

# DIRECTORS REPORTS

Dear Shareholder(s)

Assalamu Alaikum

The Board of Directors is pleased to take the opportunity to present you the Directors' Report for the year ended 30 June 2023 in accordance with section 184 of the Companies Act, 1994, Rule 12 (and the schedule there under) of the Securities and Exchange Rules, 1987, IAS-1(International Accounting Standards-1) as adapted by the ICAB (Institute of Chartered Accounts of Bangladesh) BSEC Order No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 and IAS-1 codes as adopted by the Institute of Chartered Accountants of Bangladesh in the following paragraphs:

## 1. COMPANY OPERATON

### A. Principal Activities

The Company is engaged in manufacturing, marketing and distribution of generic pharmaceuticals finished products which includes human drugs dosages form like tablet, capsule, powder for suspension, cream, ointment, powder, injection, eye and nasal drop, liquid, sachet products, oral solution; veterinary drugs dosages form like vaccine, bolus, liquid, injection, water soluble powder, premix. The products of the company are sold in domestic and international markets.

### B. Product Development

The product development status of Navana Pharmaceuticals Limited as on 30th June, 2023 along with addition and deletion position of the products are hereby depicted hereunder:

#### I.PRODUCT OF HUMAN HEALTH

Sl. No	Product Categories	Position as on July 01, 2022	Added	Discarded	Position as on June 30, 2023
			1.07.22-30.06.23		
1	Tablet	103	02	-	105
2	Capsule	17	01	-	18
3	Injectable (Vial & Ampoule)	10	-	-	10
4	ENT, Ophtha Preparation	15	-	-	15
5	Cream, Ointment, Gel & others	12	-	-	12
6	Syrup	11	-	-	14
7	Powder for Suspension	09	-	-	06
Total		177	03	-	180

## II.PRODUCT OF ANIMAL HEALTH

Sl. No	Product Categories	Position as on July 01, 2022	Added	Discarded	Position as on June 30, 2023
			01.07.22-30.06.23		
1	Pellet	7	0	0	7
2	Suspension	6	0	0	6
3	Solution	21	2	5	18
4	WSP	23	2	3	22
5	Bolus	8	2	1	9
6	Injection	4	0	0	4
7	Pour On	0	1	0	1
8	Premix	1	0	0	1
9	Additive	4	4	0	8
Total		74	11	09	76

## III. CAPACITY OF PRODUCTION

Yearly production Capacity of Navana Pharmaceuticals Limited as on 30th June, 2023 as follows

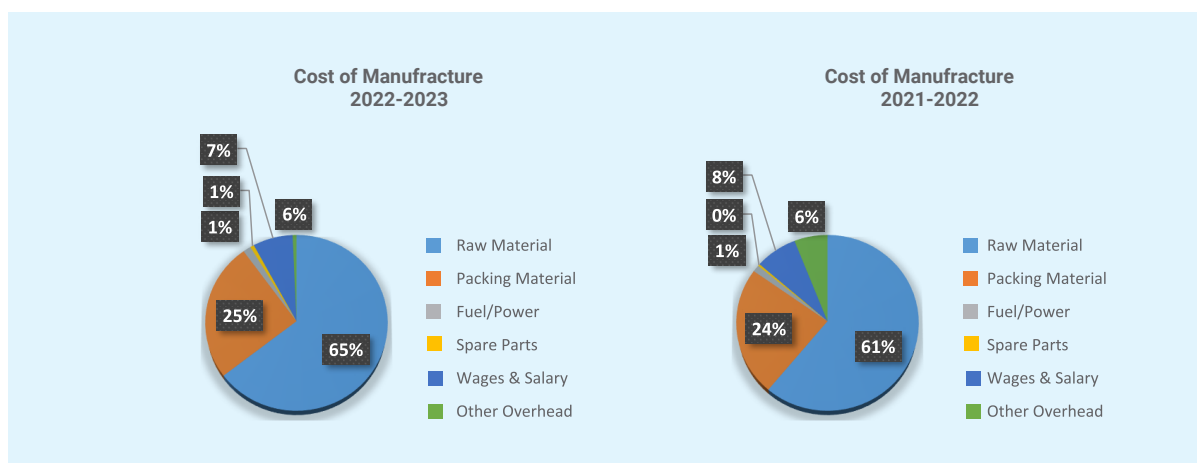
Item Name	UoM (Mill)	Production Capacity		Actual Production		Capacity Utilization	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Tablet, Capsule, Syrup, Bolus	Pcs.	18,219,978	6,736,858	17,775,311	6,292,191	98%	93%
Liquid, PFS, Oral Solution	Bottle	5,858,751	5,858,751	3,077,637	3,077,637	53%	53%
Powder	Container/ Sachet	6,289,701	4,399,701	5,546,538	3,656,538	88%	83%
Nasal Drops, Nasal Spray, Eye Drops	Dropper	582,023,048	580,343,048	551,050,220	549,370,220	95%	95%
Ointment, Cream	Tube	205,974	205,974	42,871	42,871	21%	21%
Injection	Vial	3,051,298	2,931,298	2,755,416	2,635,416	90%	90%
<b>Total</b>		<b>615,648,750</b>	<b>600,475,630</b>	<b>580,247,993</b>	<b>565,074,873</b>	<b>94%</b>	<b>94%</b>

## IV. COST OF MANUFACTURE

The cost of production of Navana Pharmaceuticals Limited gradually increased due high volume of production as well as high rate of raw materials & inflation. Comparative Cost of Manufacture are given below:

