrial Area Dhaka, Dhaka, 1208 Bangladesh
- Website: https://www.orionpharmabd.com/

Industry Scenario

Pharmaceutical industry in Bangladesh has grown tremendously since the beginning of its journey in late 80's of the last century. A few decades ago the country was dependent on imported medicines as well as drugs produced by multinational companies for meeting domestic demands. Now, Bangladesh pharma industry is capable of meeting 98% of the domestic demand that amounted to around USD 3 billion in 2019. The market share of the local manufacturers is currently around 9O% and 10% is controlled by foreign producers. Bangladesh is now the only least developed country among 47 nations that has a well-developed pharmaceutical sector that can produce medicines for cancer diseases and biological products such as insulin and vaccines.

After meeting the local demand key players of this industry have successfully managed to continue the upsurge of international exports. Market researchers have said That achieving global certification of the medicine and responding promptly to adopt new technologies used in worldwide from the domestic companies along with receiving cash incentives against medicine exporting. These are the driving reasons for a Sharp rises' in exports earnings. According to the Bureau of Export Promotion in Bangladesh; the sector's earning from 151 overseas market jumped 4.49% to USD 135.79 million in FY2020 from USD 129.95 million in FY2019.

A key upper hand of this researched industry is to deliver products that are best in quality which are produced using ultra-modern technology end to comply the international requirements. Another competitive advantage of Bangladesh in the global stage is its cheap labor (almost 4 Times Cheaper Than of India or China) Bangladesh has also been enjoying a vast amount of skilled manpower in this sector But the cherry en top is the TRIP[2] arrangement by WTO[3]. TRIP agreement enables our nation to produce end export patent free medical commodities. Generic version of any patented drug can be manufactured without the direct permission required from the indigenous innovator of the drug.

[2] The Agreement on Trade-Related Aspects of Intellectual Property Rights
[3] The World Trade Organization (WTO).

Pharmaceutical industry during Covid-19 pandemic

Due to the ongoing Covid 19 pandemic, the government enforced lock-down has disrupted production (factory closure), distribution and marketing for a couple of months However, the industry

Potential lockdown medicine is one of the most important necessities of human life. Patients with certain health condi1ions like high blood pressure (hypertension). High cholesterol, diabetes and some other life threatening diseases need to take medicines for the rest of the Life even though whatever the situation is. Beside this, the sales of certain medicines related to the treatment of corona virus has increased significantly.

On other hands, despite the fall of country's total export due to coronavirus in the FY 2019-20. Bangladesh's medicine exports recorded 4.49% growth. But the industry is new facing dire consequence of corona pandemic. One major setback caused due To ongoing lockdown over Coronavirus pandemic in worldwide is being halt the process of registration of local brands in global market. The process of drug registration is itself very difficult which sometimes might take more than 5 years to complete all the process in European countries.

Outlook of Bangladesh pharmaceutical industry in post-pandemic era

The ongoing battle between the US and China has opened up opportunities for growing international markets like Bangladesh to invest in building up. API production capacity and take a big chunk of market share of US which is currently dominated by India remaining a key exporter to the US for generic drugs In a survey conducted in April 2020 by the Confederation of Indian Industry and KPMG, it is reported that 90% of American's prescriptions are filled by generic drugs and one in every three pills are produced by Indian manufacturers. According to the US International Trade Commission, US has imported USD 127 billion pharmaceutical products in 2019 of which India and China accounted for USD 7.5 billion and USD 1.5 billion respectively. On the contrary, Bangladesh's export of pharmaceutical products to the US is merely USD 13 million for FY19. So, in order to succeed in the long run to penetrate the US market amidst ongoing trade war, Bangladesh needs to be self-sufficient and achieve cost-effectiveness in the manufacturing process of drugs as soon as possible the completion of the API Park would make Bangladesh a serious prospect for the US to consider. In addition, the API Park will also give the opportunity for US pharmaceuticals to import APIs from Bangladesh which opens up many possible revenue streams.

To establish an environmentally suitable Industrial Park to produce Active Pharmaceutical Ingredients. The project is being implemented on 200 acres of land. There will be 42 plots in which Pharmaceutical Ingredient Manufacturing Industrial units will be set up. About 25,000 people will get employment opportunities in the project.

Plant Layout

Total land area: 81 Hectares (200 acres)

Overall project cost $30 million

Plot handed over within 2018

Local companies have already lined up with some US $300 million for investment for setting up facilities

Export is growing fast, the current export earning is more than $200 million (crossing the mark of BDT 17 Billion)

Bangladesh Government has declared Pharmaceuticals as the “Thrust Sector”

Approximately 1200 pharmaceutical products received registration for export over the last two years and are being exported to more than 150 countries including USA, UK, Canada, Australia, Germany, EU etc.

Leading companies have increasing focus on highly regulated markets, including USA, UK, Canada, Australia, Germany, EU etc.

Sector has attracted huge attention from clients abroad

Leading companies have nearly all major GMP accreditation like USFDA, UK MHRA, EU GMP, Health Canada, TGA Australia, ANVISA Brazil, GCC etc.

Few companies are now exporting medicine to the highly regulated countries, includes USA, UK, Canada, Australia, Germany, Europe etc.

CHAPTER 5- THEORETICAL BACKGROUND

Ratio Analysis

- Ratio Analysis refers to the examination of financial statements using 'accounting ratios.' The process of finding and interpreting relationships between financial statement items is known as ratio analysis. Its objective is to provide a sound understanding of an enterprise's performance and financial position. As a result, it’s the easiest technique for analyzing financial statements.
- It is a numerical method for gaining insight of a company's liquidity, operational efficiency, and profitability by examining financial statements such as the balance sheet and income statement. Ratio analysis is a fundamental component of fundamental equity analysis.
- Ratio analysis compares line-item data from a company's financial statements to elicit information about profitability, liquidity, operational efficiency, and solvency
- Ratio analysis can show how a company has changed over time, as well as compare one company to another in the same industry or sector.
- While ratios provide useful insight into a company, they should be used in conjunction with other metrics to obtain a more complete picture of a company's financial health.

The relationship between Analysis of ratios and the surrounding audience-

Investors and analysts use ratio analysis to assess a company's financial health by scrutinizing past and current financial statements. Comparative info’s can show how an organization has performed over time and be used to forecast likely future probable performance. Data can be used to compare a company's financial position to industry averages, as well as to determine how an entity compares to others in the same industry.

