



2022-2023  
ANNUAL REPORT



**Delta Pharma Limited**



*Bismillahir Rahmanir Rahim*



|| Delta Pharma's purpose of Caring for Life with 'Quality Product @ Affordable Price' has been our guiding mission over the years and reflects our culture of care and compassion. ||



## TRANSMITTAL LETTER

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To

- The Shareholders,
- Registrar of Joint Stock Companies & Firms

Subject: Annual Report for the year ended 30 June 2023.

Dear Sir,

We are pleased to enclose a copy of the Annual Report together with the Directors' Report and Audited Financial Statements including Statement of Financial Position as on 30 June 2023, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow for the year ended 30 June 2023 along with notes thereon for your record/necessary measures.

Yours sincerely



**Mahnaj Azad**  
Company Secretary

Dated: 04 November, 2023



## ABOUT THIS REPORT



### Advancing Our Reporting Pathway

Delta Pharma Limited (DPL) strives to position itself as one of the premier pharmaceutical company in this nation, guided by principles of transparency, unwavering commitment, trustworthiness, dedication to quality, and adherence to all ethical business standards. Our unwavering commitment is to enhance our role continually, ensuring alignment with the best practices of our pharmaceutical industry, the economic aspirations of our nation, and the delivery of a clear and precise representation of our identity to our valued stakeholders. Furthermore, we proactively undertake initiatives designed to elevate the quality of disclosure and transparency within our arena.

### Scope and Delimitations

Our Annual Report (AR) encompasses the trade-offs inherent in our resource allocation for value creation endeavors, along with the nature and extent of value generated for our stakeholders. This Annual Report also underscores the interconnections between our historical, current, prospective, and worldwide initiatives, offering our stakeholders a lucid perspective on our operational, financial, and non-financial performance, as well as the associated risks and future prospects. This report furnishes insights into both our strategic approach and the outcomes of our value creation process. It also affords an overview of the performance of not only our pharmaceutical sector but also the Delta Pharma Limited (DPL). The reporting period spans from July 1, 2022, to June 30, 2023, unless otherwise specified. Moreover, this report incorporates significant information and events occurring after June 30, 2023.

### Reporting Principles and Framework

Our Annual Report (AR) is underpinned by a robust framework that aligns with a diverse array of legal and regulatory standards. These encompass adherence to the Companies Act, 1994, the Income Tax Act, 2023, the Memorandum and Articles of Association of the Company, International Financial Reporting Standards (IFRS), International Accounting Standards, the Labour Law-2006, and our internally devised policies, among other relevant statutes and industry conventions.

In our capacity as a pharmaceutical entity, we are subject to the governance of various regulatory authorities. These include oversight by bodies such as, the Directorate General of Drug Administration (DGDA), The Department of Narcotics Control, The Department of Environment, and other pertinent regulatory bodies. Significantly, this Annual Report represents a momentous milestone as it marks our inaugural adherence to the Global Reporting Initiative (GRI) Standards. This underscores our unwavering commitment to transparency and the adoption of international best practices.

### Forward-Looking Statement and Disclaimer

This Annual Report includes forward-looking statements that are subject to potential risks and uncertainties, which may result in variations between actual results and expectations. These statements should not be interpreted as assurances or forecasts of DPL's future performance. We advise readers of this Annual Report not to unduly rely on such statements.

### Board of Directors' (Board) Approval

The Board of Directors has diligently deliberated to present DPL's Annual Report, guided by the pertinent framework. The Board acknowledges its responsibility in upholding the integrity of this report through sound governance practices. The report received unanimous approval during the 121<sup>st</sup> Board meeting held on 24 October 2023.

**Mrs. Ferdousi Akhter**  
Chairman

**Dr. Md. Zakir Hossain**  
Managing Director

# TABLE OF CONTENTS



## SECTION I: GENERAL INFORMATION

About the Company	05
Vision and Mission Statement	07
Values, Objectives and Quality Policy	07
Milestones of Delta Pharma Limited	08
Corporate Information	09
Certification	11
Obituary	12

## SECTION II: GOVERNANCE

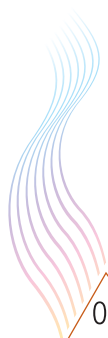
Directors' Profile	15
Chairman's Statement	19
From the Desk of Managing Director and CEO	22
Delta Pharma Management	25
Corporate Governance (CG) Overview	25
Meeting Attendance of Board and Board Committees	27
The Management Team	29

## SECTION III: ACTIVITIES OF DELTA PHARMA LIMITED

Local Business Operation	32
International Business Operation of Delta Pharma	46
Manufacturing Facilities of Delta Pharma	51
Human Resource Management	57
Training and Skill Development	57
MIS and Information Technology	58
Performance Indicators	60
Major Highlights of 2022-2023	60
Key Highlights of Performance Growth During 2022-2023	61
Future Plan	62

## SECTION IV: REPORTS AND STATEMENTS

Notice of the 16 <sup>th</sup> Annual General Meeting	65
Directors' Report	66
Due Diligence Certificate	79
Auditor's Report	80
Statements of Financial Position	83



## SECTION I: GENERAL INFORMATION



### ABOUT THE COMPANY

“A compassionate approach to medicine and healthcare that goes beyond the pursuit of profit” has been the force impelling Delta Pharma Limited’s history over the years. The story of Delta is one of the purpose and resilience – ideals that have remained unchanged in its mission to extend “Better Care... Better Cure” to the last mile and to outspread Quality Product @ affordable Price to under-served communities. There’s a treasure trove of stories in Delta that narrate our journey, obstacles, course corrections, successes and most importantly how our business is a real force for good.

Delta Pharma Limited was incorporated in 1964 in a remote area of Rangpur district but later the present management has started the establishment of new plant in 2000 at Pakundia Upazilla of Kishoreganj district of Bangladesh. The company was formally relaunched on November 21, 2004 and started its business operation in January 2005. On December 2007, the company was converted to a public limited company with a strong commitment to make the quality medicines accessible and affordable to those in need.

Every good company has an enduring purpose. Delta Pharma’s determination, a simple yet powerful principle is “Quality Product @ affordable Price”. We believe that our patients put their healthcare needs in our hands and rely on us for quality & affordable medicines. It is the noble and uplifting purpose that each of the employee come to work for in Delta Pharma Limited. Directly or indirectly, they contribute so meaningfully to make a difference in the lives of people we serve.

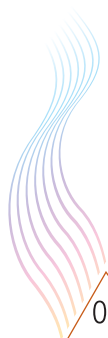
Since the formal business operation launching of Delta in 2005, introducing new drug and innovation has been at the forefront of our culture. Over the years, we have been instrumental in introducing many new therapies which have improved and revolutionized treatment of several ailments. We were the first or pioneer in Bangladesh to introduce Methotrax, a drug of DMARD treatment and the people of Bangladesh get relieve from the rheumatoid arthritis pain by getting quality product with an affordable price that time and onward. Delta Pharma maintain a dedicated manufacturing facility only this product and Methotrax is the first choice of our prescriber among the other brands and also the brand leader in Bangladesh pharma market. Subsequently, Delta pioneered the introduction of Pyrenol, Scabo 6, Demovo, Baricit, Milcal and recently Empazin M & Vonozan for the treatment of Antipyretic, Antiscabietic, NSAIDs, DMARD, Milk source Calcium, Antidiabetic and Antiulcerant diseases. Now Delta Pharma has total 102 brands under 102 generics of 27 therapeutic classes. Now we are mainly focusing in some of the specialty of health care, like Rheumatology, Dermatology and Andrology, Cardiology and Endocrinology etc. and gradually take the market top position. Quality and affordable product reach to the end users when the physicians prescribe to patient. Delta Pharma is very much successful to tie the Doctor-Patients-Medicine in a same row to establish ‘Quality Product @ affordable Price’. The physicians all over the country including our valuable shareholders is one of the most important components to establish the company brand image day by day. They are taking our medicine for personal and family member use. The prescribers trust on our quality product and our company’s patient friendly attitude has created a positive force of responsibility by prescribing our products to do betterment of the society at the end of the day.

At Delta Pharma, we recognize that our employees are the cornerstone of our success and integral to meeting our long-term business success goals. We are committed to investing in our people,

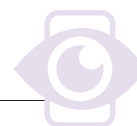


providing them with the right set of skills, opportunities and an enabling environment to thrive. Central to our ethos is cultivating an inclusive work culture that values the aspirations of our employees and empowers them to embrace boldness and innovation. We are dedicated to nurturing well-rounded careers that prioritize respect, care and purpose. Delta Pharma has more than 1,900 employees including professionals like pharmacists, biochemists, chemists, microbiologists, engineers, accountants, lawyers, information technology specialists, and graduates from other disciplines. We have a very competent sales team, which promotes our quality products to the specialties throughout the country. The company's dedicated workforce physically and virtually covers most of the rural as well as urban area of Bangladesh. It has its own large distribution network having 22 depots all over the country. We deliver our product to chemist shops, hospitals and other institutes through our own manpower using our delivery van.

At Delta Pharma, our manufacturing philosophy is centered around innovation, quality enhancement and continuous improvement. In line with our philosophy of 'Quality Product @ affordable Price', we leverage our manufacturing strengths to produce high-quality and affordable medicines to help our consumers around the country and the world to lead healthy lives. Our cGMP compliant manufacturing facilities meet the highest national and international standards, ensuring that our medicines are safe, effective and of the highest quality. Our dedicated and qualified Plant professionals mainly focused on new or existing product development, increasing production capacities, cost savings, and improvement of management synergies. Delta Pharma is maintaining continuous development and investment in manufacturing premises as it is the important part of modern pharma business. At Delta, we conduct product quality testing in-house, following approved specifications and methods. Our manufacturing units are equipped with specialized Quality Control laboratories dedicated to testing materials and drug products using advanced instruments. These advanced instruments, such as high performance liquid chromatography, gas chromatography, infrared spectroscopy, ultra high performance liquid chromatography, atomic absorption spectrophotometer, UV spectrophotometer, karl fischer titrator, potentiometric titrator ensures precise and reliable results. All test methods comply with relevant pharmacopeial and regulatory requirements, upholding industry standards. The drug products undergo a range of tests, including Assay, Impurities and performance-oriented assessments. We are importing our raw materials from the reputed, accredited and approved sources across the globe with proper documentation as our prime concern to provide superior quality products to our customers. We are always giving importance to meet the regulatory authorities requirements of Bangladesh and our exporting countries. Whenever any new rule or requirement is included in GMP, GLP & ISO, then and then we incorporate that in our SOP as we are gradually taking preparation to face the requirement of stringent authority like USFDA, WHO, UK MHRA, EU GMP, Health Canada, TGA Australia, ANVISA Brazil, GCC etc. Delta Pharma's employees are continuously striving to stay ahead and contribute to the ongoing need for quality healthcare with affordability.



## VISION AND MISSION



Incorporated in 1964, Delta Pharma re-launched its operation in 2005 under the new management, with its mission to ensure the access to affordable medicines for all. The company is driven by its vision to be one of the most admired company in the country.

### Our Vision

Our vision is to reach a level of excellence in pharmaceuticals through a sustained effort to quality assurance and to achieve a global standard through the indoctrination of a culture of excellence.

### Our Mission

Our mission is to benefit the people and to improve their quality of life through our quality products. As a generic company, our growth is closely knitted to the satisfaction of our customers. We would like to ensure customer satisfaction through providing quality medicine at affordable cost, launching new molecules and expediting export to all possible avenues. We are committed to achieve our goal through skilled, creative and motivated employees of highest professional standard.

## VALUES, OBJECTIVES AND QUALITY POLICY

### Our Values

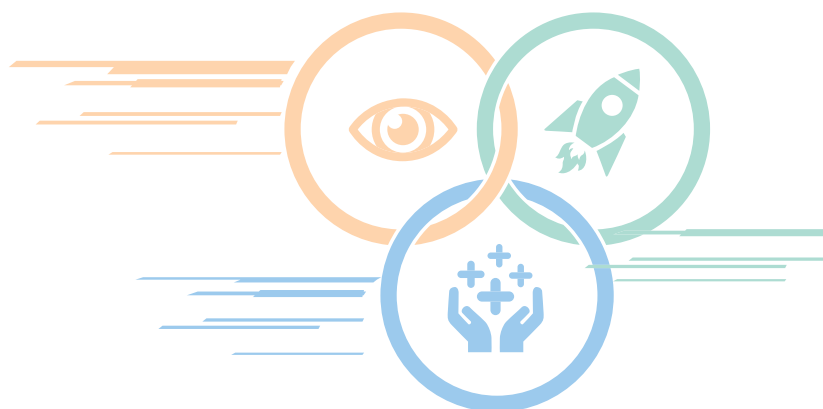
We are devoted to ensure quality in all our endeavors and to maintain the highest ethical standards in our business practices.

### Our Object

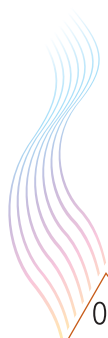
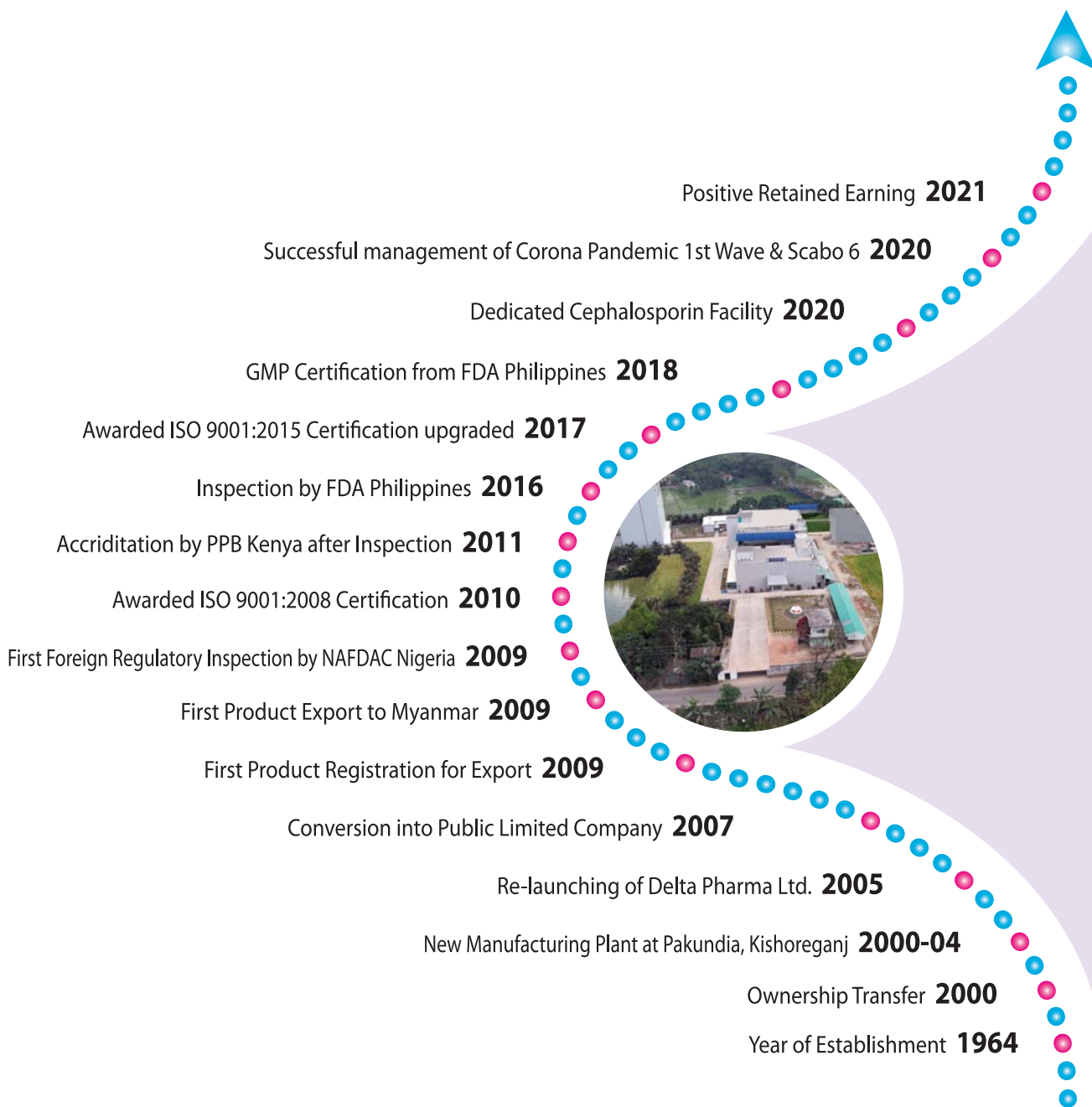
Our object is to conduct transparent business operation within the legal and social frame work in order to attain the declared vision.

### Our Quality Policy

The quality policy of Delta Pharma Limited is to prevent, mitigate and cure the human illness with quality pharmaceutical products at an affordable cost.



## MILESTONES OF DELTA PHARMA LIMITED



## Corporate Information



<b>Company Name</b>	: Delta Pharma Limited
<b>Company Registration No.</b>	: C- 502/2172/233
<b>Legal Status</b>	: Presently, a public limited company (non-listed). The company was incorporated as private limited company on 17 June 1964 and re-launched under the present management in 2005 and subsequently converted to a public limited company on 14 December 2007.
<b>Business Line</b>	: Manufacturing and marketing of Pharmaceutical finished products local and abroad.
<b>Authorized Share Capital</b>	: BDT 1,000 Million
<b>Paid-up Share Capital</b>	: BDT 479.369 Million
<b>Number of Shareholders</b>	: 1,377 (at the book closure date 29-30 October, 2023)
<b>Number of Employees</b>	: 1,875 as on 30 June 2023 (Permanent- 1,749, Casual-110, Contractual – 10 and Substitute Worker-06)

## Board of Directors



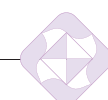
Mrs. Ferdousi Akhter	Chairman
Professor Abdul Bayes Bhuiyan	Director
Mrs. Rifat Hossain	Director
Prof. Dr. Abdul Hannan	Director
Mrs. Nadira Begum	Director
Mrs. Nazneen Akhter	Director
Dr. Md. Zakir Hossain	Managing Director

## Audit Committee



Professor Abdul Bayes Bhuiyan	Chairman
Mrs. Rifat Hossain	Member
Mrs. Nadira Begum	Member
Dr. Md. Zakir Hossain	Member Secretary

## Annual Business Plan Evaluation Committee



Professor Abdul Bayes Bhuiyan	Chairman
Mrs. Ferdousi Akhter	Member
Mrs. Nazneen Akhter	Member
Prof. Dr. Abdul Hannan	Member
Dr. Md. Zakir Hossain	Member Secretary





## Executive Management



Dr. Md. Zakir Hossain  
Md. Golam Rabbani  
Ziaur Rahman  
Muhammad Abul Kashem  
Arup Ratan Chowdhury  
Mahnaj Azad

Managing Director  
Executive Director (Plant)  
General Manager (Marketing)  
General Manager (IBO)  
Assistant General Manager (F&A)  
Company Secretary

## Auditor



Ahsan Manzur and Co.  
Chartered Accountants

## Legal Advisors



Dr. Naim Ahmed  
S. Ahmed and Associates

## Bankers



Islami Bank Bangladesh Ltd.  
Dutch Bangla Bank Ltd.  
AB Bank Ltd.  
Exim Bank Ltd.  
Social Islami Bank Ltd.  
United Commercial Bank Limited  
Commercial Bank of Ceylon  
Shahjalal Islami Bank Ltd.





# CERTIFICATION

## ISO CERTIFICATION

Delta Pharma Limited is an ISO 9001:2015 Certified company since 19 February 2021, after meeting all the requirements of the standards of the quality management systems. Our first ISO 9001:2008 certification was in the year of 2010. This up gradation of ISO certification confirms the day-to-day improvement of quality standard in the area of management of the Delta Pharma Limited.



## GMP RENEWAL FROM FDA, PHILIPPINES

On 28 June 2022, Delta Pharma Limited has achieved the Renewal Certification of GMP Clearance from FDA, Philippines up to 25 February 2025, after meeting all the requirements of the standards of the quality management systems of FDA, Philippines.



## GMP RENEWAL FROM FDA, CAMBODIA

On 07th February 2020, Delta Pharma Limited has achieved the Renewal Certification of GMP Clearance from FDA, Cambodia after meeting all the requirements of the standards of the quality management systems of FDA, Cambodia and it will be valid until 07th February, 2025.



## OBITUARY

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During 2023, we have lost our beloved Shareholders & employees. They will always be our inspiration and we pray for their departed soul.