(BDT in Million)

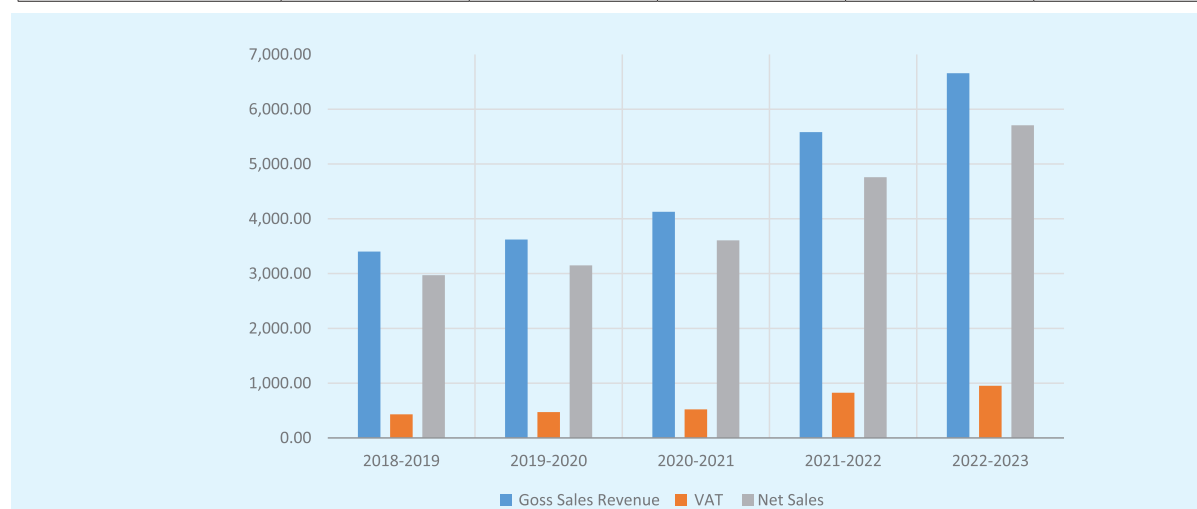
Particulars	2022-23	2021-22
Production Quantity	580.2	565.07
<b>Major Items of Manufacturing Cost</b>		
Raw Material Consumed	2,000.1	1,614.97
Packing Material Consumed	789.21	672.61
Fuel/Power etc.	41.83	33.32
Spare Parts	21.13	9.55
Wages and Salaries	223.03	201.00
Other Overhead	191.54	158.83
<b>Manufacturing Cost</b>	<b>3,266.84</b>	<b>2,690.12</b>



## 2. MARKET OPERATION

The Company's marketing operations continued to emphasis on domestic market as well as export sales over the year as depicted below:

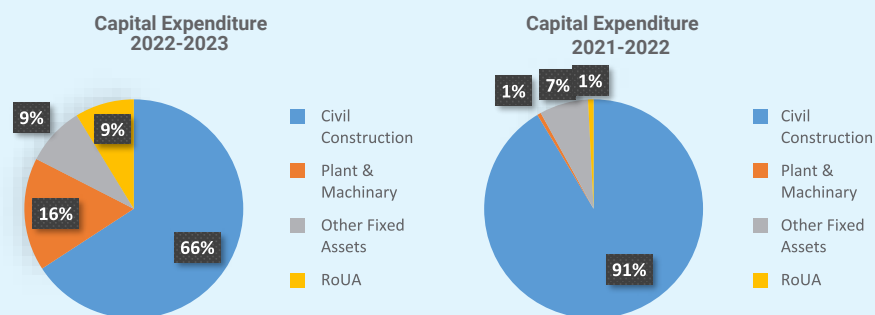
(BDT in Million)					
Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
Gross Sales Revenue	6,658.31	5,582.49	4,128.22	3,620.71	3,400.66
VAT	952.15	823.79	521.65	471.70	430.14
Net Sales Revenue	5,706.16	4,758.71	3,606.58	3,149.01	2,970.51



## 3. CAPITAL EXPENDITURES

Details capital expenditure of Navana Pharmaceuticals Limited of last two years as follows

(BDT in Million)		
Particulars	2022-23	2021-22
Civil Construction	396.03	513.52
Plant & Machineries	100.58	3.2
Other Fixed Assets	52.63	40.47
RoUA	52.57	4.6
<b>Total</b>	<b>601.81</b>	<b>561.89</b>



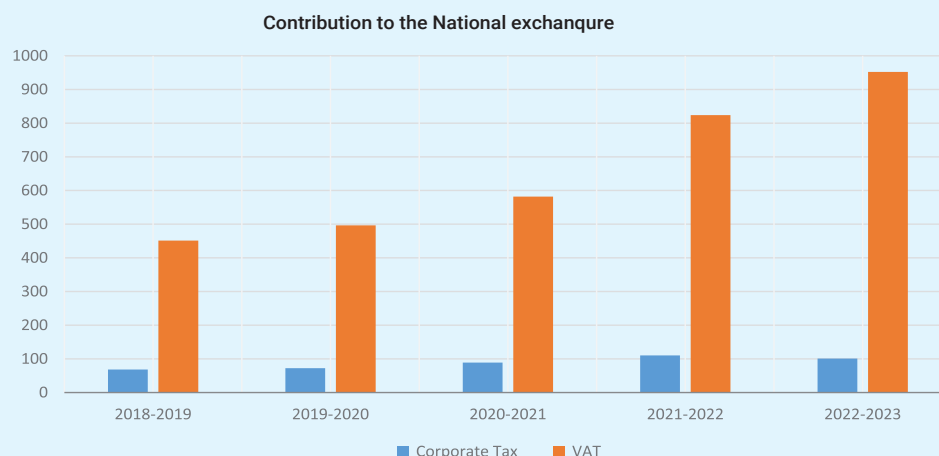
## 4. CONTRIBUTION

### I. CONTRIBUTION TO NATIONAL EXCHEQUER

The company contributed to National Exchequer through corporate Tax & VAT. The details are given below:

(BDT in Million)

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
Corporate Tax	100.99	110.27	88.79	72.27	68.38
VAT	952.15	823.79	581.83	496.49	451.23
<b>Total</b>	<b>1,053.14</b>	<b>934.06</b>	<b>670.62</b>	<b>568.75</b>	<b>519.61</b>

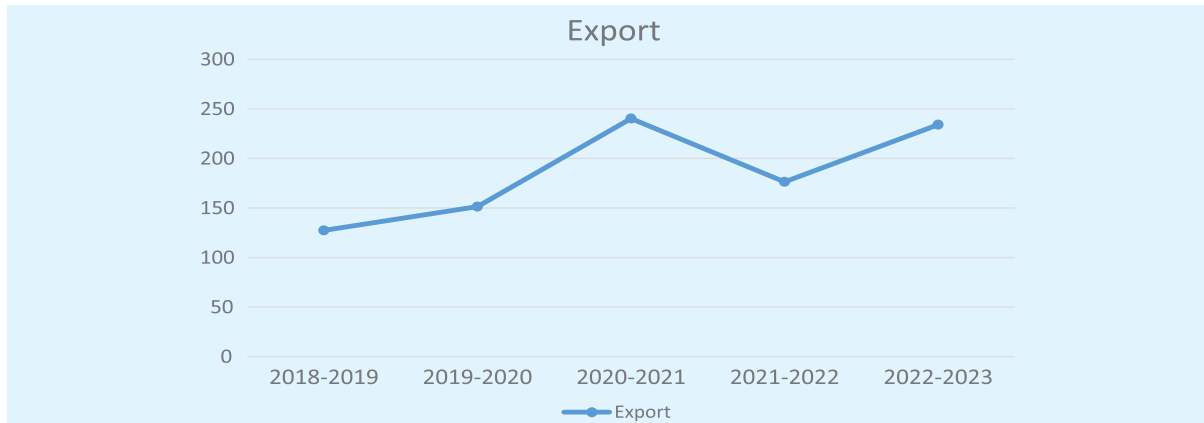


### II. FOREIGN EXCHANGE EARNED/SAVED

The company contributed substantially to the Foreign Exchange Reserve of the country from its inception through its export marketing operation. The details are given below:

(BDT in Million)

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
Total Export Earnings	234.03	176.40	240.26	151.36	127.39

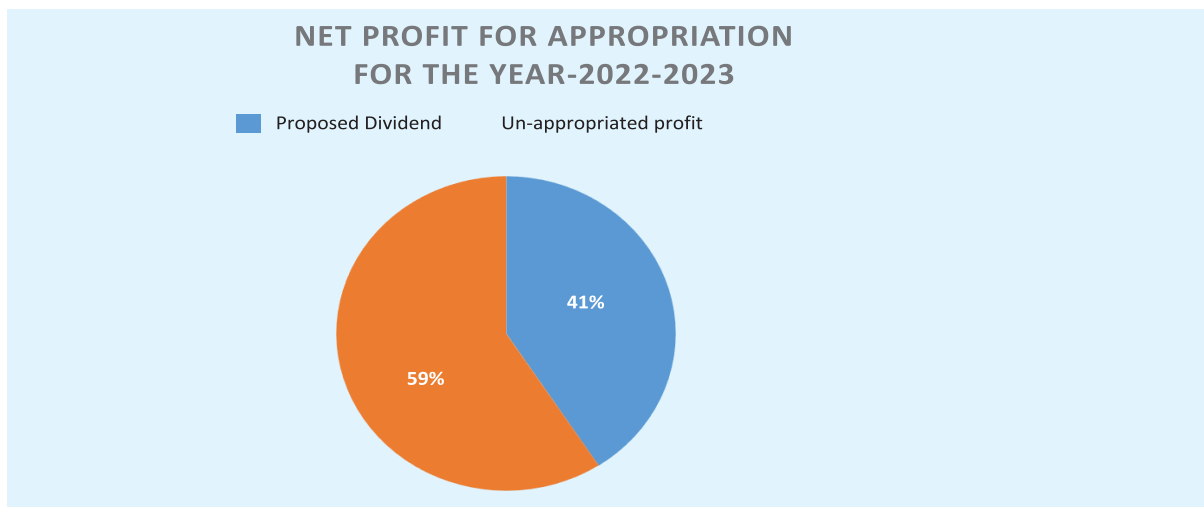


## 5. APPROPRIATION OF PROFIT

Board of Directors in its meeting held on 22nd October, 2023 has recommended has recommended **13% Cash** dividend for the year 2022-2023. The appropriation of the Net Profit earned during the year 2022-2023 in the following manner:

(BDT In Million)

