Synopsis

Dissertation Topic:

FINANCIAL PERFOMANCE ANALYSIS AND WORKING CAPITAL MANAGEMENT IN VETERINARY PHARMACEUTICAL TRADING: A CASE STUDY OF AL NOOR VETERINARY MEDICINES TRADING LLC

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Abstract

This study investigates the financial performance and working capital management practices within AL NOOR VETERINARY MEDICINES TRADING LLC, a UAE-based company operating in the veterinary pharmaceutical sector. The research evaluates key financial indicators and working capital components such as inventory turnover, receivables, and payables to understand their impact on liquidity and profitability. Utilizing a case study approach supported by primary and secondary data analysis, the study highlights the challenges and opportunities in managing financial operations in a dynamic trading environment. Findings provide actionable insights to enhance financial efficiency, optimize working capital, and improve decision-making processes in similar organizations.

Introduction

In the pharmaceutical trading industry, especially within the veterinary segment, efficient financial management is vital to sustain operations and growth. Working capital management plays a crucial role in maintaining liquidity and ensuring operational effectiveness. This dissertation focuses on AL NOOR VETERINARY MEDICINES TRADING LLC to explore how financial performance and working capital strategies affect overall business outcomes. Through the analysis of financial statements and operational data, the research identifies gaps and proposes recommendations to optimize cash flow, inventory, and receivables.

Main Research Question:

"How do financial performance and working capital management practices influence operational efficiency and profitability in veterinary pharmaceutical trading?"

Supporting Sub-Questions:

1. What are the key financial performance indicators relevant to veterinary pharmaceutical trading firms?
2. How effectively does AL NOOR manage its working capital components—inventory, receivables, and payables?
3. What are the financial challenges specific to the veterinary pharmaceutical trading sector in the UAE?
4. How can working capital efficiency be improved to enhance profitability and liquidity?

Objectives of the Dissertation:

- To evaluate the financial performance of AL NOOR VETERINARY MEDICINES TRADING LLC using relevant financial ratios.
- To analyse the company's working capital management strategies.
- To identify financial inefficiencies and challenges impacting profitability.

- To recommend measures for improving working capital cycles and cash flow.
- To contribute practical insights for veterinary trading firms on enhancing financial decision-making.

Materials and Methods

1. **Research Design:**
   A case study approach was employed, combining financial analysis and semi-structured interviews.
2. **Data Collection:**

- **Primary Data:** Interviews with finance and operations personnel of AL NOOR.
- **Secondary Data:** Company financial reports (past 3 years), industry benchmarks, and academic literature.

3. **Tools Used:**
   Microsoft Excel for financial ratio calculations; comparative analysis frameworks; trend analysis tools.
4. **Sample Size:**
   One case study organization (AL NOOR) with multiple internal stakeholders for qualitative insights.
5. **Ethical Considerations:**
   Permission obtained from the company; data anonymized for confidentiality; used exclusively for academic purposes.

Data Analysis Plan

- **Quantitative Data:** Financial ratios such as current ratio, quick ratio, inventory turnover, days sales outstanding, and net profit margin were calculated and analyzed.
- **Qualitative Data:** Interview responses were categorized thematically to understand operational bottlenecks and managerial perspectives.
- **Tools Used:** Microsoft Excel, charts for data visualization, ratio benchmarking with industry standards.

Ethical Considerations

- **Voluntary Participation:** Interviews were conducted with informed consent.

- **Confidentiality:** Company data was handled with strict confidentiality and anonymized in reporting.
- **Integrity:** Secondary sources were properly cited and plagiarism was avoided.
- **Data Usage:** All data was used only for academic and non-commercial purposes.

Implications of Research

This research offers valuable insights into the financial management practices of a veterinary pharmaceutical trading company. It highlights how improved working capital strategies can significantly impact liquidity and profitability. The recommendations can assist finance managers in similar SMEs to streamline operations, reduce inefficiencies, and strengthen overall financial health in a competitive market.

References

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