**Md. Habibur Rhaman Akan**

(Father of Dr. Md. Mahbubur Rahman)

Folio: 536

Business

348, Dharampur, P.O: Benodpur Bazar- 6206, P.S: Motihar, Dist: Rajshahi

**Date of Birth:** 01 August 1946

**Date of Death:** 03 November 2022



**Dr. Md. Monirul Islam**

Folio: 1065

MBBS (General Practitioner)

Bharamara Bamon Para, South Rail Gate, Bharamara, Kushtia

**Date of Birth:** 29 December 1972

**Date of Death:** 18 December 2022



**Md. Rahmat Ali**

Folio: 1348

Field Manager (Delta Pharma Limited)

Vill: Jhowbona, P.O: Shonnasshi Toal, P.S: Bholahata,

Dist: Chapai Nawabgonj

**Date of Birth:** 29 December 1972

**Date of Death:** 18 December 2022



**Dr. Md. Abdur Rahman**

Folio: 432

MBBS (General Practitioner)

Epic Divine, 7th Floor, 19 K.B, Fazlul Kader Road, Panchlaish, Chattogram

**Date of Birth:** 24 June 1969

**Date of Death:** 05 May 2023

## OBITUARY



**Dr. Md. Abdur Rahman**

Folio: 775  
MBBS (General Practitioner)  
UH & FPO, Upazilla Health Complex, Kalaroa, Satkhira  
**Date of Birth:** 01 February 1955  
**Date of Death:** 04 August 2023



**Prof. Dr. Md. Ridwanur Rahman**

Folio: 82  
MBBS, FCPS (Internal Medicine)  
Apt.# 3F, House # 07, Road# 03, Dhanmondi R/A, Dhaka, Dhaka  
**Date of Birth:** 19 July 1958  
**Date of Death:** 25 October 2023

### Employees:



**Syed Moniruzzaman**

Designation: Executive (Training)  
ID: 12199, Office Location: Corporate, Date of Joining: 29-03-2010  
Address: Vill.: South Mirer Betka, P.O.: Mirer Betka,  
P.S.: Tangail Sadar, Dist.: Tangail  
**Date of Birth:** 02 January 1972  
**Date of Death:** 29 January 2023



**Md. Al-Amin**

Designation: Sales Representative  
ID: 15699, Depot: Cumilla, Date of Joining: 01-10-2022  
Address: Vill.: Randhunimura, P.O.: Hajiganj, P.S.: Hajiganj, Dist.: Chandpur  
**Date of Birth:** 14 March 1999  
**Date of Death:** 07 March 2023

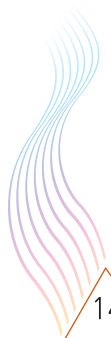


**Rakib Ullah Razu**

Designation: Medical Promotion Officer  
ID: 28300, Tr. Code: MN33, Region: Mymensingh- Netrokona  
Date of Joining: 18-05-2023  
Address: Vill.: Chaichakura, P.O.: Nannibazar, P.S.: Nalitabari, Dist.: Sherpur  
**Date of Birth:** 21 February 1995  
**Date of Death:** 27 August 2023

## SECTION II: GOVERNANCE

### BOARD OF DIRECTORS



## DIRECTORS' PROFILE



**Mrs. Ferdousi Akhter**  
Chairman

**Mrs. Ferdousi Akhter** was born in 1<sup>st</sup> February, 1962 at Laxmipur. She Passed the S.S.C and H.S.C Examination under Dhaka Board. She completed her Graduation and Post-Graduation from Dhaka University. Her husband, Prof. Dr. Md. Shah Alam Talukder, Professor & Ex-Head, Department of Pediatric Surgery DMCH & MMCH. After

his retirement, he worked in Ship International Hospital as Director cum Head of Pediatric Surgery. Mrs. Ferdousi Akhter is an entrepreneur and involved with the Delta Family from its inception. Currently she is the Chairman of the company. She is a very vigilant to her job. She is very careful and committed to her professional life.



**Professor Abdul Bayes Bhuiyan**  
Director

**Professor Abdul Bayes Bhuiyan** is a medical graduate (MBBS) and also obtains FCPS (Fellow of College of Physicians and Surgeons) on Obstetrics and Gynecology. He served as Professor and Head of the Department of Gynae and Obs. in most of the government Medical Colleges of the country and retired on 1995. He is very

hard working and committed in his profession. He has an excellent track record in his service life. Currently he is engaged with the social works for the wellbeing of society at large. At present he is involved with some public and private limited companies. He has been diligently performing his duties as the Director of the organization all the time. He is a very religious person and also participates in different social works regularly.



## DIRECTORS' PROFILE



**Mrs. Rifat Hossain**  
Director

**Mrs. Rifat Hossain** is an entrepreneur and involved with the Delta Family from its inception. Currently she is the Director of the Company. She is also the Director of some other Public Limited Companies. She has also served as the Chairman of the Company and contributed for the growth and expansion of Delta

Pharma and its other associate Companies. Her husband, Prof. Dr. AZM Zahid Hossain is a renowned Urologist of the country and was the Head of Department of Urology, Dhaka Medical College. They have three daughters, who are Physician, Financial Management Graduate and University Graduate student. She is a very vigilant to her job. She is utmost careful and committed to her professional life.



**Prof. Dr. Abdul Hannan**  
Director

**Prof. Dr. Abdul Hannan** is a graduate in Medical Science in 1979 from Sylhet MAG Osmani Medical College under Chittagong University. He did post-graduation with FCPS in Pediatrics in 1988. He served in the government health Sector starting from the position of Assistant Surgeon to the level of

Professor of Pediatrics from 1979 to September 2011. He worked in the field of teaching and training and research in Pediatrics. He received training from Bangladesh, India, Pakistan, Nepal and USA. He worked as an Executive Director of Institute of Child and Mother health, Dhaka and Director of Institute of Public Health. He was elected as the President of Bangladesh Pediatrics Association (BPA). He is blessed with a son Masrur Hannan.

## DIRECTORS' PROFILE



**Mrs. Nadira Begum**  
Director

**Mrs. Nadira Begum** has earned her BSS (Honors) and MSS degree in Sociology from Dhaka University. She started her career as a Research Officer for the Planning Commission of the Government of Bangladesh. From her very childhood, she had the dream of being an entrepreneur and in effort to make her dreams come true, she first initiated her own Printing and Publications business called 'Barnabinyash' and successfully published

multiple books. In 1994, she started a Capital Market Consultancy business and established "SCL Securities Limited" along with a few others. SCL Securities Limited is currently among the best institutions in the capital market of Bangladesh. She has joined with Late Dr. Mohammad Omar Faruque as an Entrepreneur Director in establishing Delta Pharma. Since the beginning, she has been diligently performing her duties as the director of the organization. Her husband, M. Mahfuzur Rahman, is a successful Banker of Bangladesh Bank and famous popular author of juvenile literature and travel stories books. He is a regular column writer in the National Daily Newspaper. Mr. Rahman is very much popular in his locality for social, educational and Philanthropic activities. Her daughters are also very much involved with social and cultural activities.



**Mrs. Nazneen Akhter**  
Director

**Mrs. Nazneen Akhter** born at Tangail district and passed the SSC examination in 1982 from Govt. Biddamoyi Girls High School and HSC in 1984 and BSC examination in 1986 from Eden Mahila College, Dhaka. She completed her Post Graduation degree (Botany) in 1990 from Dhaka University and she earned B.ED

degree from Khulna B.ED College. She has worked as the teacher for Dipshikha pre-cadet and high school, Dhaka. Her husband Professor Dr. M. Rajibul Alam was the head of department of Medicine, Dhaka Medical College, Sir Salimullah Medical College and Mymensingh Medical College. After retirement, he has joined in Anwar Khan Modern Medical College Hospital, Dhanmondi as Professor of Medicine and Rheumatology. She is also involved with some Mosques and Madrasa and social work. She is very careful and committed to her professional life.

## DIRECTORS' PROFILE



**Dr. Md. Zakir Hossain**  
Managing Director

**Dr. Md. Zakir Hossain** is graduated from Mymensingh Medical College under the University of Dhaka. He has attained his Masters Degree in Public Health (MPH) from the Mahidol University, Thailand. Dr. Hossain has been conferred with PhD from the Cambridge University, UK. He has gained management and professional experience of around 17 years in the government Health Sector Bangladesh. He is a member

of the Executive Committee of Bangladesh Aushad Shilpa Samity (Bangladesh Association of Pharmaceutical Industries-BAPI). His is leading the company distinctly ahead in this sector through his strong leadership and professional expertise. Apart from his responsibility of Delta Pharma Limited, he is also the Managing Director of Delta Limited and Delta API Limited, the subsidiary company of the Delta Pharma Limited.





## CHAIRMAN'S STATEMENT



"In the arena of pharmaceuticals, navigating through the recent global challenges was akin to fighting battles on multiple fronts—a test of resilience that underscored the industry's commitment to innovation and unwavering dedication to global health."

Valued Shareholders,

As-Salamu-Alaiqum.

I am honored to welcome everyone to the 16th Annual General Meeting of Delta Pharma Limited. My heartfelt condolences go out to our shareholders, employees, and stakeholders who have lost their loved ones. In the recent times, the scourge of Dengue fever has cast a shadow on our communities. Our thoughts go out to those affected, and we remain steadfast in our commitment to supporting initiatives that address this public health challenge. Delta Pharma Limited continues to collaborate with relevant authorities to provide resources, awareness, and assistance in the fight against Dengue. I pray for the swift recovery of those affected by Dengue and other ailments.

Our priorities remain unchanged, the employee's health and operational efficiency. Delta Pharma continues to support their partners and stakeholders by providing financial aid, medicines and other necessary items. Our efforts during this situation have boosted employee confidence, enhanced product awareness, and strengthened our corporate image.

After the devastating global impact of Corona, we have the another man made calamity, the Russia-Ukraine conflict, by which, we have started to face many difficulties such as economical crisis, political inconstancies, inflation etc. This conflict disrupted the global supply chain, causing spikes in fuel costs, currency inflation, and triggering potential worldwide famine. As a pharmaceutical company, heavily reliant on imports from European, American and Chinese sources, Delta Pharma also faces significant challenges. Escalating prices for raw materials and packaging material, and disruptions in shipments have seriously impacted on our production, supply chains, and profit margins. However, leveraging lessons from the pandemic, our experienced leadership and dedicated team are adapting our business model for sustained growth and returns in this uncertain environment.

## 2022-2023 Overviews

The fiscal year 2022-23 has unfolded as a challenging and dynamic period marked by global political uncertainties, exemplified by events such as the Russia-Ukraine war. Operating within Bangladesh, the country business sector has encountered numerous hurdles, including the suspension of operations by many local enterprises due to issues like monetary inflation, soaring raw material costs, escalated labor expenses, and challenges within the Export and Import system.

Similarly, we have confronted a spectrum of challenges, especially to ensure the availability of essential raw and packaging materials for seamless production by opening the Letter of Credit (L/C) from the banks. Additionally, managing a smooth supply chain, safeguarding the well-being of our employees, maintaining trust with financial institutions for getting their timely support, negotiating vendor contracts amidst price hikes in crucial pharmaceutical items, and also the crisis in our export market were the major challenges for our operational team during this period of time. Our Management, spearheaded by our astute Managing Director, adeptly addressed and resolved these challenges. Despite the adversities, we have successfully launched new products, emphasizing our commitment to offer our Products with Quality at Affordable Prices,' recognizing the decline in people's purchasing power during this period. This strategic approach has not only mitigated the challenges but also contributed to enhance our company's image among our stakeholders.

Undoubtedly, the fiscal year 2022-23 was a demanding yet transformative period for the Company. Despite the intricacies, we have effectively fortified the business fundamentals, positioning ourselves for sustained success in the future.

I'm pleased to inform you that, despite the challenges posed by political unrest and the impact of war on the economic and social landscape, we have concluded the year with noteworthy achievements in both operational and financial spheres.

The company has witnessed a robust revenue growth of 17.47%, and the earnings per share has exhibited a noteworthy increase of 0.37% compared to the preceding financial year. The Board, recognizing these positive outcomes, has endorsed and proposed a cash dividend of Taka 8.00 per share. It is essential to note that the final approval of this dividend awaits the consent of the shareholders at the upcoming Annual General Meeting of the Company.

Despite facing constraints and disruptions, we have achieved remarkable sales growth in both domestic and international markets, coupled with noteworthy profit expansion, solidifying our standing in the market. I extend my commendation to the Board and to our dynamic Managing Director for their active participation and continued and relentless support in formulation the policies and also for guiding the business operation of the company in the positive direction during this challenging time. This strategic initiative is poised to guide our future growth journey, leveraging a potent blend of experience and energy to triumph over the challenges posed by the current volatile situation.



## Outlook

Our company is strategically positioned to achieve the desired profitability and business growth, and we believed that we are developing ourselves in the pharma sector day by day. We never know, what will be happened in the future but we anticipate for achieving top line growth for the financial year 2023-24. Our management always strives to maintain our business growth steadily in a positive direction by addressing the global and internal business threats. Delta Pharma Limited is committed to sustainable and profitable growth, delivering quality products affordably, and strategically leading the pharmaceutical market. Prioritizing a resilient supply chain, cost efficiency, and digital transformation, the company aims to enhance overall return ratios, showcasing its resilience in achieving business goals amid challenges.

## Acknowledgements

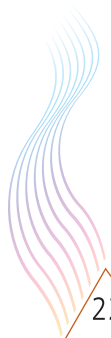
On behalf of the Board and Management, I extend our heartfelt gratitude to our Shareholders, Management, Regulatory Authorities, Customers, and Business Partners for their unwavering support in all our endeavors. The trust and cooperation, that we have received from them are invaluable, which is driving our commitment to excellence. I am reiterating that your continued partnership is instrumental in our journey, and we look forward to achieving shared successes in the future.

Yours sincerely



Ferdousi Akhter

## FROM THE DESK OF MANAGING DIRECTOR AND CEO





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**“Our commitment is to give the best quality medicines at an affordable price to our patients and to enjoy their smile on their face, because every patient is a responsibility to us”**

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**Honorable Chairman, Directors, Shareholders and the colleagues,**  
As-Salamu-Alaiqum.

It's a great opportunity for all of us to meet and welcome you all at the 16th Annual General Meeting of the Company at this time when the world order is passing through an unknowable and unknown dilemma unseen by the current generation since the World War Two that had left a deep wound in every nook and corner of human society. I am pleased to submit to you the Annual Report containing, inter alia, required Financial/operational statements/information with an analytical review of the performance by the management under the supervision and direction of the Board of Directors for the year 2022-2023 for the use by the shareholders.

As you all shall acknowledge that the crises emanating from Covid-19 still continuing, though marginally, had not only medically injured over 770 million people and taken the lives of nearly 7 million humanity during the past three years, its toll on the economy of the world over ran in trillions, incalculable by the human judgment. Throughout the year, a new challenge faced by us: the Russia-Ukraine war, which caused economic slowdown worldwide, resulting in shortage of industrial raw materials, disrupting supply chain and causing inflation. As a result, our businesses are undergoing their due share of stresses, supply disruption, margin erosion and decline in consumer demand which are the resulting consequences of the war, whose ramification is difficult to fathom. Power and gas supplies are often interrupted and if these continue to remain erratic and if supply chain does not function smoothly, we shall have serious shortages of finished goods. In addition, inflationary pressure, currency fluctuation and foreign exchange availability are issues which we will have to face. The application of various types of sanctions, currency crises, oil price hikes as well as food crises continues to threaten normal business operations with rising costs both in buying and selling operations. I would like to thank you all for staying with the Company on a long-term basis for future cohorts. The Management Team feels obliged to work hard and bring the success that would be the biggest respect to you all.

Our commitment is to give the best quality medicines surroundings the world and give the patients smile on their face. Every patient is a responsibility to us. So, we do not compromise in our quality of product. Your care is our first priority. We are constantly putting effort to increase our market share and introduce new products. Our employees are fully aligned and willing to put in their usual best to serve the need of our customers and all of them deserve our appreciation for their loyalty and hard work. Our growth has been admirable and the profit, in line with the expectation.

I would now like you to have an overview of the operational results (as standalone) which show continuous growth parameters in Turnover, Gross Profit, Net profit, Net asset value, shareholders equity and EPS. An analysis of the Company's Balance-sheet indicates a highly satisfactory growing position in every parameter. We are very much happy to inform you that, we have 17.47% growth in our overall revenues, which stood at BDT 2.004 Billion for 2022-2023. There is positive trend in our local and export business turn-over. The Retained Earning of the company has increased with better EPS, though the economic crisis has affected the profitability of our business seriously and there is also the increase of shareholders equity by 41.00% in the company. The EPS of the company stands

for BDT 18.99 and our Net Profit after Tax for the year grew by 16.80% compared to the previous financial year. Our Net Assets Value per share has increased by 21.19% and stands at Taka 140.34 in this financial year, which was Taka 115.81 per share in the previous year. The Long-Term Liability of the company has increased by 48.21% during this financial year, compared to the previous financial year. On the other hand our non-current assets has increased by 49.83% during this financial year, compared to the previous financial year. Fixed asset of an amount of Taka 8.60 Crore has been increased during this financial year. Out of which, Taka 6.54 Crore was invested from the own financing of the company. It is to be noted here that, at present, the book value of the Total Fixed Assets of the company is Taka 121.96 Crore. The total assets have increased by 34.14% during 2022-2023 over the previous year.

One of the most exciting and colorful happy event for all of us during this Fiscal Year of 2022-2023 is the winning of the Auction tender for the commercial plot from RAJUK for our company. We had a long awaited dreams to have our own office in the Dhaka city and now it is going to be successful. During the AGM of 2022, we have informed you about the plot and we have participated in the Auction Tender for a permanent office of Delta Pharma Ltd. We become the highest and successful bidder in the Auction Tender of RAJUK for 99 years lease of commercial plot in Uttara 3rd Phase Residential. Our Plot number is 01 of Sector-16. This the first commercial plot of the Avenue-03 Road, just opposite the RAJUK Uttara Apartment Project and have the future connectivity with Mirpur, Uttara, Tongi, Ashulia, and other places of Dhaka city and the country through road and Metrorail. We have received the award letter from RAJUK authority for the commercial plot and have paid the full payment of 20 Katha land including the registration cost, AIT/VAT and other ancillary/legal expenses. After that, we have applied to the RAJUK authority for completing the hand over process and have also made the digital survey of the plot through their authorized digital surveyor. During the survey, it was found that there is a total land of more than 23.50 katha within that commercial plot and we are waiting to get the official letter from RAJUK authority to deposit the additional payment for the excess land. After getting the full payment of the plot, the RAJUK authority will organize to hand over the plot to us along with land registration process.

I express my sincere gratitude to all of our stakeholders, including Investors, Shareholders, Customers, Bankers, Medical Professionals and the Regulators for their whole-hearted support. We aim to passionately continue building value for our consumers and shareholders now and into the future. I look forward to having continuous support from you all in the coming years. Finally, I would thank you all for staying with the company as it grows and glows.

With best wishes for a bright and healthful life.



**Dr. Md. Zakir Hossain**



# DELTA PHARMA MANAGEMENT

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## CORPORATE GOVERNANCE (CG) OVERVIEW

The Board of Directors of Delta Pharma Ltd. presents this CG statement to provide shareholders and other stakeholders with an overview of the corporate governance practices of the company during the financial year 2022-2023.

### Embracing the Corporate Governance Culture:

In building a sustainable business model, the Board is mindful of its accountability to the shareholders and various stakeholders of Delta Pharma. Towards this, the Board is committed to ensuring that it provides effective leadership and promotes uncompromising ethical standards in the organisation. One of the ways in which the Board achieves this is by requiring that good governance principles and practices are adhered to throughout the Company.

### Discharging Board Responsibilities:

The Board is always mindful of its responsibilities to the Company's shareholders and various stakeholders for creating and delivering sustainable value and long-term success through its leadership and management of the Company's businesses, in pursuing the commercial and social aspects. For the foregoing, the Board determines the strategic objectives and policies of the company for delivery of such long-term value. It ensures effective leadership through oversight on management and robust monitoring of the activities, performance, conformance capabilities and control in the organisation. In setting the strategic direction, the Board also ensures that there is an appropriate balance between promoting long-term growth and delivering short-term objectives, having regard to the public interest responsibilities of Delta Pharma.

### Board Leadership:

In fostering a strong CG culture in the organisation, the Board has always strived for the highest standard of CG practices in the Company and adopting the same as a "way of life" in every aspect of the organisation. As a result, the company was survived overcoming the worst socio-political economic situation and has been growing steadily. The Chairman leads the Board by setting the tone at the top, and managing the Board effectiveness by focusing on strategy, governance and compliance. The positions of the Chairman and MD are held by different individuals with clear and distinct roles.

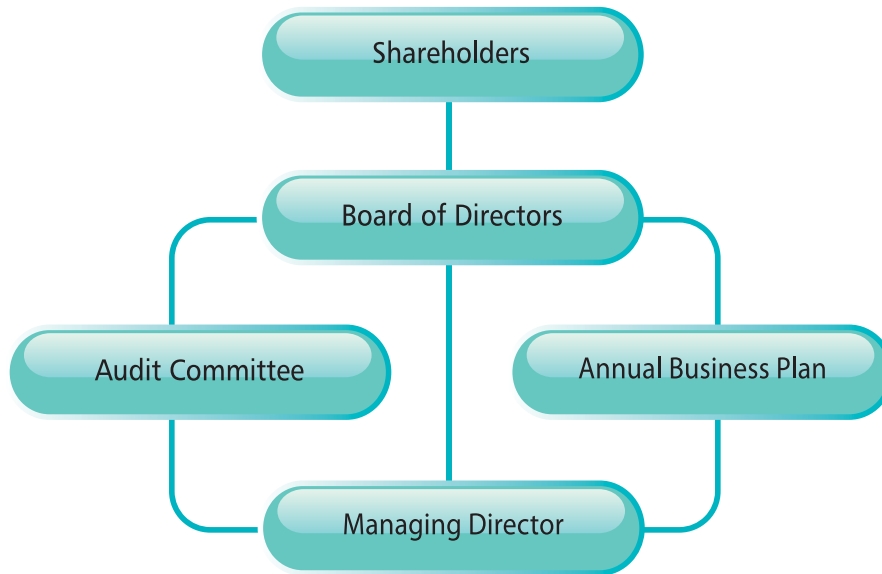
### Board Administration:

The Board members have full access to the Company Secretary. The Company Secretary ensures the Directors are provided with sufficient information and time to prepare for Board meetings. To this, the meeting materials are made accessible to the Directors within reasonable periods prior to the meetings. The Company Secretary also prepares the minutes of meetings in a timely manner and provide advisory services to the Board on corporate administration and governance matters including compliance with the relevant laws, rules and regulations.

### Governing Sustainability:

The Board is ultimately accountable to ensure that sustainability is integrated into the strategic direction of Delta Pharma and its operations. To achieve this, the Board continuously ensures that there is an effective governance framework for sustainability within the company.

## Structure of Delta Pharma's Corporate Governance



### BOARD OF DIRECTORS:

#### Board Size, Composition and Diversity:

The Board believes that a truly diverse and inclusive Board will leverage the differences of its members, to achieve effective stewardship and in turn, retain its competitive advantage. The Board is consisted of 8 members and it was reduced to 7 members after the 117<sup>th</sup> Board meeting upon the resignation of one director.