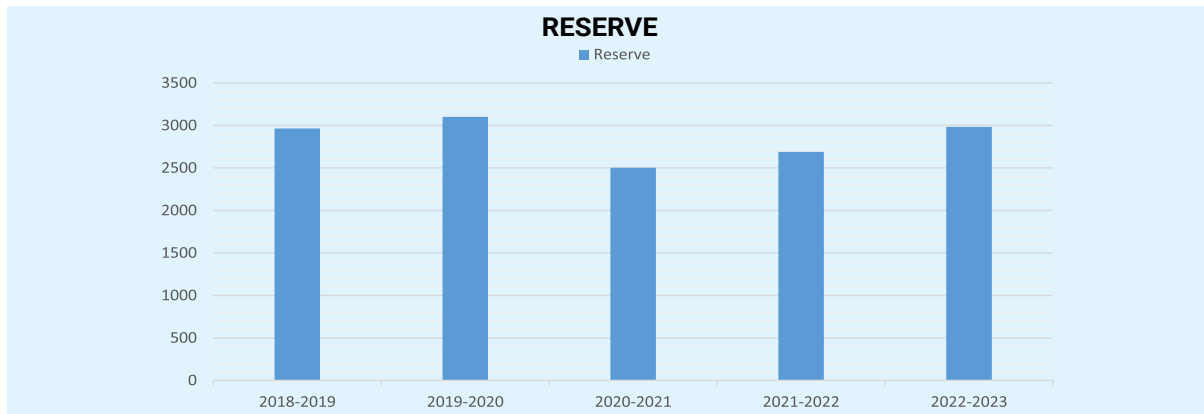
Particulars	2022-2023
Profit after tax	356.94
Less : Appropriation Recommended	
13% Cash Dividend	139.64
<b>Un-appropriated profit</b>	<b>217..30</b>



## 6. RESERVES

(BDT in Million)

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
Revaluation Reserve	1,848.30	1,966.27	1,966.27	1,966.27	1,966.27
Capital Reserve	605.59	605.59	-	-	-
Retained Earning	443.03	204.24	535.83	1,135.04	997.64
Unrealized gain /loss on marketable securities	(46.80)	(95.36)			
<b>Total Reserve</b>	<b>2,850.12</b>	<b>2,688.74</b>	<b>2,502.10</b>	<b>3,101.31</b>	<b>2,963.91</b>



## 7. DECLARATION OF DIVIDEND

The board of directors has recommended **13% Cash Dividend** in its 31<sup>st</sup> meeting on October 22, 2023 for the shareholders for the year June 30, 2023 subject to the final approval in the forthcoming Annual General Meeting (AGM).

## 8. CREDIT RATING

Based on nine months Audited Financial Statement as on March 31, 2023, the rating committee of National Credit Ratings Limited rated the following rating in favor of Navana Pharmaceuticals Limited as mentioned below:-

Credit Rating Status		
Credit Rating by	National Credit Ratings Limited	
Rating	Entity Rating	
	Long-Term	Short Term
	AA (Double A)	ST-2
Outlook	Stable	Stable
Date of Declaration	August 01, 2023	
Validity	August 01, 2023 to July 31, 2024	August 01, 2023 to July 31, 2024

## 9. AUDITORS

### I. STATUTORY AUDITOR

The Board of Directors in its meeting dated on October 22, 2023 has appointed **A. Qasem & Co., Chartered Accountants** as statutory auditor for the financial year 2023-2024 subject to the final approval from the shareholders in the upcoming Annual General Meeting.

### II. COMPLIANCE AUDITOR

The Board of Directors in its meeting dated on October 22, 2023 has appointed **MNA Associates, Chartered Secretary** as compliance auditor for the financial year 2023-2024 subject to the final approval from the shareholders in the upcoming Annual General Meeting.

## 10. MANAGEMENT APPRICATION

The Board of Directors record with deep appreciation the contribution made and support & co-operation given by the Officers, Staff, Workers, Customers, Creditors, Banks, Insurance Companies, Utility Providers and the Government in particular and look forward to the global role of the Company. The Directors acknowledge and express their profound gratitude for the continued cooperation and unflinching support received from various agencies including Bangladesh Securities and Exchange Commission, Stock Exchanges, CDBL, RJSC, National Board of Revenue, and other agencies of the public and private sector.

APART FROM THOSE THE DIRECTORS ARE PLEASED TO CONFIRM THE FOLLOWING, IN ACCORDANCE WITH BANGLADESH SECURITIES AND EXCHANGE COMMISSION'S NOTIFICATION BSEC NOTIFICATION NO. **BSEC/CMRRCD/2006-158/207/ADMIN/80 DATED JUNE 03, 2018:**

## (I) INDUSTRY OUTLOOK AND FUTURE DEVELOPMENT IN THE INDUSTRY

Over the four decades of its journey, Bangladesh's pharmaceutical sector has evolved as a strong industry that is capable of meeting 98% of local demand that amounted to around 3 billion dollar in 2019. Back in 2010, the size of the pharmaceutical market was 852 million dollar and it reached 1.64 billion dollar after five years, according to the Bangladesh Association of Pharmaceutical Industries (BAPI), a forum of drug makers. The market had grown to around 3 dollar billion before the pandemic hit businesses in April 2021.

Navana Pharmaceuticals Limited is in the pharma industry of Bangladesh involved with the manufacturing, marketing and distribution of pharmaceutical products for human and animal health products and sales of the produced items in the domestic and foreign market.

We are glad to inform our valued shareholders that we completed almost one year as a listed company and we are maintaining all compliance properly. Now our production capacity is **615.65 Million** quantity per year and capacity shall be enhanced from time to time as per based on the demand of the product.

Navana Pharmaceuticals Limited believes that high volume of sales bring better revenue for the company.

