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Performance Analysis and Financial Soundness of the Selected Information Technology Companies in Bangladesh

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Abstract: The rapid advancement of Bangladesh's information technology (IT) sector offers significant opportunities for economic growth and development. With the government's ambitious objective of increasing IT export revenue to \$5 billion by 2025, a comprehensive understanding of the financial health of IT companies is increasingly critical. This study seeks to evaluate the financial performance and stability of selected IT companies listed on the Dhaka Stock Exchange Ltd., providing insights to assist stakeholders in making informed decisions and enhancing the sector's stability. To this end, the research employs key financial ratios—profitability, liquidity, and solvency—to assess company performance. The study concentrates on five selected IT companies, conducting an in-depth analysis of their financial statements to identify trends, strengths, and areas necessitating improvement. By integrating traditional financial ratio analysis with Altman's Z-score, this research offers a comprehensive perspective on the financial stability of IT firms in Bangladesh. The findings will illuminate challenges and opportunities, providing insights into the sector's competitiveness and longterm growth potential. More importantly, the study will offer actionable recommendations for investors, policymakers, and industry leaders, equipping them with the knowledge to foster financial resilience and drive sustainable growth. This research contributes to the existing body of knowledge by specifically addressing the IT sector, a domain of increasing strategic importance in Bangladesh. As the industry continues to expand, a clear understanding of financial performance will be instrumental in shaping policies, attracting investments, and ensuring that Bangladesh's IT sector remains competitive on the global stage.

Keywords: Financial Performance, IT Companies, Dhaka Stock Exchange, Profitability Ratios, Altman's Z-Score Model, and Bangladesh IT Sector

1. Introduction

The information technology (IT) sector in Bangladesh has emerged as a pivotal driver of economic growth, facilitated by government initiatives, a surge in youth-led innovation, and expanding industry activities. The "Digital Bangladesh" vision has significantly transformed the nation's technological landscape, integrating digital solutions into everyday life (Shahriar, 2024). The government has implemented a strategic roadmap to enhance the IT sector exports, with a target to increase from 1.3 billion to 5 billion by 2025 (The Financial Express, 2021).

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To attract domestic and foreign investments, policymakers have introduced fiscal incentives, including tax holidays, reduced export duties, and a 10% cash rebate for IT and IT-enabled services (ITES) exports (Bangladesh Association of Software & Information Services (BASIS), 2019; Ministry of Commerce, 2022). Additionally, numerous IT firms have achieved international quality certifications, such as Capability Maturity Model Integration (CMMI) Level 5 and ISO 9001, thereby enhancing their global competitiveness. Performance evaluation in the IT sector necessitates an in-depth analysis of financial health and competitive positioning. Mizanur Rahman (2016) emphasizes that financial performance analysis involves examining strategic relationships between balance sheet items and profit and loss accounts to assess a firm's strengths and vulnerabilities. A critical aspect of sectoral growth is understanding market competition intensity and evaluating the financial stability of IT firms. Financial statements serve as essential repositories of data regarding a company's operations and profitability, with financial ratios widely recognized as effective tools for assessing corporate performance and fiscal sustainability (Bulgurcu, 2012). In today's highly dynamic and competitive economic environment, IT firms must adopt comprehensive performance assessment frameworks to maintain their market position and drive sustainable growth. By leveraging financial insights and strategic evaluations, companies can ensure long-term success and contribute meaningfully to Bangladesh's rapidly expanding IT sector.

2. Objectives of the Study

This study aims to evaluate the financial soundness of Information Technology (IT) companies listed on the Dhaka Stock Exchange (DSE) using financial ratio analysis and Altman's Z-score model (1968). Specifically, the research will:

- a. Assess the profitability and liquidity positions of selected IT firms and their impact on solvency.
- b. Analyze the overall financial performance of these companies.
- c. Provide data-driven recommendations to enhance financial stability and support informed decision-making by stakeholders.

3. Literature Review

The financial performance and stability of Information Technology (IT) companies are crucial for fostering economic growth, particularly in emerging markets such as Bangladesh. As the IT sector continues to expand, evaluating financial soundness becomes essential for investors, regulators, and policymakers to ensure sustainable development. This study is anchored in financial ratio analysis and Altman's (1968) Z-score model, two well-established frameworks for assessing corporate financial health. Financial ratio analysis is widely utilized as a diagnostic tool to measure profitability, liquidity, and solvency (Usha, 2010; Setiandi & Rokhaminawanti, 2024). Profitability ratios (e.g., ROA, ROE, NPM) indicate a firm's capacity to generate returns, while liquidity ratios (e.g., current ratio, quick ratio) evaluate short-term financial resilience. Solvency ratios (e.g., debt-to-equity) reflect long-term stability, which is particularly pertinent for creditors and investors (Xia & Zhu, 2019). In Bangladesh, where IT firms are increasingly contributing to GDP, these metrics can illuminate sector-specific challenges, such as working capital inefficiencies or underutilization of assets (Hamid et al., 2016). Altman's (1968) Z-score model further enhances this analysis by predicting bankruptcy risk through a weighted combination of financial ratios. Originally developed for manufacturing firms, the model has been adapted across various sectors, including finance (Siska, 2023) and media (Arini et al., 2020). Its application in Bangladesh's IT sector-a highgrowth yet volatile environment-industry-can identify early warning signs of financial distress, such as declining retained earnings or unsustainable debt levels.

The impetus for this study stems from the rapidly transforming IT landscape in Bangladesh, where companies encounter distinct challenges, such as restricted access to capital, regulatory limitations, and global competition. Although previous research has explored financial performance in developed markets (Burgstahler et al., 2006) or traditional industries (Islam & Mili, 2012), there is a paucity of studies focusing on Bangladesh's IT sector. By examining listed IT firms on the Dhaka Stock Exchange (DSE), this study aims to assess a company's current status in relation to its goals through a comprehensive evaluation of its financial performance. According to Devika et al. (2024, as cited in Nawawi, 2024), organizational performance is defined as the capacity to recognize the value of investments in business operations that contribute to achieving strategic objectives. This assessment is a critical tool for effective business management. Historically, financial performance evaluations were primarily conducted by banking institutions to determine loan eligibility. However, in the contemporary business environment, these assessments are increasingly driven by company owners and other stakeholders (Chandrapala & Knápková, 2013). Stakeholder involvement facilitates a more comprehensive analysis of performance from multiple perspectives, leading to an evolution in the methods and metrics used to measure financial success. Recent trends indicate a shift in focus from traditional indicators such as sales and profit toward more sophisticated measures, including return on capital employed and value creation for shareholders. To track performance trends, companies transparently disclose financial statements, enabling the analysis of quarterly and annual sales fluctuations. Financial statement analysis remains a fundamental tool for interpreting these disclosures and deriving actionable insights.

