

**CREDIT RATING REPORT
ON
NAVANA PHARMACEUTICALS PLC.**

RATING REPORT CONTENTS

Detailed Report:

Page No.

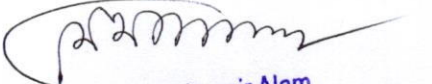
Disclaimer	--
Executive Summary	--
Rating	01
Rating Basis	01
Rating Definition	01
Rating Rationale	02
Business Overview	03
Group Profile	--
Industry Overview	04
Business Risks	06
Financial Risk	09
Credit Facilities	10
Appendix-I	I
Appendix-II	II

[FORM-IX]
[Rule 10(8) A(g)]

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Mohammad Jahangir Alam
Chief Executive Officer (CEO)
National Credit Ratings Ltd.

EXECUTIVE SUMMERY
12TH SURVEILLANCE RATINGS
OF
NAVANA PHARMACEUTICALS PLC.

Declaration Date	01.12.2025	02.12.2024
Long Term Entity Rating	AA (Double A)	AA (Double A)
Short Term Entity Rating	ST-2	ST-2
Outlook	Stable	Stable
Expiry Date	30.11.2026	01.12.2025

Bank Loan Ratings ^a	
Short Term	ST-2
Long Term	AA

Note: The Company is availing funded and non-funded facilities from Al-Arafah Islami Bank PLC. (VIP Road Branch), Dhaka Bank PLC. (Banani Branch), Shimanto Bank PLC. (Corporate Head Office), Community Bank Bangladesh PLC. (Head Office), Bengal Commercial Bank PLC. (Dilkusha Islami Banking Branch), Standard Chartered Bank PLC. (Gulshan Branch), Prime Bank PLC. (Gulshan Branch), The City Bank PLC. (Head Office), IPDC Finance PLC. (Head Office, Dhaka), and IDLC Finance PLC. (Gulshan Branch)

^aBLR is valid for one year for long term loan and for short term loan up to 365 days or according to the tenure of the loan whichever is earlier.

PERFORMANCE HIGHLIGHTS

Particulars	FY 2024-25	FY 2023-24
Total Assets (TK in Million)	11,472.31	11,303.70
Total Equity (TK in Million)	4,864.92	4,561.10
Net Revenue (TK in Million)	8,842.91	6,898.22
Net Profit (TK in Million)	487.81	404.63
Operating Margin (%)	16.73	14.75
Net Profit Margin (%)	5.52	5.87
EBITDA (TK in Million)	1,733.11	1,178.65
ROA (%)	4.28	3.87
ROE (%)	10.35	9.06
Current Ratio (X)	0.86	0.87
DSCR (X)	1.99	2.09
Debt to Total Capital (%)	48.86	54.10

STRENGTHS

- Experience of the promoters in the related business
- Owned manufacturing unit with adequate production capacity
- Satisfactory turnover, net profit & EBITDA
- Augmented equity & asset base
- Adequate coverage indicator
- Sound banking transaction
- Sound export-import performance

CHALLENGES

- Ensuring best quality products with highest customer satisfaction
- Reducing dependency on external financing
- Maintaining adequate liquidity position
- Improving asset utilization capacity
- Maintaining optimal capital structure
- Minimizing exchange rate risk


Mohammad Jahangir Alam
Chief Executive Officer (CEO)
National Credit Ratings Ltd.

Declaration Date	01.12.2025
Long Term Entity Rating	AA (Double A)
Short Term Entity Rating	ST-2
Outlook	Stable
Expiry Date	30.11.2026

Bank Loan Ratings ^a	
Short Term	ST-2
Long Term	AA

Note: The Company is availing funded and non-funded facilities from Al-Arafah Islami Bank PLC. (VIP Road Branch), Dhaka Bank PLC. (Banani Branch), Shimanto Bank PLC. (Corporate Head Office), Community Bank Bangladesh PLC. (Head Office), Bengal Commercial Bank PLC. (Dilkusha Islami Banking Branch), Standard Chartered Bank PLC. (Gulshan Branch), Prime Bank PLC. (Gulshan Branch), The City Bank PLC. (Head Office), IPDC Finance PLC. (Head Office, Dhaka), and IDLC Finance PLC. (Gulshan Branch)

^aBLR is valid for one year for long term loan and for short term loan up to 365 days or according to the tenure of the loan whichever is earlier.

RATING BASIS

Ratings are based on five years **audited** financial statements up to **June 30, 2025** along with the other relevant Quantitative as well as Qualitative information provided by the Client & Bank up to the Date of Rating Declaration. NCR has followed Corporate Rating and Bank Loan Rating Methodology published in its website.

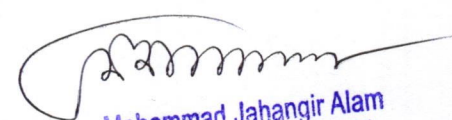
RATING DEFINITION

AA (Double A) rating indicates very strong credit quality.

ST-2 rating indicates above average ability to meet short term financial commitments.

DEFINITION OF OUTLOOK

Stable indicates that rating may remain unchanged as existing fundamentals may remain unchanged in near future.


Mohammad Jahangir Alam
 Chief Executive Officer (CEO)
 National Credit Ratings Ltd.

RATING RATIONALE

Navana Pharmaceuticals PLC. has been reassigned with the above-mentioned ratings in short term and long term with stable outlook. While assigning the ratings, the rating committee has considered both financial and non-financial parameters to measure the efficiency, performance, financial soundness and future prospects of the company. Moreover, the ratings have also highlighted qualified BoD, adequate experience of the promoters, skilled management team, strong presence of the company in competitive market along with existing rich customer base around the globe. Moreover, increased turnover, satisfactory EPS, improved ROA & ROE, increased EBITDA & net profit, adequate coverage indicator, along with increased total asset & equity base have also been considered duly by the rating committee while assigning the surveillance ratings of the company.

Despite having some affirmative factors, inadequate liquidity position, excessive financial obligations, negative working capital and weak asset utilization capacity have confined the ratings of the company. Moreover, undesirable volatility in foreign exchange rate, price fluctuation of raw materials in the international market along with the possibility of increasing cost due to obligation to retain the compliance issues have also been taken into account during assigning the ratings.