Investors easily can use ratio analysis while determining the financial soundness of any entity. The figures to calculate these ratios are mostly available in the financial statements of the respective company.

Ratios can be used as a point of comparison. They value the soundness of any firms stocks from the same type of field. Similarly, historical trend analysis can be made by using these figures numbers. To understand the variables carrying ratios is also important because management has the power to change them and at times, alter its strategy to make its stock and company ratios lucrative. In general, ratios are used in conjunction with other ratios rather than alone. Knowing the ratios in all four previously described categories will provide you with a comprehensive perspective of the company from similar or variants of angles and assist you in spotting potential dangers or red flags.

Categories of ratio analysis -

Ratios can be broadly categorized as-

Liquidity ratio

It determines the organizations ability to meet short term debts. Higher ratio means that the organization has a higher margin of safety. Again it portrays good financial health of the entity and ensure that short term loans or liabilities are taken care of.

4 types of ratios are shown below-

Current ratio:

This is also known as the working capital ratio. It is called current as every current assets and liabilities is incorporated here. The formula is -

$$\boldsymbol{Current\ Ratio\ =\ Current\ assets\ /Current\ liabilities}$$

Acid test:

The quick ratio is called acid test ratio sometimes. First we deduct the inventories from the current asset of the entity. Then we divide it by the current liabilities of the entity. The formula is as follows:

$$\boldsymbol{Quick\ ratio\ =\ (Current\ asset -\ inventories)/Current\ liabilities}$$

The days' sales in accounts receivable:

Also known as collection period average. It keeps an organization in compliance with its credit policy. The 360 days are also indicated by the average number of days. As a result, the equation is as follows:

$$\boldsymbol{Average\ collection\ period\ =\ 360\ days'/Accounts\ receivable\ turnover}$$

DSI:

Day’s inventory outstanding is the ratio that measures how long inventory is kept on hand. Usually, the longer the inventory is kept, the bigger the chance that it will not be sold at full price. This ratio is critical when dealing with perishable or obsolescent goods, like fast fashion.

$$\boldsymbol{Days\ to\ sell\ inventory = Average\ Inventory\ /\ (Cost\ of\ Goods\ Sold/360)}$$

Profitability Ratio

These ratios portrays an entities financial efficiency as well as its performance. It evaluates the entities capability while managing the assets it owns and the expenses it incurs; so that it’s able to make a satisfying return for its equity holders. It's also measures if the entity is doing well than the previous years and comparisons between firms is made possible via the usage of these ratios. We're going to look at six key profitability ratios:

Gross Profit Margin ratio:

If a company's gross profit margin is bigger, it shows more efficiency while controlling the entities direct materials and labor usage. So, it is crucial for any pharmaceutical entities financial performance while review. It calculates gross profit. This gross profit is divided by using amount of sales made for the period. Formula is as follows;

$$\boldsymbol{Gross\ profit\ margin\ ratio = Gross\ profit/sales * 100}$$

Profit margin from operations:

After remaining sales, the Profit margin from operations ratio recognizes the proportion of product/service sales to be exchanged for all costs and expenses. It is preferable to have a large operational profit margin. The following formula is used to determine the operating profit margin:

$$\boldsymbol{Operating\ Profit\ Margin = Operating\ profits\ /\ Sales}$$

Before taxes are deducted Profit Margin:

Any organization’s earnings before taxes proportional to the total sales or profits is regarded as pretax margin of profit. Greater number in the company's pre-tax profit margin shows that it’s a more profitable one.

Net Profit Margin:

Net profit margin can be calculated very easily by following the formula given below. Net profit figure after taxes is divided by net sales in this process. Any medical or other sector company directly benefits from larger net profit margins. It’s calculated as:

$$\boldsymbol{Net\ Profit\ margin\ =\ Net\ profit\ after\ tax/sales * 100}$$

ROA:

Net revenue divided by average total asset is the basic formula by which the Return on Assets ratio may be calculated immediately. It determines a company's capability to utilize the assets it holds as well as the efficiency with which it generates profits. The following formula is used to compute the ROA is:

$$\boldsymbol{Return\ on\ Total\ Assets\ =\ Net\ profits\ after\ taxes\ /\ total\ assets * 100}$$

Return on Equity:

Divide net income less preferred dividend by average firm stockholder equity to get return on equity. It highlights how a firm might use an investment fund to produce earnings growth. The formula for calculating ROE is:

$$\boldsymbol{Return\ on\ common\ stock\ equity\ =\ Net\ income\ /\ Common\ stockholder's\ equity * 100}$$

Objectives

Ratio analysis is useful for a variety of users those are interested in f/s and it makes the figure of the statements more clear and systematic.

1. Simplifying the numerical information for the mass.
2. Helps to determine whether the entity is able to meet his short term obligations as well as the long term ones. Financial solvency secures an entities business functions for the foreseeable future.
3. Operating efficiency of any entity can be assessed.
4. It measures the business's profitability.
5. It helps when doing comparative analysis between firms or firms from the same sector.

Advantages of the Process

- It is critical in analyzing a company's financial performance.
- Tools for analyzing financial statements that are useful. - Accounting ratios can help one to understand a company's financial position. Bankers, investors, creditors, and others can all use ratios to analyze the statement of financial position.
- Accounting data is simplified- Accounting ratios make accounting data more understandable by simplifying summaries and systematizing it.
- Its main contribution is to communicate precisely the interrelationships that exist between various statement elements. These ratios are useful because they provide a concise summary of the results of a complex calculation.
- Ratios are useful for forecasting because they help with business planning and future projections. The ratio trend can be examined and used as a guide for the future.
- We can make a decision about what we should do in the near future. In addition, we can often calculate ratios for the number of years based on the trend of ratios.
- Helps in identifying weak areas- Accounting ratios can help in identifying weak areas of a business even if overall performance is good. The management can then focus on the flaws and take corrective action.

- Useful for inter-firm and intra-firm comparison- A firm's performance can be compared to that of other firms or to industry standards in general. The analogy is known as inter-firm comparison.

When we compare the performance of different units within the same firm, this is referred to as "intra-firm comparison." Accounting ratios aid in simplifying the comparison.