Financial statement analysis is crucial for evaluating the financial characteristics, strengths, and weaknesses of an industry by examining past, present, and future performance, as well as associated risks (Islam & Mili, 2012). Beyond mere preparation, corporations must critically analyze their financial statements to comprehend their financial health and valuation (Hasanaj & Kuqi, 2019). Financial ratio analysis serves as a key methodology in this evaluation, offering insights into performance through quantifiable metrics. Scholars such as Setiandi & Rokhaminawanti (2024), Xia & Zhu (2019), and Wu et al. (2009) emphasize that profitability ratios—including gross profit margin (GPM), net profit margin (NPM), return on assets (ROA), and return on equity (ROE)-alongside liquidity ratios (current ratio (CR), accounts receivable turnover (ATR), inventory turnover (IT)) and solvency ratios (debt-to-asset ratio (DTAR), debt-to-equity ratio (DTER)), are widely regarded as the most effective tools for global financial performance assessment. Long-term creditors prioritize a firm's profitability and solvency, while investors focus on returns, earnings potential, and risk exposure in both current and future contexts. Financial ratios remain one of the most efficient instruments for evaluating corporate financial performance (Setiandi & Rokhaminawanti, 2024; Lin et al., 2005). These ratios facilitate comprehensive assessments of liquidity, profitability, solvency, capital structure, and asset utilization efficiency. For instance, Andriyani (2024) applied financial ratio analysis to examine the financial position and performance.

Financial ratio analysis is widely employed to assess corporate financial health across various industries and regions. Usha (2010) utilized selected financial ratios to evaluate the financial stability of Indian software companies, demonstrating the practical application of ratio analysis in sector-specific performance evaluation. The predictive capability of financial ratios was notably illustrated by Altman (1968) through his bankruptcy prediction model, which achieved a 93% accuracy rate in forecasting corporate insolvency. This model has since been adapted to various contexts, including Hamid et al.'s (2016) assessment of non-banking financial institutions in Bangladesh and Arini et al.'s (2020) evaluation of media and advertising firms. These studies identified critical financial vulnerabilities, particularly in working capital

retention, earnings ratios, and capital structure indicators. Building on these methodological foundations, this study employs financial ratio analysis to evaluate the performance of five selected IT companies. The analytical framework draws parallels with recent applications in banking sector analysis, such as Siska's (2023) examination of Bank Jago's turnaround in Indonesia using the CAMEL framework. This case underscores how strategic innovations in credit expansion and partnerships can enhance profitability, while also revealing persistent challenges in liquidity and management efficiency. The comprehensive evaluation of financial performance necessitates consideration of institutional factors that impact reporting quality. Burgstahler et al. (2006) illustrated the influence of capital market pressures and diverse legal frameworks across thirteen European countries on earnings management practices. Their research indicates that while such practices are notably prevalent in private firms and jurisdictions with weaker regulatory oversight, they are also present across the corporate spectrum, including in regulated public markets. This highlights the necessity for rigorous financial analysis that incorporates both quantitative metrics and qualitative governance factors in the assessment of genuine corporate performance. The existing literature indicates that financial ratio analysis constitutes a robust framework for assessing corporate financial health across various industries and geographical regions. From Altman's (1968) seminal bankruptcy prediction model to its modern applications in the banking (Siska, 2023) and IT sectors (Usha, 2010), financial ratios offer critical insights into liquidity, profitability, solvency, and operational efficiency. However, as Burgstahler et al. (2006) highlight, financial analysis must consider institutional contexts, including regulatory oversight and earnings management practices, to ensure accurate performance assessment. This review underscores the enduring relevance of ratio analysis while emphasizing the necessity for complementary qualitative evaluation, particularly in dynamic sectors like IT, where innovation and strategic partnerships significantly influence financial outcomes. The subsequent analysis builds on this foundation by applying financial ratio evaluation to five IT companies, incorporating both traditional metrics and contemporary strategic considerations, thereby demonstrating its practical relevance in sector-specific evaluations.

4. Methodology

The methodology for evaluating the financial performance of information technology companies incorporates a thorough approach that includes ratio analysis, Z-score analysis, and company ranking. This multi-faced approach facilitates a comprehensive assessment of financial performance and is widely used in previous studies. In this scholarly exposition, we delve into the economic efficacy of a cohort of publicly traded entities on the Dhaka Stock Exchange Limited. The temporal scope of our investigation encompasses a septennial period, stretching from the fiscal year 2015-2016 through to 2021-2022. The focal point of this inquiry rests upon the financial records of a select assemblage of Information Technology companies. The nature of this study is entrenched in analytical research methodologies, necessitating the critical examination of ancillary materials, encompassing academic treatizes, scholarly articles, digital repository assets, and web-based sources. The data was collected from academic treatizes, scholarly journals, digital repositories, and online sources, including annual reports, corporate websites, and the DSE website, to assure reliability and accuracy, in accordance with other research like Hossain et al. (2022) and Neogy (2013).

Furthermore, an in-depth analysis of annual summaries from the chosen corporations provided additional insights. These gathered datasets underwent meticulous arrangement, scrutiny, and elucidation, utilizing an array of fiscal ratios and statistical instruments, including the arithmetic mean, coefficient of variability, and the Z-score paradigm similar to methodologies

used in other studies like Majumder & Rahman (2011) and Islam & Mili (2012). The collected datasets were systematically organized, analyzed, and interpreted using various financial ratios and statistical tools, including the arithmetic mean, coefficient of variation, and Z-score methodology, akin to approaches employed in studies such as Majumder & Rahman (2011) and Islam & Mili (2012). The results of this analysis were carefully interpreted and synthesized to provide valuable insights into the financial health and performance of the companies under examination.

5. Results and Discussion

The scrutinized datasets have been meticulously examined, and the ensuing insights are delineated below:

5.1 Liquidity Ratio

The adeptness of an enterprise in swiftly and effortlessly converting its holdings into pecuniary resources to settle immediate debts or effectuate acquisitions is encapsulated in the notion of liquidity. This is accomplished by juxtaposing a firm's most convertible assets against its imminent liabilities. Predominantly, it is auspicious when convertible assets surmount short-term debts. It signifies that an enterprise is equipped to sustain its perennial operations and expeditiously extinguish its financial obligations. Conversely, an entity exhibiting a diminished coverage ratio should trigger an alert for investors as it portends potential challenges in fulfilling its operational and near-term fiscal responsibilities. Metrics such as CR, ATR, IT, and CAFA are employed to appraise the liquidity stance of the scrutinized entities.