The Bank Loan Ratings (BLR) have been assigned considering the factors like utilization of credit facilities, security coverage & the recovery prospects besides the concern's potential strength to meet financial obligations, originated from currently availing facilities, besides the proprietors' strength to meet financial obligations in adverse situation of the concern.

RATING OUTLOOK

NCR, taking the historical business performance, socio-economic aspects, industry growth potential in the regional area and the concern's ability to tap the opportunity and its reflection on forthcoming years' turnover, profitability, coverage indicators, liquidity parameters and external obligation meeting capacity into consideration, judges the outlook of the concern to be "**Stable**" as the concern may be able to retain its existing fundamentals which will favor to reaffirm the rating in foreseeable future.

1.0 BUSINESS OVERVIEW

1.1 Navana Pharmaceuticals PLC. (hereinafter referred as 'NPPLC' or The Company) was first incorporated as a Private Limited Company on March 31, 1986 under the Company Act of 1913 which was later replaced by the Companies Act 1994. Later on December 30, 2021 the company has been transformed to Public Limited Company and has been listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) on October 11 and October 12, 2022 respectively. Authorized capital of the company is TK 2,000.00 million divided by 200.00 million ordinary shares and the paid-up capital stood at 1,074.16 million as on 30 June, 2025. The company operates under the drug license from Directorate General of Drug Administration.

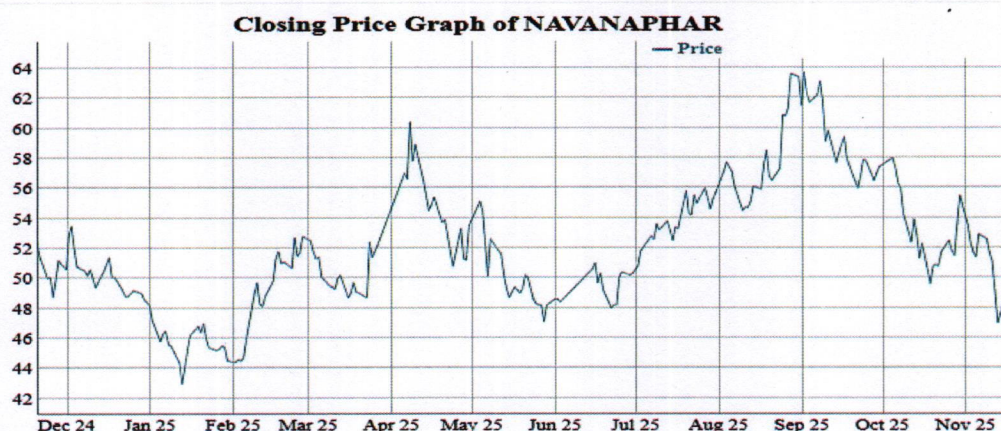
1.2 Navana Pharmaceuticals PLC. produces both human and animal drugs comprising Tablet, Syrup, Powder, Cream, Oral Solution, Capsule, Gel, Ointment, Drops, and Suppository of various trade names. Some of NPPLC's products are exported to different countries like Myanmar, Vietnam, Sri Lanka, Cambodia, Togo, Georgia and Kenya. The current production capacity of the company follows:

Dosage Form	UOM	Utilization	Installed Capacity	Actual Production
			Yearly	Yearly
Tablet, Capsule, Syrup, Bolus	Pcs.	99%	819,000,000	809,999,500
Liquid, PFS, Oral Solution	Bottle	85%	13,960,800	11,848,405
Powder	Container/Sachet	58%	8,820,000	5,125,287
Nasal Drops, Nasal Spray, Eye Drops	Dropper	60%	1,411,200	846,968
Ointment, Cream	tube	99%	4,536,000	4,490,640
Injection	Vial	56%	3,906,000	2,196,167
Total			851,634,000	834506967

1.3 Veterinary Division of NPPLC started operation in the year 2002. The division produces various range of Veterinary Products which includes Poultry, Large Animal and Aqua. These products are sold in the local market. The division is working as international partner of following companies: LAPROVET (France), Novus International Pte. Ltd. (USA), Polymix B. V. (Holland), Anpario PLC (UK), BASF (Germany), AJINOMOTO (China), CJBIO (Korea), ew nutrition (Germany), Morningbio (Korea), Alphatech (France), Zenex (India), Tech Agro (Greece), Sanzyme (India), Bewital Agni (Germany).

1.4 Corporate office of the company is located at House 99, Road 4, Block B, Banani Dhaka -1213, while the manufacturing plant is established at 1071, 1073, North Rupshi, Tarabo Municipality, Rugganj, Narayanganj on 834.00 decimals own land constructed as per standard of WHO-cGMP, clean room technology, segregate air-handling system and safe engineering technology.

1.5 Shares of the company are traded under "A" category in both the stock exchange. Face value of each share is TK 10.00. Last Annual General Meeting of the company held on December 31, 2024 and upcoming Annual General Meeting will be held on December 31, 2025. The Board has recommended 14% Cash Dividend only general shareholders for the year ended June 30, 2025. The Company has also reported EPS is TK 4.54, NAV per share is TK 45.29 and NOCFPS of TK is TK 16.90 for the year ended on June 30, 2025 against reported EPS is TK 3.77, NAV per share is TK 42.46 and NOCFPS of TK is TK 6.58 respectively for the same period of the previous year. The following graph reveals the closing price of NPPLC's stock at DSE over a period of last one year:



2.0 INDUSTRY OVERVIEW

2.1 Pharmaceutical is one of the most flourishing and promising sectors of Bangladesh. Since the promulgation of drug control ordinance in 1982, the sector has been booming. In the last five years (2017-18 to 2021-22), the sector has grown at a CAGR of 5.65 percent. Currently, the size of the industry is USD 2.92 billion. Brief overview of pharmaceutical industry along with market size and growth trend is given below:

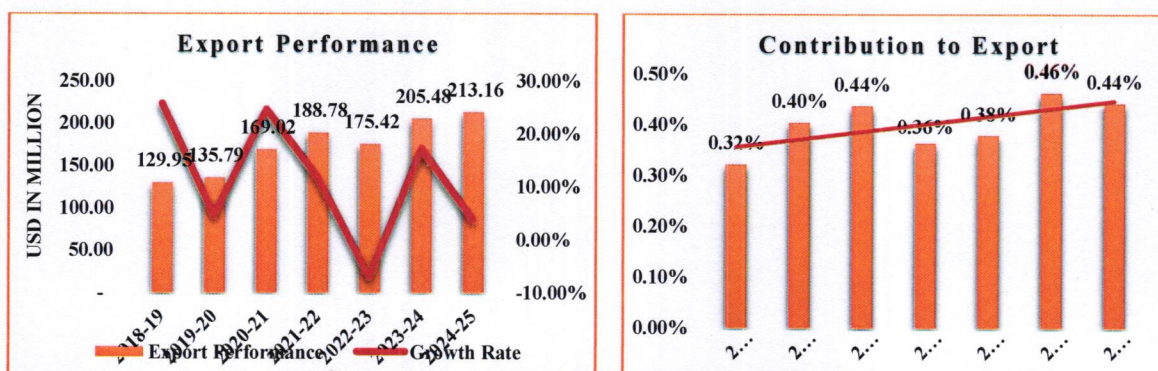
Particulars	Details
Market Size	USD 2.92 billion
Local Demand Met by the Industry	98% (Approx.)
GDP Contribution	1.83%
Export (FY 2024-25)	USD 213.16 million
Contribution to Total Export (FY 2024-25)	0.44%
CAGR of Export (FY 2018-19 to FY 2024-25)	5.65%
Pharmaceutical Export Destinations	Over 160 countries
Registered Pharmaceutical Companies	307 registered, of which around 150 are actively producing medicines
No. of Allopathic Manufacturers	295
No. of Registered Drugs (Allopathic)	34,690
No. of Unani Manufacturers	284
No. of Registered Drugs (Unani)	8,181
No. of Ayurvedic Manufacturers	205
No. of Registered Drugs (Ayurvedic)	4,962
No. of Herbal Manufacturers	31
No. of Registered Drugs (Herbal)	838
No. of Homeopathic Manufacturers	71
Major Market Players	Square Pharmaceuticals, Incepta Pharmaceuticals, Beximco Pharmaceuticals, Healthcare Pharmaceuticals, Renata PLC etc.

Source: Bangladesh Association of Pharmaceutical Industry (BAPI), 'The Business Standard' Date: 21.04.2025 and 29.10.2025 and; Directorate General of Drug Administration (DGDA), Export Promotion Bureau (EPB)

2.2 Increased per capita income, health consciousness among people, unconditional tax holiday to all APIs and laboratory reagents producers, waivers on Advance Income Tax (AIT) and Tax Deducted at Source (TDS), waivers on VAT, 20% cash incentive for producers who add at least 20% value, 12-year tenure of term loans for factories and equipment, priority in getting land at the industrial parks and economic zones are the impetuses which have been helping the pharmaceutical industry to have such growth. Currently, the industry can meet 98 percent of local demand. Remaining 2 percent imported drugs are mainly vaccines, anti-cancer products and hormone drugs. 80% of the drugs produced in Bangladesh are generic drugs, rest

20% are patented drugs. Local manufacturers capture 90 percent of the market whereas the remaining 10 percent is captured by the multinational companies.

2.3 Bangladesh signed Trade-Related Aspects of Intellectual Property Rights (TRIPS) in 1995 with the World Trade Organization (WTO). Under this agreement, Least Developed Countries (LDCs) get the benefit of manufacturing or reverse-engineering patented medicines as well as reducing costs. After the third extension of validity of the agreement, Bangladesh can now manufacture patented medicines till 2033. This facility is also one of the major reasons behind the growth of the pharmaceutical industry of the country. Along with meeting the local demand, the industry is also contributing to export earnings. Bangladesh now exports pharmaceutical items to more than 150 countries. The country mainly exports generic medicines. 5 to 7 companies of the country got approval from top regulatory bodies around the world and the industry hopes to occupy 10 percent of the global generic medicine market. In the supply side, 95 percent of all Advanced Pharmaceutical Ingredients (API), most important material for pharmaceutical formulation, are imported mainly from China, South Korea and India. According to Bangladesh Investment Development Authority (BIDA), the country imports approximately USD 600 million of API in FY 2018-19. At present, 26 API producers of the country produce around 40 API molecules. Reduction of dependency on imports of API is essential for cost minimization and achievement of self-sufficiency. An API Park is being constructed in Munshiganj with a view to reducing import dependency to 80 percent by 2032.



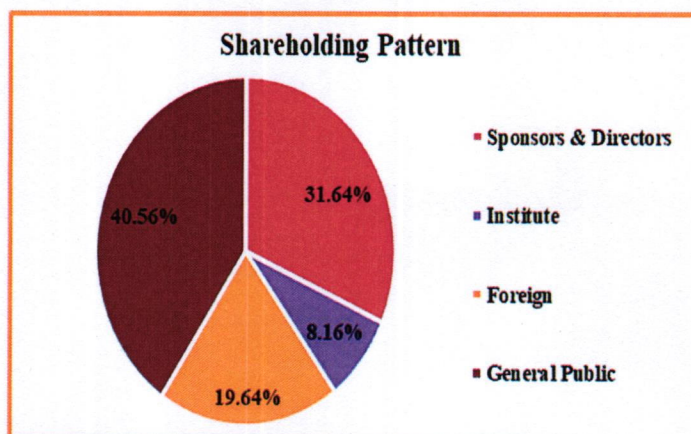
Source: Export Promotion Bureau (EPB)

2.4 Pharmaceutical industry has the potential to be the next multi-billion-dollar industry of Bangladesh and the country is on the right track. From favorable policy support to TRIPS agreement, everything is pushing the industry forward. However, the country is in the way to be graduated to a developing country from least developed country. The facility of TRIPS agreement may not be available after the graduation. So, the country must focus on research and development to produce more patented drugs. Investment in the education sector to produce qualified and technical personnel for the industry should be increased to support the growing industry. Besides, development of backward industry is another important issue to fuel the expanding industry.