Gender Diversity of the Board: Currently 57% (F): 43% (M)





## MEETING ATTENDANCE OF BOARD AND BOARD COMMITTEES

Total 08 meetings of the Board of Directors were held during the reporting year. The number of Board was reduced to 7 members after the 117<sup>th</sup> Board meeting held on 09 February 2023 upon the resignation of one director. The attendance record of the Directors at Board meeting as well as Committee meetings are as follows:

### Attendance Status of Board of Directors' (1<sup>st</sup> July 2022 to 30<sup>th</sup> June 2023)

Sl	Name of Directors'	Board of Directors' Meeting									Audit Committee Meeting			Annual Business Plan Meeting		
		23-07-2022 (111 <sup>th</sup> )	13-09-2022 (112 <sup>th</sup> )	18-10-2022 (113 <sup>th</sup> )	29-11-2022 (114 <sup>th</sup> )	20-12-2022 (115 <sup>th</sup> )	09-01-2023 (116 <sup>th</sup> )	09-02-2023 (117 <sup>th</sup> )	24-05-2023 (118 <sup>th</sup> )	Total	13-09-2022 (22 <sup>nd</sup> )	29-11-2022 (23 <sup>rd</sup> )	Total	23-07-2022 (24 <sup>th</sup> )	20-12-2022 (25 <sup>th</sup> )	Total
1	Mrs. Ferdousi Akhter	P	P	P	P	P	P	P	P	8	NM	NM	0	P	P	2
2	Dr. Zakir Hossain	P	P	P	P	P	P	P	P	8	P	P	2	P	P	2
3	Professor Abdul Bayes Bhuiyan	P	P	P	P	P	P	P	P	8	P	P	2	P	P	2
4	Mrs. Nadira Begum	P	P	P	P	P	A	P	P	7	P	P	2	P	P	2
5	Mrs. Nazneen Akhter	P	P	P	P	P	P	P	P	8	P	P	2	P	P	2
6	Prof. Dr. Abdul Hannan	P	P	P	P	P	P	P	P	8	NM	NM	0	P	P	2
7	Mrs. Rifat Hossain	P	P	P	P	P	P	P	P	8	P	P	2	NM	NM	0
8	Golam Farook	P	P	P	P	P	P	P	Voluntary Resigned	7	P	P	2	P	P	2

### Communication with Shareholders and Stakeholders:

Delta Pharma ensures that its communication with the shareholders and various stakeholders is transparent, timely and with quality disclosure. Delta Pharma also actively engages all its stakeholders through various means.

### Board Committees:

Being a non-listed Public Limited Company, Delta Pharma has been practicing functionalities of Audit Committee since long. Besides, Annual Business Plan Evaluation Committee assists the Board to fix business goal and strategy of the company. The following two Committees are responsible for assisting the Board in some of the Board's responsibilities.

- Audit Committee
- Annual Business Plan Evaluation Committee

The Committees follow the Board approved Terms of Reference (ToR). The ToR elaborates the roles, operating procedures and authorities which are reviewed frequently by the Board. These Board committees regularly perform their responsibility and submit their report to the Board.

### Audit Committee

The Audit Committee comprises of 06 (Six) members from the Board. This Committee met 02 times during the reporting year (1<sup>st</sup> July'2022 to 30<sup>th</sup> June'2023). In the 120<sup>th</sup> Board Meeting of the Company, held on 27 September 2023, the Audit Committee was re-constituted with 04 (Four) members of the Board.

The committee reviews and evaluates the financial reports of the Company, the audit committee also reviews the report on conflicts of interests; suspected or presumed fraud or irregularity or material defect in the internal control system. Delta Pharma has its own internal audit team and that team work at the corporate office, plant and depot offices and submit working paper and the detail report of the company in every quarter to the audit committee.

## Annual Business Plan Evaluation Committee

The Annual Business Plan Evaluation Committee comprises of 07 (Seven) members from the Board. The major responsibilities of the committee are to reviews the Annual Business Plan, recommend to the Board for approval, regular monitoring and supervision of the progress of the business operation and also the overall development of the company. They have the responsibility of analyzing the productivity, profitability, marketing strategies, product inclusion and phase-out and also to monitor the other parameters of sales activities like, introducing new products, product availability, chemist coverage, relationship with the Prescribers, shelving status and doctor visit etc. In the 120<sup>th</sup> Board Meeting of the Company, held on 27 September 2023, the Annual Business Plan Evaluation Committee was re-constituted with 05 (Five) members of the Board.

## Financial Reporting

Financial reporting is the disclosure of financial results and related information to management and external stakeholders (e.g., investor, customers, regulators) about how a company is performing over a specific period of time. Delta Pharma has a sound financial reporting procedure, it's financial statements are made in accordance with the International/Bangladesh Financial Reporting Standard (IFRS/BFRS), the Companies Act, 1994 and other applicable financial legislations. These financial statements are prepared by the accounts and finance department of the company and checked by the internal audit section of the company at the beginning. Then, these reports are reviewed initially by Head of Finance and finally by the Managing Director. The reports are then placed to the Audit Committee of the Board for their critical analysis and review. From the Audit committee, it is forwarded to the board of directors for their review and recommendation. Then the financial reports are forwarded to the Statutory Auditor to examines the financial reports, whether the reports are in accordance with financial reporting policies and Company procedures. They make their report thereon to the shareholders through Board. Finally, the report of the Auditor and audited financial statements are placed before the shareholders for their approval in the Annual General Meeting.

## Related Party Transactions

To establish good governance in the company, disclosure of related party transaction is one of the major compliances of that. Our financial statement discloses the same, if any. Board of Directors of the company along with the Audit Committee examine and review the matter diligently on regular basis. They have not observed any type of related party transactions during this reporting period that may have influence on the business activities of the company.

## Risk and Internal Control

Common risks impacting businesses in the pharma industry include, continuously rising competition, changing regulations and policies, major crises, political turmoil, and fluctuating raw material prices. The pharmaceutical industry is always under scrutiny from the regulatory bodies, prescribers and consumers. They are all concerned about the quality with affordability. Identifying, evaluating, monitoring and managing the significant risks are operational within our company and this is an ongoing process. This process includes reviewing and updating the system of internal controls, starting from our manufacturing process to our end customers and also considering the changes in the regulatory, business and external polices and environment. We mainly monitor the following major risks and try to mitigate those risks accordingly.

### Risk Appetites are:

- Reputational Risk
- Financial Risk
- Regulatory Compliance Risk
- Operational Risk
- Policy Changes Risk

Risk Management Processes are:



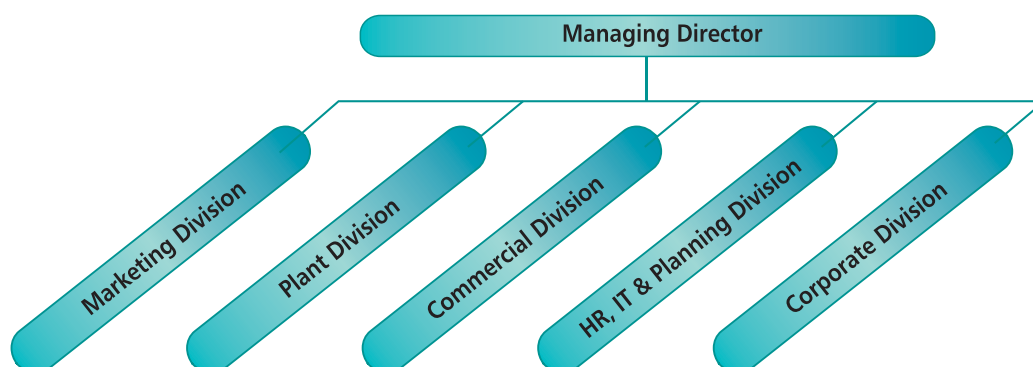
- Identify
- Assess and Evaluate
- Treat
- Monitor & Report

### Going Concern

The Board is of the opinion that the Company is indeed, a going concern. This is recognized through appropriate enquiries and analyses, which establishes that the resources are adequate to support the operations and that sufficient business opportunities exist to justify the organization as a going concern and the Directors analyze the financial statements accordingly, to ensure that. Accordingly, the Financial Statements are prepared on a going concern basis and there is no doubt, whatsoever, upon the Company's ability to continue as going concern.

## THE MANAGEMENT TEAM

The Delta Pharma has developed a well-organized organogram to run the organization since its inception. The company hired and deployed competent, skilled and well experienced professionals in different areas. The operational apex body is the Executive Committee, headed by the Managing Director and supported by the major divisional and departmental heads of the company. The Managing Director is duly assisted by this Executive Management Team. The Board's policies and decisions are executed by management team. The senior management runs the respective divisions and departments as per the organogram. Policies and guidelines are approved by the Board of the company and the action plan are provided by the Executive Management.



In achieving the target and goal of the annual business plan, they always follow the corporate governance guidelines, the company's code of conduct/approved policies/guidelines/office notes, company's service rules and with the strong dynamic leadership and direction of the Managing Director. The divisions and departments are efficiently led by the Executive Director, General Managers, Managers and the Executives with diversified qualities and experiences. Targeting the achievement of business goals of the company, set by the Board are the main responsibility of the operational management and these responsibilities and duties are carried out by the management team lead by the Managing Director. The divisional and departmental heads ensures that adequate internal controls and chain of command are in place and they are always supported through a strong internal control framework from the corporate management.

### Environmental, Social and Governance (ESG):



ESG (Environmental, Social, Governance) is an approach to evaluate a sustainable and responsible company. The pharmaceutical industry is reshaping itself in a more environmentally and socially conscious image. Supply chains are increasingly in the spotlight. The onset of the Covid-19 pandemic was one catalyst. In simple terms, ESG is an evaluation of an organization's seriousness in engaging itself with environmental, social and governance factors. Using ESG principles, stakeholders can assess an entity's performance across a wide range of parameters, such as efficiency, labor relations and corporate governance.

Environmental concerns include waste production, pollution, climate change, etc. This concept focuses on how efficiently a company is managing its resources and how they are looking after the environment. Delta Pharma is efficiently managing its industrial waste as per the environmental laws and guidelines of the country. For solid waste disposal, we provide our solid waste to PRISM Bangladesh Foundation, a non-profit voluntary development organization and recognized by Directorate General of Drug Administration (DGDA) and Department of Environment (DoE) of Bangladesh Government. We are managing our liquid waste in our Plant ETP (Effluent Treatment Plant) by our qualified technical team. We regularly consult with the waste management experts of BUET and Department of Environment of Bangladesh Government for maintaining the standard of discharged liquid waste. We are going to establish the new and modern ETP in our Plant as per Environment guideline of ZLD. Apart from our ETP, we have the solar panel establishment as per govt.



guidelines and also have huge tree plantation in the factory site as green initiatives. Water is an important natural resource and we are very much concerned to use the water in a best possible way. We have the protocol to prevent the wastage of water and maintaining the quality of water.

Regarding social issues, Delta Pharma always concern about affordability of mass people. We treat our consumers as partner and are careful enough about their payment, order and delivery. Consumers' affordability and quality of medicine is the main concern in our product pricing and raw material sourcing strategy. The company does not have any child force labor and all workers and employees are paid their wages and salary timely and fairly. The company has gender equality policy where we maintain female and male combination of our total human resources, also has clear policy about the employees' provident fund, gratuity, benevolent fund and workers' profit participation fund (WPPF). We are also involved in the rural development program like educational program of school level, college level and also adult level, leadership program, skill development program to uplift rural communities life standard.

Regarding Governance issues, our company follows strictly the provisions of the Companies Act, 1994, Income Tax Act 2023, Drug act and other regulations of Directorate General of Drug Administration (DGDA), Bangladesh Securities and Exchange Commission guidelines as far as applicable and also the other applicable laws of the land. The company has also account risk management policy and maintain ethical standards strictly by nearly hundred internal written policy and guideline, which are approved by the Company Board to run the business operations smoothly.

**Bioequivalent**  
**ATV**  
**Atorvastatin**  
10 mg, 20 mg & 40 mg Tablet

**Bioequivalent Atorvastatin in Bangladesh**





## SECTION III: ACTIVITIES OF DELTA PHARMA LIMITED

### LOCAL BUSINESS OPERATION

#### Introduction

The total business of Delta Pharma comes from two major market segments; Local Market and International Market. Still major business volume comes from the local market (about 86%). But in both cases the business is directly related to the Global economic condition. Both economic upswing or recession affect the business positively or negatively, whether it is local or international.

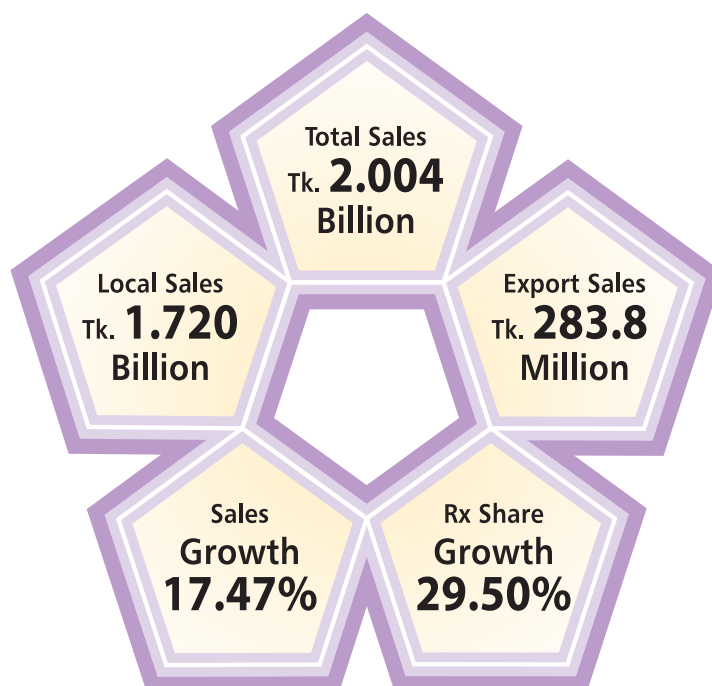
As per the International Monetary Fund (IMF) report, one-third of countries will fall into recession in 2023, rest will 'Feel Like Recession'. World Economic Outlook Update, published in July 2023 by IMF, projected a fall of Global economic growth from an estimated 3.5% in 2022 to 3.0 % in both 2023 and 2024. The other reports of different sources are also indicating that the world is passing through an economic recession and it will continue for next few years.

The most common outcome of economic recession is declines in sales and profits. Whether it is a large business or small, Pharmaceutical or FMG, the economic recession will affect the business negatively directly or indirectly.

The similar things are happening in Pharma market of Bangladesh. We are calculating 14.39% growth in local Pharma market (as per IQVIA report - 2Q-2023 vs 2Q-2022) as we are calculating in local currency (Taka), but actually it is -4.3% if we calculate in USD. The profitability of the business is also reduced due to increase the price of Raw/packing material and fuel cost and hike of dollar price.

Nevertheless, the operational team of Delta Pharma is observing and analyzing the situation very minutely and closely to develop the strategy to overcome the difficulties.

#### Sales Statistics



Key Facts & Figures in 2022-23

## Sales Contribution (In Taka)

Sales	2022-23	Growth	2021-22	Growth
Local Sales	1,719,834,523/-	15.01%	1,495,417,293/-	17.16%
Export Sales	283,805,790/-	35.00%	210,226,024/-	15.04%
<b>Total Sales</b>	<b>2,003,640,313/-</b>	<b>17.47%</b>	<b>1,705,643,317/-</b>	<b>16.90%</b>

The total sales of the Company in the FY 2022-23 is Taka 2,003,640,313/-, which is an increase of Taka 297,996,996/-, an increase of 17.47% compared to the FY 2021-22.

The growth of Local Sales is impressive, which is a 15.01% increase compared to the last Fiscal Year and also more than the local pharma market growth (14.39% as per IQVIA report of 2Q, 2023).

The growth of Export sales is significantly higher in this financial year, which is a 35% increase compared to the last Fiscal Year.



## BUSINESS MODEL AND STRATEGY

### Macroeconomic Challenges and the Measures Introduced

Global Economic recession, price hike of US Dollar, increased cost of raw and packaging material, supply disruptions and other macroeconomic challenges have had a major impact on business and global trade over the year. To overcome these challenges, Delta Pharma made significant efforts to ensure the product supply to its customers and took countermeasures to increase productivity and manage its cost base, alongside with substantial sales growth.

## External Environment and Trends

Analysis of the external environment is a central part of DPL's strategy work to identify trends, opportunities and risks. By actively monitoring external factors, the company has supported its customers and create business growth in an agile way:

External Environment and Trends	DPL Response
<b>Digital Transformation</b>	
Digital transformation and integration of digital technology into all areas of a business offers many growth opportunities for the pharmaceutical industry, reduces cost, improve productivity and eases communication.	Digital transformation and integration have been done in many operational areas of DPL, starting from the procurement of raw material up to the delivery of the medicine to the customer end. These Digital transformations added value to the customer and increased our productivity in many times.
<b>Changing Technology</b>	
Everyday, the newer technologies are coming in Pharma industry to improve the productivity, reduce the cost, time and wastage and to improve the convenience to the patients.	Delta Pharma searches the new technology in the global market, sends their people for training and grooming to different places and introduces newer technology to add value to the customer.
<b>Economic Recession &amp; Price Hike</b>	
Economic Recession & Price Hike were two major external factors that everybody faced in the recent years. Dollar price fluctuation, increased fuel price and other negative economic factors forced almost all companies to increase their product prices. This price hike of the medicines hurts the general population of the country.	Delta Pharma Extended their CSR activity during this time. When almost all companies increased their prices of many products, Delta Pharma keeps the price of most of the products same, by curtailing the cost from other areas and sacrificing the profit margin. Price of very few products of DPL have increased, but still price of those products are the minimum in the market.
<b>Lifestyle and Diseases pattern</b>	
Due to change of lifestyle, the prevalence of some diseases increased dramatically. The prevalence of diabetes & obesity, asthma, hypertension & other cardiovascular diseases, cancer have been increases more than other diseases.	The Delta Pharma Focuses on Chronic care brands that are used in diabetes, asthma, hypertension and dyslipidemia. The brands of DPL in chronic care segments are improving their capacities to take a leadership position in the market. Delta Pharma is also planning for cream-ointment and cancer care products in future.
<b>Stringency of regulatory authorities</b>	
The Pharmaceutical Market is a highly regulated business and we are regulated by more than 20 regulatory bodies locally. At the same time, globally we have different regulatory bodies for each country. These regulatory bodies are becoming more and more stringent day by day.	Delta Pharma is improving the skill and productivity of their people in all departments by internal and external trainings, so that they can confront any stringency of regulatory authorities.





## Academic Society Involvement

We have participated the following conferences as a major partner during the last fiscal year:

Sl	Society	Remarks
1.	Association of Physicians of Bangladesh	Platinum Sponsor
2.	Bangladesh Society of Cardiovascular Intervention	Platinum Sponsor
3.	The Obstetrical and Gynaecological Society of Bangladesh (OGSB)	Platinum Sponsor
4.	Maternal Fetal Medicine Society of Bangladesh	Platinum Sponsor
5.	Association of Clinical Endocrinologist & Diabetologist of Bangladesh	Gold Sponsor
6.	Bangladesh Society of Medicine	Major Sponsor
7.	Bangladesh Orthopedic Society	Major Sponsor
8.	Bangladesh Rheumatology Society	Major Sponsor
9.	Bangladesh Cardiovascular Research Foundation	General Sponsor
10.	Bangladesh Society of Echocardiography	General Sponsor
11.	Bangladesh Society of Dermatology	General Sponsor
12.	Bangladesh Spine Society	General Sponsor
13.	Bangladesh Society of Radiation Oncologists	General Sponsor
14.	Bangladesh Society of Physical Medicine and Rehabilitation	General Sponsor



# State-of-the-Art Facilities Ensure the Highest Quality Products



## Tofacit

Tofacitinib 5 mg & 11 mg Tablet

*The 1<sup>st</sup> and only JAK inhibitor approved for five indications: RA, psJIA, PsA, UC, AS*



*The 1<sup>st</sup> Baricitinib brand in Bangladesh*

## Baricit

Baricitinib 2 mg & 4 mg Tablet

*Faster onset of action within 7 days*



## Upacit XR

Upadacitinib 15 mg Tablet

*JAK1 Selectivity Ensures More Safety & Efficacy*



**Delta Pharma Limited**



## Product Mix

If we analyze the Brand-wise sales of this financial year, we will find a very good and healthier product mix. Among the top-10 Selling brands in FY 2022-23, there are 09 Prescription brands, of which, 08 are Chronic care brands.

If we compare the data with FY 2012-13, we had only two chronic care brands in the top-10 selling brands. This data is indicating that we are focusing on Chronic care and prescription brands, which is a good sign of healthier product mix for a pharmaceutical company.

## Top Brands

SL	Brand	Contribution in 2022-23	Contribution in 2021-22
1	Pyrenol	14%	12%
2	Dermafin	11%	9%
3	Montela	11%	9%
4	ATV	9%	9%
5	Lonapam	8%	7%
6	Tofacit	6%	5%
7	Empazin	5%	4%
8	Linatin Group	5%	5%
9	Methotrax	4%	4%
10	RTV	3%	3%
11	Other Brands	24%	33%

## Major Brands



**“A Brand of Atorvastatin  
which is most affordable and  
‘Bio-Equivalent Brand’  
in Bangladesh.”**



When launched in April 2010, it was the 35th Atorvastatin brand in the local market. Over the time, ATV is now the 3rd most Prescribing Brand as per independent prescription survey. Meanwhile it has achieved the trust and confidence from not only the physicians, but it has also won the faith of the chemists and patients also.