5.1.1. Current Ratio (CR)

In the realm of fiscal analytics, the Current Ratio (CR) emerges as a pivotal index, quantifying the proportion of an entity's immediate assets vis-à-vis its immediate liabilities. This metric serves as a bellwether for assessing a corporation's solvency, with the archetypal benchmark being a 2:1 ratio. A CR falling beneath this threshold might signal a company's struggle to fulfil its near-term financial commitments. Conversely, an excessively elevated CR could indicate a disproportionate allocation of resources in immediate assets.

The empirical data, as delineated in Table 1, reveals that the average CR within the industry stood at 2.75:1. This suggests a general capability within the sector to address short-term fiscal obligations using short-term assets. However, a granular analysis reveals disparities. AGNISYSL's CR, at an impressive 4.60:1, significantly outstrips the industry norm, whereas DAFODILCOM's figure of 1.60:1 falls short. Other notable entities like AAMRATECH and ITC recorded CRs of 2.33:1 and 2.31:1, respectively, both marginally below the sector's average. Conversely, BDCOM and AGNISYSL, with CRs of 2.90:1 and 4.60:1, respectively, surpass not only the standard metric but also the industry's average.

This analysis underscores that the majority of the selected IT firms possess ample liquidity for discharging their short-term liabilities. Table 01 further corroborates this, illustrating relative stability in the CR of these companies, with variance coefficients ranging from 7.95% in BDCOM to 37.64% in DAFODILCOM.

5.1.2. Acid-Test Ratio (ATR)

In an exploration of fiscal solvency metrics, the acid-test ratio emerges as a pivotal gauge, transcending the traditional current ratio through its stringent focus on the most convertible assets against impending financial commitments. Eschewing the inclusion of inventories and

sundry current assets, which bear the encumbrance of less fluid conversion into cash, this ratio embodies a more judicious approach than its counterpart. It is derived by juxtaposing the aggregate of liquid funds, ephemeral investments, and net receivables against the spectrum of current liabilities. The conventional benchmark for this metric hovers around a 1:1 ratio.

Empirical scrutiny of Table 02 divulges that the industry's mean acid-test ratio stood at 2.31:1. This datum is eclipsed by AGNISYSL and BDCOM, with their respective ratios of 4.44:1 and 2.81:1, soaring above the industry norm. Conversely, ITC, AAMRATECH, and DAFODILCOM presented ratios of 1.78:1, 1.42:1, and 1.09:1, respectively, marginally surpassing the standard yet trailing behind the industry average. Table 02 further sheds light on the stability of these IT corporations' acid-test ratios, with coefficients of variation (CV) recorded as follows: AAMRATECH at 13.30%, AGNISYSL at 10.18%, BDCOM at 7.79%, DAFODILCOM at a staggering 39.73%, and ITC at 33.73%.

This analysis thus reveals a nuanced landscape of financial liquidity within information technology enterprises, underscored by the acid-test ratio as a discerning measure of immediate fiscal health.

5.1.3 Inventory Turnover (IT)

In the realm of financial analytics, the concept of inventory turnover emerges as a pivotal metric, epitomizing the quintessence of sales velocity within a given epoch. This parameter serves as a barometer for the liquidity of stockpiles, derived through a meticulous division of the cost of goods sold by the mean inventory. Such calculation takes into cognizance the initial and terminal inventory balances, thereby mitigating the distortions wrought by seasonal vicissitudes.

Table 03 in the discourse elucidates the inventory turnover ratios pertinent to the scrutinized enterprises during the analysis period. The normative benchmark for this metric in the industry stood at 6.99 iterations. However, a kaleidoscope of variance is observable, with figures oscillating from a mere 1.65 iterations in AAMRATECH to a formidable 15.31 iterations in BDCOM. Notably, the turnover rates of BDCOM (15.31) and AGNISYSL (12.14) transcend the industry's average, casting light on the disparate reliability of inventory turnover within these select information technology corporations (Coefficient of Variation: AAMRATECH 28.32%, AGNISYSL 43.68%, BDCOM 19.08%, DAFODILCOM 17.04%, ITC 30.43%).

In summary, this analysis unveils the diverse landscape of inventory turnover rates across various IT entities, underscoring the heterogeneity and dynamic nature of this crucial financial indicator.

5.1.4 Current Assets to Fixed Assets (CAFA)

In scrutinizing the juxtaposition of liquid assets versus enduring investments, one must delve into the nuances that distinguish various commercial sectors. This disparity manifests in the fluidity of assets relative to their more steadfast counterparts. No universal metric exists, as industry-specific variables greatly influence this ratio. A diminished proportion could suggest heightened automation or a lull in market dynamics. Illustratively, in Table 04, the median ratio across industries for current assets against fixed assets stood at 1.93:1. This tabulation revealed a spectrum ranging from a modest 0.41:1 in the case of DAFODILCOM to a more robust 5.37:1 for AAMRATECH, surpassing the industry's average marker. Analyzing the coefficient of variation elucidates that the disparity in Current Asset to Fixed Asset (CAFA) ratios across different entities is minimal.

5.2 Profitability Ratio

A quintessential barometer of corporate triumph hinges on its fiscal gainfulness. This monetary accumulation escalates in tandem with the enterprise's profit-making prowess. A corporation's ability to generate substantial substantial returns on its capital outlays defines its profit-making efficiency. Profitability ratios are pivotal in quantifying an enterprise's financial performance or its operational prowess over chronological intervals. These metrics serve as a benchmark for analysts to gauge the efficacy of a company's stewardship. The compendium of Tables (05 through 12) in the analysis presented a panoramic view of various fiscal indices, delineating the profit-generating capacity of the selected information technology entities during the examined timespan.

5.2.1 Gross Profit Margin (GPM)

The lucrativeness quotient, a pivotal indicator of pricing acumen and fabrication methodologies, illuminates the efficacy of such strategies. Discourses by erudite individuals posit that, historically, an industrial entity's profit margin historically oscillates within the 20-30% spectrum. Scrutinizing Table 05, one discerns that BDCOM has eclipsed its contemporaries, boasting the apogee of average gross profit ratios. This metric fluctuates markedly, ranging from a zenith of 55.13% in BDCOM to a nadir of 16.19% in AAMRATECH. The inquiry further unveils that, save for a duo of exceptions, the majority of firms surpassed the industry's mean gross profit standard of 35.42%.

An examination of the coefficient of variation in gross profit ratios divulges minimal fluctuations over the temporal scope. Contrasting the inferior ratio, which hints at suboptimal purchasing strategies, deficient markup policies, and managerial lapses in amplifying sales volume, the superior ratio heralds astute purchasing acumen and markup strategies. Such a metric also signifies that select enterprises (namely BDCOM, AGNISYSL, ITC) are strategically positioned to weather economic stagnations, escalating production costs, dwindling product demand, or broader economic turmoil.