3.0 BUSINESS RISK

3.1 OWNERSHIP STRUCTURE

At present, majority of the shares (40.56%) are being held by the general shareholders. And, different institutes & foreign investors are holding 8.16% & 19.64% of the total shares respectively. The remaining 31.64% shares are currently being held by director and sponsor. The adjacent graph portrays the shareholding structure of the company as on October 30, 2025:



3.2 CORPORATE GOVERNANCE

The company's BOD comprises of twelve members including three independent directors. All the members have experience in businesses. The board is responsible for policy formulation and overseeing the management functions. The BOD is a key source of guidance to the management. Brief profile of the board members is given below:

Sl. No.	Name	Designation	Educational Qualification	Experience
1	Mrs. Saiqa Mazed	Chairman & Independent Director	B.Sc. in Engineering from BUET	34 Years
2	Professor Dr. Md. Jonaid Shafiq	Managing Director	Bachelor of Medicine and Bachelor of Surgery (MBBS), Research Fellowship of Kyushu University, Japan, Ph.D. in Anesthesiology	41 years
3	Dr. Sayeed Ahmed	Deputy Managing Director	Bachelor of Medicine and Bachelor of Surgery (MBBS)	25 years
4	Mr. Javed Kaiser Ally	Director	Masters of Business Administration (MBA)	32 years
5	Mrs. Tarana Ahmed	Director	Bachelor of Arts (B.A)	25 years
6	Mrs. Masuma Parvin	Director	Masters of Arts (M.A)	16 years
7	Mr. Khondaker Sabbir Mohammad Kabir (Representative of Stratus Holdings Limited)	Director	Master of Business Administration (MBA)	32 Years
8	Mr. Mohammad Arife Billah (Bar-At-Law)	Independent Director	Post-graduation in Accounting & Fellow Chartered Secretary	17 years
9	Professor Mohammad Shofiqul Islam	Independent Director	Master's in Business Administration (MBA) & Master of Commerce (M. Com)	25 Years

3.3 MANAGEMENT

3.3.1 The management team is organized with a good blend of young and experienced personnel from different professional background which includes Pharmacists, Engineers, Accountants, Secretary, Marketing, Medical Regulatory Specialist, Business Development Executive and Market Research Specialist. Professor. Dr. Md. Jonaid Shafiq, Managing Director of NPPLC, has vast experience in pharmaceutical sector.

3.3.2 The organizational structure of the company is divided into Seven (7) functional divisions, namely: (1) Factory (2) Finance & Accounts Department (3) Sales & Marketing Department (4) Distribution Department (5) Administration & IT Department (6) Commercial & Purchase Department, 7) Secretarial Department. All the divisions are supervised by the Professor. Dr. Md. Jonaid Shafiq, Managing Director of the company. The heads of the divisions have the capability to promote and run the business smoothly. NPPLC offers good compensation packages to its employees including festival bonus and efficiency bonus etc.

3.3.3 As on June 30, 2025, there are 4,798. officers and workers employed in the factory, office and filed level. The details of the key professionals of the management team are given below:

Sl. No.	Name	Designation	Department	Qualification	Experience
1	Professor. Dr. Md. Jonaid Shafiq	Managing Director	Lead all over the Company	Bachelor of Medicine and Bachelor of Surgery (MBBS), Research Fellowship of Kyushu University, Japan, Ph.D in Anesthesiology	41 years
2	Dr. Sayeed Ahmed	Deputy Managing Director	Marketing, Sales	Bachelor of Medicine and Bachelor of Surgery (MBBS)	25 Years
3	Mr. Shamim Rabbani	Executive Director-Operations	Administration	Post-graduation in Pharmacy	39 Years
4	Mr. Hassan Shahid Sarwar FCA	Finance Director & CFO	Finance & Accounts	Post-graduation in Accounting & Fellow Chartered Accountant	30 Years
5	Mr. Mustafa Khalid Shams	Technical Director	Head of Plant	Post-graduation in Pharmacy	37 Years

3.4 OPERATIONAL RISKS

The company is exposed to other risks associated with the operation. The operational risks are:

3.4.1 INTERNAL CONTROL SYSTEM

NPPLC offers good compensation packages to its employees including festival bonus, production bonus, medical expense, maternity benefits, holiday allowance, tiffin bills etc. With the motivation and support of their executives and workers, they look forward to attain sustainable growth. The company has written HR policy for the employees. The company abides by the labor law 2006 and actively encourages employee involvement in company's business through various types of benefits. According to the HR Policy they provide Health care facilities (first aid facilities, In House Medical treatment, Outside medical Treatment including emergency ambulance service), Maternity facilities (Maternity Treatments, Maternity awareness Program, and Maternity leave) and Group Insurance Facility. Moreover, the company also abides by self-designed as well as international standard policies like Discrimination Policy Health & Safety Policy, Wastage policy, Child-Care Policy, Harassment & Abuse Policy, Canteen Management Policy, Grievance policy Anti-Forced Labor Policy, Child Labor Policy, Career Development Policy, Environmental Safety Policy, Leave Policy & Maternity Facility, Working Hour & Over Time Policy, Remediation of Child labor Policy, Anti-Corruption and Anti-Bribery Policy for maintaining an excellent working environment ensuring human, workers and employee right.

3.4.2 COMPLIANCE AND QUALITY ISSUES

The company complies with all legal and compliance requirements for producing best quality product under good manufacturing practices. Trade license, environmental clearance, fire license, drug license, eGMP license all are up to date. Moreover, NPPLC has a detailed Quality Control Policy complying with

International Standard requirements of ISO 9001:2000 through continually developed Human Resource. The company is committed to comply with WHO cGMP standard and follow local drug regulatory norms in every phase of product development, manufacturing, quality assurance and distribution of medicine

3.4.3 INFRASTRUCTURAL RISK

The company has sufficient number of machineries to start its manufacturing unit. The company has a well-equipped quality control department with branded machinery. Stringent quality control measures are adopted to make sure consistent fine quality products are manufactured. The concern has 64 private cars, 07 microbus and 62 covered vans to smoothen the transportation purpose. The factory premise of NPPLC has 01 main entry and exits points. NPPLC has required fire equipment's to take appropriate measures against fire exposure i.e. central fire hydrant system, PA system, fire door, gas musk etc.