## (II) SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company is engaged in manufacturing, marketing and distribution of generic pharmaceuticals finished products which includes human drugs; veterinary drugs dosages the products of the company are sold in domestic market as well as international markets

### Segment wise contribution on total Revenue

(In %)					
Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
Human	77.41	78.39	76.94	77.97	74.14
Export	3.51	3.16	5.82	4.18	3.78
veterinary	19.08	18.45	17.24	17.85	22.07
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

## (iii) RISK AND CONCERN

In the business world return and risks has reciprocal relationship. Thus, Navana would be subject to risk of a typical nature for similar pharmaceutical companies. The majority of these risks are commercial and business risks that can be mitigated effectively. Before making any investment decision, Investors should take the risk factors into consideration.

We gave a detailed discussion regarding various types of risk & the mitigating procedures of risk and action taken in line with that in **Page No. 162 of the Annual Report**.

**(iv)****DISCUSSION ON COST OF GOODS SOLD, GROSS PROFIT MARGIN AND NET PROFIT MARGIN****(In Million BDT)**

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
Cost of Goods Sold	3,097.13	2,586.13	1,979.53	1,732.93	1,636.47
Gross Profit	2,609.03	2,172.57	1,627.05	1,416.08	1,334.04
Net Profit	356.94	274.00	202.29	137.40	85.04

The Costs of Goods Sold increased by **19.76%** compare to last year due to high volume of production. Moreover, the Gross Profit also has increased by **20.09%** due to high sales volume as a result Net Profit after Tax has increased by **30.27%** in compare to the previous year.

**(v)****DISCUSSION ON CONTINUITY OF ANY EXTRAORDINARY GAIN OR LOSS**

During the financial year-2022-2023 Navana Pharmaceuticals Limited did not face any extra ordinary gain or extra ordinary loss.

**(vi)****RELATED PARTY TRANSACTION**

During the year the company had carried out considerable numbers of transaction in carrying out its operation with the related parties in its normal courses of business. The name of the related parties, nature of transaction as well as information about the transaction, the amount of transaction, and the amount of outstanding balance at the financial year ending have been monitored, disclosed and set out in **the Notes No. 32** of the Notes to the Financial Statements in accordance with the provisions of IAS-24 "Related Party Disclosures".

**(vii)****UTILIZATION PROCEEDS RAISED THROUGH PUBLIC ISSUE**

Navana Pharmaceuticals Limited (NPL) has listed with the exchange on October 11, 2022 & October 12, 2022 with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange PLC (CSE) respectively thereafter Initial Public Offering (IPO) utilization proceeds has published quarterly basis and notify the all related regulators accordingly.

Initial Public Offering (IPO) utilization Proceeds of Navana Pharmaceuticals Limited as follows:

Sl. No.	Name of the projects	Estimated cost of project implementation (in BDT)	Estimated time for completion	Fund utilization during the period from October 01 2022 December 31, 2022		Fund utilization during the period from January 01 2023-March 31, 2023		Fund utilization during the period from April 01 2023-June 30, 2023		Unutilized	Remarks
				BDTZZ	%	BDT	%	BDT	%	%	
1	Construction of new general production building	232,400,000	Within 24 month after receiving IPO proceeds		0.00%		0.00%		0.00%	100.00 %	
2	Construction of new utility and engineering building	97,300,000	Within 24 month after receiving IPO proceeds	43,629,763	44.84%	7,829,842	8.05%		0.00%	47.11%	Running advances of total BDT 20,37,000 have been made to some suppliers based on project progress and recorded as CWIP.
3	Refurbishment of cephalosporin unit	178,500,000	Within 24 month after receiving IPO proceeds	613,255	0.34%	97,811,389	54.80%	6,808,331	3.81%	41.05%	
4	Partial loan repayment	211,800,000	Within 24 month after receiving IPO proceeds	211,800,000	100.00%		0.00%	-	0.00%	0.00%	



Sl. No.	Name of the projects	Estimated cost of project implementation (in BDT)	Estimated time for completion	Fund utilization during the period from October 01 2022 December 31, 2022		Fund utilization during the period from January 01 2023-March 31, 2023		Fund utilization during the period from April 01 2023-June 30, 2023		Unutilized	Remarks
5	IPO expenses	30,000,000		27,929,786	93.10%	2,039,457	6.80%		0.00%	0.10%	Actual IPO expenses totaled BDT 29,978,208, but only BDT 29,969,243 was utilized from IPO proceeds. Of the total expenditure, BDT 1,266,579 was paid in cash for petty expenses, with the highest single transaction amounting to BDT 193,797.
Total IPO Proceeds		750,000,000		283,972,804	37.86%	107,680,688	14.36%	6,808,331	0.91%	46.87%	

## VIII) EXPLANATION IF THE FINANCIAL RESULT DETERIORATION AFTER THE COMPANY GOES FOR IPO

Navana Pharmaceuticals Limited (NPL) has obtained the consent letter for raising of capital through Initial Public Offer (IPO) on June 19, 2022 from Bangladesh securities & Exchange Commission (BSEC) and listed with the exchange on October 11, 2022 & October 12, 2022 with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange PLC (CSE) respectively. After goes the IPO during the financial year 2022-2023 the financial result did not deterioration.