5.2.2 Net Profit Margin (NPM)

The quantification of a firm's fiscal efficacy is an invaluable metric for stakeholders strategizing their engagements. As elucidated in Table 06, a spectrum of NPM is observable, with DAFODILCOM at the zenith, boasting an NPM of 15.52%, juxtaposed with AAMRATECH at the nadir, recording a modest 6.06%. This disparity becomes more pronounced when measured against the industry's median NPM of 12.92%; all entities, barring AAMRATECH, surpassed this benchmark. An inferior NPM signifies a corporation's diminished capacity to yield satisfactory returns on shareholder equity and hints at potential operational inefficiencies. Delving into the coefficient of variation for these profit ratios unveils a minimal fluctuation over time (CV: AAMRATECH 21.80%, AGNISYSL 35.94%, BDCOM 15.98%, DAFODILCOM 35.00%, ITC 39.69%), suggesting a relative constancy in financial performance despite the vicissitudes of market conditions.

5.2.3 Asset Turnover (AT)

In scrutinizing the efficacy of an enterprise in producing revenue via its assets, the concept of asset turnover emerges as pivotal. This metric is ascertained through a division of net sales by the mean value of assets. The resultant quotient elucidates the Taka in sales wrought for every Taka allocated in assets. Research espouses that a quintessential asset turnover hovers around twice the invested amount. A perusal of Table 7 unveils that the industry's median asset turnover stood at 0.50 times. Disparities are evident within individual entities; AAMRATECH

exhibited an asset turnover of 0.63 times, juxtaposed with AGNISYSL's more modest 0.32 times. A triad of firms, namely AAMRATECH (0.63), BDCOM (0.61), and DAFODILCOM (0.51), surpassed the industry norm. In contrast, entities like ITC (0.42) and AGNISYSL (0.32) trailed behind this average. A discerning observation of Table 07 indicates stability in the asset turnover amongst the chosen IT conglomerates.

5.2.4 Return on Total Assets (ROA)

In the realm of commercial acumen, the efficacy with which assets are harnessed in a corporate milieu is gauged by ROA. A segment of the scholarly community postulates that a metric falling within the ambit of 10% to 12% for ROA stands as a commendable benchmark, indicative of a business's operational efficiency. This percentage serves as a touchstone for assessing the performance of select enterprises. As delineated in Table 08, a disparity in ROA figures emerges, with AAMRATECH at a modest 3.61% juxtaposed against DAFODILCOM's more robust 7.91%. The aggregate mean for ROA, pegged at 5.90%, trails behind the established ideal, signifying a performance that fails to meet the expected standard of financial health. This data, culled from an array of IT firms, underscores a collective underperformance, with their average ROA not rising to the level of industry norms. Furthermore, Table 08 reveals a pronounced heterogeneity in the ROA of the selected IT corporations, with coefficients of variation (CV) stretching from AAMRATECH's 16.09% to DAFODILCOM's 48.78% through a spectrum that includes AGNISYSL at 28.72%, BDCOM at 22.82%, and ITC at 34.70%.

5.2.5 Return on Common Stockholders' Equity (ROE)

In fiscal analytics, the metric known as "Return on Common Stockholders' Equity" emerges as a quintessential gauge of corporate profitability. This criterion offers a glimpse into the financial efficacy from the vantage point of ordinary investors, quantifying the amount of net revenue generated per unit of capital introduced by shareholders. Amidst the myriad metrics for assessing the financial returns on shareholder investments, this ratio stands paramount. Its calculation involves a straightforward division: the company's net income is divided by the average equity attributable to common stockholders.

Within the specific context of a given enterprise, a yield on capital input ranging from 11% to 12% might be considered equitable. The study presented a comparative analysis of return on capital employed ratios for selected enterprises within the information technology sector, as delineated in Table 09. This data revealed an average industry-wide return on capital employed of 7.94%, a figure trailing below the anticipated norm.

The study further elucidated variations in average ROE, with AGNISYSL at 5.69% and DAFODILCOM at a higher 9.91%. When juxtaposed against the industry's average ROE, the figures for DAFODILCOM (9.91%), BDCOM (9.55%), and ITC (8.02%) emerged as notably superior. An analysis of Table 09 reveals a fluctuating pattern in the ROE across the selected information technology corporations, underscoring a lack of stability in this measure.

5.2.6 Earnings Per Share (EPS)

EPS delineates the quantum of profit apportioned to each outstanding unit of common stock, offering a kaleidoscopic lens to scrutinize corporate profitability. Delving into the fiscal anatomy per share, we discern an industry benchmark EPS of Tk. 1.30, as elucidated in Table 10. This metric oscillates from Tk. 0.85 in AGNISYSL, ascending to a zenith of Tk. 1.52 in AAMRATECH, thus encapsulating a spectrum of financial performance. This tableau, barring AGNISYSL, illustrates many entities transcending the industry paragon in EPS, with figures such as Tk. 1.52 for AAMRATECH, Tk. 0.85 for AGNISYSL, Tk. 1.45 for BDCOM, Tk. 1.38

for DAFODILCOM and Tk. 1.33 for ITC. Additionally, the Coefficient of Variation (CV) pertaining to the EPS of these selected IT enterprises is meticulously catalogued in the same compendium.

5.2.7 Price Earning Ratio (P/E Ratio)

In the realm of fiscal analytics, the Price-Earnings (P/E) ratio emerges as a pivotal barometer, juxtaposing the market valuation of each ordinary share against its corresponding earnings. This ratio offers a prism through which investors' prognostications regarding a firm's prospective profitability are discerned. Predominantly, the P/E metric serves as an indicator to gauge the valuation investors ascribe to the equity of an enterprise. It effectively encapsulates the magnitude of capital that shareholders are inclined to expend for each unit of a corporation's financial gain. This ratio is a testament to the degree of conviction investors harbour towards the future fiscal triumphs of a company. An ascending ratio correlates with heightened investor assurance and inversely so. Nonetheless, from a profit-maximizing standpoint, a lower ratio is advantageous, bolstering the investor's immediate pecuniary gains. Per the data delineated in Table 11, the mean P/E within this industry stood at 30.62 multiples. The range of average P/E spanned from 19.23% for AAMRATECH to a lofty 48.21% for DAFODILCOM. Firms like AAMRATECH (19.23%) and BDCOM (19.42%) exhibited P/E ratios below the industry norm. Contrarily, entities such as ITC, with a P/E ratio of 34.08%, and AGNISYSL, at 32.17%, surpassed the average sectoral figures. Table 11 elucidated that the P/E ratios for the selected IT conglomerates were not consequential (Coefficient of Variation: AAMRATECH 22.19%, AGNISYSL 61.37%, BDCOM 31.58%, DAFODILCOM 77.51%, ITC 39.15%).