3.4.4 UTILITY RISK

The company meets its electricity requirements from REB (Narayanganj Palli Bidyut Samity) & uses 04 diesel generators with total capacity of 2375 KVA to support the backup power requirement.

3.4.5 ENVIRONMENTAL RISK

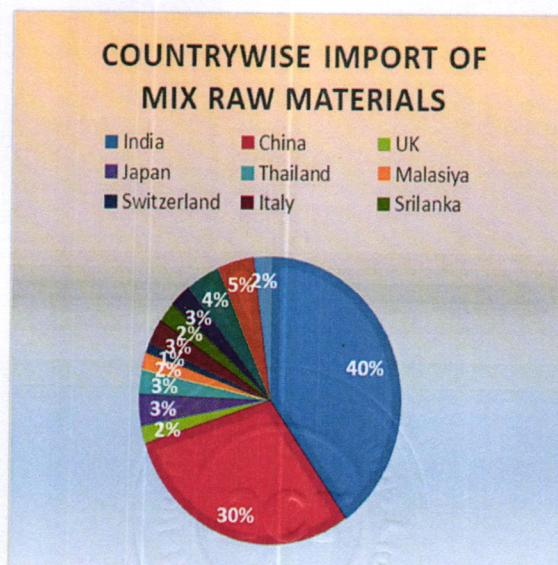
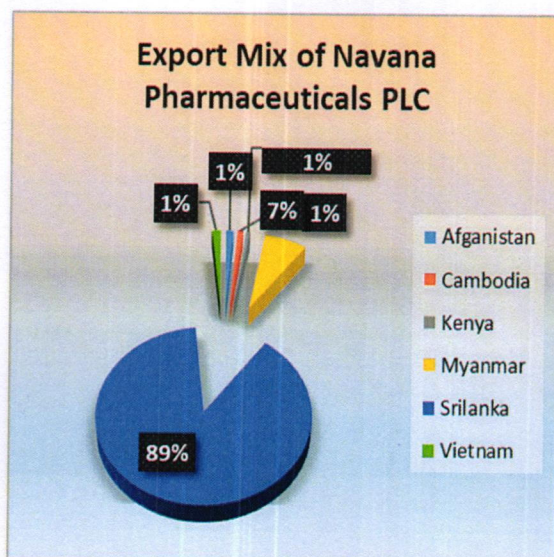
To ensure pollution free environment the company has setup 01 effluent treatment plant 10,000 liter per day and 02 Water Treatment Plant with total capacity of 3,000 liter per hour.

3.4.6 INFORMATION TECHNOLOGY

NPPLC uses advanced Information Technology for MIS reporting. The company exercises ERP system. In addition, the company uses manual system for handling procurement, production, inventory management and the other activities.

3.4.7 PROCUREMENT AND SALES RISK

The company sources raw materials from the local and international markets. The major sourcing countries are India, China, USA, Sri Lanka, SE Asia, and Europe. Again, NPPLC is exporting to five major countries besides serving the local market. Export and import composition to different countries are presented in the graph below:



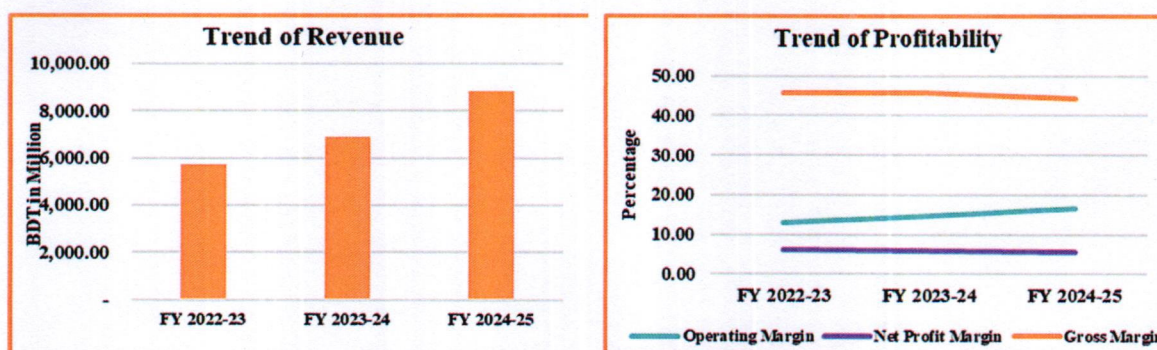
3.5 QUANTITATIVE ANALYSIS

(TK in Million)

Particulars	FY 2024-25	FY 2023-24
Net Revenue	8,842.91	6,898.22
Revenue Growth (%)	28.19	20.89
Cost of Sales to Revenue Ratio (%)	55.81	54.41
Gross Margin (%)	44.19	45.59
Operating Margin (%)	16.73	14.75
Net Profit Margin (%)	5.52	5.87
Return on Assets (ROA) (%)	4.28	3.87
Return on Equity (ROE) (%)	10.35	9.06

3.5.1 Financial analysis is based on five years audited financial statements up to June 30, 2025. Turnover of the company increased to TK 8,842.91 million in FY 2024-25 from TK 6,898.22 million in FY 2023-24. Turnover grew by 28.19% in FY 2024-25.

3.5.2 Profitability parameters of the company were satisfactory over the last few years of operation. The net profit increased to TK 487.81 million in FY 2024-25 from 404.63 million in FY 2023-24.