Limitations

Ratio analysis is regarded as a reliable tool for evaluating an enterprise's soundness and flaws. However, there are some limitations, which are as follows:

- Incorrect result
- Ignores grade factors
- Absence of a standard ratio
- They may not be comparable.
- Price changes are not taken into account
- Dressing the windows

Incorrect outcome

Because we calculate ratios from financial statements, the accuracy of the ratio and its analysis is dependent on the accuracy of the financial statements.
An analysis will provide a false picture of events if the financial statements are not true and fair.

Ignores Factors of quality
Ratio analysis is a numerical analysis that excludes qualitative factors. Such considerations may be relevant when making a decision.

The absence of a standard ratio

There is no single standard ratio to which we can compare the results.

If the different firms use different accounting policies and procedures, the ratios may not be comparable.

Price changes are not taken into account.

The comparability of the ratios is affected by changes in the price level. However, changes in price levels are not taken into account in the accounting variables used to compute the ratios. As a result, accounting ratios are less useful.

Dressing the windows

Window dressing can have an impact on ratios. Manipulation of accounts is a method of concealing vital facts and presenting the financial situation as better than it is.

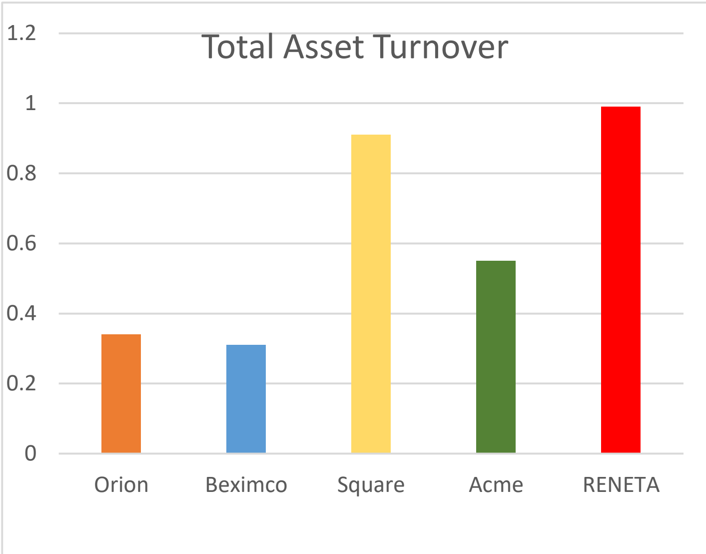
> As a result of this situation, the presence of a specific ratio may not be a reliable indicator of good or poor management.

CHAPTER 6- FINDINGS AND ANALYSIS

Ratio Analysis

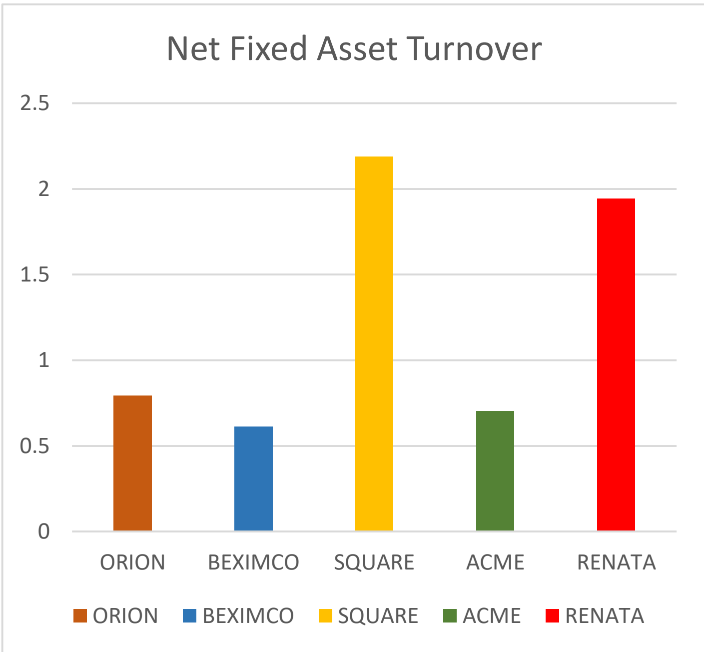
Total Asset Turnover Ratio

This ratio essentially shows the company's asset usage. The higher the ratio, the better the resource usage and handling technique. The graph below shows that, while Square Pharma's net asset is higher than Renata's, Renata is far more efficient in terms of asset use. Beximco is considerably ahead of Orion Pharma in terms of industry position. Beximco is in third place, while Orion is fighting for a spot in the top twenty. However, we can observe that Orion outperforms Beximco Pharma in terms of asset turnover ratio.

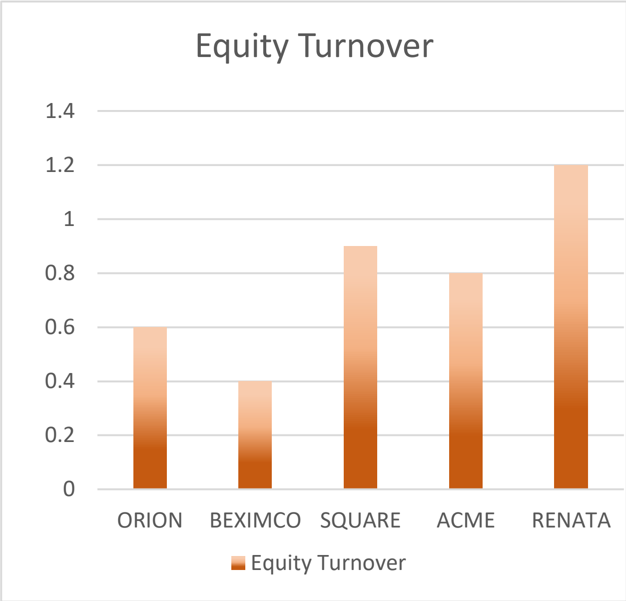


Net Fixed Asset Turnover Ratio

It truly refers to the use of fixed assets in order to convert sales. Due to the lack of a standard by which to assess this ratio, investors must rely on industry comparisons. The comparison is made primarily between businesses in the same industry. Square, like the rest of the business, is a leader in the use of net fixed assets. In terms of this ratio, Beximco was expected to be close, but Renata is in a strong position. Orion Pharma, the industry's last entrant (among the 05 pharma companies), is ranked third. Even Acme Pharma is outperforming Beximco in this area.