5.2.8 Dividend Payout Ratio (DPR)

The metric known as the dividend payout ratio delineates the proportion of earnings disbursed as dividends. Firms undergoing brisk expansion often exhibit diminutive payout ratios attributed to their propensity to reinvest a substantial segment of their net earnings into the enterprise. Referencing Table 12, the mean DPR for the industry stood at 9.63%. In the case of AGNISYSL, this figure was marginally lower at 6.71%, while BDCOM surpassed the average with a DPR of 10.86%. Excluding AGNISYSL, the mean DPR for all other entities surpassed the industry's standard, a fact lucidly illustrated in the Table 12. The coefficient of variation for the DPR among the chosen corporations revealed a trifling fluctuation over time for two entities (AAMRATECH and BDCOM), indicating a consistent and stable dividend payout trend within this sector.

5.3 Solvency Ratios

The financial robustness of an enterprise, manifested in its ability to amass adequate assets to offset its obligations, is termed solvency. This concept is encapsulated in the solvency ratio, a metric that evaluates an enterprise's prowess in sustaining long-term fiscal commitments. Solvency stands as a cornerstone for any corporate entity's endurance; its absence, signified by an inability to discharge debts, precipitates a descent into insolvency, necessitating bankruptcy proceedings for either dissolution or reorganization. This metric serves as a barometer for assessing a firm's competence in managing its financial encumbrances. In the context of this discourse, a quartet of solvency ratios was employed to scrutinize the fiscal stability of the delineated corporations.

5.3.1 Debt to Total Assets Ratio (DTAR)

This ratio, referred to as the Debt to Total Assets Ratio (DTAR), delineates the extent to which a company's assets are financed through creditor funds instead of capital injected by the

proprietors themselves. Conventional wisdom suggests that leveraging over half of a company's assets through debt is a precarious strategy. This ratio can be attenuated either by diminishing the amount of indebtedness or by augmenting the overall value of the company's assets. The methodology for its computation involves the division of the aggregate debt by the total assets. Essentially, this ratio serves as a barometer of a company's leverage, indicating the proportion of its assets underwritten by debt. A heightened ratio intimates an amplified risk of the enterprise floundering in its endeavour to settle imminent fiscal obligations, and the converse holds for a lower ratio.

Table 13 elucidates the debt-to-total assets values. AAMRATECH emerged as the most leveraged entity, exhibiting a DTAR of 44.85%, a figure notably exceeding the industry mean of 25.71%. In stark contrast, AGNISYSL recorded the nadir of DTAR at 14.57%. An inspection of Table 13 divulged that the coefficient of variation (CV) in the Debt to Total Assets Ratio (DTR) among the scrutinized IT corporations evinced a notable lack of stability.

5.3.2 Debt to Total Equity Ratio (DTER)

This quotient discerns the financial infusion into an organization by its proprietors juxtaposed with external benefactors. Termed alternatively as the external-internal equity quotient, this metric was elucidated in Table 14 for select informatics corporations over the observed tenure. The compilation revealed an average debt-to-equity quotient of 40.74%. Specifically, in AGNISYSL, this average stood at 17.22%, while AAMRATECH exhibited a significantly higher figure of 84.19%. The exposition further highlighted that the mean quotients for BDCOM (31.21%), DAFODILCOM (29.93%), and AGNISYSL (17.22%) notably undercut the sector's mean. In stark contrast, ITC and AAMRATECH's mean DTERs of 41.16% and 84.19% surpassed the industry norm, respectively. These diminished ratios for BDCOM, DAFODILCOM, and AGNISYSL suggest a lesser dependence on debt financing vis-à-vis asset acquisition, reflecting a diminution in creditors' leverage over proprietorial claims. Such a scenario, albeit seemingly prudent, may also hint at suboptimal fiscal stewardship.

5.3.4 Times Interest Earned (TIE)

Earnings accrued through interest, often denoted as the interest coverage ratio, serve as a barometer for a corporation's capacity to manage its interest dues promptly. An elevated metric here is indicative of the enterprise's enhanced proficiency in addressing these fiscal responsibilities. As depicted in Table 15, the normative benchmark for TIE within this sector stood at 17.26-fold. Notably, there was considerable variation in this metric across different entities, with AAMRATECH at a modest 4.17-fold, contrasted by BDCOM's robust 37.58-fold. Analyzing the average TIE, firms like AAMRATECH (4.17), DAFODILCOM (14.29), and ITC (4.42) trailed behind the industry's median. Conversely, entities such as BDCOM (37.58) and AGNISYSL (25.66) surpassed this average. A scrutiny of Table 15 reveals a noticeable fluctuation in TIE amongst these selected IT conglomerates, with a variability coefficient (CV) as follows: AAMRATECH at 52.25%, AGNISYSL at 85.48%, BDCOM at 37.33%, DAFODILCOM at 30.90%, and ITC at 33.50%.

5.4 Testing Financial Soundness of Selected Information Technology Companies

In the realm of scrutinizing the fiscal robustness of assorted Information Technology companies, it becomes imperative to delve into the overall financial vigour these entities maintained during the investigative epoch. The Multivariate Discriminant Analysis (MDA) methodology, a brainchild of Professor Altman, emerges as a pivotal tool in this context. This technique sheds light on the economic resilience of the scrutinized IT conglomerates. Professor

Altman's formula (Altman, 1968), a beacon for gauging an enterprise's fiscal wellness, is articulated as follows: Z = 1.2A + 1.4B + 3.3C + 0.6D + 1.0E. Herein, Z symbolizes the aggregate index, A represents Working Capital relative to Total Assets, B signifies Retained Earnings in proportion to Total Assets, C denotes Earnings before Interest and Taxes divided by Total Assets, D indicates the Market Value of Equity juxtaposed with Total Liabilities, and E encapsulates Sales as a fraction of Total Assets. An escalated score under this model is indicative of heightened corporate health.

To attain a nuanced comprehension of a corporation's performance, juxtaposing its Z-Scores over sequential temporal frames proves insightful. A diminutive Z-score augurs an escalated probability of corporate insolvency. Specifically, a Z-Score plummeting below 1.8 portends a heightened likelihood of bankruptcy, whereas a score transcending 3.0 significantly diminishes this risk within a biennial horizon. Firms navigating the fiscal waters with a Z-Score oscillating between 1.8 and 3.0 dwell in a nebulous zone, rendering predictions of financial solvency or insolvency equivocal.