4.0 FINANCIAL RISKS

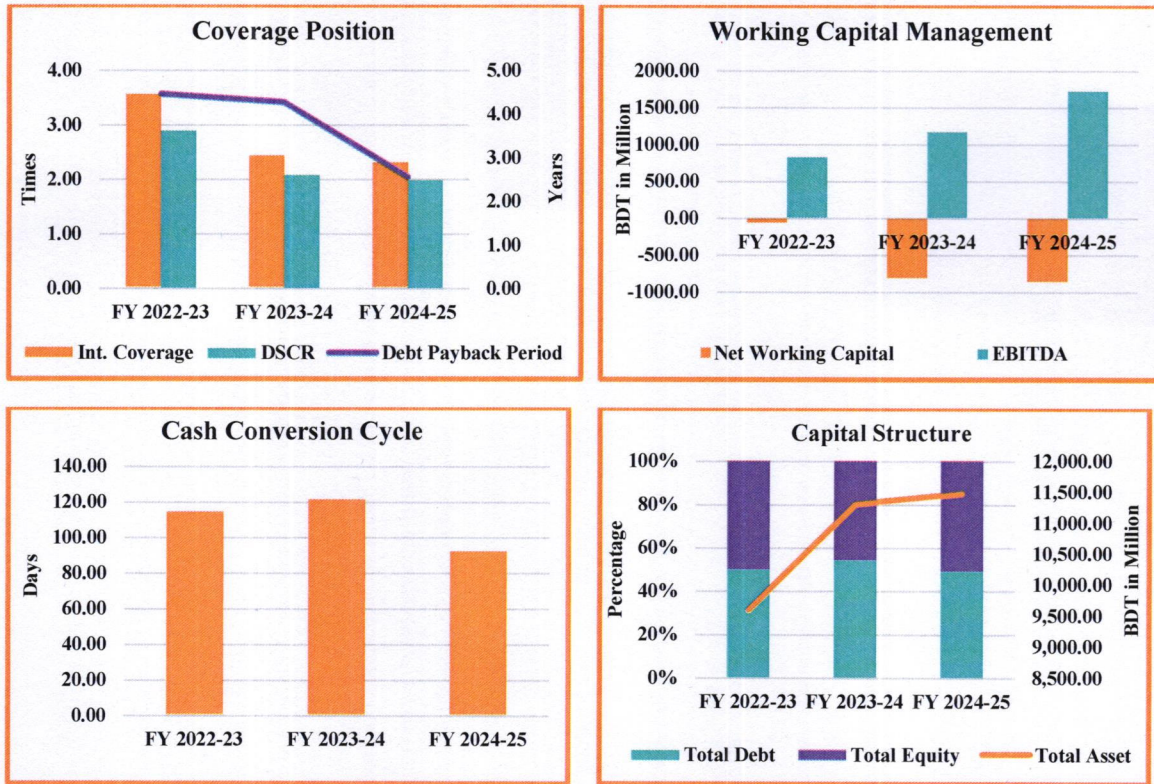
(TK in Million)

EBITDA	FY 2024-25	FY 2023-24
EBITDA	1,733.11	1,178.65
Current Ratio (X)	0.86	0.87
Debt Service Coverage Ratio - DSCR (X)	1.99	2.09
Debt Payback Period (Years)	2.56	4.27
Cash Conversion Cycle (Days)	92.02	121.07
Debt to Total Capital (%)	48.86	54.10
Total Assets	11,472.31	11,303.70

4.1.1 Debt service coverage ratio was slightly decreased and found 1.99 times in FY 2024-25 from 2.09 times in FY 2023-24 since the finance cost of the company grew at a greater rate compared to EBITDA. The prime liquidity indicator, current ratio, was unfavorable and further deteriorated to 0.86 times in FY 2024-25 from 0.87 times in FY 2023-24.

4.1.2 Cash conversion cycle of the company shortened to 92 days in FY 2024-25 from 121 days in FY 2023-24 depicting improved efficiency of the company in the management of inventory. Net working capital of the company was negative and stood at TK (864.47) million in FY 2024-25 against TK (814.39) million in FY 2023-24.

4.1.3 Capital structure of the company was composed of 48.86% debt and 51.14% equity at the end of the financial year. Capital structure of the company was highly dependent on debt finance. Total asset base increased to TK 11,472.31 million in FY 2024-25 from TK 11,303.70 million in FY 2023-24.



5.0 CREDIT FACILITIES

NPPLC is enjoying credit facilities from Al-Arafah Islami Bank PLC. (VIP Road Branch), Dhaka Bank PLC. (Banani Branch), Shimanto Bank PLC. (Corporate Head Office) Community Bank Bangladesh PLC. (Head Office), Bengal Commercial Bank PLC. (Dilkusha Islami Banking Branch), Standard Chartered Bank PLC. (Gulshan Branch), Prime Bank PLC. (Gulshan Branch), City Bank PLC. (Head Office), IPDC Finance PLC. (Head Office, Dhaka) and IDLC Finance PLC. (Gulshan Branch). The details of the credit facilities are given as below:

(TK in Million)

Name of Bank	Nature of Facility	Limit	Outstanding*	Purpose
Al-Arafah Islami Bank PLC. (VIP Road Branch, Dhaka)	L/C (Foreign-Sight/Deferred/UPAS)	1,500.00	--	To import raw materials of medicine, packing materials, spare parts and accessories
	Bills		283.07	
	MPI-TR	(500.00)	475.54	To retire goods to be imported
	Bai-Muazzal	850.00	935.92	To procure raw materials of medicine, packing materials, spare parts and accessories
	Specific Bai Muazzal (LC blocked)	137.8		
	MDB/MDB-FC	20.00	16.33	To purchase Local/Foreign Bill
	Bank Guarantee	20.00	9.01	To provide performance guarantee for participating in tenders
	HPSM (Transport)	99.1	40.15	To procure vehicles from local market
	HPSM (Machinery)	192.00	105.91	To import machinery