**Right now we are exporting ATV in Cambodia, Myanmar and Afghanistan**

## RTV

**“Rosuvastatin is the most widely used molecule for dyslipidemia and RTV is one of the most growing brands of Rosuvastatin in Bangladesh.”**



It is also the most affordable brand in Bangladesh. RTV is also a popular brand amongst the Cardiologists, Medicine Specialists, Neurologists and Diabetologists. RTV is also Bio-Equivalent to the originator brand and

**we are exporting RTV to Vietnam, Cambodia, Myanmar and Afghanistan**

## Dermafin

**Terbinafine is one of the most prescribed antifungal drugs in Bangladesh. But, due to high treatment cost with Terbinafine, many patients do not complete the total prescribed dose, that lead to microbial resistance.**



Dermafin is the only affordable brand of Terbinafine that ensures the completion of the dose as the total treatment cost with Dermafin is within the reach of the general patients.

## Empazin

**Empagliflozin is a medication used to treat type 2 diabetes mellitus. It belongs to a class of drugs called sodium-glucose co-transporter 2 (SGLT2) inhibitors. It is one of the most preferable oral anti-diabetic products in recent time for its unique clinical advantages.**



Delta Pharma offers Empagliflozin as brand name Empazin in 7 different strength and combinations. Empazin is available as 10 and 25 mg tablet. In combination with Metformin, it is available under the name Empazin M as 5/500, 5/1000 and 12.5/500 combination. We also have combination of Empagliflozin with Linagliptin under the name Empazin L in two strength (10/5 and 25/5).

Empazin is also a Bio-equivalent brand and available in Myanmar, Cambodia, Sri Lanka, Afghanistan and Maldives market in different brand names of Delta Pharma.

## DMARDs

In the field of DMARDs, the name Delta Pharma is the top most position in the mind of physicians.

### Methotrax

Methotrax is the brand of choice amongst all DMARD brands in the field of Rheumatology from its time of launching in 2004. **Methotrax is not only the brand leader in this market, but it also grasps more than 50% of the market share.**



Among the new generation DMARDs, Delta Pharma offer Tofacit 5/Tofacit XR (Tofacitinib 5 and 11 mg tablet), Baricit (Baricitinib 2 and 4 mg tablet) and Upacit XR (Upadacitinib 15 mg tablet)

### Tofacit



### Baricit



### Upacit XR



## NEW PRODUCT INTRODUCTION

In the fiscal year 2022-2023, the company launched 7 new products, one of which was the first ever in Bangladesh (Milcal).

### ATV Eze 10 tablet

Generic Name: Atorvastatin USP + Ezetimibe BP  
Strength: 10 mg + 10 mg  
Dosage Form: Tablet  
Pack Size: 30's  
MRP: 10 Tk per Tablet  
Launching Date: July 2022



### ATV Eze 20 tablet

Generic Name: Atorvastatin USP + Ezetimibe BP  
Strength: 20 mg + 20 mg  
Dosage Form: Tablet  
Pack Size: 30's  
MRP: 15 Tk per Tablet  
Launching Date: July 2022



### Milcal Tablet (1st time in Bangladesh)

Generic Name: Calcium BP + Vit. D3 USP  
Strength: 250 mg + 250 IU  
Dosage Form: Tablet  
Pack Size: 60's  
MRP: 10 Tk per Tablet  
Launching Date: September 2022



### Olmenor HZ 20/12.5 Tablet

Generic Name: Olmesartan Medoxomil USP + Hydrochlorothiazide BP  
Strength: 20 mg + 12.5 mg  
Dosage Form: Tablet  
Pack Size: 30's  
MRP: 7 Tk per Tablet  
Launching Date: December 2022



### Olmenor HZ 40/12.5 Tablet

Generic Name: Olmesartan Medoxomil USP + Hydrochlorothiazide BP  
Strength: 40 mg + 12.5 mg  
Dosage Form: Tablet  
Pack Size: 30's  
MRP: 10 Tk per Tablet  
Launching Date: December 2022





### **iMAX MUPS 20 Tablet**

Generic Name: Esomeprazole MUPS

Strength: 20 mg

Dosage Form: Tablet

Pack Size: 30's

MRP: 10 Tk per Tablet

Launching Date: January 2023



### **iMAX MUPS 40 Tablet**

Generic Name: Esomeprazole MUPS

Strength: 40 mg

Dosage Form: Tablet

Pack Size: 30's

MRP: 14 Tk per Tablet

Launching Date: January 2023



## **Delta's Brands: Tested in the laboratory-Trusted to the Customers**

“Considering the Socio-economic condition of our country, Price of the products is a major consideration of Delta Pharma during formulating the business strategy, but the QUALITY consideration comes before that.”

The quality of the Delta's Brands is tested in the national and international laboratories. The quality test has been done in-vitro and in-vivo procedure in the internationally accredited centers. 22 Products of Delta Pharma were tested in internationally accredited Bio-Equivalence (BE) study center and proved as bioequivalent to the originator Brands.

At the same time, Delta Pharma has gained the trust from its prescribers and the end users by delivering Quality products at an affordable price in all major therapeutic segments.

### **Bioequivalent Products of Delta Pharma**

Sl.	Product Name	Generic Name
1	ATV 10 Tablet	Atorvastatin 10 mg
2	ATV Plus Tablet	Atorvastatin 10 mg + Amlodipine 5 mg
3	RTV 20 Tablet	Rosuvastatin 20 mg
4	Anin 50 plus Tablet	Losartan Potassium 50 mg + Amlodipine 5 mg
5	Carvida 6.25 Tablet	Carvedilol 6.25 mg
6	Empazin 25 Tablet	Empagliflozin 25 mg
7	Linatin Tablet	Linagliptin 5 mg
8	Linatin M 1000 Tablet	Linagliptin 5 mg + Metformin 1000 mg
9	Sitalia 100 Tablet	Sitagliptin 100 mg
10	Sitalia M 1000 Tablet	Sitagliptin 50 mg + Metformin 1000 mg

Sl.	Product Name	Generic Name
11	Ofex 400 Capsule	Cefixime 400 mg
12	Ofex PFS	Cefixime 100 mg/5 ml
13	Staxim 500 Tablet	Cefuroxime Axetile 500 mg
14	Staxim PFS	Cefuroxime Axetile 125 mg/5 ml
15	AZO 500 Tablet	Azithromycin 500 mg
16	Azo PFS	Azithromycin 200 mg/5ml
17	Olcin 500 Tablet	Levofloxacin 500 mg
18	Imax 40 Capsule	Esomeprazole 40 mg
19	Inhibita 40 Capsule	Omeprazole 40 mg
20	ETO 120 Tablet	Etoricoxib 120 mg
21	Delfex 120 Tablet	Fexofenadine 120 mg
22	Febulas 80 Tablet	Febuxostate 80 mg

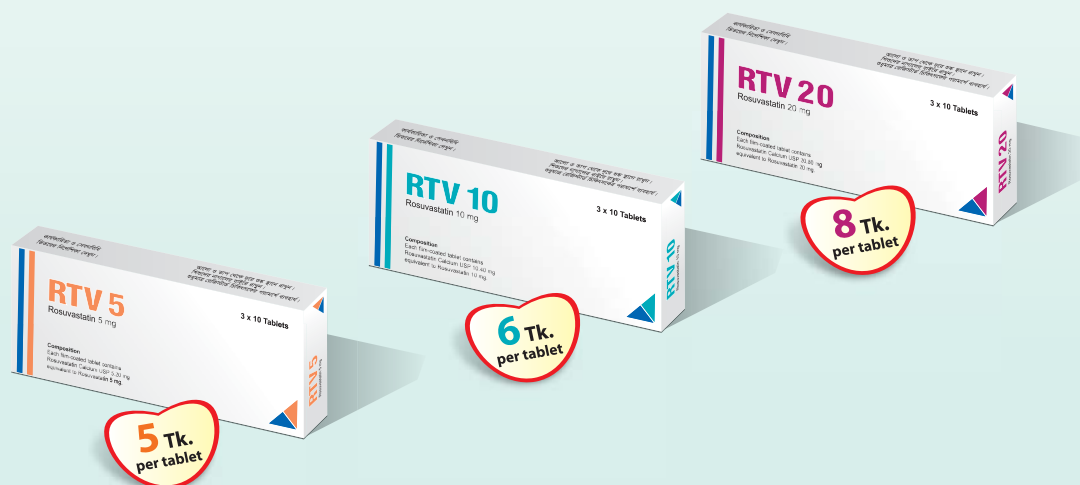
**Bioequivalent**

**RTV**

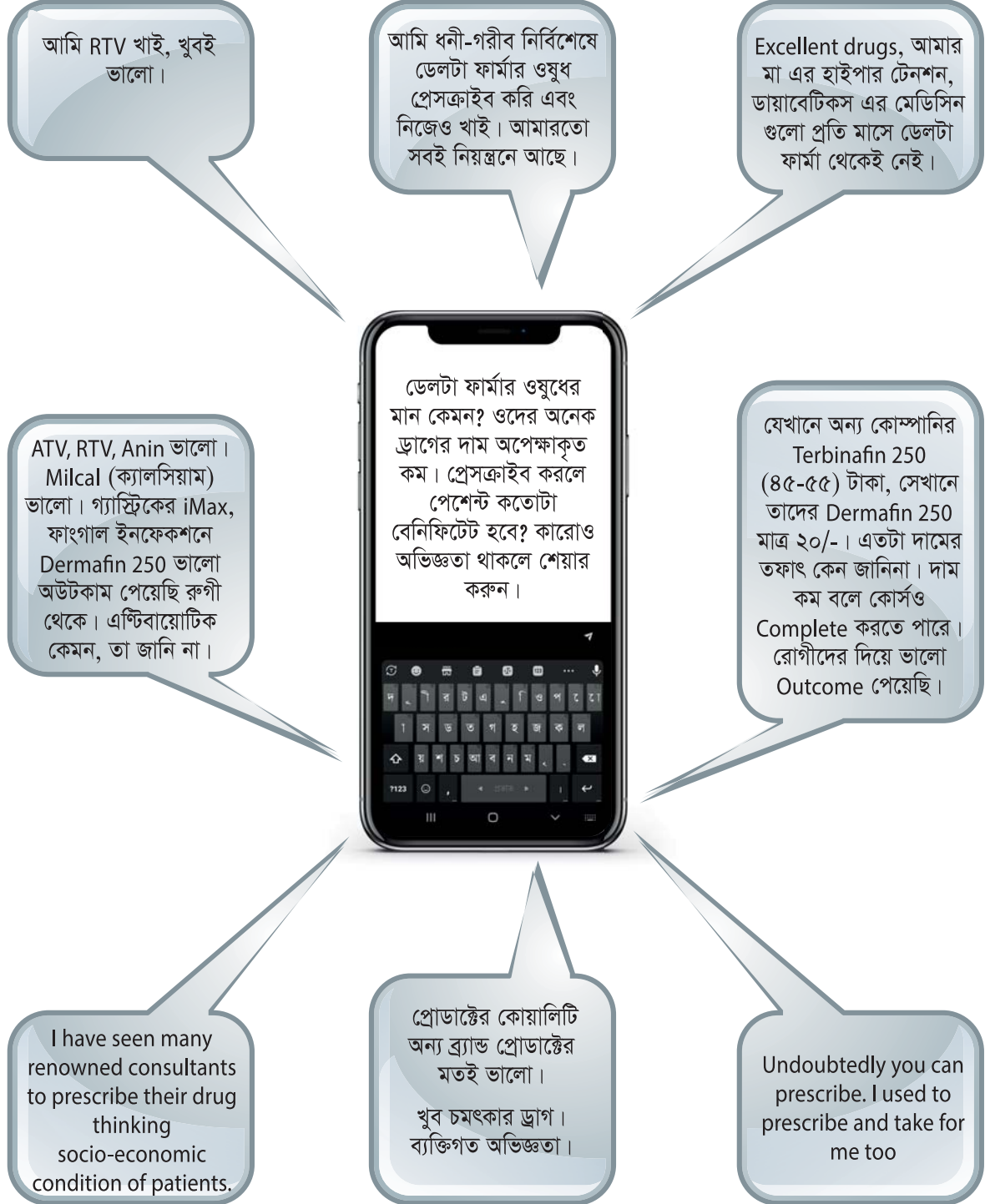
**Rosuvastatin**

5 mg, 10 mg & 20 mg Tablet

*Healthy Heart, Healthy Life*



Few Comments from the Prescribers and End-Users of Delta Pharma Medicines, received from the social media about the product Quality and affordability:



## POST-BALANCE SHEET PROGRESS

### Launching of blockbuster Anti-ulcerant; Vonozan

Vonozan (Vonoprazan) is a medication that belongs to a class of drugs known as Potassium Competitive acid blocker (PCAB). For its unique clinical benefits over conventional PPI, it would be a promising molecule in anti-ulcerant market. Delta Pharma launched this product in July 2023 for the first time in Bangladesh. It is available in two strengths.

#### Vonozan 10 Tablet (1<sup>st</sup> time in Bangladesh)

Generic Name: Vonoprazan INN  
Strength: 10 mg  
Dosage Form: Tablet  
Pack Size: 30's  
MRP: 7.00 Tk per Tablet  
Launching Date: July 2023



#### Vonozan 20 Tablet (1<sup>st</sup> time in Bangladesh)

Generic Name: Vonoprazan INN  
Strength: 20 mg  
Dosage Form: Tablet  
Pack Size: 30's  
MRP: 10.00 Tk per Tablet  
Launching Date: July 2023



### Line Extension of Empagliflozin and Metformin combination

In July 2023 Delta Pharma launched two-line extensions of Empagliflozin and Metformin combination for the "First Time in Bangladesh". As an antidiabetic drug Empagliflozin is now drug of choice amongst many Endocrinologists, Cardiologists and Medicine specialists. Metformin is the time-trusted molecule in anti-diabetic portfolio. The Physicians ask for different combinations of these two molecules as per the need and condition of the patients. These two new combinations will give them more freedom to choose their required combination.

#### Empazin M 12.5/500 tablet (1<sup>st</sup> time in Bangladesh)

Generic Name: Empagliflozin INN and Metformin HCl BP  
Strength: 12.5 mg + 500 mg  
Dosage Form: Tablet  
Pack Size: 30's  
MRP: 20.00 Tk per Tablet  
Launching Date: July 2023



#### Empazin M 1000 tablet (1<sup>st</sup> time in Bangladesh)

Generic Name: Empagliflozin INN and Metformin HCl BP  
Strength: 5 mg + 1000 mg  
Dosage Form: Tablet  
Pack Size: 30's  
MRP: 15.00 Tk per Tablet  
Launching Date: July 2023

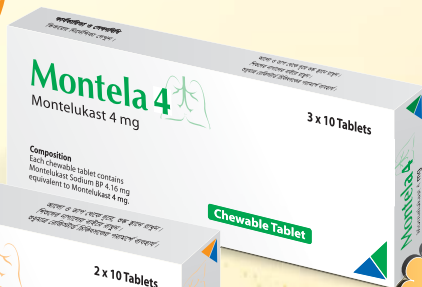




# Montela

Montelukast 4 mg, 5 mg & 10 mg Tablet

**Most Affordable Brand**



**Delta Pharma Limited**





## INTERNATIONAL BUSINESS OPERATION OF DELTA PHARMA

### BANGLADESH: A RISING STAR IN PHARMACEUTICAL FINISHED PRODUCTS EXPORT

As a developing country, Bangladesh has a successful history of exporting medicines, which might play a major role in this sector in the coming days. Due to quality standards, competitive pricings, geographical location and positive business attitude, the country is gaining attention from every corner of the world. Currently, local companies are exporting their products to more than 150 countries of the world. A few companies have already left their giant footprints in USA and UK Pharma markets and are expanding their reach each day; around 1,000 products are going to be registered in the international market for subsequent export, which will unlock huge potential.

At present, Myanmar is the number one destination for exported pharmaceutical products from Bangladesh. Almost 15% of total pharmaceutical export earnings of Bangladesh comes from Myanmar. Presently the country imports an equivalent of \$ 25.818 million worth of pharmaceutical 'finished goods' from Bangladesh, which is 7.40% of their total import.

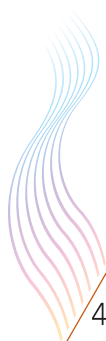
Sri Lanka is a long-standing destination for exporting pharmaceutical products from Bangladesh. It needs to be mentioned here that 12.50% (which is the second highest) of total pharmaceutical export earnings of Bangladesh comes from Sri Lanka, amounting to around \$ 21.91 million.

About 11% of total pharmaceutical export earnings of Bangladesh is coming from the USA, which is \$ 15.25 million in amount.

Kenya is also one of the top five destinations for exporting pharmaceutical goods from Bangladesh. Almost 2% of their pharmaceutical products are imported from Bangladesh with a value equivalent to \$ 8.50 million.

The Philippines, Cambodia, Vietnam, Afghanistan, Pakistan, Nepal, Jamaica, Nigeria, Denmark, Somalia and Australia are among the top 15 importers after Myanmar, Sri Lanka, USA, Afghanistan, Kenya. They import a significant number of pharmaceutical products from Bangladesh. However, few companies are trying to explore and expand their businesses in the UK, which has a lot of potential.

The pharmaceutical sector is priority thrust sector in Bangladesh. Our pharmaceutical industries are successful in domestic market. Now, it's the time to grow our international market because we are passing the most precious time by getting the opportunity of patent exemption through the TRIPS agreement until 2026. Besides the above discussing points, providing cash incentive by the government of Bangladesh to the medicine exporters is also encouraging the pharmaceutical exporters. International fair arrangement, managed and supported by the Export Promotion Bureau (EPB) is a very effective way to search buyers and to establish business in a foreign country. A lot of initiative has been taken by Bangladesh Association of Pharmaceutical Industries (BAPI) in different





times, such as, visit of high-level pharmaceuticals delegation team to different potential countries to explore business, training of the technical people etc. which is also contributing to the expansion of Pharma export from Bangladesh.

## CHALLENGES IN NEAR FUTURE FOR GLOBAL MARKET:

As a Least Developed Country, Bangladesh is currently getting the patent exemption on pharmaceutical products till 2033 as per the TRIPS agreement with the World Trade Organization. However, since Bangladesh is looking forward to graduating from LDC by 2026, Bangladesh is likely to lose the patent exemption facility before the scheduled expiration date of 2033. Which may hamper the development and rapid growth of the pharmaceutical industry in Bangladesh because if Bangladesh loses the benefits of the TRIPS agreement, pharmaceutical companies will have to enact new patent laws. As a result, manufacturing of many types of generic medicine is likely to cease. If domestic manufacturers want to maintain production of these medicines, they may have to pay royalties on patents. As a result, the overall price of medicine in Bangladesh may increase. Otherwise, companies will face patent violations and as a result, the pharma exports will be severely hampered. One of the biggest issues in Bangladesh's pharmaceutical industry is that the country's pharmaceutical companies are not paying much attention to research. As a result, there is a lack of innovation in the domestic pharmaceutical sector. In addition, most of the raw materials used in manufacturing the medicines are imported from outside the country which, if produced in the country, the pharmaceutical industry will be able to be more self-sufficient, and manufacturing costs can be further reduced.

Russia-Ukraine war has affected millions of people, not just in this Eastern European nation but throughout the world and concurrently, that has also affected the economy of the world. Economic crisis along with market inflation and dollar price hike and the extreme increase of essential commodities in the market has affected the business sector of most of the countries, the pharma sector is also facing the similar challenge everywhere. As a result, drug developers will suffer delays throughout development, loss of business continuity, and risk of non-compliance for on-market products.

Despite the economic fallout of the Covid-19 pandemic, the global pharmaceutical industry is recording a compound annual growth rate (CAGR) of 5.6% and is projected to reach \$1.6 trillion in 2025.

## CURRENT AND FUTURE EXPORT OF DELTA PHARMA:

Delta Pharma is engaged in export activities as part of their global business operation since 2009 and started exporting our products including prescription drugs, over the counter (OTC) medications to various international markets like Sri Lanka, Myanmar, Philippines, Cambodia, Vietnam. Gradually we have expended our business in Kenya, Maldives, Sudan, Guatemala, Afghanistan and Nigeria. We have ensured that our exported products comply with the regulatory requirements of the targeted countries or regions. This often involves obtaining approval and certifications from foreign regulatory authorities like Philippine FDA, PPB of Kenya, NAFDAC of Nigeria, MOH of Cambodia, NMRA of Sri Lanka, Food and Drug Administration of Afghanistan etc. We already have established global distribution network or partnerships with distributors to ensure that our products reach healthcare providers and patients in different countries. We have also established effective supply chain management and quality regulatory documents which is the main catalyst to meet the demand for international markets expansion. We have applied to establish market access strategies, tailored to specific regions including marketing efforts, price strategies, reimbursement negotiations etc.

We are focusing to penetrate into the emerging markets with growing healthcare needs such as parts of Asia, Africa and Latin America to capture new opportunities for sales and growth. We are also focusing market approaches to meet the specific healthcare needs and preferences of different



regions and countries. We are also emphasizing on exporting high-tech medications like Anti-Hypertensive, DMARDs and New generation anti-diabetics which have higher profit margins. We are collaborating with local pharmaceutical companies, distributors in target markets to strengthen market presence. To register medications in regulated markets requires highly standardized documents. To meet all their requirements sophisticated and accredited manufacturing Plant, Standardized manufacturing process, proper quality control and above all highly skilled professionals are required. Delta Pharma is focusing on that mission and already taken many steps to meet the requirements. But considering the practical situation of global economic crisis, we are more attentive to LDCs, side by side moderately regulated countries will be explored gradually. We are also going to establish contract manufacturing business with the companies of developed countries to enter more export markets.