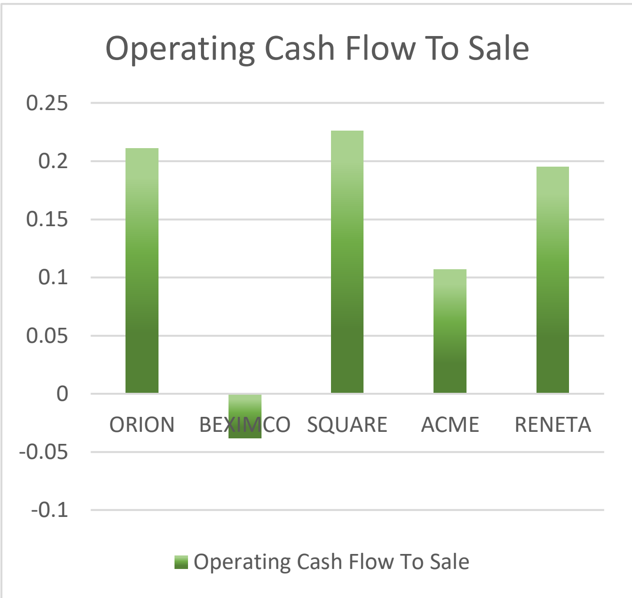


Equity Turnover Ratio



The capital utilization ratio is another name for the equity turnover ratio. In essence, it shows the effective use of an organization's capital and shareholders' equity. The investor in an organization or a variety of financial institutions is the one who calculates the capital turnover ratio. Different share trading houses and firms sometimes do this on behalf of investors. This ratio is useful in most businesses however in capital-intensive industries the indicator may be incorrect at times. Renata is ranked fourth in Bangladesh's pharmaceutical industry however they outperform the market leader Square Pharma in terms of capital use efficiency. Apart from that, Acme is ranked ninth, and its capital efficiency is nearly identical to that of the market leader, Square Pharma. Apart from that, Orion Pharma, which is ranked 20th in terms of market share and revenue, is outperforming Beximco Pharma, which is ranked third. Acme Pharma, which has been ranked 9th in the Pharma industry, appears to be doing well, exactly as market leader Square and No. 3 Beximco Pharma. That means they are effectively and efficiently employing their equity.

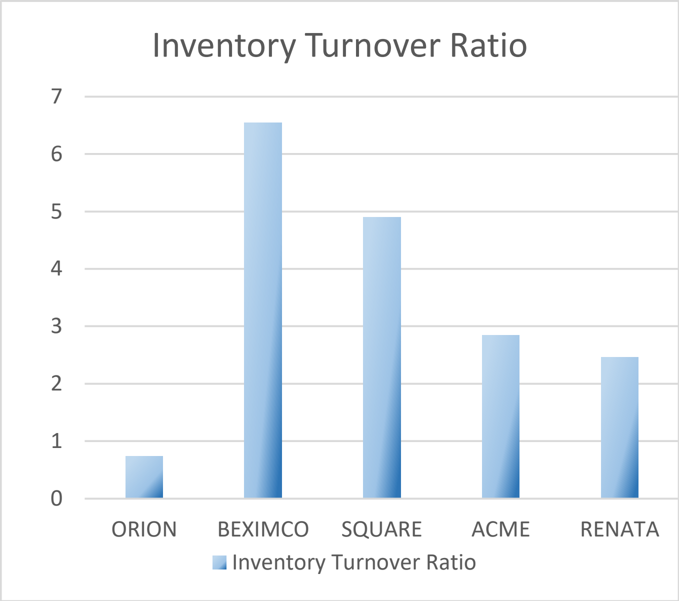
Operating Cash Flow to Sales



This ratio, like the volume of sales, measures an organizations capacity in order to maintain cash flow. If the ratio is the same as the sales, the firm is doing well. We can observe from this graph that Square Pharma & Orion Pharma is outperforming the other 05 companies. Beximco Pharma, on the other hand, is in the red. Beximco Pharma's negative position reveals a great deal. Perhaps Beximco is pursuing sales through long-term loan terms, or they have just invested in various overhead to enhance sales, spending significant costs. Apart from that, it may be claimed that they are seeking sales that generate only a modest amount of hard cash.

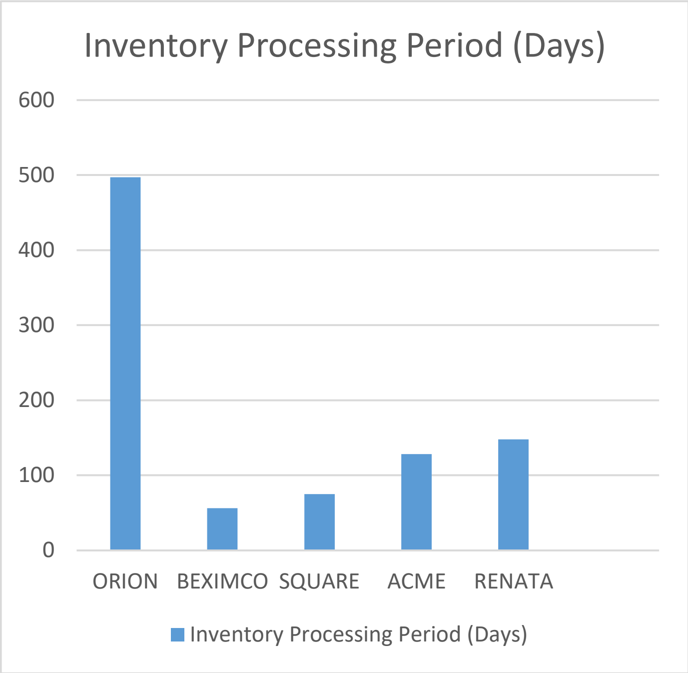
Inventory Turnover

This ratio is also a type of business efficiency measurement ratio. In compared to Cost of Goods Sold, it depicts how a firm manages its inventory. In other words, this is a way of describing how many times a company sells its products in a year. Beximco has suppressed market leader Square Pharma, while Orion Pharma is at the bottom of the list. Square, a competitor of Beximco Pharma, is also performing well in this area.