## (IX) AN EXPLANATION ON ANY SIGNIFICAT VARIENCE THAT OCCURE QUARTERLY FINANCIAL PERFORMANCE AND ANNUAL FINANCIAL STATEMENTS

### i. Annual Financial Statement

Significant variance of Annual Financial statement of Navana Pharmaceuticals Limited at a glance as follows:

Sl. No	Particulars	2022-2023	2021-2022
i	Earnings Per Share (EPS) (TK.)	3.59	3.42
ii	Net Asset Value (TK. In million)	4,372.45	3,483.05
iii	Net Asset Value Per Share (NAV) (TK.)	40.71	43.41
iv	Net Operating Cash Flow Per Share(NOCFPS) (TK.)	1.80	2.48

- **Earing per Share (EPS):** During the financial year Net profit after Tax has been increased significantly and subsequently Earnings per Share (EPS) also increased by **4.97%** in compare to the previous year.
- **Net Asset Value:** Net Assets Value stood **TK. 4,372.45** Million which was **25.54%** higher than the previous financial year.
- **Net Asset Value per Share (NAV):** Due to an increase in the Number of ordinary shares of the company for the Initial public offerings (IPO) in comparison to the last year, the NAV per Share has decreased though the Net Asset Value increased by **6.22%** in compare to the previous year
- **Net Operating Cash Flow per Share (NOCFPS):** Net Cash Flows from Operating Activates stood **193.74 Million** which was **2.82%** lower than the previous financial year because of cash payment was higher than

the cash received. On the other hand paid-up share has increased through Initial Public Offering (IPO) that's why Net Operating Cash Flow per Share (NOCFPS) was decreased by **27.42%** in compare to the previous year.

## ii. Quarterly Financial Statement

Significant variance between the Quarterly Financial statement for the financial year-2022-2023 of Navana Pharmaceuticals Limited as follows:

Particulars	1st Quarter	2nd Quarter	Variance in %	3rd Quarter	Variance in %	4th Quarter	Variance in %
Net Revenue (TK. In million)	1,336.13	1,395.86	4.47%	1,502.64	8%	1,471.53	-2.07%
Net Profit After Tax (TK. In million)	72.63	70.93	-2.34%	104.93	48%	108.45	3.35%
Total Assets (TK. In million)	7,908.94	8,752.27	10.66%	8,893.16	2%	9,589.75	7.83%
Earnings Per Share (EPS)	0.91	0.77	-15.38%	1.09	42%	0.82	-24.77%

## (X) REMUNERATION TO DIRECTORS INCLUDING INDEPENDENT DIRECTORS

In the Board there are twelve members and there are three Executive Director including Managing Director, Five Non-Executive Director and Three Independent director. Non-Executive Director and Independent Director shall not get any remuneration other than meeting fee (**Board, Audit committee & NRC**).

The remuneration of Executive Directors including Managing Director for the year ended June 30, 2023 as follows:

SL.	Name of the Director	Position	Remuneration
1	Professor. Dr. Md. Jonaid Shafiq	Managing Director	3,735,000.00
2	Mr. Jaevd Kaiser Ally	Director Finance	2,508,000.00
3	Dr. Sayeed Ahmed	Director Sales & Marketing	3,135,000.00

In Financial year 2022-23, there was twelve (12) Board Meeting, Four (4) Audit Committee & One (1) NRC Meeting held & each Director has receive BDT-5000 per meeting. Meetings fee for the year ended June 30 2023 as follows:

SL.	Name of the Director	Position	Board Meeting Fee	Audit Committee Fee	NRC Fee
1	Mr. Anisuzzaman Chowdhury	Chairman	60,000	-	-
2	Professor. Dr. Md. Jonaid Shafiq	Managing Director	60,000	-	-
3	Mrs. Imrana Zaman Chowdhury	Director	60,000	20,000	5,000
4	Dr. Zahara Rasul MD, CCFP FCFP	Director	60,000	20,000	5,000
5	Mr. Jaevd Kaiser Ally	Director	60,000	-	-
6	Mrs. Tarana Ahmed	Director	60,000	20,000	5,000
7	Dr. Sayeed Ahmed	Director	60,000	-	-
8	Mrs. Masuma Parvin	Director	60,000	20,000	5,000
9	Mr. Khondaker Sabbir Mohammad Kabir	Independent Director	60,000	20,000	-
10	Mr. Mohammad Bul Hassan FCS	Independent Director	30,000	-	5,000
11	Mr. Mohammad Arife Billah (Bar-at-law)	Independent Director	20,000	10,000	-

## (XI) FAIRNESS OF FINANCIAL STATEMENT

The financial statement of Navana Pharmaceuticals Limited prepare by it's the management and present fairly its state of affairs, result of its operations, cash flows and changes in equity signed in accordance with Companies Act- 1994 by the two Director (Including Managing Director) & Company secretary and audited by the panel auditor of Bangladesh Securities & Exchange Commission (BSEC).

## (XII) MAINTENANCE OF PROPER BOOKS OF ACCOUNT

The company has maintain proper books of account in its head office as per companies act-1994 in this regard Details are shown in this **Annual Report page no. 141**

## (XIII) ADOPTION OF APPROPRIATE ACCOUNTING POLICIES AND ESTIMATES

Appropriate accounting policies have been consistency applied in preparation of companies financial statements which is disclosed in the audited accounts section. In this regard Details are shown in this **Annual Report page no. 145**

## (XIV) COMPLIANCE WITH IAS AND IFRS IN PREPARTION OF FINANCIAL STATEMENTS

In preparation of financial statement, the Company has follow International Accounting Standards (IAS) or International Financial Reporting Standard (IFRS) as applicable in Bangladesh. Details are shown in this **Annual Report page no. 145**

## (XV) SOUNDNESS OF INTERNAL CONTROL SYSTEM

Navana Pharmaceuticals Limited has an independent audit department headed by Head of Internal Audit & Compliance and the Board has formed Audit Committee as sub-committee of the Board and they ensure that the system of internal control is sound in design and has been effectively implemented and monitored. Internal audit report has be place to the audit committee quarterly, Semi-Annually & Annually.