## DETAILS ON OUR COUNTRY OF EXPORT:

### Export Sales of Last Two Fiscal Year of the Major Countries:

Country	2022-2023		2021-2022		Growth (%)
	USD	BDT	USD	BDT	
Philippines	1,081,339	110,908,858	*1,595,829	136,284,691	-18.62%
Myanmar	867,438	86,078,519	390,564	33,297,109	158.52%
Vietnam	107,949	10,874,077	87,031	7,911,552	37.45%
Cambodia	262,358	26,427,599	140,295	11,937,801	121.38%
Sri Lanka	282,976	27,446,571	146,580	12,460,736	120.26%
Guatemala	17,925	1,764,321	12,125	1,031,413	71.06%
Nigeria	36,496	3,760,861	27,025	2,270,100	65.67%
Afghanistan	84,430	8,443,000	49,250	4,171,475	102.40%
Maldives	43,753	4,349,982	10,043	861,147	405.14%
Sudan	40,000	3,752,000	-	-	-
<b>Total</b>	<b>2,824,663</b>	<b>283,805,790</b>	<b>2,458,743</b>	<b>210,226,024</b>	<b>35.00%</b>

\*It is to be mentioned here that, out of this total export at Philippines in 2021-2022, there was an export of USD 449,035 from the Corona related medicine.

#### Philippines:

The Philippines pharmaceutical industry is the most promising and emerging market amongst the ASEAN countries. This is due to its growing population, financial prospects, government initiatives, increasing acceptance of generic medicines, improving patient access and care, and disease prevention and management programs. Of the world's Top 20 pharmaceutical companies, over 14 have manufacturing facilities in the Philippines. With our commitment, we have consolidated our hold over that area. To quickly grow our firm and secure a solid future in the Philippines pharmaceutical market, we have started the process to register several new and promising products there. We have successfully conducted some prospective business there with some of our COVID products during the COVID Pandemic. Despite the obstacles of the ongoing global economic crisis brought on by the RUSSIA-UKRAINE war and the post-COVID effects, we are hopeful that we will be able to overcome the situation in the 2023–2024 fiscal year.

#### Myanmar:

The size of the pharmaceutical market in Myanmar was \$550 million in 2023 and market analysts anticipate that it will reach \$700 million in 2025. Myanmar is one of the major destinations of the

most of the pharmaceutical companies who have export business. But unfortunately, as long as the civil conflict rages on, Myanmar's pharmaceutical business will continue to grow slowly through 2024. Due to a protracted civil war, we anticipate that political risks in Myanmar will remain extremely high in 2024, deterring pharmaceutical investment. Vital medications are now more expensive, and shortages will last through 2024 as a result of the import restrictions and the falling kyat. We have a good number of products registered there and numerous promising molecules are also awaiting to get registration. Aside from the Corona pandemic, Myanmar's political unrest since 2020, the delay in obtaining import permits, the lack of foreign currency due to its devaluation and scarcity, and the overall uncertainty, our export is not progressing in Myanmar as expected. We hope we will be able to export \$2 million per year in Myanmar by 2025.

#### **Vietnam:**

Vietnam is one of the fastest growing economies in Asia. The Vietnam's pharmaceutical market was valued at around US\$10 billion in 2020, compared to US\$5 billion in 2015. As per market research firm IBM, the size of Vietnam's pharmaceutical industry may reach US\$16.1 billion in 2026. In-country pharmaceutical production in Vietnam barely meets around half of the country's needs. The main challenge in Vietnam is the long and very slow registration process. It takes about five years for a drug to enter the Vietnamese market after it has been developed, beginning with two and a half years of clinical trials, and then another two and a half years to receive approval from the registration authority of the government. The sole division of the Ministry of Health is the Drug Administration of Vietnam, who is still in charge of overseeing and authorizing market permission, evaluating GMP, and issuing company and product licenses. Despite difficulties, we have submitted dossiers for some promising products and we are hopeful of obtaining registration for those products very soon. Our plan is to visit the Vietnamese market in the early months of 2024 to speed up the registration process of some new items there in order to revitalize the market there and advance our company's operations.

#### **Cambodia:**

Our business in CAMBODIA has increased in the FY 2022–2023. Due to the recent government changes and the global economic crisis, Cambodia's commercial momentum slowed down a bit in 2022. However, we anticipate an uptick in business starting in 2024, as we have about 48 products registered in the market. If the global economic situation gradually improves, it is highly likely that we will be able to move our business to the next level and generate a half million-dollar revenue by 2024.

#### **Sri Lanka:**

The last few years have been difficult for us in terms of conducting business because of Sri Lanka's uncertain political and economic situation. Despite many obstacles and problems, we were able to conduct some business during the fiscal year 2022–2023. The good news now is that the Sri Lankan economy is showing signs of stabilizing. Even though we still have a number of internal and external hurdles to conquer. We have some strategies as well as long-term development plan for Sri Lankan business. We are Hopeful that we will be able to do a substantial business with Sri Lanka in the upcoming days.

### **CHALLENGES TO EXPAND THE GLOBAL BUSINESS OF DELTA PHARMA:**

- The global pharmaceutical market is highly competitive with many established players. Companies may differentiate their products to gain market share. We should open our eyes before entry in global market.
- Meeting the diverse and stringent regulatory requirements of different countries and regions can be complex and time consuming. We must ensure that our products will meet the efficacy and quality standard and obtain necessary approvals and certification from foreign regulatory authorities.




- Many countries implement price controls on pharmaceutical products which can impact our profitability. So, efficient negotiation is more important to win this battle.
- Understanding and adopting to local cultural preferences, healthcare practices and market dynamics is crucial for successful global market entry. What works in one country may not work to another. We have to act accordingly.
- Political and economic instability for exporting countries can pose risks to investments and operations. Currently dollar fluctuation is a global crisis. We need to focus on it carefully.
- Complex and lengthy registration procedures and regulatory formalities in export destinations is another challenge, which we have to deal with proper care and efficiency.
- Difficulty in finding reliable distributors and agents overseas especially in African market.
- Restrictions on transferring funds for overseas sales and market promotion is another challenge.

# CFB

Ciprofibrate 100 mg Tablet

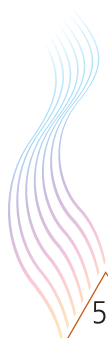
*A better choice to control TG*

- ♥ **Significantly reduces TG & increases HDL levels**
- ♥ **Ensures better efficacy than fenofibrate**
- ♥ **Once daily dose**
- ♥ **Justified price only @ **

**10Tk.**  
per tablet



**10Tk.**  
per tablet







## MANUFACTURING FACILITIES OF DELTA PHARMA

Delta Pharma Limited is a leading generic brand pharmaceutical company in Bangladesh. Our plant is well equipped with modern, high capacity machinery & equipment with necessary safety, personal protective equipment (PPE), emergency response equipment, advanced fire fighting equipment and environment protection facilities. We have the facilities to ensure the security measures in place to prevent unauthorized access by using CC camera and access control instrument.

The manufacturing plant is managed by professionally qualified personnel for production, quality assurance, quality control, product development, warehouse and engineering services. They are supported by a team of skilled and experienced technicians & operators. We put emphasis on manufacturing pharmaceutical products using practices and processes that ensure high levels of quality and safety built into every step, from product development to product distribution.

Our endeavor is to ensure the availability of world class, quality medicines at affordable price across Bangladesh and around the globe. Delta continues to remain committed to develop first-in-class and best-in-class products in key therapeutic areas by combining outstanding product development and continuing growth not only in Bangladesh but also in the global pharma market.

Our strength is our ability to excel in developing generics and technologically advanced products through an out-and-out, proficient, skillful team in manufacturing, product development, process re-engineering & quality control department.

Delta Pharma currently focuses on establishing presence in many emerging markets around the world. Now we are producing more than 180 products with various types of oral dosage forms covering most of therapeutic classes.

## QUALITY MANAGEMENT SYSTEM:

Under the umbrella of Quality Management System (QMS), we are performing our activities through its two major department called Quality Assurance and Quality Control department.

### Quality Assurance Department

Delta Pharma Limited has well-established Quality Assurance Department that complies National and International regulatory requirements that is fully documented in order to provide high quality medicinal products. Quality Assurance is a wide concept that covers all aspects which collectively or individually impact the quality of the medicinal product. Quality assurance is a good practice in the manufacture of pharmaceutical products, as it is the process of guarantee for integrity of products to meet the standard for the use. Quality Assurance activities are planning the overall process for assuring quality. It is a summary of all organizational arrangements composed in order to ensure that all the medicinal products are of high quality, safe and effective for use, and they also correspond to the marketing authorization requirements. It is the systematic measurement, comparison with a standard, monitoring of processes that confers error prevention.

Quality Assurance department is a continuous process that focus on the constant review of customer requirements and also to reduce costs through quality, and every action taken to assure the quality by following the applicable standards and laws. The team members of Quality Assurance department of Delta Pharma Limited are highly qualified, professionally skilled and well trained personnel. Quality Assurance team of Delta Pharma plays the vigilant role of controlling, ensuring and maintaining the consistent quality of products by following the guidelines of WHO, PIC/S and ISO 9001:2015. We guarantee the same level of quality and therapeutic effectiveness of our medicines irrespective of where they were manufactured around the world.

### Product Development Section

Product Development Section is situated in a dedicated area of the General Production Building and is set up with well-equipped GMP standard formulation machinery on a small scale and analytical equipment to facilitate the development of innovative high quality (efficacy and safety) new & existing products. Our Product Development team focuses on developing and launching quality products at affordable prices following the international guidelines (e.g., GMP & ICH), and pharmacopoeia (e.g., BP/USP-NF) and on continuous improvement of new and existing products for customer satisfaction for competitive market.

Product Development team develops new products with creativity & innovative thinking and they are committed to serving the nation by developing new products by ensuring the highest quality. The PD team ensures product safety and efficacy by designing effective and innovative formulations through patent research. This team also conducts stability studies (e.g., Accelerated & Long term) to predict shelf life of products by following ICH and WHO stability guidelines according to target climate zone.

Our Product Development team has delivered various dosage forms like Tablet formulation (e.g. chewable, immediate release, effervescent, sustained release, delayed release, bilayer, & MUPS tablet), Capsule formulation (e.g. delayed release, sustained release & immediate release capsule), Powder formulation (e.g. powder for suspension) and Liquid formulation (e.g. syrup, suspension & solution) in different therapeutic segments by conforming the quality and now we are working for development of Ointments & Creams in addition to the above mentioned dosage forms for future launching.





## Research & Development (R&D) Section

The R&D section is established under Quality Assurance Department of Delta Pharma Ltd. in Pakundia, Kishoreganj. Three qualified personnel are working in this section and we have some equipments related to synthesis and analysis of new molecules and reagents. The major equipment are HPLC (Prominence-i), Stability chamber (accelerated & real time), Fume hood, Reactor Glass, Moisture Analyzer, X-ray microscope, Analytical Balance, pH meter, Muffle Furnace, KF Titrator, Hot plate with magnetic stirrer, Universal oven, Thermostatic water bath, Overhead stirrer brushless motor, Vacuum pump.

The R&D team has synthesized three Active Pharmaceutical Ingredients (API) successfully such as Metformin HCl, Azithromycin Dihydrate and Paracetamol. These molecules have been tested and found satisfactory. Also accelerated and long term stability study of those materials are being carried out & found okay.

Moreover, the R&D team has synthesized the following reagents successfully:

- Potassium Dihydrogen Ortho Phosphate Anhydrous
- Disodium Hydrogen Phosphate Anhydrous
- Dipotassium Hydrogen Phosphate Anhydrous
- Trisodium Phosphate Dodecahydrate

Analysis of above reagents has been done and comply as per specification of British Pharmacopoeia / United States Pharmacopoeia. These reagents are being used for analytical purpose in Quality Control and Product Development Laboratories of Delta Pharma.

## Documentation and Validation Section

Documentation is an essential part of the Quality Assurance Department and exist for all aspects of GMP. Its aims are to define the specifications and procedures for all materials and methods of manufacture and control. It ensures that:

- all personnel concerned with manufacture know what to do and when to do,
- authorized persons have all the information necessary to decide whether or not to release a batch for sale,
- the existence of documented evidence, traceability, and to provide records and an audit trail that will permit investigation &
- availability of the data needed for validation, review and statistical analysis.

Documents are designed, prepared, reviewed and distributed as per GMP requirement. It includes Site Master File, Quality Manual, Training Manual, Validation Master Plan, Labels, Master Formulae, Batch Manufacturing Records, Batch Packaging Records, SOPs and associated records of actions taken for equipment assembly and validation, analytical apparatus and calibration, cleaning, training, clothing, hygiene, environmental monitoring, pest control, complaints, recalls, deviation, change control, corrective and preventive action etc.

## Quality Control Department

The Quality Control Department of Delta Pharma Limited gives highest priority to maintain and improve the quality of it's products following the guidelines of British Pharmacopoeia (BP), United States Pharmacopoeia (USP), WHO cGMP, GLP & ISO 9001:2015 Quality Management System and also by following the established validated test methods. Quality Control Department conducts the training program as per predefined schedule to make the skilled and competent manpower and increase the awareness of our employees regarding the highest quality of the products to meet the customer requirements and regulatory standards. Quality Control Department ensures the quality and safety of our products by performing the required tests of Raw Materials, Packaging Materials, Finished Products, Comparative Dissolution Test, Bio waiver Test, Ongoing Stability Study, Total Organic Carbon (TOC) of purified water, impurities determination of Raw Materials and Finished Products, validation of residual solvents of Raw Materials and Finished Products. We have done all tests of effluent treated water including BOD and COD test.



Delta Pharma Limited owns full-fledged quality control laboratory of general unit and Cephalosporin Unit which are well equipped with the most modern and highly sophisticated equipment like Gas



Liquid Chromatography (GLC), Atomic Absorption Spectrophotometer (AAS), High Performance Liquid Chromatography (HPLC), Ultra High Performance Liquid Chromatography (21 CFR part 11 compliance), UV Spectrophotometer (21 CFR part 11 compliance), Total Organic Carbon Analyzer (TOC Analyzer), Walk-In Stability Chamber (12750 Ltrs), Thin Layer Chromatography (TLC), Fourier Transform Infrared Spectrophotometer (FTIR), Karl Fischer Titrator, Potentiometric Titrator, BOD-COD analyzer, Air Borne Particle Counter and many other latest analytical instruments from world renown supplier's to ensure the highest quality and safety of our products.

The Microbiology Laboratory of Delta Pharma Limited plays a crucial role in ensuring the safety and quality of products. It is responsible for conducting various microbiological tests to detect and identify micro-organisms. It performs Microbiological quantitative and qualitative analysis of Raw Materials, Finished Products, Product Development Samples, Stability Samples, Potable Water, Purified Water, Environmental Monitoring (Settle plate, Air Borne Particle counting), and Growth Promotion Test. The Microbiological team also perform the maintenance of Microbiological ATCC Cultures, Antimicrobial Effectiveness Testing, Preservation of Culture Media and Reagents. The Microbiology Laboratory is dedicated to maintain excellent quality, efficacy and safety of Pharmaceutical Products performing the above Microbiological Tests carried out by qualified Microbiologist.

## Production Department

Delta Pharma has established the sophisticated cutting edge technologies which comply with WHO cGMP and DGDA Standards. We have dedicated and segregated blocks for production of general products and cephalosporin products in order to minimize the risk of a serious medical hazard due to cross contamination. Its production unit is well equipped with the most modern HVAC system along with sandwich panel & highly sophisticated modern machinery. Recently one high speed blister packaging machine & one high speed tablet compression machine from world-renowned manufacturer are installed to increase the production capacity. Highly skilled, well trained and qualified personnel are involved to manufacture the best quality medicine and to increase the productivity.



We manufacture a wide range of branded generic pharmaceutical finished product for local and overseas market covering almost all therapeutic classes such as Antibiotic, Anti-hypertensive, Anti-ulcerants, Cardiovascular, Anti-diabetic, Lipid lowering agent & combination, Anti-psychotics, NSAIDs, DMARDs, Anxiolytic Drugs, Anti-pyretic, Anti-spasmodic, laxatives, Anti-histamines, Antiemetic, Anti-asthmatics, Anti PBH agent, Anti-neuropathic pain agent, Anti-impotence drug, Vitamins, Minerals & supplements etc. with various dosage forms like tablet, capsule, Powder for suspension & Liquid syrup & suspension.

The manufacturing operation is done by ensuring WHO, cGMP guidelines & local regulatory requirements, prevailing national and international standards in accordance with the pharmaceutical industry and also maintain Logical flow of materials and personnel movement. The production sites follow the cGMP guidelines for environmental requirements of the manufacturing and packaging area, as well as comply with the requirements of EHS. Well defined standard operating procedures (SOP) in compliance with the instructions of ISO 9001:2015 guidelines are followed and documented in batch manufacturing & batch packaging records. Environment friendly modern ETP is available for managing solid and liquid waste materials. We have high levels of sanitation and hygiene system at every point of the process, covering personnel, premises, equipment, materials, containers, cleaning and disinfection products.

### Warehouse Department

Warehouse of Delta Pharma serves as vital components in maintaining the quality and safety of pharmaceutical products throughout the manufacturing process. Warehouse is responsible for receiving, storing, and releasing incoming goods (including labeling and packaging) as well as releasing and distributing finished products. It is expertly managed and run in compliance in order to maintain cGMP guidelines for the company to protect and distribute a quality product, while appropriate documentation is maintained.



The warehouse has separate store of Raw material, Packaging material and finished goods as well as receiving, quarantine, sampling and dispensing area. Primary and secondary packaging materials and rejected areas are also well demarked. There are segregated quarantine and storage area of narcotic materials which is strictly maintained under lock and key system. Primary packing Materials are kept in a temperature controlled room. All labels are preserved in lockers which are under lock and key system. Raw materials are stored in the warehouse of Delta Pharma at different temperature. Separate solvent and flammable store are out side of the raw materials store. Temperature mapping system is followed as per cGMP guideline.

Pharmaceutical products are sensitive to environmental conditions, requiring specialized storage conditions. Warehouse of Delta Pharma maintain controlled environments, including temperature-controlled areas, refrigeration units. The warehouse department strictly maintains GWP (Good Warehouse Practice), where the personnel hygiene and pest control activities are done by following standard operating procedure as per GMP guideline, proper ventilation to ensure the integrity



of medications. We strictly adhere to storage guidelines and protocols to prevent any degradation of pharmaceutical products. Furthermore, efficient inventory management systems are followed in our warehouses to track expiry dates, rotate stock, and prevent stock outs or excess stock, ultimately reducing wastage and ensuring availability of essential medicines.

## Engineering Department

Engineering Department of Delta Pharma Limited is concerned with the latest technology and best practices to improve productivity by the designing, construction, operation and improvement of manufacturing facilities. We ensure that medicinal products are produced efficiently, cost-effectively and to the highest standards by complying all regulatory guidelines. Engineering department is oriented by a qualified number of professional Engineers (Electrical & Mechanical) and well-trained Technicians of Electrical, Mechanical, Refrigeration, Air-Conditioning, HVAC system & Civil works. This team is engaged in troubleshooting, servicing and maintenance of various electrical, electronic and mechanical equipment's, machinery and also maintenance of infrastructure facility of plant.



This department has a well-equipped workshop with modern heavy-duty machinery and expert operator for repairing and the general up keeping of plant machinery. We also have an Engineering store for spare parts and accessories by consisting of good number of inventories. Preventive and corrective maintenance are regular activities of this department & routine operation of Substation, Generator, HVAC System, Boiler, RO System, Compressed Air System, ETP, Portable Water, Sanitation System and Fire Fighting System are done by this department properly. Boiler system provides more consistent heat efficiently and operated by licensed operators as per government compliance role.

Fire Hydrant System with Jockey pump and electrical pump with dedicated generator, sufficient number of fire hydrant, pillar hydrant, hose box and 140 various types of fire extinguisher, fire alarm, fire escape stair and other firefighting instruments were installed to ensure the safety of the peoples, materials, machinery and total facilities. We have the water reservoir of fire hydrant system of which capacity is 2,50,000 liters. This department is responsible to look after this system and also organize fire drill in every month for safety, security and regulatory purpose by following the protocol with good record keeping system.

## HUMAN RESOURCE MANAGEMENT

Human resource management (HRM) involves creating personnel policies and procedures that support business objectives and strategic plans. Central to this mission is the developing a culture that reflects core values and empowers employees to be as productive as possible. Human resource management place great emphasis on hiring the right people and keeping them engaged. We are generally tasked with creating and administering programs that improves workplace efficiency and employer-employee relationships.

The company currently employs more than Nineteen hundred employees, including doctors, pharmacists, chemists, microbiologists, engineers, MBAs, graduates and post graduations, etc. The Human Resource Department focuses on attracting qualified candidates and constancy of present employees.

Last year we have revised our pay scale, pay-structure, & initial salary. After comparing and analyzing the market and the price rising of daily necessities, this year we have continued our regular yearly increment with extra 2 (Two) increments and also revised the initial salary for our Field forces.

Employees are getting financial help from benevolent funds, Insurance and employee welfare funds. This year we are recruiting substitute worker in place of female employee who goes on 6 (six) months' maternity leave. 184 students have completed their internship from different universities at our plant during the period of Jul'22 to Jun 23.

Delta Pharma is always concerned with securing adequate, competitive and equitable remuneration to employees for their contribution. We put serious importance to the working conditions and welfare facilities of our employees, thus providing a strong morality and motivation of the employees.

In conclusion, our HRM is to be integrated with the overall strategy of the company to ensure the effective use of people and provide better returns to the organizations in terms of ROI (Return on Investment).

## TRAINING AND SKILL DEVELOPMENT

Every organization needs to have well trained and experienced people to perform the activities that. Adapting the latest technology and technical knowhow, it is necessary to raise the skill levels and increase the versatility and adoptability of the employees. Employees are the internal assets of an organization. Training provides a prime opportunity to expand the knowledge base of all employees, so that they can relate those training with their workplace and give their best performance for achieving company goals. Knowledge and skills development is vital to the health of organizations. We live in an information age today and organizations are routinely valued not just on their physical but on their intellectual capital. Training is one of the principal methods of maintaining and improving intellectual



capital, so the quality of an organization's training affects its value. Untrained or poorly trained employees cost significantly more to support than well-trained employees do. Training affects employee retention and is valuable commodities that, if viewed as an investment rather than as an expense and can produce high returns.