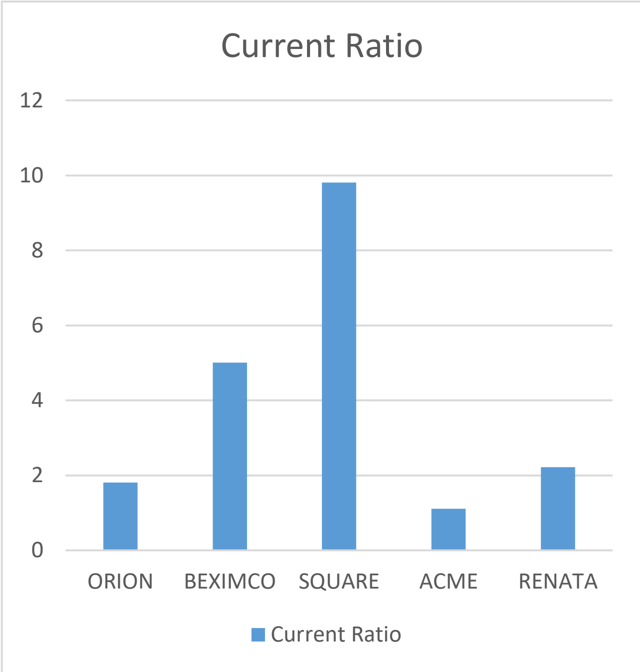
Inventory Processing Period (Days)

This is another operational efficiency indicating ratio with an easy distinguishing mark among the operational efficiency indicating ratios. The faster a company's inventory is processed, the more efficient its operations, production, and supply chain departments are. If we look at the chart, it is clear that Beximco Pharma is doing well in the inventory processing field, as evidenced by the Inventory Turnover Ratio. Among the selected 05 companies, they are doing it faster. In this situation, Orion's inventory processing system and operating efficiency are the worst.



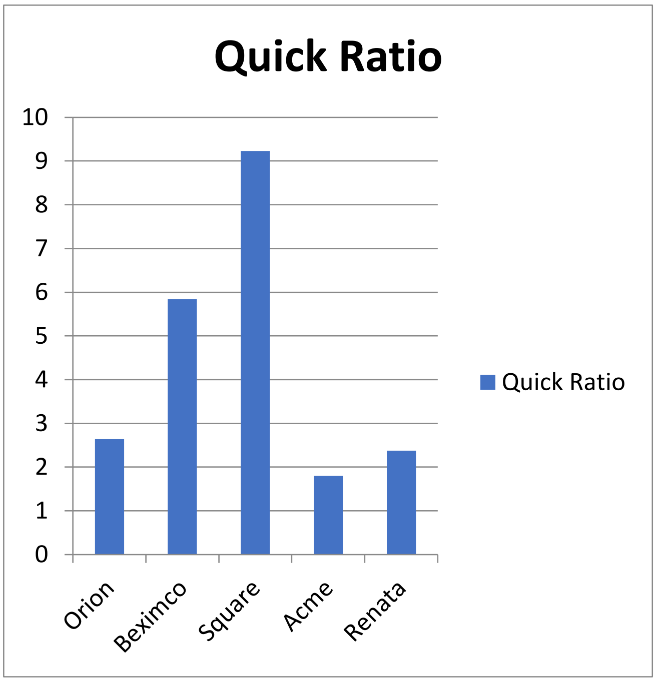
Current Ratio

Current ratio is the measurement of any company's financial strength. It has to do with dealing with short-term obligations or dues. It's a technique of informing stockholders, such as investors and financial experts that the company needs to increase its current asset on its balance sheet in order to meet its short-term payables and dues. Square Pharma takes the lead in this ratio by standing out from the competition, while Acme comes in last. The current ratio for FMCG is 2.14 on average. Square, Beximco, and Renata are qualified on this scale, whereas Acme and Orion fall short of the industry average.



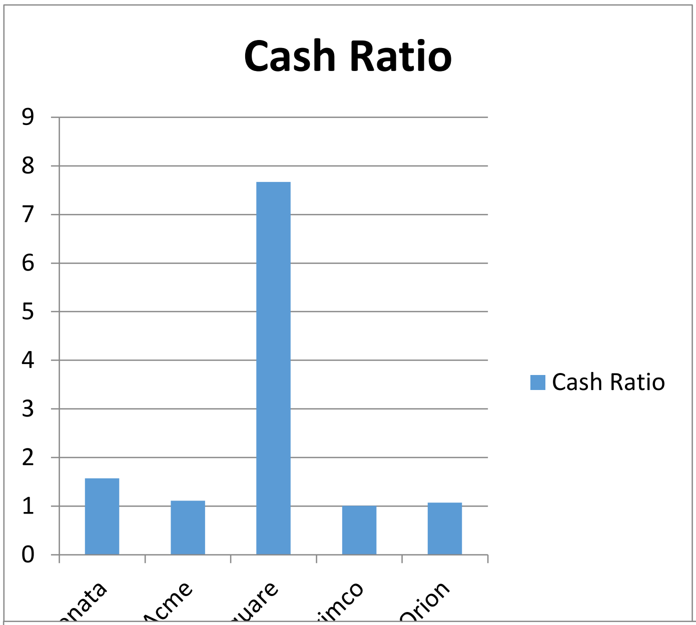
Quick Ratio

The quick ratio is more closely related to a company's liquid assets. This is also known as an ACID TEST. It is essentially identical to the current ratio, but most investors consider this ratio to be more accurate in assessing a company's financial position. This is because if there is a large amount of inventory in the Current ratio, it is difficult to liquidate it immediately. Pharmaceutical businesses have a ratio of 1:1 in the industry. Only Acme is in a poor financial position in terms of Quick Ratio among our chosen companies, whereas Square leads the market.