Dhaka Bank PLC. (Banani Branch)	Rev. L/C (Sight, UPAS)	300.00	Nil	<ul style="list-style-type: none"> To import pharmaceuticals raw materials, stores, spares etc. to be used in the manufacturing factory
	Rev. Sub. LTR	(285.00)	Nil	<ul style="list-style-type: none"> For retirement of import/shipping documents
	Rev. OD	180.00	179.88	<ul style="list-style-type: none"> To meet working capital requirements
Shimanto Bank PLC. (Corporate Head Office)	L/C (Sight/Deferred/UPAS)	130.00	55.7	<ul style="list-style-type: none"> To import raw materials, Packaging materials, spare part and accessories
	LTR	(80.00)	84.8	<ul style="list-style-type: none"> To retire the import documents
	Time Loan	40.00	41.4	<ul style="list-style-type: none"> To procure raw materials and packaging materials
	OD	220.00	225.7	<ul style="list-style-type: none"> To meet up day to day operational expenses
Community Bank PLC. (Head Office)	L/C(Foreign/Local-Sight/Deferred/UPAS)	150.00	88.66	<ul style="list-style-type: none"> To import the raw materials and others business related items
	Acceptance	(150.00)	NIL	<ul style="list-style-type: none"> To retire deferred LC documents
	LTR	(135.00)	60.14	<ul style="list-style-type: none"> To retire Sight LC Documents
	BG	10.00	1.40	<ul style="list-style-type: none"> To provide the guarantee against different works orders
	Time Loan-I	500.00	501.09	<ul style="list-style-type: none"> To procure raw materials from local sources
	Time Loan-II	60.00	59.84	<ul style="list-style-type: none"> To pay different required government revenue
	OD	200.00	207.12	<ul style="list-style-type: none"> To meet overhead and day to day sense
Bengal Commercial Bank PLC. (Dilkusha Islami Banking Branch)	Murabaha LC	50.00	Nil	<ul style="list-style-type: none"> To import pharmaceuticals raw materials
	Bai Muajjal - TR	(45.00)	42.66	<ul style="list-style-type: none"> To retire shipping documents
	Bai Muajjal (WC)	150.00	150.62	<ul style="list-style-type: none"> To procure raw materials, packing & Packaging materials
Prime Bank PLC. (Gulshan Branch)	LC (Sight/UPAS/DP)	285.00	1.37	<ul style="list-style-type: none"> To import raw materials for pharmaceutical industry
	Acceptance/ABP	(285.00)	98.5	<ul style="list-style-type: none"> To retire import documents
	LTR	(270.00)	NIL	<ul style="list-style-type: none"> To retire LC documents
	Time Loan-I	(22.50)	Nil	<ul style="list-style-type: none"> To meet operational expenses
	Time Loan-II	(37.50)	Nil	<ul style="list-style-type: none"> To make payments of customs Duty/VAT and other similar expense
	OD	15.00	14.11	<ul style="list-style-type: none"> To meet overhead, administrative, promotional and marketing expenses
	Term Loan	31.06	18.92	<ul style="list-style-type: none"> To retire import documents
	Forced Loan (Inner of L/C)	(27.24)	27.24	<ul style="list-style-type: none">
Standard Chartered Bank PLC. (Gulshan Branch)	Import LC	450.00	Nil	<ul style="list-style-type: none"> For issuance of LC covering the import of goods
	Acceptance	(450.00)	Nil	<ul style="list-style-type: none"> To provide acceptance against deferred LC
	Overdraft	(20.00)	Nil	<ul style="list-style-type: none"> For general operation purpose
	Shipping Guarantee	(150.00)	Nil	<ul style="list-style-type: none"> To issue shipping guarantee
	LATR	(300.00)	Nil	<ul style="list-style-type: none"> To release imported goods
	Import Loan	(300.00)	94.81	<ul style="list-style-type: none"> To release imported goods
	Import LC	30.00	Nil	<ul style="list-style-type: none"> For issuance of LC covering the import of goods
	Acceptance	(30.00)	20.13	<ul style="list-style-type: none"> To release imported goods
	Shipping Guarantee	(20.00)	Nil	<ul style="list-style-type: none"> To secure the release of goods

IDLC Finance PLC. (Gulshan Branch)	Lease finance	36.87	12.07	<ul style="list-style-type: none"> To purchase vehicles
IPDC Finance PLC. (Head Office, Dhaka)	Term Loan	23.00	10.03	<ul style="list-style-type: none"> To meet additional fund requirement for business expansion
	Lease Finance – Vehicle (05 Nos.)	25.00	19.71	<ul style="list-style-type: none"> To purchase reconditioned vehicles
The City Bank PLC. (Head Office, Dhaka)	Sight L/C	300.00	Nil	<ul style="list-style-type: none"> To import raw materials, reagents & packing materials and finished medicine etc.
	Deferred LC/UPAS	(300.00)	Nil	<ul style="list-style-type: none"> To procure (import or local) raw materials, reagents, finished goods, packing materials
	Acceptance	(300.00)	Nil	<ul style="list-style-type: none"> To retire deferred LC documents
	LTR	(300.00)	Nil	<ul style="list-style-type: none"> To retire sight L/C documents
	Bill Discounting	(300.00)	Nil	<ul style="list-style-type: none"> To retire ULC documents
	RSTL 1	(100.00)	98.17	<ul style="list-style-type: none"> For payment of import duty/VAT & other charges
	RSTL 2	(200.00)	120.39	<ul style="list-style-type: none"> To procure raw materials, packing materials etc. from local market and to meet operational expenses including utility and others to genuine suppliers/vendors against related invoices
	BG	5.00	Nil	<ul style="list-style-type: none"> To be issued favoring customs, other government agencies and utility suppliers for related purpose or for releasing containers imported.
	OD	200.00	206.08	<ul style="list-style-type: none"> To meet overhead expenses, administrative, promotional and marketing expenses

* Outstanding as on 30.09.2025, **Outstanding of Dhaka Bank as on 30.10.2025, ***Principal outstanding of IDLC as on 30.09.2025, ****Outstanding Al-Arafah Islami Bank & Bengal Commercial Bank including anticipated profit as on 30.09.2025

5.1 SECURITY ARRANGEMENT

Name of Bank	Security Collateral	Description
Al-Arafah Islami Bank PLC. (VIP Road Branch, Dhaka)	Collateral	<ul style="list-style-type: none"> Registered Mortgage of 644.00 decimal along with the factory building located (1,23,100.00 sft.) at Dist: Narayanganj, P.S. & S.R.O: Rupgonj, Mouza: Uttar Rupshi having forced sale value (FSV) of TK 747.50 million (As per branch valuation dated 21.10.2020)
Dhaka Bank PLC. (Banani Branch)	Collateral	<ul style="list-style-type: none"> Pledge of 3.00 million shares of Navana Pharmaceuticals PLC with Face Value of TK 30.00 million and Market Value of TK 246.30 million as on 11.05.2023
Shimanto Bank PLC. (Corporate Head Office)	Security & Collateral	<ul style="list-style-type: none"> Existing Pari-passu charge on floating assets (present & future) of the company with RJSC & firms for amount pf Tk. 400.00 million. Personal guarantee of all shareholding directors Personal guarantee of Mr. Anisuzzaman Chowdhury, Ms. Imrana Zaman Chowdhury and Dr. Zahara Rasul (Former Director and shareholder). Pledge of 2.00 million shares of Navana Pharmaceuticals PLC with Face Value of TK 20.00 million and Market Value of TK 138.60 million as on 20.02.2023
Community Bank PLC. (Corporate Branch)	Security	<ul style="list-style-type: none"> Lien of 3.00 million shares of Navana Pharmaceuticals PLC with Face Value of TK 30.00 million Personal guarantee of all the shareholding Directors MIRC cheque covering the facility amount Pari-passu charge on floating assets