## (XVI) MINORITY SHAREHOLDER INTEREST

Navana Pharmaceuticals Limited very concern about minority shareholders interest. During the year 2022-2023 the interest of the minority shareholders are duly protected through the good governance. The Board Navana Pharmaceuticals Limited is very much conscious regarding the good Governance in this regard the board has appointed 3 (Three) Independent Directors to protect interest of minority shareholders by ensuring good Governance.

## (XVII) ABILITY TO CONTINUE AS A GOING CONCERN

Going concern is an accounting term for a company that is financially stable enough to meet its obligations and continue its business for the foreseeable future. Navana Pharmaceuticals Limited also ability to continue as a going concern by its financial performance as follows:

- Net Revenue Growth by **19.91%** from the previous year
- Positive Current Assets
- Positive Net worth
- Consistent payment of Dividend
- Satisfactory Credit rating

By the considering the above indicator relating to the financial performance of Navana Pharmaceuticals Limited there are no significant doubts upon the company's ability to continue as a going concern.

## (XVIII) SIGNIFICANT VARIANCE OVER THE LAST YEAR'S OPERATING PROFIT

During the year 2022-2023, there is details description significant variance occurred over the last years operating profit as follows:

- **Net Revenue:** Due to huge volume of sales, during the financial year 2022-2023 Net Revenue stood **TK. 5,706.16 Million** which was **19.91%** higher than the previous financial year.
- **Operating Profit:** By maintaining optimum operating expenses during the financial year operating profit stood **TK. 744.64 Million** which was **26.38%** higher than the previous year.
- **Net Profit after Tax:** Due to huge volume of sales, excellent operating performance & maintaining optimum coat Net Profit After tax increased by **30.27%** compare to the previous year.
- **Total Equity:** paid-up capital increased through Initial Public offering (IPO) as well as Retained Earing has increased significantly that's why Total Equity has been increased by **33.89%** compare to the previous financial year.
- **Total Assets:** Total assets stood **9,589.75 Million** which was **35.37%** higher than the previous financial year.
- **Net Cash Flows from Operating Activates:** Net Cash Flows from Operating Activates stood **193.74 Million** which was **2.82%** lower than the previous financial year because of cash payment was higher than the cash received.

## (XIX) KEY OPERATING & FINANCIAL DATA

Key operating and financial data of last five years as follows:

Operational Result	2022-23	2021-22	2020-21	2019-20	2018-19
Gross Sales	6,658,311,406	5,582,493,124	4,128,224,650	3,620,705,966	3,400,655,982
VAT	952,150,384	823,786,600	521,648,164	471,700,815	430,144,517
Net Sales	5,706,161,022	4,758,706,524	3,606,576,486	3,149,005,151	2,970,511,465
Cost of Sales	3,097,130,517	2,586,134,851	1,979,530,541	1,732,926,101	1,636,470,875
Gross Profit	2,609,030,505	2,172,571,672	1,627,045,945	1,416,079,050	1,334,040,590
Administrative Expenses	203,270,825	151,042,811	111,953,238	102,485,008	117,896,959
Selling and marketing Expenses	1,270,897,848	1,143,937,454	894,673,593	799,290,781	759,772,285
Distribution Expenses	390,226,783	288,402,731	256,707,467	229,864,607	209,305,256
Profit from Operations	744,635,047	589,188,676	363,711,647	284,438,654	247,066,089
Finance cost	234,887,205	200,421,168	75,184,536	91,591,129	102,907,597
Other income	(37,503,668)	22,607,712	29,006,157	36,693,402	14,405,068
Profit before WPPF & Tax	472,244,175	411,375,220	317,533,268	229,540,928	155,330,610
Contribution to WPPF	23,160,551	19,589,296	15,120,632	10,262,907	7,766,530
Profit before tax	449,083,624	391,785,923	302,412,637	219,278,021	147,564,079
Income Tax	92,140,409	117,784,385	100,119,906	81,882,949	62,527,243
Net Profit/ (loss) After Tax	356,943,215	274,001,539	202,292,731	137,395,072	85,036,837

Operational Result	2022-23	2021-22	2020-21	2019-20	2018-19
Non- Current Assets	4,800,325,796	4,188,661,986	3,390,088,927	2,822,508,953	2,859,069,762
Current Assets	4,789,418,631	2,895,438,346	1,809,117,577	1,628,494,017	1,625,762,426
Total Assets	9,589,744,427	7,084,100,333	5,199,206,505	4,451,002,970	4,497,525,002
Shareholders' Equity	4,372,445,072	3,483,049,324	3,304,404,714	3,102,111,982	3,105,216,910
Non-current Liabilities	362,335,121	314,473,228	322,759,385	105,780,563	107,691,599
Current Liabilities	4,854,964,232	3,286,577,781	1,572,042,407	1,243,110,425	1,284,616,493
Total Liabilities	5,217,299,353	3,601,051,009	1,894,801,792	1,348,890,988	1,392,308,092
Total Equity and Liabilities	9,589,744,427	7,084,100,333	5,199,206,505	4,451,002,970	4,497,525,002
Other Information					
Reserve & Surpluses	2,850,112,833	2,680,747,824	2,502,103,213	3,101,310,482	2,963,915,410
Net Cash Flows from Operating Activities	193,743,209	199,359,418	121,751,967	201,500,440	230,842,419
Net Operating Cash Flow per share (NOCFPS)	1.80	2.48	1.52	2.51	15,982

## (XX) REASON FOR NOT DECLARING DIVIDEND

Not applicable because the company has declare **13% Cash Dividend** to its shareholders for the year ended June 30, 2023.