In Table 16, the temporal progression and mean echelon of the Z-score for the scrutinized informatics enterprises during the observational epoch were exhibited. The median Z-score for these select technology cohorts stood at 5.64. Delving into specifics, the Z-score for AAMRATECH, AGNISYSL, BDCOM, DAFODILCOM, and ITC were respectively quantified as 2.40, 5.38, 5.23, 10.23, and 4.94. An analysis of these metrics revealed a singular outlier: AAMRATECH, whose fiscal robustness did not align with the satisfactory levels observed in its counterparts. Further scrutiny of Exhibit 16 disclosed that the Z-Scores' significance for these IT conglomerates was marginal, as denoted by their coefficient of variation: AAMRATECH at 25.11%, AGNISYSL at 24.14%, BDCOM at 31.03%, DAFODILCOM at 50.81%, and ITC at 22.27%.

5.5. Ranking of the Selected IT companies with respect to Financial Position

In the realm of information technology enterprises, a comprehensive evaluation was recently conducted, assessing their financial robustness, explicitly focusing on liquidity, profit-making efficiency, and fiscal stability. For this meticulous assessment, each financial ratio within these aforementioned categories was meticulously scored. In this rigorously quantitative analysis, the most adept IT corporation in a specific financial ratio was lauded with a quintet of points. At the same time, the least proficient was relegated to a solitary point. The scores for intermediate performances were judiciously allocated points ranging from four to two, based on their relative standing.

Intriguingly, the summation of these ratio scores yielded an insightful categorization of each IT firm's financial health. According to the data presented in Table 17, in the liquidity spectrum, BDCOM emerged as the paramount entity with a score of 17. At the same time, DAFODILCOM languished at the nadir with a mere 6 points. The intermediate positions were occupied by AGNISYSL (16), AAMRATECH (11), and ITC (10), reflecting a diverse range of liquidity statuses. This scoring paradigm illuminated BDCOM's superior liquidity stature, crowning it as Rank-I, followed by AGNISYSL and AAMRATECH, securing Rank-II and Rank-III, respectively. ITC and DAFODILCOM completed the hierarchy at Rank-IV and Rank-V.

In the profitability dimension, BDCOM's score of 32 epitomized the zenith of fiscal gain, starkly contrasting with AGNISYSL's lowest score of 17. The other contenders, DAFODILCOM, AAMRATECH, and ITC, scored 28, 23, and 20, respectively, manifesting a spectrum of profit-making capabilities. In the labyrinthine realm of Information Technology

enterprises, an intriguing hierarchy of fiscal robustness unfurled. BDCOM, a titan in the arena, clinched the zenith (Rank-I) in terms of profitability, eclipsing its contemporaries. In close pursuit were DAFODILCOM (Rank-II) and AAMRATECH (Rank-III), demonstrating commendable financial vigour. Trailing yet tenacious, ITC (Rank-IV) and AGNISYSL (Rank-V) completed this spectrum.

Conversely, when the lens shifted to the aspect of solvency, a different tapestry was woven. Here, AGNISYSL reigned supreme (Rank-I) with a score of 14, an emblem of its unassailable financial fortitude. At the opposite end, AAMRATECH lingered with the lowest score of 3. The intermediate terrain was occupied by BDCOM (11), DAFODILCOM (11), and ITC (6), each reflecting varying degrees of financial resilience.

This financial tableau paints a vivid picture of the fluctuating fortunes within these IT goliaths, each jostling for a position of preeminence in the dual domains of profitability and solvency (Table 18).

6. Conclusion

In financial scrutiny, the financial strength and effectiveness of a collection of publicly traded technology companies in Bangladesh demonstrate a commendable state of affairs. A comparative analysis of these entities, with respect to liquidity, indicates a spectrum with BDCOM at the pinnacle, followed sequentially by AGNISYSL, AAMRATECH, ITC, and DAFODILCOM. When viewed through the prism of profitability, BDCOM emerges as the most prosperous, succeeding in descending order with DAFODILCOM, AAMRATECH, ITC, and AGNISYSL. In the dimension of solvency, AGNISYSL leads are trailed in order by BDCOM, DAFODILCOM, ITC, and AAMRATECH. This analysis underscores BDCOM's superior financial standing relative to its counterparts. Consequently, to attain enhanced solvency in this sector, an increase in investment appears prudent, promising augmented returns compared to prior epochs. Such financial fortification requires infusing ample operational capital, hastening the transformation of receivables and inventory into liquid assets, and augmenting sales coupled with debt liquidation. The Z-Score Model's analysis illuminated that all entities are securely distanced from the precipice of insolvency; notably, AAMRATECH is verging on this sanctuary. Nonetheless, it is imperative to strategize enhancements for the fiscal and non-fiscal constraints in Bangladesh's IT sector. Future explorations might incorporate a variety of multi-criteria methodologies to appraise the triumphs of technological corporations. Augmenting the precision in gauging fiscal prowess necessitates the inclusion of a broader spectrum of criterion measures, diverse techniques for weight computation, and the integration of composite methods. Prior to extrapolating these insights broadly, a comparative study encompassing various industries and countries would yield more comprehensive knowledge. This research endeavours to enlighten investors, thus enriching their grasp of the financial landscapes and entrepreneurial evolution within the IT industry. By increasing their understanding of the IT industry's financial landscape and entrepreneurial evolution, investors can make more informed decisions and potentially reap greater rewards.

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Appendix

Category A: Liquidity Ratio

Name of Companies	2016	2017	2018	2019	2020	2021	2022	Mean	Industry Mean	CV
AAMRATECH	2.54:1	2.97:1	2.72:1	2.29:1	2.23:1	1.86:1	1.70:1	2.33:1	2.75:1	19.44
AGNISYSL	4.06:1	3.92:1	4.88:1	5.01:1	5.03:1	4.64:1	4.67:1	4.60:1	2.75:1	9.65
BDCOM	3.06:1	2.95:1	3.14:1	3.07:1	2.62:1	2.55:1	2.89:1	2.90:1	2.75:1	7.95
DAFODILCOM	1.48:1	1.46:1	1.73:1	2.32:1	1.92:1	1.89:1	0.41:1	1.60:1	2.75:1	37.64
ITC	1.87:1	1.82:1	2.00:1	2.23:1	2.11:1	2.33:1	3.77:1	2.31:1	2.75:1	29.15

Table 01: Current Ratio

Source: Annual Reports (2016-2022).