Pharmaceutical market in our country, is a highly competitive business arena with increasingly evolving new challenges day by day, so everyone to attain to certain specific skills, competencies and qualities necessary performance for everyone. We, the Delta Pharma limited are committed to enhance the knowledge and skill of our professionals by providing adequate training as per their training needs and extending effective services to the customers in time and cost-effective manner.

For lively and fruitful training, we have decorated our training room with anatomical picture, and visualize for increasing the practical knowledge of fresh trainee MPOs. We have changed the training module in few cases for easy understanding to enhance the productivity and proficiency at their field. In the fiscal year of 2022-2023, we have organized several basic, in house and outsource training, which are as follows:

Kinds of Training	No of Training	No of Participants	Remarks
Basic Training	21 Batches	357	Newly recruited New MPOs
Introductory Training	01 Batch	08	Newly recruited FMs
Introductory Training	01 Batch	02	Newly recruited RSMs
Outsources Training (Local)	17 Training	23	Corporate and Plant. (Different departments).
Outsources Training (Overseas) Mumbai, India	02 Training	02	Plant.

Moreover, the Training department is working to make our training effective and Skillful and also looking for some more skill development training institutes of outsources.

## MIS AND INFORMATION TECHNOLOGY

### Information Technology

Information technology (IT) is the storage, processing, and transmission of data and information using digital technologies. It encompasses computer hardware, servers, and storage devices, along with software, networks, and other digital technologies. IT is used to support a variety of functions, ranging from simple data processing to complex business operations such as finance, marketing, and supply chain management.

IT has revolutionized how pharmaceutical companies market their products and interact with healthcare professionals, where:

- Digital marketing: Advanced analytics tools can optimize digital marketing campaigns, making it easier to reach target audiences and maximize return on investment.
- Mobile applications have become an essential tool in the pharmaceutical industry, offering numerous benefits:
  - Information access: Mobile apps provide Pharma professionals with instant access to important Marketing and Sales related strategies and decision, helping them make better-informed decisions.





- Prescriber engagement: Mobile apps can help the Field colleagues to manage their Prescribers more effectively, leading to better prescription and sales outcomes.
- Data collection: Mobile apps can collect and transmit valuable patient data with prescription, helping marketing professionals to gain insights and improve the development of new strategies.

Multiple software solutions were implemented by Delta Pharma Limited in order to reduce manual, labor-intensive tasks. Desktop software and mobile phone application services that grant its corporate, field and depot-level employees' access to a variety of services. These are as follows: Medical Promotion Officers' doctor visit plan and visit record, online order collection, online prescription submission by MPOs and Executives of Market Research Department, Finished goods storage and distribution, admin inventory and stationary requisition system, vehicle management system, plant warehouse inventory for QC/QA/Production, date expired product collection, damage and product complaint information collection, Emergency Medicine Requisition etc.

### **The digital transformation following the COVID-19 pandemic**

When COVID-19 struck, it compelled global societal transformations. Governments issued orders restricting large gatherings of people, prohibiting in-person business operations, and encouraged people to work from home as much as possible. In response, Delta Pharma Limited began searching for internet-based methods to continue operations remotely. While working from home offices, they have utilized various collaboration platforms and video conferencing capabilities to maintain contact with coworkers and clients.

As the world looks ahead, presumably towards the end of the pandemic, it is likely that many of these changes, such as flexible scheduling that allows people to work from home, when necessary, will endure. Delta Pharma Limited has begun to recognize the power and potential of digital adoption in this regard. As the company realizes these benefits, its management continues to utilize the digital technology and reaping its benefits further.

### **The company's website ([www.deltapharmabd.com](http://www.deltapharmabd.com))**

Access to information is indispensable. The Internet is becoming an increasingly essential source of company information. People frequently visit the websites of pharmaceutical companies in search of product information. The purpose of a business' corporate or company website is to interact with website visitors. Our business website is located at [www.deltapharmabd.com](http://www.deltapharmabd.com).

### **Management Information System (MIS):**

Any company in the pharmaceutical industry requires management information systems (MIS) that are efficient and effective in supporting managerial functions. The efficient MIS team synthesizes the vast quantity of data generated by company management processes. The system then transforms the data into information for use in activity planning, demand estimation, resource allocation, and monitoring and evaluating company management operations. This data is presented in the form of vital indicators. Staff at all levels are provided with indicators so that they can monitor their own performance as well as that of the units for which they are responsible for. Improving accountability is another essential function of a management information system. A significant portion of the recording and reporting in a MIS is designed to establish an audit trail for products as they enter and exit the product supply system.

The MIS unit of Delta Pharma Limited integrates data acquisition, processing, and presentation of information to assist employees at all organizational levels in making evidence-based management decisions.



## PERFORMANCE INDICATORS

### 5 Year Financial Performance of Delta Pharma Limited

Statement of Income (BDT in million)	FY 2022-23	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19
Revenue	2,004	1,706	1,459	1,302	1,141
Expenses	1,892	1,608	1,354	1,257	1,105
Net profit before tax	112	97	106	46	36
Net profit after tax	79	68	62	30	20
Statement of Cash Flows (BDT in million)					
Cash flows from operating activities	248	313	252	146	41
Statement of Financial Position (BDT in million)					
Current assets	417	430	467	526	530
Current liabilities	735	613	448	699	648
Non current assets	1,524	1,017	890	751	720
Non current liabilities	619	418	543	256	292
Total assets	1,941	1,447	1,358	1,277	1,249
Total liabilities	1,354	1,031	991	955	939

## MAJOR HIGHLIGHTS OF 2022-2023

- It was our long-standing dream to have our own office premises. Finally, we have got the opportunity to fulfill our dream through purchasing the commercial plot at RAJUK Uttara 3rd. Phase. We have participated in the auction process of RAJUK and become successful to win the plot through the auction process. We have already paid the major amount of price of the plot and also have received the plot in our jurisdiction and also have constructed the boundary wall, approach road and also have completed the land development process. Electricity connection along with the availability of water through installation of Submersible pump has already been completed. We will start using the commercial premises very soon.
- Delta Pharma is well known to our prescribers and other stakeholder partners and also to our patients. Corporate image of the company been enormously increased by our participation in the annual events of the major clinical societies of the doctors of Bangladesh and that has been further enhanced by our special campaign on quality products at affordable price.
- We have imported, installed and commissioned new machineries for our Manufacturing department, Quality Assurance and Quality control department, Warehouse and Maintenance-Engineering department to meet the regulatory requirements of our regulatory authorities and also have increased the capacity to satisfy the production demand of the coming days.
- We have started the construction of modern new Effluent Treatment Plant (ETP) at a new site with ZLD (Zero Liquid Discharge) technology. The lagoon part has already been completed and the civil construction of ETP part is now in progress, which will be completed by June'24 Insha Allah. Then we'll transfer our Effluent treatment plant from our existing ETP to the new one.
- The Retained Earnings of the company become more positive during this financial year. We have invested substantial amount of money for the procurement of capital machineries at our plant and other capital investments for other departments from our own source during 2022-2023 FY.
- The Earning Per Share (EPS) has increased to Taka 18.99 in this financial year.
- We have launched 07 new products during this financial year, out of which 01 product is First time in Bangladesh.

## KEY HIGHLIGHTS OF PERFORMANCE GROWTH DURING 2022-2023

**16.80%**

**Profit After Tax**

2022-23: BDT **79.40** Million  
2021-22: BDT **67.98** Million

**17.47%**

**Total Sales**

2022-23: BDT **2,003.64** Million  
2021-22: BDT **1,705.64** Million

**41.00%**

**NAV (Net Asset Value)**

2022-23: BDT **586.83** Million  
2021-22: BDT **416.18** Million

**15.01%**

**Domestic Sales**

2022-23: BDT **1719.83** Million  
2021-22: BDT **1,495.42** Million

**0.37%**

**EPS (Earning per share)**

2022-23: BDT **18.99**  
2021-22: BDT **18.92**

**35.00%**

**Export Sales**

2022-23: BDT **283.81** Million  
2021-22: BDT **210.23** Million

**Credit Rating**

Long Term (**A-**)  
Short Term (**ST-3**)

## FUTURE PLAN

We have the general production facility, dedicated Cephalosporine production facility, dedicated Methotrax production facility, Liquid and PFS production facility at our plant. We have developed each of these production facilities following the updated GMP standard. We are now developing our Product Development (PD) and R&D facility and also concentrating on our documentation and validation process. We have sent our professional team to get trained in different technical training sessions at different occasions and have also sent them to participate in the Asia Pharma Expo, Pro-Pack-Thailand, CPHI-Shanghai and the CPHI-Delhi. Introduction of the topical items (Cream and Ointments) in our product line has been halted due to the recent economic crisis, both globally and locally, for a certain period to have a comfortable investment environment. We hope that, this plan will come into reality soon.

Our next plan is to establish the second plant at our present plant site for meeting the future demand of our products both locally and globally. The conceptual plan of the second production plant along with the planning of the number of different production facilities are already designed to fulfill the demand of the coming days for the existing and new products and will also fulfill the regulatory requirements for our export market. This unit will be designed and constructed and will be equipped with all modern and sophisticated machineries to meet the regulatory requirements of the stringent regulatory authorities (SRA). We are already working with the USP-PQM for preparing our plant site for WHO pre-qualification. An inspection team from USP-PQM is already at our plant to provide technical support to our plant officials and also to prepare them for the future inspection for WHO pre-qualification.

To resolve the electricity problem in the plant, we have taken a new initiative there with REB. At present we are using 11 KBA electricity power line at our Pakundia Plant from REB, Kishoreganj. As our production capacity is increasing day by day, so our electricity consumption also needs to be increased in the coming days. Through a long process of discussion with the REB authority, we have purchased a land of one Bigha (33 Decimal) near to our plant and have handed it over to the REB authority. Now there are in a process to establish one 10-20 MW capacity sub-station there. From that sub-station, we can get up to 05 MW electricity as per the requirement of our Plant. It will also reduce the cost of establishing a 33 KVA substation at our plant, which will be cost effective for us in both side like investment cost and uninterrupted electricity supply.

We have started the work of establishing the new and modern ETP with ZLD technology in our Plant as per Environment guideline and have already completed the lagoon part and will start the civil construction part of the ETP soon.

Delta Pharma Ltd. has a long waited dreams for its own office in the Dhaka city. We were looking for a land/plot at a suitable place in Dhaka with affordable price. Accordingly, we have got the opportunity to participate in an Auction Tender of RAJUK for 99 years lease of commercial plot in Uttara 3rd Phase Residential area. We have participated in the tender process and by the grace of Almighty Allah, we become successful as the highest bidder for the Plot number-01 of Sector-16 of Uttara 3rd Phase Residential area, Dhaka. This the first commercial plot of the Avenue-03 Road, just opposite the RAJUK Uttara Apartment Project and have the future connectivity with Mirpur, Uttara, Tongi, Ashulia, and other places of Dhaka city and the country through road and Metrorail.

We have received the award letter from RAJUK authority for the commercial plot and have paid the full payment of 20 Katha land including the registration cost, AIT/VAT and other ancillary/legal expenses. After that, we have applied to the RAJUK authority for completing the hand over process and have also made the digital survey of the plot through their authorized digital surveyor. During the survey, it was found that there is a total land of more than 23.50 katha within that commercial plot and we are waiting to get the official letter from RAJUK authority to deposit the additional payment for the excess land. After getting the full payment of the plot, the RAJUK authority will

organize to hand over the plot to us along with land registration process. With the active support and consent of site office of RAJUK, Uttara, we have also completed the land development process there along with the construction of boundary wall, approach road, electricity connection from DESCO and the installation of submersible pump for the water supply system there. After completing the total registration process with RAJUK authority, we will start active thinking to establish some facilities there and to start some activities there on our behalf.

Delta API Limited, the subsidiary company of Delta Pharma Limited, is also moving forward. We have already paid the up to date plot payment to BSCIC authority. We are moving little slowly and gradually in establishing our API plant there due to the recent economic crisis, both globally and locally. By this time, we are moving forward with our R&D team for synthesizing the API and the QC laboratory chemicals. Our current API-R&D lab is situated at the Delta Pharma Ltd plant at Kishoreganj. The API-R&D team continues product research and development work in the lab.

The API-R&D team has synthesized the API:

- Paracetamol of different batch sizes with different processes using different parameters,
- Stability studies of three consecutive batches of Metformin HCl for accelerated and long-term conditions and
- Is planning to synthesize another lab batch of Azithromycin Dihydrate and Atorvastatin Calcium (1st batch) in the API- R&D Lab.

The R&D team has also synthesized following reagents:

- Potassium Dihydrogen Ortho Phosphate Anhydrous BP (20 kg)
- Disodium Hydrogen Phosphate Anhydrous BP (3 kg).
- Dipotassium Hydrogen Phosphate Anhydrous BP (3 kg). In analytical phase.

The R&D team will continue to synthesize these reagents for the use of DPL and continue to develop other pharma reagents as these are basic requirements of the Pharma Industry and surely hold a good market demand. We are planning to fulfill our in-house demand of reagents as well as want to go for commercial production in future.



1<sup>st</sup> time in Bangladesh

# Milcal

Elemental Calcium 250 mg & Vitamin D<sub>3</sub> 250 IU Tablet

Make strong **BONE** & **TEETH** in natural way

First ever Calcium in Bangladesh  
that is made from 100% natural milk



Milk Calcium of **USA**  
is now in Bangladesh



QUALITY PRODUCT  
AFFORDABLE PRICE



Delta Pharma Limited

## SECTION IV: REPORTS AND STATEMENTS

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### Notice of the 16<sup>th</sup> Annual General Meeting

Notice is hereby given that the 16<sup>th</sup> Annual General Meeting of the shareholders of Delta Pharma Limited will be held on 25 November (Saturday) 2023, at 10:00 am at SKS Convention Hall-2 (Sena Gourab), 9<sup>th</sup> Floor, SKS Tower, 7, VIP Road, Mohakhali, Dhaka-1206, Bangladesh to transact the following business:

#### AGENDA

- 1-0 To receive, consider and adopt the Audited Accounts for the year ended 30 June 2023 together with the Report of the Directors and the Auditors thereon;
- 2-0 To elect Directors in terms of the relevant provisions of Articles of Association of the company;
- 3-0 To consider and approve the dividend for the year ended 30 June 2023;
- 4-0 To appoint Auditor(s) for the year ended 30 June 2024 and fix their remuneration;

By order of the Board



Mahnaj Azad  
Company Secretary

Dated: 04 November, 2023

#### Notes:

- A member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote on his/her behalf. The Proxy Form, duly stamped and completed, must be deposited at the Dhaka office address of the Company at House # 501, Road # 34, New DOHS, Mohakhali, Dhaka-1206 at least 48 hours before the time fixed for the Meeting.
- Physical admission into the meeting room will be allowed on production of the "Attendance Slip" attached with the Proxy Form.

## DIRECTORS' REPORT

Dear Shareholders,

As-Salamu-Alaiqum.

It's our immense pleasure to welcome you all in the 16th Annual General Meeting of the company. I am glad that we are meeting again in a far better healthy environment than what we experienced in the last few years. Your presence, encourages us to enhance the company's corporate image in a greater position to all our stakeholders. It is a pleasure and privilege on the part of the Board of Directors to present herewith the Directors' Report, elaborating the operational and financial activities of the Delta Pharma Limited together with the Audited Financial Statements for the year ended 30 June 2023 for your valued consideration, approval and adoption through this Annual General Meeting. As we reflect upon the past year, we are delighted to share in this report with you the exceptional results achieved by your Company, demonstrating a steadfast pursuit of excellence. Despite the unprecedented challenges presented by a changing global landscape, we have not only weathered the storm but have also thrived.

At a time when domestic and global economy was struggling to recover from the devastating COVID-19 effect, the Russia-Ukraine war accelerated the financial year 2022-23 for creating further upheaval in the global economy affecting every country around the world. Throughout the year Covid-19 Virus and some of its variants and also Dengue continued to disrupt life and affect business but it became tolerable as people had multiple vaccines and healthcare system got more efficient. But a new challenge faced by us – the long lasting and devastating conflict between Ukraine and Russia, which caused economic slowdown worldwide, resulting in shortage of industrial raw materials, disrupting supply chain and causing inflation. As a result, our businesses are undergoing their due share of stresses, supply disruption, margin erosion and decline in consumer demand which are the resulting consequences of the war, whose ramification is difficult to measure. In addition, inflationary pressure, currency fluctuation and foreign exchange availability are issues which we have already faced and will have to face in the coming days. Our employees are also seasoned with handling these adverse situations and were fully aligned and willing to put their usual best to serve the need of our customers and all of them deserve our appreciation for their loyalty and hard work.

## Economic, Industry Overview and Pharmaceuticals Sector

### Global Overview

The world economy is facing severe headwinds amid weak growth prospects, elevated inflation and heightened uncertainties. A confluence of factors, including legacy effects of the COVID-19 pandemic, the protracted war in Ukraine, the ever-worsening impacts of climate change, and rapidly shifting macroeconomic conditions, are weighing on the global outlook. Stubbornly high inflation in both developed and developing countries has prompted the most aggressive interest rate hike cycle in decades, causing financial conditions to tighten and exacerbating debt vulnerabilities.

According to the World Economic Situation and Prospects (WESP) 2023, the world economy is now projected to grow by 2.3 percent in 2023 (+0.4 percentage points from the January forecast) and 2.5 percent in 2024 (-0.2 percentage points), a slight uptick in the global growth forecast for 2023. While economic prospects remain subdued, the global growth slowdown in 2023 will likely be less severe than previously anticipated, mainly due to improved household spending in the United States and the European Union, the recovery in China, and no reversals to the earlier forecast for India. The structural challenges such as scarring from the pandemic, subdued investment, mounting debt vulnerabilities and funding shortages remain unaddressed. So, the world economy is facing the risk of a prolonged period of subpar growth. Slow income growth would further undermine prospects for progress towards poverty eradication and other Sustainable Development Goals.

But a dull picture still remains. Despite this uptick, the growth rate is still well below the average growth rate in the two decades before the pandemic of 3.1 percent. For many developing countries, growth prospects have deteriorated amid tightening credit conditions and rising costs of external financing. In Africa and Latin America and the Caribbean, GDP per capita is projected to increase only marginally this year, reinforcing a longer-term trend of stagnating economic performance. In Western Asia, growth is projected to slow sharply from 6.6 percent in 2022 to 3.1 percent in 2023 as the positive effects of increased crude oil production and recovery of international tourism dissipate. South Asia's economy is forecast to grow by 4.7 percent in 2023, down from 5.6 percent in 2022. India will remain one of the world's fastest-growing economies even as higher interest rates and weaker external demand weigh on growth this year. East Asia is expected to benefit from China's recovery, with regional growth projected to accelerate from 3.2 percent in 2022 to 4.7 percent in 2023. The least developed countries are forecast to grow by 4.1 percent in 2023 and 5.2 percent in 2024, far below the 7 percent growth target set in the 2030 Agenda for Sustainable Development.

South Asia's economy is projected to grow by 4.7 percent in 2023 and 5.8 percent in 2024, a slight downward revision of 0.1 percentage points for both years from the forecasts in January. High inflation, tighter financial conditions, weaker private consumption, and external imbalances will continue to impact growth in 2023. As the region is highly vulnerable to extreme climate conditions, potential deficiencies and floods also pose a significant risk to the economic outlook. India's economy – the largest in the region – is expected to expand by 5.8 percent in 2023 and 6.7 percent in 2024 (calendar year basis), supported by resilient domestic demand. However, higher interest rates and weaker external demand will continue to consider on investment and exports in 2023. Regional consumer price inflation is projected to average 11.0 percent in 2023 and 9.4 percent in 2024, slightly lower than the 12.9 percent recorded in 2022. Inflation in India is expected to decelerate to 5.5 percent in 2023 as global commodity prices moderate and slower currency depreciation reduces imported inflation. Inflation rates in Pakistan and Sri Lanka are expected to remain in double digits in the coming months owing to weakening local currencies and supply-side constraints. Domestic food inflation remains elevated due to country-specific factors, challenging food security across the region, particularly in Afghanistan, Bangladesh, and Pakistan. Central banks in the region continued their interest rates hikes in early 2023 to tackle inflation and stabilize exchange rates. Bangladesh was applied for a loan assistance from the International Monetary Fund (IMF) to deal with the ongoing economic crisis. The IMF team and Bangladesh Government officials was discussed elaborately together several time and on 30 January 2023, the board of the International Monetary Fund (IMF) approved a loan of \$4.7 billion for Bangladesh and also released the first installment.

Inflation has remained stubbornly high in many countries even as international food and energy prices fell substantially in the past year. Average global inflation is projected at 5.2 percent in 2023, down from a two-decade high of 7.5 percent in 2022. While upward price pressures are expected to slowly ease, inflation in many countries will remain well above the targets. Annual inflation will remain well above the long-term average, especially in Western Asia, South Asia, and Africa. Amid local supply disruptions, high import costs and market imperfections, domestic food inflation is still elevated in most developing countries, disproportionately affecting the poor, especially women and children. Continuing high inflation in developing countries, increasing poor people is an extra barrier to poverty eradication. According to the World Bank, food inflation in early 2023 remained above 5 percent in about 90 percent of developing countries.

Global trade remains under pressure due to geopolitical tensions, weakening global demand and tighter monetary and fiscal policies. The volume of global trade in goods and services is forecast to grow by 2.3 percent in 2023, well below the pre-pandemic trend.

Labor markets in the United States, Europe and other developed economies have continued to show remarkable resilience, contributing to sustained robust household spending. Employment rates in most developed economies have increased more among women than men, narrowing the gender gap. This trend is due to various factors, including gender differences in employment sectors and increased use of telework and other flexible working arrangements.