## (XXI) BOARD STATEMENTS REGARDING INTERIM DIVIDEND

Navana Pharmaceuticals Limited didn't declare any Bonus share or Stock dividend during the year- 2022-2023 as interim dividend.

## (XXII) NUMBER OF BOARD MEETING HELD DURING THE YEAR & ATTENDANCE

During the Financial year -2022-2023, a total of 12 meetings of the board were held. Details of the Board Meeting as follows:

Details of Board Meetings held in 2022-2023		
Sl. No	Meeting No	Date of Meeting
01	14th	August 03, 2022
02	15th	October 10, 2022
03	16th	October 18, 2022
04	17th	October 27, 2022
05	18th	November 13, 2022
06	19th	December 27, 2022
07	20th	January 15, 2023
08	21st	January 24, 2023
09	22nd	February 14, 2023
10	23th	March 15, 2023
11	24th	April 13, 2023
12	25th	June 11, 2023

Attendance by the Directors during the Year-2022-2023 as follows:

Sl. No	Name	Position	Meetings held in 2022-2023	Meetings Attended
01	Mr. Anisuzzaman Chowdhury	Chairman	12	12
02	Professor Dr. Md. Jonaid Shafiq	Managing Director	12	12
03	Mrs. Imrana Zaman Chowdhury	Director	12	12
04	Dr. Zahara Rasul MD (CCFP) (FCFP)	Director	12	12
06	Mr. Javed Kaiser Ally	Director	12	12
07	Mrs. Tarana Ahmed	Director	12	12
08	Dr. Sayeed Ahmed	Director	12	12
09	Mrs. Masuma Parvin	Director	12	12
10	Mr. Khondaker Sabbir Mohammad Kabir	Independent Director	12	12
11	Mr. Mohammad Bul Hassan FCS	Independent Director	12	06
12	Mr. Mohammad Arife Billah (Bar-At-Law)	Independent Director	12	04

■ Note: The Director who could not attend in any meeting was granted leave of absence.

■ Note: **Mr. Manzurul Islam** has retire from the Board on December 27, 2022.

## (XXIII) PATTERN OF SHAREHOLDING

The patterns of shareholdings of the Directors & Sponsor of Navana Pharmaceuticals Limited as on June 30, 2023 are shown in this **Annual Report page no. 86**

## (XXIV) DIRECTOR'S APPOINTMENT, RETIREMENT & RE-APPOINTMENT

With regard to the appointment, retirement and re-appointment of Directors, the Company is governed by its Articles of Association & the Companies Act, 1994 and other related Rules & Legislations issued time to time by various Regulators. Accordingly, the following three Directors of the Board will retire from the office of the Company and Being they are eligible for re-election as per clause No: 100 of the Articles of Association of the Company, they applied for re-election in the ensuing 37<sup>th</sup> Annual General Meeting:

### Resume of Retire & Re-appointment Directors:

Name of the Director		Mrs. Imrana Zaman Chowdury
Date of Birth		March 14, 1979
Date of First Appointment		25th November, 2020
Date of Last Appointment		23rd December, 2021
Expertise Area		Accounts & Finance, General Management & Administration and Corporate Governance.
		<b>Chairman</b>
		Lighthouse Navigation Limited
		<b>Vice-Chairman</b>
Entities where they have interest		Meghna Bank PLC
		<b>Director</b>
		Manticore Technology Ltd.

<b>Name of the Director</b>	<b>Mrs. Zahara Rasul MD CCFP FCFP</b>
Date of Birth	May 17, 1973
Date of First Appointment	25th November, 2020
Date of Last Appointment	23rd December, 2021
Expertise Area	Pharmaceuticals, Medicine, General Management & Administration
	<b><u>Director</u></b>
Entities where they have interest	Agro Acres Limited Meghna Bank PLC (Nominated Director)

<b>Name of the Director</b>	<b>Mrs. Masuma Parvin</b>
Date of Birth	July 07, 1966
Date of First Appointment	2nd December, 2020
Date of Last Appointment	N/P
Expertise Area	Accounts & Finance, General Management & Administration and Corporate Governance.
	<b><u>Director</u></b>
Entities where they have interest	United Commercial Bank PLC (Nominated Director) Dhaka Evergreen Retirement Homes Limited

## (XXV) MANAGEMENT DISSUASION AND ANALYSIS

A detailed management's discussion and analysis is given of this **Annual Report page no. 202** which is signed by Managing Director of the company.

## (XXVI) DECLARATION BY THE MD AND THE CFO

The declaration by the MD and the CFO of Navana Pharmaceuticals Limited disclosed in **Annexure-A** of this **Annual Report page no. 219**.

## (XXVII) REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE

The Board of Directors has appointed **Suraiya Parvin & Associates, Chartered Secretaries** regarding audit of compliance conditions of **Corporate Governance Code-2018** for the financial year 2022-2023.

Certificate regarding compliance of conditions **Corporate Governance Code-2018** under condition No. 9 disclosed in **Annexure-B & Annexure-C** of this **Annual Report page no. 220 & 221**.

Thanking you,

On behalf of the Board of Director



**Anisuzzaman Chowdhury**

Chairman