Table 02: Acid Test Ratio

Name of Companies	2016	2017	2018	2019	2020	2021	2022	Mean	Industry Mean	CV
AAMRATECH	1.38:1	1.72:1	1.58:1	1.40:1	1.42:1	1.26:1	1.15:1	1.42:1	2.31:1	13.30
AGNISYSL	3.87:1	3.76:1	4.67:1	4.85:1	4.89:1	4.50:1	4.55:1	4.44:1	2.31:1	10.18
BDCOM	2.95:1	2.86:1	3.07:1	2.97:1	2.55:1	2.48:1	2.83:1	2.81:1	2.31:1	7.79
DAFODILCOM	0.97:1	0.83:1	1.17:1	1.62:1	1.39:1	1.34:1	0.31:1	1.09:1	2.31:1	39.73
ITC	1.28:1	1.41:1	1.49:1	1.67:1	1.72:1	1.81:1	3.07:1	1.78:1	2.31:1	33.73

Name of Companies	2016	2017	2018	2019	2020	2021	2022	Mean	Industry Mean	CV
AAMRATECH	1.21	1.33	1.23	1.57	1.78	1.94	2.51	1.65	6.99	28.32
AGNISYSL	7.72	6.98	7.17	10.95	14.33	19.25	18.55	12.14	6.99	43.68
BDCOM	9.50	14.74	15.77	15.13	16.24	16.76	19.04	15.31	6.99	19.08
DAFODILCOM	3.60	3.11	3.09	3.96	4.35	4.15	4.89	3.88	6.99	17.04
ITC	1.90	2.07	1.28	1.38	2.75	2.73	1.62	1.96	6.99	30.43

Table 03: Inventory Turnover [Times]

Source: Annual Reports (2016-2022).

Table 04: Current Assets to Fixed Assets

Name of	2016	2017	2018	2019	2020	2021	2022	Mean	Industry	CV
Companies									Mean	
AAMRATECH	5.58:1	6.95:1	5.60:1	3.85:1	4.77:1	5.56:1	5.24:1	5.37:1	1.93:1	17.56
AGNISYSL	0.81:1	0.90:1	0.95:1	0.97:1	1.07:1	1.24:1	1.23:1	1.02:1	1.93:1	15.89
BDCOM	1.18:1	1.48:1	1.62:1	1.55:1	1.59:1	1.68:1	1.53:1	1.52:1	1.93:1	10.86
DAFODILCOM	0.44:1	0.52:1	0.51:1	0.37:1	0.42:1	0.38:1	0.22:1	0.41:1	1.93:1	25.01
ITC	1.42:1	1.38:1	1.29:1	1.35:1	1.33:1	1.30:1	1.36:1	1.35:1	1.93:1	3.22

Source: Annual Reports (2016-2022).

Category B: Profitability Ratios

Table 05: Gross Profit Margin [%]

Name of Companies	2016	2017	2018	2019	2020	2021	2022	Mean	Industry Mean	CV
AAMRATECH	17.34	16.94	18.94	17.28	15.69	14.13	13.01	16.19	35.42	12.65
AGNISYSL	53.07	48.13	48.16	38.13	30.74	35.54	29.36	40.45	35.42	23.11
BDCOM	58.56	55.87	55.47	57.09	51.97	52.92	54.07	55.13	35.42	4.21
DAFODILCOM	29.52	32.66	33.06	27.26	23.94	23.15	21.81	27.34	35.42	16.73
ITC	30.40	30.82	44.83	45.20	31.26	34.36	49.17	38.01	35.42	21.25

Source: Annual Reports (2016-2022).

Table 06: Net Profit Margin [%]

Name of Companies	2016	2017	2018	2019	2020	2021	2022	Mean	Industry Mean	CV
AAMRATECH	7.36	7.17	7.79	5.24	5.27	4.88	4.70	6.06	12.92	21.80
AGNISYSL	20.03	20.55	21.11	14.24	6.25	11.44	14.04	15.38	12.92	35.94
BDCOM	15.10	14.02	14.56	14.47	9.27	11.44	14.04	13.27	12.92	15.98
DAFODILCOM	19.89	21.46	20.70	16.32	12.16	9.48	8.63	15.52	12.92	35.00
ITC	7.69	9.03	14.72	19.44	11.27	14.82	23.68	14.38	12.92	39.69

Source: Annual Reports (2016-2022).

Table 07: Assets Turnover [Times]

Name of Companies	2016	2017	2018	2019	2020	2021	2022	Mean	Industry Mean	CV
AAMRATECH	0.57	0.60	0.55	0.63	0.64	0.63	0.75	0.63	0.50	10.15
AGNISYSL	0.25	0.27	0.27	0.32	0.31	0.41	0.41	0.32	0.50	20.49
BDCOM	0.62	0.64	0.60	0.63	0.60	0.56	0.61	0.61	0.50	4.03
DAFODILCOM	0.50	0.59	0.59	0.52	0.47	0.44	0.45	0.51	0.50	12.39
ITC	0.45	0.47	0.32	0.37	0.50	0.48	0.37	0.42	0.50	16.44

Name of Companies	2016	2017	2018	2019	2020	2021	2022	Mean	Industry Mean	CV
AAMRATECH	4.28	4.28	4.08	3.11	3.30	2.92	3.31	3.61	5.90	16.09
AGNISYSL	5.67	5.53	5.84	4.59	1.93	4.53	5.68	4.82	5.90	28.72
BDCOM	8.80	8.46	8.49	8.74	5.29	4.98	6.70	7.35	5.90	22.82
DAFODILCOM	9.50	12.15	12.42	8.88	5.60	4.25	2.55	7.91	5.90	48.78
ITC	3.23	4.10	4.73	7.09	5.42	7.08	9.01	5.81	5.90	34.70

Table 08: Return on Assets [%]

Source: Annual Reports (2016-2022).

Table 09: Return on Common Stockholder's Equity [%]

Name of Companies	2016	2017	2018	2019	2020	2021	2022	Mean	Industry Mean	CV
AAMRATECH	6.70	6.70	6.92	5.84	6.24	6.05	7.38	6.55	7.94	8.19
AGNISYSL	7.07	6.77	6.76	5.16	2.18	5.27	6.58	5.69	7.94	30.33
BDCOM	10.77	10.78	10.76	11.20	7.31	7.09	8.91	9.55	7.94	18.47
DAFODILCOM	11.98	15.88	15.51	10.04	6.62	4.86	4.47	9.91	7.94	48.25
ITC	4.78	6.39	7.03	9.76	7.63	9.76	10.89	8.02	7.94	27.08

Source: Annual Reports (2016-2022).

Table 10: Earnings Per Share [Taka]

Name of Companies	2016	2017	2018	2019	2020	2021	2022	Mean	Industry Mean	CV
AAMRATECH	1.48	1.52	1.61	1.38	1.46	1.38	1.78	1.52	1.30	9.33
AGNISYSL	1.08	1.02	1.01	0.75	0.31	0.77	1.01	0.85	1.30	31.90
BDCOM	1.62	1.45	1.71	1.72	1.15	1.10	1.40	1.45	1.30	17.46
DAFODILCOM	1.56	2.17	2.18	1.43	0.94	0.70	0.67	1.38	1.30	46.44
ITC	0.93	1.04	1.14	1.57	1.21	1.54	1.87	1.33	1.30	25.49

Source: Annual Reports (2016-2022).