Exceptionally strong labor markets are, however, making it harder for central banks to tame inflation. The Federal Reserve, the European Central Bank and Central Banks in other developed countries have continued to raise interest rates in 2023, but at a slower pace than last year, which saw the most aggressive monetary tightening in decades. The banking sector turmoil in the United States and Europe has added new uncertainties and challenges for monetary policy. Although swift and decisive actions by regulators helped contain financial stability risks, vulnerabilities in the global financial architecture and the measures taken to contain them will likely dampen credit and investment growth going forward. Policymakers around the world are facing increasingly difficult trade-offs between fighting inflation, preserving financial stability and supporting inclusive and sustainable economic recoveries, against the backdrop of lingering uncertainties. Low economic growth and increasing financing constraints will further limit the ability of governments to invest in education, health, sustainable infrastructure and energy transition to accelerate progress towards sustainable development.

## Bangladesh Overview

Bangladesh's economy has recovered slowly from the economic damage caused by the impact of COVID-19 and the ongoing Russia-Ukraine crisis, although the recent slowdown in the global economy has adversely affected the country's economic growth. Bangladesh's economic growth in the pre-COVID-19 fiscal year (FY 2018-19) was 7.88 percent. During the COVID-19 period, this growth rate declined to 3.45 percent in FY 2019-20, which increased to 6.94 percent in FY 2020-21 and 7.10 percent in FY 2021-22. According to the provisional estimates of Bangladesh Bureau of Statistics (BBS), the GDP growth stood at 6.03 percent in FY 2022-23, 1.07 percentage point lower than the previous fiscal year. As per provisional estimate of BBS, per capita GDP and per capita GNI stood at US\$ 2,657 and US\$ 2,765 respectively in FY 2022-23 compared to US\$ 2,687 and US\$ 2,793 respectively in the previous fiscal year. The per capita GNI in dollar terms has declined slightly in FY 2022-23 due to the appreciation of US dollar. However, the per capita GNI in terms of Taka increased by about 30 thousand and stood at Tk. 2,70,414. The growth rate of agriculture sector stood 2.61 percent in FY 2022-23; 0.44 percentage point lower than the previous FY. The government is working tirelessly to build sustainable, safe and profitable agricultural systems to ensure food security. At present, the government has adopted short, medium and long term action plans to meet the future needs of the growing population, based on the agriculture sector's achievements in various emergencies, including the impact of COVID-19. The industrial sector is estimated to have 8.18 percent growth in FY 2022-23, 1.68 percentage point lower than the previous fiscal year. The contribution of industries to GDP became 37.56 percent, 0.64 percentage point higher than the previous fiscal year. The government is persistently taking synchronized and inclusive initiatives for flourishing of all industrial sectors of the country such as manufacturing industry and fuel industry, agriculture and forestry industry, mineral extraction and processing industry, tourism and service industry, construction industry and ICT based industry through ensuring expansion of labor-intensive and export-oriented industries, fertilizer production for food security, generation of skill manpower and employment with a view to becoming an industrially developed middle income country. The services sector is estimated to have 5.84 percent growth in FY 2022-23, 0.42 percentage point lower than the FY 2021-22.

According to the Bangladesh Wage Rate Index (Base Year 2010-11), the Nominal Wage Rate Index has increased to 202.68 points in FY 2022-23 from 118.82 points in FY 2013-14. Overseas employment significantly increased to 9,88,910 in FY 2021-22 and reached 8,43,365 by March 2023. In FY 2020-21, Bangladeshi expatriates' remittance stood at US\$ 24.78 billion which was significantly higher (36.10%) than the previous fiscal year. During 2022-23 financial year remittance earned reached at US\$ 21.03 billion, 15.11 percent lower than previous fiscal year. The major portion of remittance has been received from Middle East countries. During July 2022 to March 2023 the highest amount of remittance earned from Kingdom of Saudi Arabia followed by the USA, UAE, the UK, Qatar, Kuwait, Malaysia, Italy and so on. The government is incentivizing remittances at the rate of 2.50 percent to reduce the increased cost of sending remittances legally and to encourage remittances through legal channels and also simplifying the process of sending and receiving remittances.



As the economic damages created by Covid-19 pandemic is triggered by war in Ukraine, like all other countries of the world an upward trend of price level is being observed in Bangladesh. The inflation rate is estimated to be 7.5 percent in FY 2022-23 but as per Bangladesh Bank's last update of Aug'23, it was 9.92 percent. Bangladeshi currency Taka experienced an overall 13.65 percent depreciation against US dollar in July-April FY 2022-23 compared to that of the FY 2021-22. The weighted average inter-bank rate stood at Taka 106.15 per US\$ on 17 April 2023, which was Taka 86.03 per US\$ on 18 April 2022. But on 1st October 2023, Bangladesh Bank's rate was Taka 110.50 per US\$. In FY 2021-22 total export earnings increased by 29.1 percent to US\$ 52.47 billion over the previous fiscal year. During July to February of FY 2022-23 export earnings stood at US\$ 37.08 billion, which is 9.56 percent higher than the export earnings of the same period in the previous fiscal year. During this period, commodity-wise growth of export earnings shows that export earnings from many of the products have increased compared to the last fiscal year while few of the products experienced negative growth. The government initiatives to facilitate exports are enhanced during COVID-19. Export incentives are extended to new products. Exports receipts are estimated to be 54.2 billion in FY 2022-23. The total import payments in FY 2021-22 stood at US\$ 89.34 billion, 44.24 percent higher than the previous fiscal year. Up to February of FY 2022-23, total import payments stood US\$ 52.71 billion, 10.31 percent lower than the same period of the previous fiscal year. Import payments is estimated to be around US\$ 75.1 billion in FY 2022-23. Trade deficit of Bangladesh stood US\$ 33.25 billion in FY 2021-22 compared to US\$ 23.78 billion in FY 2020-21. Trade deficit rose by 39.82 percent in FY 2021-22, largely due to the higher import payments resulted from high commodity prices worldwide. During that time, the current account balance deficit stood at US\$ 18.64 billion. Trade deficit during July-February of FY 2022-23 has reduced to US\$ 13.83 billion compared to US\$ 22.43 billion during the same period of the last fiscal year, 38.34 percent lower than previous fiscal year. The decrease of deficit was resulted from the import rationalization measures. The deficit of the Balance of Payment has been reflected in the foreign exchange reserve.

To deal with the ongoing economic crisis, Bangladesh has applied for a total of US \$4.5 billion loan assistance from the International Monetary Fund (IMF) last year. Before disbursement of the loan, the IMF has long examined the trends, problems, and weaknesses of the Bangladesh economy and held discussions with government officials and on 30 January 2023, the board of the International Monetary Fund (IMF) approved a loan of \$4.7 billion for Bangladesh. It will be given in seven installments over 42 months. According to IMF statistics, the size of Bangladesh's economy in 2022 is considered the 35th largest in the world. The IMF noted that Bangladesh has done well during the pandemic and post-pandemic economic recovery. But since February 2022, the economy of Bangladesh has also been under pressure due to the Russia-Ukraine war and global inflation, recession and energy crisis. In FY 2021-22, exports increased to a record amount (\$52bn), but imports also increased at a comparatively higher rate (\$89bn). On the other hand, remittance inflow has not increased much. As a result, there is a deficit in the balance of trade and transactions. The country's foreign exchange reserves continue to decline rapidly. Actual reserves was around \$48bn in August 2021 and stood at \$24bn in December 2022. Therefore, IMF assistance is needed for Bangladesh to maintain trade deficit and economic stability. The decision of the IMF is an expression of confidence in the economic management of Bangladesh. However, according to the conditions of the IMF, Bangladesh has to undertake reform activities in various sectors. For example, revenue collection should be increased by reforming the revenue sector, through which it will be possible to allocate more to the social sector, infrastructure development, public financing and investment and climate change. Good governance and a working regulatory system should be made achievable through reforming the financial sector and our banking system. An enabling environment for trade and foreign direct investment should be created through policy structural reforms. It has also been suggested to reduce the losses to the economy by reducing subsidies in various sectors. As a result, the price of fuel oil and electricity will increase. It has also been said to limit the budget deficit, through which domestic and foreign borrowing and public spending can be reined in. However, there is no option to implement the proposed reforms even if all conditions of the IMF are not met at the moment. Civil society and economists also suggest the implementation of

these reforms for the sake of the overall economic stability of the country, bringing good governance and increasing the tax-GDP ratio of the country to bring self-reliance. Hence, the subsidy in agriculture, energy and gas-electricity should be gradually reduced. Finally, February 2023, Bangladesh received the first instalment of \$476 million from the IMF out of the \$4.7 billion loan package.

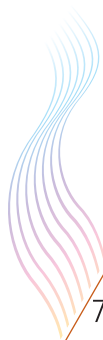
Through the seminars and workshops at different times, the Economists and the Financial Experts are apprehending that, Bangladesh is facing and also will be facing the challenges of- depreciation of the taka against the US dollar, high inflation, food insecurity, energy crisis, frequent load-shedding, climate change, disaster management, budget and trade deficit, money laundering, increasing import dependency, decreasing forex reserves, LDC graduations, price hike of daily commodities, planning errors, corruption, getting rest of the loan installment of IMF etc. if not take the steps of policy changes to attract foreign investments, creating skilled manpower for the job market, ensuring healthcare services, strengthening institutional capacity for further development, increasing manufacturing sector's productivity, increasing revenue collection, reforming the financial sector & banking system and finally applying the Good Governance in every sector by the Government of Bangladesh.

### Global Pharmaceuticals Sector

The pharmaceuticals market comprises businesses (organizations, sole proprietorships, and partnerships) that develop drugs used to treat illnesses and sell those drugs and associated services. The Global Pharmaceuticals Revenue is projected to reach US\$1.115 Trillion in 2023. The market's largest market is Oncology Drugs with a projected market volume of US\$188.20bn in 2023. Revenue is expected to show an annual growth rate (CAGR 2023-2028) of 5.80%, resulting in a total Pharma market volume of US\$1.478 Trillion by 2028. Outside of the spikes of the Covid years, the pharmaceuticals industry tends to follow a steadier path through economic ups and downs than other industries. However, now that vaccine demand is slowing, and the global economy is facing record levels of high inflation. The ending of China's zero-Covid policy at the beginning of 2023 has provided a boost for pharmaceuticals globally. The reopening of the Chinese economy is helping to reduce strains on global supply chains and, in particular, global access to the active pharmaceutical ingredients (APIs) produced in China. Pharma Sector Experts share their knowledge and expertise on the key issues affecting the pharmaceuticals industry in the markets covering: the Americas, Asia Pacific and Europe.

Asia Pacific's Pharmaceutical production and sales will grow by more than 5% year-on-year in 2023 and more than 6% in the years 2024 and 2025 respectively. Much of this growth will be driven by increased demand in emerging economies, as healthcare systems improve and household incomes expand. Producers of generics and over the counter medicines will be the first to benefit, especially in China, India and Southeast Asia. In addition, Asia-Pacific's share of global pharma production will increase from 36% in 2022, to 42% in 2030. China's share of global production will grow from 25% in 2022, to 30% in 2030. China's dominant position as the world's major drug production center will help underpin the financial strength of pharmaceuticals industry in Asia-Pacific. In addition, most pharmaceuticals businesses in Japan and India have strong balance sheets and good access to bank financing. Ageing populations and expanding middle-classes in the region will support growth and the financial strength of pharma producers in the region. Asia Pacific is also seeing changes to the regulatory landscape. With the Volume-based Procurement (VBP) policy and the National Reimbursement Drug List (NRDL), China has overhauled its health-care system. Global and domestic drug producers have to compete to sell their products in bulk to public hospitals. China has conducted seven rounds of centralized drug procurement since November 2018, the price decline has stabilized at around 50%. In India, the government has announced a large incentive scheme to boost local API production and compete with China. Government healthcare policies in Japan are complex with a drug pricing system that is hard to predict (presenting a downside risk). Currently generics sales amount to 47% in volume terms, but the government aims to increase this share to 80%.

Americas Pharmaceuticals growth is forecasted to be in the low single digits in the coming two years. This follows the double-digit growth in 2021 and early 2022 which was largely driven by Covid



demand, namely vaccines, therapeutics, medicines, testing, and PPE. This segment is now declining in the double digits off the 2020 to early-2022 highs, while offset by strong performance of medicines geared towards fighting cancer, diabetes, and other life-threatening diseases. The moderating sales growth expectations are likely to be a short-term dip. The long-term outlook is more positive, maintained by ongoing demand driven by the ageing population and hopes for a combo Covid/seasonal flu vaccine, which has been delayed by the FDA until at least 2024. The US pharmaceuticals sector is still vulnerable to headwinds from inflationary pressures, as well labor shortages, product liability litigation and government pressures to reduce drug costs for consumers. However, despite this the sector is extremely resilient, with ongoing demand driven by an ageing population that will continue to fuel sector growth. In the US the recently passed Inflation Reduction Act included a number of provisions that will change the pharmaceutical industry in both the short and long-term. These include a cap on monthly insulin costs for Medicare patients and the ability for the government to negotiate drug prices.

Europe's pharmaceuticals output growth is slowing amid high energy price headwinds. These are affecting the industry directly through the cost of fuel and indirectly through the increased cost of producing feedstocks and APIs. High levels of inflation across the region are also impacting high street spending and annual production growth is forecast to slow to about 4% in 2023 and 2% in 2024, after growing by 15% last year. The long-term outlook for the sector in Europe is good. Pharmaceuticals firms will benefit from the region's ageing population and the resulting demand for pharmaceutical products to support both chronic illnesses and conditions associated with ageing. Strongest growth is likely to be seen in the major economies of the EU. The different challenges facing different sizes of pharmaceuticals companies in Europe. In Europe, large pharmaceuticals companies often have substantial financial resources due to their global operations, diversified product portfolios and extensive marketing networks. These companies invest significantly in R&D but also tend to have robust revenue streams from the sales of both patented drugs and generic versions. On the other hand, smaller pharmaceutical companies and specialist biotech firms may have more focused operations and smaller financial capacities. They often rely on venture capital funding or partnerships with larger companies to support their R&D efforts. These companies may be more susceptible to market volatility and may suffer from the consequences of higher financing costs. So, for the most part, the pharma financial indicators are strong but some medium and small companies could face financing challenges due to the high R&D investment required, the competition from companies based on India and China, and difficult access to financing at competitive interest rates. Most of the individual domestic markets in Europe are highly regulated and some feature constraints that can impact profits. For example, the businesses supplying France, Spain, Italy and the UK face pressure from health authorities to lower the prices of drugs and medicines. In Italy this includes a 3% margin cap for sales of prescription drugs. Businesses in the UK additionally have to negotiate the additional red-tape presented post-Brexit. Border checks and regulatory burdens have raised costs and delayed delivery of goods. While some businesses have relocated to Europe, many are already multinationals with a presence in Europe. There are some EU policies that may positively impact the sector's performance and growth in Europe in the coming years. For example, the EU Commission is proposing to revise the EU's pharmaceutical legislation, which includes the strategic importance of API production in Europe.

Several major drugs are approaching the end of their exclusivity rights over the next decade, including AbbVie's Humira, Johnson & Johnson's Stelara this year. The ending of patent exclusivity will impact income generation and force the producer into competition on each drug, the vast majority will have been prepared with plans in place for some time. For some, ongoing R&D will see new patents take their place, for others marketing and sales strategies will promote competition. In total, most branded drugs are set to lose exclusivity by the end of the decade, so near and long-term patent exclusivity losses will drive continued investment in R&D and M&A. The ending of patent exclusivity is an area affecting pharmaceuticals businesses in the US and Europe. Although Japanese brand-name producers acknowledge the need for additional investment in the development of new medicines, this is not an area that impacts China in the same way.





## Bangladesh Pharmaceuticals Sector

Most developing countries depend on imports for the supply of essential medicines. Many developing countries have been finding it extremely difficult to promote local production. But despite being a Least Developed Country (LDC), Bangladesh has succeeded in developing a robust pharmaceutical industry. The rise of the pharmaceutical industry in Bangladesh is attributed to the Drug Ordinance of 1982. This created a market for the local firms for simple generic formulations which were earlier imported or manufactured by the foreign firms. Local firms grabbed the opportunity and dramatic growth of the industry led by local firms followed. But manufacturing of active pharmaceutical ingredients was neglected. This did not constrain the growth initially with the availability of cheap supplies from India and then China. But this has emerged as a critical bottleneck today. Bangladesh, as an LDC abolished product patent protection in pharmaceuticals in 2008 and what the 1982 Ordinance did for generic products, the change in the patent regime has been doing for patented products. Bangladesh has introduced to the market a number of patented products at very low prices. This is a significant development. But the traditional sources of APIs from India and China cannot officially export patented APIs to Bangladesh unless permitted to do so. Due to the difficulty of sourcing patented APIs, Bangladesh is unable to enjoy the full benefits of absence of product patent protection. Some steps have been initiated for the growth of the API sector. For the efforts to succeed, the government needs to be more directly involved in developing the technological base of the industry.

The capacity and expertise of the industry was evident during the COVID-19 pandemic where the industry quickly adapted to the unprecedented challenges and has been fulfilling not only the national demand for COVID related medicines but also the global market. As a beneficiary of TRIPS patent waiver, the Bangladesh pharmaceutical industry is all set to becoming a hub for high quality and low-cost generic medicines and vaccine. Building from strength to strength, the pharmaceutical industry has grown from about \$25 million in 1982 to about \$3.11 billion by 2023. Driven by the increasing purchasing power of the domestic population, the domestic pharmaceutical market is forecasted to exceed more than \$5.00 billion by 2025. At present the industry is serving 98 percent of the domestic market and exporting to more than 150 countries around the world. The Bangladeshi drug market is dominated by production of branded generic drugs, which account for almost 80% of the drugs produced locally, while patented drugs make up the remaining. Currently there are 301 licensed pharmaceutical company in Bangladesh, out of which, 211 factories are continuing to operate. As per the report of DGDA (Directorate General of Drug Administration) website, Bangladesh currently manufactures around 4,119 generic drugs with 34,583 registered brands. The DGDA of Bangladesh is a very vibrant organization. They maintain good relationship with the Bangladesh Association of Pharmaceutical Industries (BAPI).

Bangladesh's pharmaceutical industry diversifies export market across the globe with health products reaching in the Asia-Pacific region, Europe, America, Australia and Africa. The medicine manufacturers have already widened markets not only to South Asian nations like Myanmar, Sri Lanka and Afghanistan but also booked a share in the United States with the third-highest foreign-exchange earnings from the world's largest economy. Out of the country's total \$175.425 million worth of pharmaceutical-export earnings in the last fiscal year (FY) 2022-23, the local drug-makers made a shipment worth \$15.25 million to the US market, as per Export Promotion Bureau (EPB) data. They made highest exports to the Southeast Asian neighboring-nation Myanmar, worth US\$25.818 million that accounts for 14.72 percent of the total \$175.425-million annual turnover in the expansion process. Sri Lanka is the second-largest market for Bangladeshi pharmaceuticals importing \$21.91 million worth of products. The United States of America (USA), the Philippines, Afghanistan, Kenya, Cambodia, Vietnam, Pakistan, Nepal, Jamaica, Nigeria, Denmark, Somalia and Australia among the top 15 importers after Myanmar and Sri Lanka. Although the volume of Bangladesh's pharmaceutical-product exports year-on-year are not rising to the expected levels, the local manufacturers have diversified their market across globe. The shipments dipped 7.08 percent to \$175.42 million in the 2022-2023 from \$188.78 million in the year 2021-2022, as per the EPB data. It happened due to the impacts of global economic crises and

subsequent US dollar shortage in most underdeveloped countries as Bangladesh mainly exports pharmaceutical products to least developed and developing countries and also last fiscal year was challenging in terms of global business due to the direct impacts of the Russia-Ukraine war. The industry suffers recent days a lot because of falling raw material imports in face of restrictions on opening LC (letters of credit). Also, production costs are higher due to the rising trend of raw material prices in the global market alongside price hikes for fuel, gas and power, pushing the industry into crisis. This crisis is even worse than the one faced during the Covid-19 era. The impact of economic vulnerability in Sri Lanka and Myanmar has fallen on the local pharmaceutical industry because these two countries are the top importers of medicine from Bangladesh, meaning that their reduced ability to make purchases has significantly impacted exports.

As an impact of LDC graduation, Bangladesh will no longer be entitled which was previously enjoyed as an LDC and providing patent protection to pharma products became mandatory. Companies will have to buy patents from a drug's parent company to produce a generic version, which will ultimately increase the cost of production. As a result, the cost of medicine will be increased which would definitely create sufferings for millions of people of Bangladesh. Also, in terms of API, Bangladesh is heavily import-dependent. In FY21, the country's API import amounted to \$1050.1 million while the global API market is \$200 billion. After the LDC graduation, Bangladesh will face a higher tariff regime ranging from 8%-15% in the export market which may decline export earnings by 14.28% equivalent to \$5.73 billion. The pharmaceutical sector may be affected by the loss of IP waiver resulting in a decline of generic and patented drugs production and export share. So, need to run the API Park in full swing within a short period. At present, 15 manufacturing companies are producing API's in a small scale as per their requirements & 04 API plot owners have already started to set-up their manufacturing plant at the API Industrial Park, Munshiganj and other manufacturing companies are in the process of doing that. Now Pharmaceutical companies need to focus on strong research, upskill human resources, and explore opportunities for setting up joint ventures and encourage contract manufacturing. To overcome the challenges of LDC graduation, the Government of Bangladesh faced the challenges boldly and initiated some positive steps for preparing ground for Smooth Transition Strategy (STS). In this respect, the External Resources Division (ERD) and the Ministry of Finance has constituted a joint Task Team. It will take a long way to overcome the negative impact of LDC graduation on the pharma industry. To accomplish the objective, the Government, and all other related organizations like Chamber of Commerce & Trade Bodies and NGO's are working relentlessly for a fruitful result. The government should facilitate the private sector to widen and diversify the pharmaceutical market through offering more policy and fiscal support with the aim of boosting the country's overall local and foreign-exchange earnings.