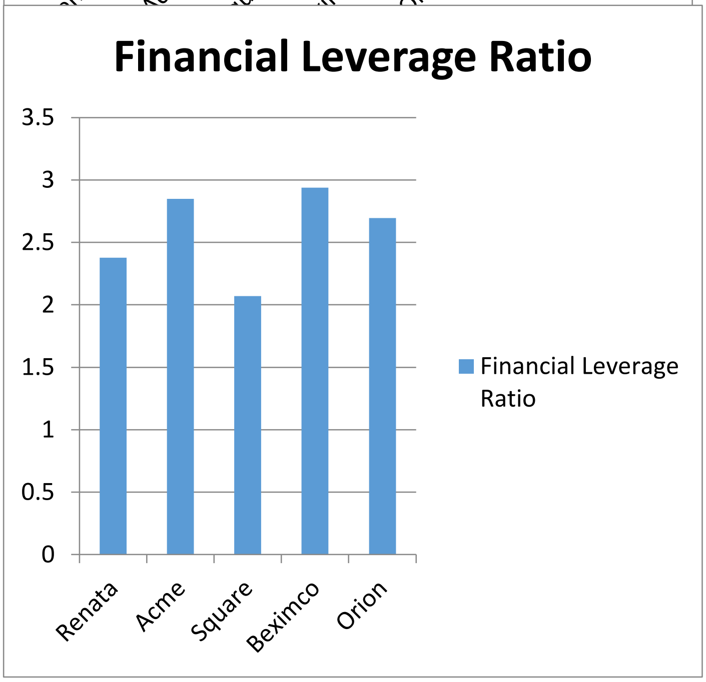
Cash Ratio

This indicator relates to a company's ability to pay off short-term financial obligations with hard cash or cash equivalents. The cash ratio criterion varies from business to business depending on the industry trend. However, the typical cash ratio in the FMCG industry is 1.5 to 3. That example, if an organization's cash ratio is greater than 1.5, we can only consider it to be healthy. Except for Square Pharma, all of the others are trying to maintain a good cash ratio. Renata, ACME, Beximco, and Orion all have a cash ratio of less than 1.5.



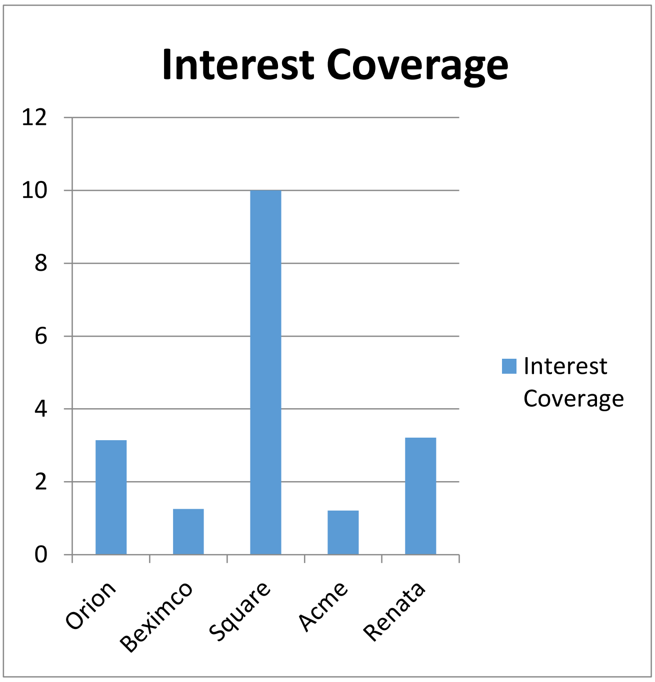
Financial Leverage Ratio

Total assets divided by shareholders' equity in the company is how financial leverage is calculated. A higher debt-to-equity ratio indicates that the financial structure of the company is more reliant on debt. The better the organization, the smaller is the ratio. Square has the lowest financial leverage ratio among the five, and Renata is close to Square in this scenario. However, a criterion for financial leverage is 0.5, and none of our companies, including market leader Square, come close to this.



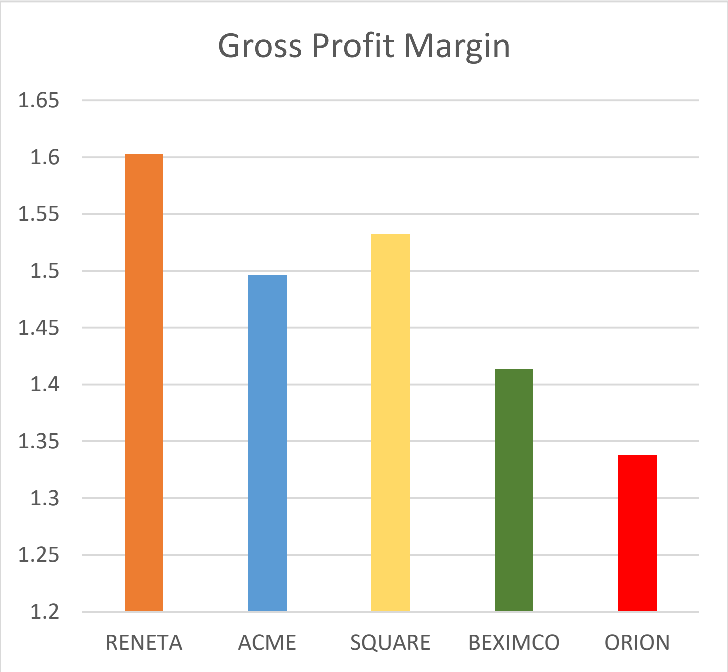
Interest Coverage

This is one of the debt ratios that a financial analyst or investor uses to assess a company's financial strength. For an organization to pursue good investment and attract international investors, it must have a good interest coverage ratio. A good interest coverage ratio, on the other hand, is the foundation for any company's future growth. The interest coverage ratio must be greater than 2, although finance experts or investors prefer it to be greater than 3. In this situation, we can observe that Beximco and Acme have relatively weak financial strength, whereas Square has a very strong interest coverage ratio.

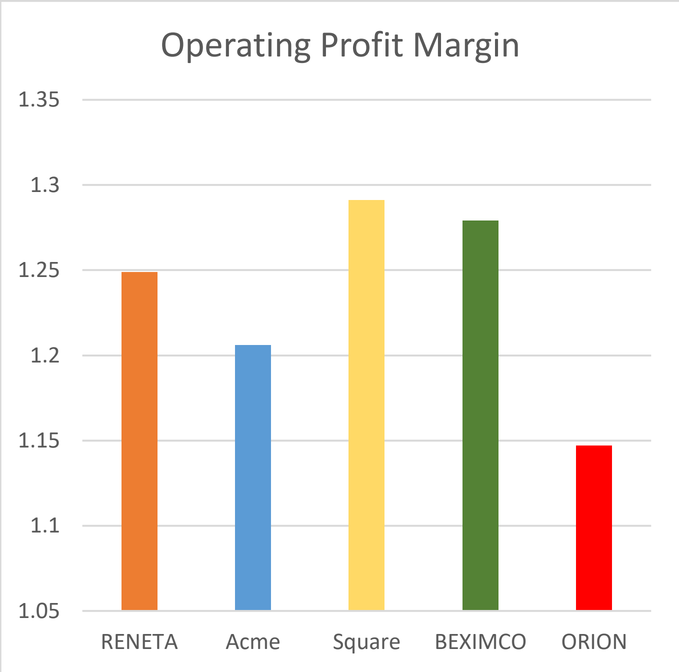


Gross Profit Margin:

This is a profit ratio from a group of profit ratios. In a nutshell, it compares the business's gross margin to its net sales. According to the study, any medical related product should show a margin of profitability of 57.45 percent. If a company earns less than it costs, it has a high operational expense in a variety of areas. We can see from the graph that only Renata comes close to earning the industry standard. The rest of the organization, on the other hand, is way off the mark. The market leaders aren't in charge here. Renata is leading, Square is second, Acme is third after defeating Beximco, and Orion is last. This ratio basically suggests that businesses are having a hard time maintaining a healthy gross profit margin. It is related with a variety of operational expense.