Table 11: Price Earning Ratio [Times]

Name of Companies	2016	2017	2018	2019	2020	2021	2022	Mean	Industry Mean	CV
AAMRATECH	15.81	27.37	17.22	19.28	15.71	22.3	16.9	19.23	30.62	22.19
AGNISYSL	17.22	18.17	19.17	27.11	43.81	71.8	27.9	32.17	30.62	61.37
BDCOM	13.77	31.36	15.81	16.84	14.83	21.2	22.1	19.42	30.62	31.58
DAFODILCOM	14.87	18.92	18.03	30.96	58.62	90	106.04	48.21	30.62	77.51
ITC	56.02	46.96	37.35	27.92	24.20	27.00	19.1	34.08	30.62	39.15

Source: Annual Reports (2016-2022).

Table 12: Dividend Payout Ratio [%]

Name of Companies	2016	2017	2018	2019	2020	2021	2022	Mean	Industry Mean	CV
AAMRATECH	10.00	10.00	10.00	10.00	10.00	10.00	12.00	10.29	9.63	7.35
AGNISYSL	10.00	10.00	10.00	7.00	2.00	3.50	4.50	6.71	9.63	5085
BDCOM	12.00	10.00	12.00	12.00	10.00	10.00	10.00	10.86	9.63	9.85
DAFODILCOM	15.00	18.00	12.00	10.00	8.00	6.00	5.00	10.57	9.63	44.99
ITC	15.00	10.00	10.00	12.00	10.00	5.00	6.00	9.71	9.63	35.02

Category C: Solvency Ratio

Name of Companies	2016	2017	2018	2019	2020	2021	2022	Mean	Industry Mean	CV
AAMRATECH	36.21	36.11	41.01	46.74	47.06	51.65	55.17	44.85	25.71	16.46
AGNISYSL	19.89	18.28	13.71	11.02	11.54	13.94	13.64	14.57	25.71	22.73
BDCOM	18.27	21.53	21.11	21.94	27.61	29.85	24.87	23.60	25.71	17.16
DAFODILCOM	20.68	23.49	19.93	11.57	15.46	16.00	10.42	16.79	25.71	28.78
ITC	32.38	35.91	32.64	26.61	28.87	27.54	17.30	28.75	25.71	20.91

Table 13: Debt to Total Assets Ratio [%]

Source: Annual Reports (2016-2022).

Table 14: Debt to Total Equity Ratio [%]

Name of Companies	2016	2017	2018	2019	2020	2021	2022	Mean	Industry Mean	CV
AAMRATECH	56.76	56.53	69.52	87.75	88.89	106.81	123.08	84.19	40.74	29.86
AGNISYSL	24.83	22.37	15.89	12.39	13.04	16.20	15.79	17.22	40.74	27.04
BDCOM	22.36	27.44	26.75	28.11	38.13	42.56	33.10	31.21	40.74	22.75
DAFODILCOM	26.06	30.71	24.90	13.08	18.29	17.10	79.37	29.93	40.74	75.57
ITC	47.87	56.04	48.45	36.25	40.60	38.01	20.91	41.16	40.74	27.41

Source: Annual Reports (2016-2022).

Table 15: Times Interest Earned [Times]

Name of Companies	2016	2017	2018	2019	2020	2021	2022	Mean	Industry Mean	CV
AAMRATECH	8.7	5.3	3.4	3.0	2.7	2.9	3.1	4.17	17.26	52.75
AGNISYSL	7.2	8.4	11.8	15.0	28.9	41.6	66.6	25.66	17.26	85.48
BDCOM	42.0	44.1	58.2	47.00	22.90	19.8	29.0	37.58	17.26	37.33
DAFODILCOM	21.5	10.6	11.2	10.7	13.1	14.3	19.9	14.49	17.26	30.90
ITC	2.1	3.4	3.9	4.7	4.8	5.1	6.8	4.42	17.26	33.50

Source: Annual Reports (2016-2022).

Table 16: Analysis of Z Score

Name of Companies	2016	2017	2018	2019	2020	2021	2022	Mean	Industry Mean	CV
AAMRATECH	2.62	3.57	2.56	2.25	2.19	1.83	1.81	2.40	5.64	25.11
AGNISYSL	4.00	4.34	6.03	7.91	5.43	4.89	5.09	5.38	5.64	24.14
BDCOM	5.51	8.11	5.52	5.58	3.17	3.51	5.19	5.23	5.64	31.03
DAFODILCOM	5.30	7.31	8.32	15.66	13.89	17.01	4.15	10.23	5.64	50.81
ITC	4.46	4.27	4.25	5.64	3.96	4.92	7.11	4.94	5.64	22.27

Ratios/ Basis	Name of Companies									
	AAMRATECH	AGNISYSL	BDCOM	DAFODILCOM	ITC					
Liquidity Ratio										
Current Ratio	3	5	4	1	2					
Acid Test Ratio	2	5	4	1	3					
Inventory Turnover	1	4	5	3	2					
Current Assets to Fixed Assets	5	2	4	1	3					
Total Score [Liquidity]	11	16	17	6	10					
Rank	III	II	Ι	V	IV					
	Profitability I	Ratio	L							
Gross Profit Margin	1	4	5	2	3					
Net Profit Margin	1	4	2	5	3					
Total Assets Turnover	5	1	4	3	2					
Return on Assets	1	2	4	5	3					
Return on Common Stockholder's Equity	2	2 1		5	3					
Earnings Per Share	5	1	4	3	2					
Price Earning Ratio	5	3	4	1	2					
Dividend Payout Ratio	3	1	5	4	2					
Total Score [Profitability]	23	17	32	28	20					
Rank	III	V	Ι	II	IV					
Solvency Ratio										
Debt to Total Assets Ratio	1	5	3	4	2					
Debt to Equity Ratio	1	5	3	4	2					
Times Interest Earned	1	4	5	3	2					
Total Score [Solvency]	3	14	11	11	6					
Ranking	IV	Ι	II	II	III					

Table 17: Ranking of the Selected IT Companies with respect to Financial Position (Based on Mean Ratios)

Source: Annual Reports (2016-2022).

Table 18: List of Information Technology Companies under Study

Name of IT Companies	Acronym
Aamra Technologies Limited	AAMRATECH
Agni Systems Limited	AGNISYSL
BDCOM Online Ltd.	BDCOM
Daffodil Computers Limited	DAFODILCOM
Information Technology Consultants Limited	ITC