The City Bank PLC. (Head Office, Dhaka)	Security	<ul style="list-style-type: none"> ▪ Lien of 1.42 million shares of Genex Infosys Ltd. owned by Mr. Chowdhury Fazle Imam ▪ Lien of 3 million shares of Navana Pharmaceuticals PLC owned by sponsors namely Dr. Jonaid Shafiq (750,000 shares), Ms. Imrana Zaman Chowdhury (1,020,000 shares), Ms Tarana Ahmed (255000 shares), Zahara Rasul (570000 shares), Javed Kaiser Ally (255000 shares) and Sayed Ahmed (150000 shares) ▪ 1st Ranking Pari-passu charge on all floating assets ▪ Personal guarantee of Mr. Anisuzzaman Chowdhury, Dr. Jonaid Shafiq, Ms. Imrana Zaman Chowdhury, Mrs. Masuma Parvin Ms Tarana Ahmed Zahara Rasul, Javed Kaiser Ally and Sayed Ahmed
Bengal Commercial Bank PLC. (Dilkusha Islami Banking Branch)	Security	<ul style="list-style-type: none"> ▪ Lien of shipping documents ▪ Hypothecation of stock ▪ Post dated cheques for each limit ▪ Personal guarantee of the directors of the company ▪ Usual charge documents
Prime Bank PLC. (Gulshan Branch)	Collateral	<ul style="list-style-type: none"> ▪ Pledge of 2.00 million shares of Navana Pharmaceuticals PLC with Face Value of TK 20.00 million
Standard Chartered Bank PLC. (Gulshan Branch)	Collateral	<ul style="list-style-type: none"> ▪ RM on pari-passu basis with other lenders over factory building and land measuring 472 decimals land located at Rupshi, Rupganj, Narayanganj
IDLC Finance PLC. (Gulshan Branch)	Security	<ul style="list-style-type: none"> ▪ Ownership of lease asset. ▪ One MICR cheque covering lease amount. ▪ Postdated cheque for monthly rentals ▪ Demand promissory note in cash or in shares
IPDC Finance PLC. (Head Office, Dhaka)	Security	<ul style="list-style-type: none"> ▪ Ownership of lease asset. ▪ One MICR cheque covering lease amount. ▪ Postdated cheque for monthly rentals ▪ Demand promissory note in cash or in shares.

ANALYSTS	MISHUK DATTA +88-02-471201568 mishuk@ncrbd.com	NADIA ISLAM +88-02-471201568 nadia@ncrbd.com
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Mohammad Jahangir Alam
Chief Executive Officer (CEO)
National Credit Ratings Ltd.

APPENDIX- I: RATING HISTORY

SURVEILLANCE ENTITY RATING – 2024	
Date of Rating Declaration	Long Term
02.12.2024	AA (Double A)
SURVEILLANCE ENTITY RATING – 2023	
Date of Rating Declaration	Long Term
17.12.2023	AA (Double A)
SURVEILLANCE ENTITY RATING – 2023	
Date of Rating Declaration	Long Term
01.08.2022	AA (Double A)
SURVEILLANCE ENTITY RATING – 2022	
Date of Rating Declaration	Long Term
04.12.2022	AA (Double A)
SURVEILLANCE ENTITY RATING – 2022	
Date of Rating Declaration	Long Term
12.05.2022	AA (Double A)
SURVEILLANCE ENTITY RATING – 2021	
Date of Rating Declaration	Long Term
02.12.2021	AA (Double A)
SURVEILLANCE ENTITY RATING – 2020	
Date of Rating Declaration	Long Term
17.08.2020	AA- (Double A Minus)
SURVEILLANCE ENTITY RATING – 2019	
Date of Rating Declaration	Long Term
25.04.2019	AA- (Double A Minus)
SURVEILLANCE ENTITY RATING – 2018	
Date of Rating Declaration	Long Term
28-Feb-2018	A- (Single A Minus)
SURVEILLANCE ENTITY RATING – 2016	
Date of Rating Declaration	Long Term
16.10.2016	A+ (Single A Plus)
SURVEILLANCE ENTITY RATING – 2015	
Date of Rating Declaration	Long Term
23.04.2015	A+ (Single A Plus)
INITIAL ENTITY RATING	
Date of Rating Declaration	Long Term
16.11.2011	A+ (Single A Plus)

APPENDIX- II: RATING SCALE AND DEFINITION

<i>Long Term Rating Scale and Definitions</i>	
Rating Notches	Definition
AAA	Strongest Credit Quality
AA+	Below Strongest Credit Quality
AA	Very Strong Credit Quality
AA-	Below Very Strong Credit Quality
A+	Very Good Credit Quality
A	Above Average Credit Quality
A-	Moderately Good Credit Quality
BBB+	Moderate Credit Quality
BBB	Average Credit Quality
BBB-	Below Average Credit Quality
BB+	Moderately Below Average Credit Quality
BB	Slightly Below Average Credit Quality
BB-	Less Than Average Credit Quality
B+	Significantly Below Average Credit Quality
B	Weak Credit Quality
B-	Very Weak Credit Quality
C	Poor Credit Quality
D	Default (Failed to meet their rated financial commitment on time or when due)
<i>Short Term Rating Scale and Definitions</i>	
Rating Notches	Definition
ST-1	Strongest Ability to Meet Short Term Financial Commitments
ST-2	Above Average Ability to Meet Short Term Financial Commitments
ST-3	Average Ability to Meet Short Term Financial Commitments
ST-4	Below Average Ability to Meet Short Term Financial Commitments
ST-5	Well Below Average Ability to Meet Short Term Financial Commitments
ST-6	Default (Failed to meet their short-term financial commitments)