Operating Profit Margin



Profit from operations is also known as return on sales. In essence, this is a measure of market competition and an organization's ability to adapt to rapid change. Potential investors and owners can use this ratio to draw assumptions about the company's pattern. The main constraint of operating margin is that it cannot equal the business's cash flow, and it does not include interest, depreciation, or other expenses. The operational profit margin should be at least 29.77 percent, according to a study of 237 healthcare product companies in the United States. As far as we can tell, square is the only one who has achieved the desired outcome. Apart from Square Pharma, Beximco and Renata are quite close to the benchmark. Orion is at the bottom of the list.

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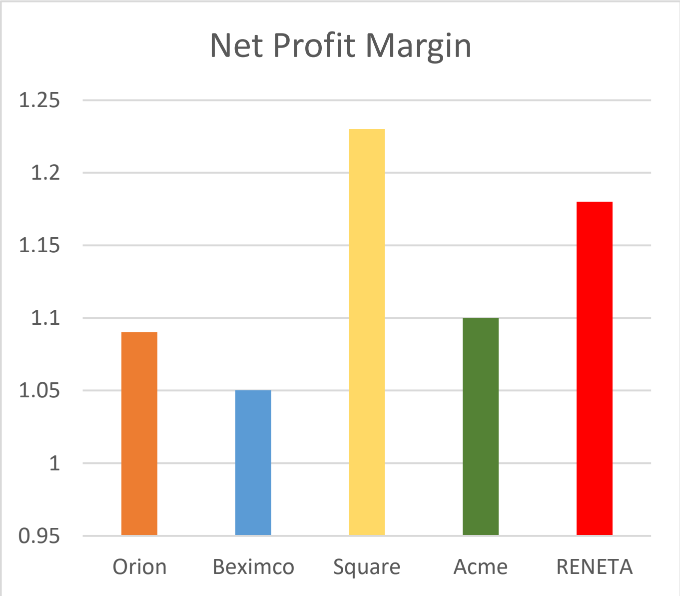
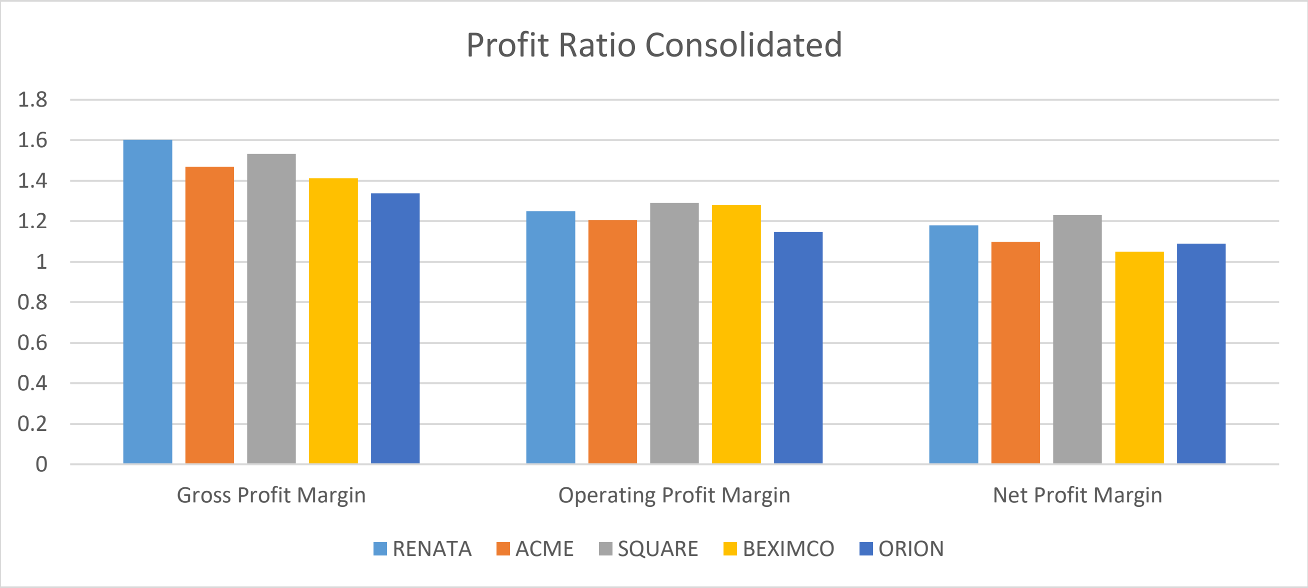
Net Profit Margin



This is an example of a profitability ratio. It's a summary of the profit generated by the business operations. The net profit margin varies by industry, but in most situations it remains constant. According to a survey of 237 market leader & FDA Approved USA medicine companies, organizations making 10.94 percent net profit are doing fairly well and in line with industry standards. If a company in this category earns less than the industry average, it is not running efficiently. In this scenario, we can see that Square Pharma and Renata are doing fairly well, but Acme is just missing out on 1%. On the other side, Beximco Pharma, which ranks third in total sales, has only 5% net profit, while Orion, which ranks twentieth, makes 9% profit.

Profit Ratio Consolidated

Here we will have a close look on the above mentioned 03 products profit ratio & their

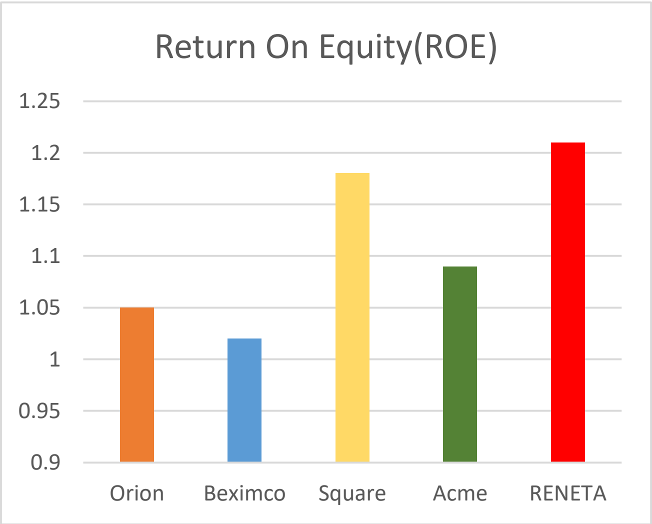


comparison.

We can see from the graph above that, while Renata's gross profit margin was larger than everyone else's, Square took the lead in terms of net profit margin. That means Square's operational efficiency is higher overall.

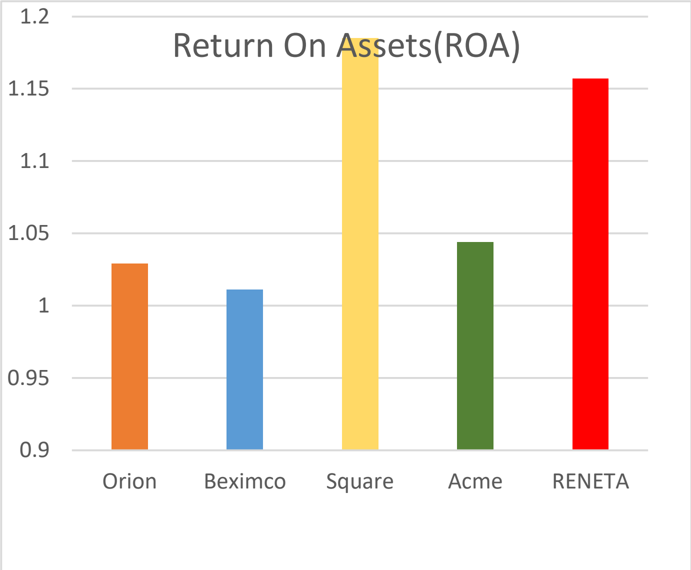
Return on Equity (ROE)

In terms of finance, ROE refers to a relationship between profitability of the organization and equity. It is also an indicator to show how successfully a company manages its investments in order to generate long-term earnings growth. As we all know, the industry benchmark for ROE is 15%–20%, yet we can see that Only Square & Renata is qualified according to the standard. Aside from that, Orion, ACME, and Beximco are far from industry leaders.



Return on Assets (ROA)

This ratio essentially compares an organization's return on assets to its net income. Given the nature of business and industry experts, financial analysts recommend that any organization with a profit ratio of more than 5% is a smart bet. In our situation, we can observe that, with the exception of Square and Renata Pharmaceuticals, everyone else isn't cutting the fruit properly.



Factors affecting the performance of company

The performance of Bangladesh's pharmaceutical sector is influenced by a number of factors. Growth in Bangladeshi people's per capita income, population growth, level of living, diseases altering profile, change of lifestyle, and many other factors are all influencing financial performance. Aside from that, several businesses have embraced new technologies and production practices. Bangladesh began exporting pharmaceutical finished goods, and numerous local firms established themselves on the global market. Though not noteworthy on any scale, pharma export growth has been steadily increasing. However, with this slow rate of development, Bangladesh will take a long time to establish itself as a recognized and significant pharmaceutical exporting country in the global market. Bangladesh is expected to be a big consumer of pharmaceutical products in the world due to its vast population, expanding health awareness, and growing purchasing power. Local pharmaceutical companies have mostly satisfied the high and growing demand by taking advantage of Bangladesh's Least Developed Country (LDC) status, which allows it to be exempt from patent protection, as well as by producing mostly patent-expired and low-cost generic medications.

CHAPTER 7- CONCLUSION & RECOMMENDATION

Recommendations

One of the country's key issues in the medical sector is its substantial reliance on imported material (raw). It is a big disadvantage for global competitiveness. We need to think more strategically about how to create enough raw resources so that we aren't reliant on other countries. About 99% of pharmaceutical basic materials are imported by Bangladesh. Mostly from China and India, according to industry sources. People in the industry and also us believe that after API Park is completed, our nation will significantly reduce the cost of manufacturing drugs for local market as well as gain a huge advantage while exporting in outside market. Our pharma industry may save minimum of 70% on crude material imports by producing API at the specialized park being built for it. And it is currently in progress, which will substantially cut production costs and enable Bangladesh attain price competitiveness in the global market. Mr. Mizanur Rahman Sinha, who is the MD of ACME Lab said that Bangladesh will gain hugely from the global market of $238 billion if it exports API. He again adds that the government should focus on completing the so desired park as soon as possible. It will allow the pharma businesses to making their products there conveniently. Because these factories offer high-quality products. Chemical ingredients exporters being candid about this opportunity and they are also encouraging the officials to recruit commercial advisers. As by finding new countries to expand the business will eventually boost the export revenues. People working in this industry are also vouching to the government to take proper steps to make it easier and convenient to invest outside the country.

Conclusion

According to Dhaka Tribune; Bangladesh's economy is increasing at over 8% per year, with a $1909 per capita income gain and a 73-year life expectancy. The average expected life span of humans has raised dramatically, from 66.4 years in 2002 to 72.81 years in 2017. Finally, we can state that both large and small businesses must enhance their operations. To explore potential export opportunities, Big Shot will seek FDA approval and UK MHRA certification. The small business, on the other hand, should concentrate on niche marketing. Small businesses can quickly adjust to new changes, whereas large corporations find it difficult. Generic medicine is in tremendous demand all across the world, and our government is responding. Provide an incentive for exporting. Patent waivers for medicines will be available until 2033 for the least developed countries. Bangladesh can take advantage of this facility because it is classified as a low developing nation. We don’t need to pay patent charges for producing durgs until now. As a result, we are able to lower our drug production costs. Again, our drugs are regarded Halal in Islamic Countries as it Alcohol free which is a big opportunity to export these into those nations. If we keep up this progress, then in the near future we will be one of the formidable economies in the world.

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