## OPERATIONAL PERFORMANCE OF DELTA PHARMA

### Sales and Profitability

We are operating in local and export business market. Like other years, this year also the local sales is the major contributor to the company revenue with 85.84% share. The company has achieved a net domestic sale of BDT 171.98 Crore in 2022-2023. This is a 15.01% increase compared to 2021-2022. Along with the domestic sales, there is a growth of 35.00% in our export sales in 2022-2023 compared to previous year, amounting to BDT 28.38 Crore. During 2022-2023, our gross profit is 49.73% and the net profit before tax has reached to BDT 11.20 Crore and the net profit after tax is BDT 7.94 Crore.



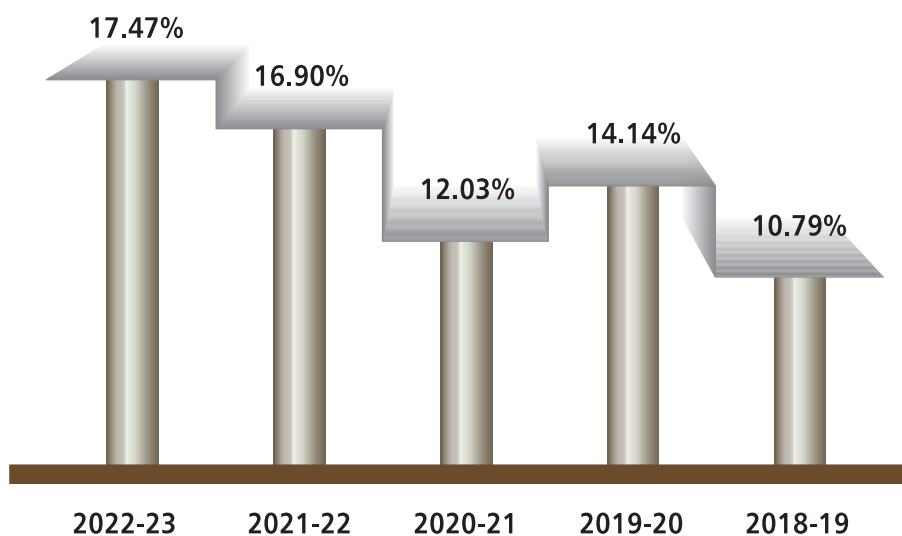
## Cost of Goods Sold, Gross Profit Margin and Net Profit Margin

Cost of Goods Sold was BDT 100.71 Crore in FY 2022-2023, which is 0.27% less than the last financial year. Operating expense for 2022-2023 was BDT 83.02 Crore which is 0.64% less than the last financial year. Operating expenses consist of personnel expense, maintenance, selling and distribution cost, marketing expense, and depreciation. Net profit margin for the year 2022-2023 was 3.96% compared to 3.99% in 2021-2022.

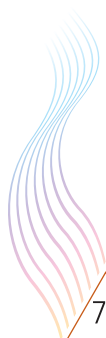
## FINANCIAL HIGHLIGHTS

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
Gross Turnover	2,003,640,313	1,705,643,317	1,459,099,389	1,302,391,038	1,141,007,077
COGS	1,007,147,733	852,679,588	692,959,597	617,747,730	533,894,467
Gross Profit	996,492,580	852,963,729	766,139,792	684,643,308	607,112,610
Net profit	79,399,509	67,984,728	62,023,195	30,071,249	19,724,811

## Growth Pattern of Annual Gross Turnover



- Our Net Assets Value per share is Taka 140.34 in this financial year. In the previous year, it was Taka 115.81 per share. So, the Net Assets Value per share has increased by 21.19% during this financial year.
- Fixed asset of an amount of Taka 8.60 Crore has been increased during this financial year. Out of which, Taka 6.54 Crore was invested from the own financing of the company. It is to be noted here that, at present, the book value of the Total Fixed Assets of the company is Taka 121.96 Crore.
- During this financial year, we have invested Taka 3.80 Crore in the Share to the other companies.
- Our Long-Term Liability has increased by 48.21% during this financial year, compared to the previous financial year on other hand our non-current assets also increased by 49.83% during the year.
- During this financial year, our financial cost has been increased by 5.89% from the previous financial year.



## Detail Statement of Addition of Capital Investment at Plant during the Financial Year 2022-23

Particulars	Total Addition (in Taka)	Through Loan (in Taka)	Through Own Finance (in Taka)
Land & land development	3,671,937		3,671,937
Factory building	14,889,802		14,889,802
Plant & machinery	48,558,378	20,627,000	27,931,378
Furniture & fixture	2,673,116		2,673,116
Office equipment	8,835,475		8,835,475
Electric installation	268,362		268,362
Spares & accessories	7,135,764		7,135,764
<b>Total as on 30 June 2023</b>	<b>86,032,834</b>	<b>20,627,000</b>	<b>65,405,834</b>

Asset Value of the Company Upto 30 June 2022 = Tk. 1,135,276,400/=

Add: Addition During the Financial Year 2022-2023 = Tk.86,032,834/=

Less: Disposal During the Financial Year 2022-2023 = Tk.1,700,000/=

Total Asset Value of the Company Upto 30 June 2023 = Tk. 1,219,609,234/=

### Contribution to the National Exchequer

During the year (July '22 to June '23) BDT 341.12 Million has been paid to the National Exchequer in the form of Value Added Tax (VAT), Advance Tax (AT), Advance Income Tax (AIT), Income Tax payment etc.

### Dividend Policy of the company

A company's dividend policy dictates the amount of dividends paid out by the company to its shareholders and the frequency with which the dividends are paid out. Delta Pharma is consistently following a dividend policy based on its operational performance. We have a steady legacy of dividend declaration and disbursement. Steady dividend declaring policy indicates the sound and solid financial foundation of any organization. The Board of Directors believes that drawing up of a long-term and predictable dividend policy and to follow the same is the best option for paying the value for investment to the shareholders of the company. Because the dividend is the only way to get benefit by any shareholder from their investment.

### Supply Chain Management

The top priority in any health system is delivering of medicine as a strategic product. The pharmaceutical supply chain involves that medicines are manufactured and delivered to patients through different internal and external channels such as pharmaceutical manufacturers, distributors, chemist/medicine shops, customers, information service providers and regulatory agencies. To ensure in time supply of raw, packaging and other materials to plant and on time delivery of finished goods at the chemist level are the main challenges of Supply Chain Management in any pharmaceutical company. A strong, dedicated and capable technically sound team is deployed to manage the supply chain efficiently in our company. Gradually we have been strengthening this area with training and motivation for the professionals and by providing the vehicles for commercial, plant, warehouse and at all the distribution centers of the company. Online order submission has been established for accurate and timely product delivery at the customer level. We are gradually making our supply chain system automated, faster and self-reliant. Our Pharmaceutical supply chain management consists of the strategic coordination of the entire value-added process of product (pharma value chain) and the logistics.



## Raised Paid-up Share Capital and Procurement of RAJUK Commercial Plot at Uttara, Dhaka

In the 15<sup>th</sup> Annual General Meeting 2022, the Shareholders approved the proposal for raising the paid-up share capital of the company for an amount of BDT 12.00 (Twelve) Crore for the payment of commercial plot of RAJUK at Uttara 3rd Phase Residential area and the shareholders authorized the Board of Directors to raise the said amount of paid-up share capital as per provisions of Company Act 1994 and after exhausting the provisions of Company Act in an way, as they deem fit, such as, modify lot size of share, notice period for issuing/allotting those shares, etc. and also authorized to pay the total expenditure to purchase the plot. After the 15<sup>th</sup> AGM, the Board of Directors took the legal opinion from the Legal Advisor, the External Auditor and the Executive Committee of the company about the detail process of raising the paid-up share capital. Through the board meetings at different times, the board members have decided about the script size, Letter of Intent (LoI) with the submission deadline and the payment deadlines. Through two instalments, the total amount of Taka Twelve Crore has been collected from 342 persons, out of which, 307 are existing shareholders and the rest 35 persons are the company employee and the Prescribers/well-wishers of our company. After that, in the 118<sup>th</sup> Board Meeting held on Wednesday, 24 May 2023 and in the 119<sup>th</sup> Board meeting held on Tuesday, 25 July 2023, the Board of Directors had approved the allotment of the collected share money of Twelve Crore in favor of 342 applicants for share.

## Statement of Board of Directors on Financial Reports

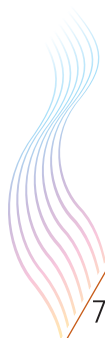
The Board of Directors are pleased to report the following to our shareholders:

- The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act, 1994. These statements present fairly the Company's state of affairs, the result of its operations, cash flow and changes in equity.
- Books of accounts of the Company have been maintained properly.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements except those referred to in the financial statements. The accounting estimates are based on thoughtful and practical judgment.
- In preparing the financial statements, all the standards have been followed like, International Accounting Standards (IASs)/Bangladesh Accounting Standards (BASs)/International Financial Reporting Standards (IFRSs)/Bangladesh Financial Reporting Standards (BFRSs), as applicable in Bangladesh.
- Internal Control mechanism is well designed and properly implemented and monitored.

Finally, we can confidently declare that we don't have any doubt about the ability of the Company to continue as a going concern.

## Election of Directors

As per Article 113 and 114 of the Articles of Association of the company, Professor Dr. Abdul Hannan will retire in this AGM and as per Article 115 of the Articles of Association of the company, being eligible, have offered himself for re-election and the Board of Directors also recommended for the same. On the other side Director, Golam Farook has voluntarily resigned from the post of the Director in the 117<sup>th</sup> Board Meeting held on 09 February 2023 and the Board had accepted his resignation and recommend to place before the Shareholder in the 16<sup>th</sup> AGM for final approval. This is placed for your consideration in the 16<sup>th</sup> AGM.



## Dividend

As per the audited financial statement for the year ended on 30 June 2023, the company has made a good amount of profit after tax. Considering the overall socio-economic condition of the country, foreign currency rate fluctuation, fund availability from bank and financial institution, company portion of investment compared to the lenders, the Audit Committee and the Board of Director have recommended 08% (Eight Percent) cash dividend for the year ended 30 June 2023 for the shareholders of the company and this is placed for your consideration in the 16<sup>th</sup> AGM.

## Appointment of Auditor

Ahsan Manzur and Co., Chartered Accountants, Auditor(s) of the Company will retire at this Annual General Meeting and they have conducted company's audit for the year 2022-2023. The Board of Director recommended the M/s Ahsan Manzur and Co. Chartered Accountants after getting the recommendation of Audit Committee for appointment as Auditor(s) for the year 2023-2024. This is placed for the consideration of the shareholders in the 16<sup>th</sup> AGM with re-fixation of their remuneration.

## Acknowledgement

The pharma industry continues to explore new frontiers in scientific research and innovation. On a continuous basis, the industry develops novel therapies for unmet medical needs and also promotes incremental innovations in existing therapies. Medical science has transitioned from chemistry to a new world of biologics, gene and stem cell therapies. In recent years, there has been remarkable progress in research and one must acknowledge the achievements of scientists for their collective efforts to deliver, not only for the life-saving drugs for the benefit of humanity, but also for a range of newer diagnostics, devices, advanced essential and personalized medicines. Here in Bangladesh, Delta Pharma's purpose of Caring for Life with Quality Product @ Affordable Price has been our guiding mission over the years and reflects our culture of care and compassion for the humanity through providing the most recent and modern essential medicine, that has been invented by the scientists around the globe. We strive to do our best to make a difference in the lives of all. We believe that success does not make a company great, what really matters is its contribution to the welfare of the society and Delta Pharma is continuously trying to do the betterment of the society people by giving quality product at affordable price during the past years and also during the ongoing financial crisis period here in Bangladesh and abroad. We strongly believe that Delta Pharma Limited is quite capable to further propel the Company to newer heights by its own strengths, resources and commitment. Looking ahead, we think that setting targets is not a difficult thing. Importantly, achieving the stated future is what differentiates the 'Great' and 'Good' companies. The top leadership of Delta Pharma Limited ensured that everyone is moving forward together, and we are confident that success will engender further progress. We sincerely believe that it is of the utmost importance to collectively align ourselves to address the future healthcare needs and emerging concerns that are facing our country and the world. There is no doubt that we must leverage our expertise, knowledge and research acumen created over the years to help society navigate the difficult years ahead. We take pride in saying that with our 'Delta Family' value system, we have managed to build a culture of taking on challenging tasks and progressing together to achieve the desired goals.

The Board of Directors take this opportunity to thank all the regulatory bodies of our company including the Directorate General of Drug Administration (DGDA), Department of Narcotics Control, Registrar of Joint Stock Companies and Firms (RJSC), Bangladesh Securities and Exchange Commission (BSEC), Directorate of Environment, Bangladesh Aushad Shilpa Samity (BAPI), our Banks and Non-Banking Financial institutions and other financing companies, vendors and other stakeholders for their cooperation and for keeping trust on us. We always try to follow the rules and

regulations and the law of the land and also try to keep us updated on every regulatory issue. That helps us to gain the trust of our prescribers and other stakeholders from home and abroad.

The Board of Directors strongly appreciate the Operational Management of Delta Pharma and all our employees working at field, depots, plant and the corporate office for their tireless effort and also express our deep sense of gratitude to the other stakeholders who keep trust on us and take our products as their first choice.

In conclusion, I also want to express my gratefulness to the members of our board and the operational management of the company for being the co-passenger with me on this challenging journey.

With sincere regards,

On behalf of the Board of Directors



**Mrs. Ferdousi Akhter**  
Chairman



## DUE DILIGENCE CERTIFICATE

To,  
The Board of Directors,  
Delta Pharma Limited

Subject: Declaration on Financial Statements for the year ended on 30 June 2023.

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Delta Pharma Limited for the year ended on 30 June 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS) as applicable in Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on the prudent and reasonable basis in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- I. We have reviewed the financial statements for the year ended on 30 June 2023 and that to the best of our knowledge and belief:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- II. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



**Dr. Md Zakir Hossain**  
Managing Director



**Arup Ratan Chowdhury**  
Head of Finance & Accounts

October 23, 2023

# AUDITOR'S REPORT

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## Independent Auditors' Report To the Shareholders of **Delta Pharma Limited**

Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Delta Pharma Limited ("The company") which comprise the statement of financial position as at 30 June 2023 and statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at 30 June 2023 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in notes 2-3.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

Management is responsible for the other information. The other information comprises the information included in the Board of Directors Report, but does not the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. No Directors' Report issued by the management of Delta Pharma Limited at or before issuing this report and we have nothing to report in this regard.



## Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs as explained in notes 2-3, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 require the Management to ensure effective internal audit, internal control and risk management functions of the Company.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) The statements of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of accounts and returns;

Place: Dhaka  
Date: 30 October 2023

*Ahsan Manzur Co*  
**Ahsan Manzur & Co.**  
Chartered Accountants  
Md. Raghib Ahsan FCA  
DVC: 2310300689AS839992



# Delta Pharma Limited

## Statement of Financial Position

As at 30 June 2023

Particulars	Notes	Amount in Taka	
		30 June 2023	30 June 2022
<b>Assets</b>			*Restated
<b>Non-current assets</b>			
Property, plant and equipment	4.00	812,975,013	781,429,280
Right of Use Assets	5.00	10,679,066	1,721,582
Capital work -in - progress	6.00	457,498,063	9,671,937
Investment	7.00	242,728,416	224,250,000
<b>Total non-current assets</b>		<b>1,523,880,558</b>	<b>1,017,072,799</b>
<b>Current Assets</b>			
Inventories	8.00	232,707,233	256,818,972
Trade and other receivables	9.00	24,566,529	27,030,676
Advances, deposits and pre-payments	10.00	117,053,098	134,573,566
Cash and bank balances	11.00	42,724,933	11,410,005
<b>Total current assets</b>		<b>417,051,793</b>	<b>429,833,219</b>
<b>Total assets</b>		<b>1,940,932,351</b>	<b>1,446,906,018</b>
<b>Equity and liabilities:</b>			
<b>Shareholders' equity</b>			
Share capital	12.00	418,139,000	359,369,000
Share money deposit	13.00	61,230,000	-
Retained earnings	14.00	107,456,404	56,806,415
<b>Total shareholders' equity</b>		<b>586,825,404</b>	<b>416,175,415</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long term loan & lease obligation	15.00	571,535,669	370,963,956
Deferred tax liabilities	16.00	47,691,576	46,833,858
<b>Total non-current liabilities</b>		<b>619,227,245</b>	<b>417,797,814</b>
<b>Current Liabilities</b>			
Accounts payables	17.00	194,075,796	154,154,588
Short term loan	18.00	44,649,946	17,200,000
Current portion of long term loan	19.00	61,683,195	20,194,545
Profit payable	20.00	19,644,389	18,895,046
Liabilities for expenses	21.00	375,829,414	356,627,380
Dividend payable	22.00	9,227,117	21,790,746
Provision for taxation	23.00	29,769,845	24,070,484
<b>Total current liabilities</b>		<b>734,879,702</b>	<b>612,932,789</b>
<b>Total liabilities</b>		<b>1,354,106,947</b>	<b>1,030,730,603</b>
<b>Total equity and liabilities</b>		<b>1,940,932,351</b>	<b>1,446,906,018</b>
<b>Net Asset Value (NAV) per share</b>		<b>140.34</b>	<b>115.81</b>

The annexed notes from 01 to 35 form an integral part of these financial statements

*F. Akhter*

**Mrs. Ferdousi Akhter**  
Chairman

*Dr. Md. Zakir Hossain*

**Dr. Md. Zakir Hossain**  
Managing Director

*Mahnaz Azad*

**Mahnaz Azad**  
Company Secretary

Signed in terms of our separate report of even date.

Place: Dhaka  
Date: 30 October, 2023

*Ahsan Manzur Co*

**Ahsan Manzur & Co.**  
Chartered Accountants  
Md. Raghیب Ahsan FCA

DVC: 2310300689AS839992



## Delta Pharma Limited

### Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2023

Particulars	Notes	Amount in Taka	
		30 June 2023	30 June 2022
Revenue	24.00	2,003,640,313	1,705,643,317
Cost of sales	25.00	(1,007,147,733)	(852,679,588)
<b>Gross profit</b>		<b>996,492,580</b>	<b>852,963,729</b>
Administrative, selling and distribution expenses	26.00	(830,185,516)	(717,690,797)
<b>Profit from operation</b>		<b>166,307,064</b>	<b>135,272,932</b>
Other Income	27.00	5,072,318	17,891,380
Finance costs	28.00	(53,816,185)	(50,822,460)
<b>Profit before contribution to WPPF</b>		<b>117,563,197</b>	<b>102,341,852</b>
Contribution to WPPF	29.00	5,598,247	4,873,422
<b>Profit before tax</b>		<b>111,964,950</b>	<b>97,468,430</b>
Income tax expense	30.00	(32,565,441)	(29,483,702)
<b>Net profit/(loss) after tax</b>		<b>79,399,509</b>	<b>67,984,728</b>
<b>Earnings Per Share (EPS)</b>	<b>31.00</b>	<b>18.99</b>	<b>18.92</b>

The annexed notes from 01 to 35 form an integral part of these financial statements

*F. Akhter*  
**Mrs. Ferdousi Akhter**  
Chairman

*Dr. Md. Zakir Hossain*  
**Dr. Md. Zakir Hossain**  
Managing Director

*Mahnaz Azad*  
**Mahnaj Azad**  
Company Secretary

Signed in terms of our separate report of even date.

Place: Dhaka  
Date: 30 October, 2023

*Ahsan Manzur & Co*  
**Ahsan Manzur & Co.**  
Chartered Accountants  
Md. Raghob Ahsan FCA  
DVC: 2310300689AS839992

## Delta Pharma Limited

### Statement of Changes in Equity

For the year ended 30 June 2023

Amount in Taka

Particulars	Share Capital	Share money deposit	Retained Earnings*	Total
<b>Balance at 30 June 2021</b>	359,369,000	-	6,790,137	366,159,137
Net profit for the year	-	-	67,984,728	67,984,728
5% Cash dividend*	-	-	(17,968,450)	(17,968,450)
<b>Balance at 30 June 2022</b>	<b>359,369,000</b>	<b>-</b>	<b>56,806,415</b>	<b>416,175,415</b>
<b>Balance at 30 June 2022</b>	359,369,000	-	56,806,415	416,175,415
Net profit for the year	-	-	79,399,509	79,399,509
Received during the year	-	120,000,000	-	120,000,000
Issuance of new share	58,770,000	(58,770,000)	-	-
8% Cash dividend	-	-	(28,749,520)	(28,749,520)
<b>Balance at 30 June 2023</b>	<b>418,139,000</b>	<b>61,230,000</b>	<b>107,456,404</b>	<b>586,825,404</b>

\*Dividend for the year of 2020-2021 was not accounted for in the financial statements of 2021-2022 which was approved on 14th AGM on 25 December 2021 by the shareholders now recorded.

Details are referred to note number 22.

  
**Mrs. Ferdousi Akhter**  
 Chairman

  
**Dr. Md. Zakir Hossain**  
 Managing Director

  
**Mahnaj Azad**  
 Company Secretary

# Delta Pharma Limited

## Statement of Cash Flows For the year ended 30 June 2023

Particulars	Amount in Taka	
	30 June 2023	30 June 2022
<b><u>Cash flows from operating activities</u></b>		
Receipt from customers	2,006,104,460	1,719,066,215
Payment to suppliers	(899,573,554)	(747,361,323)
Payment to employees & others	(779,865,464)	(585,649,296)
<b>Net cash generated from operating activities</b>	<b>326,665,443</b>	<b>386,055,597</b>
Interest paid	(53,066,842)	(46,342,123)
Income tax paid	(26,008,362)	(26,817,113)
<b>A. Net cash generated from operating activities</b>	<b>247,590,240</b>	<b>312,896,361</b>
<b><u>Cash flows from investing activities</u></b>		
Acquisition of property, plant & equipment	(98,167,930)	(133,978,094)
Addition to Capital work-in-progress	(447,826,126)	(2,047,863)
Investment	(18,478,416)	(56,750,000)
<b>B. Net cash used in investing activities</b>	<b>(564,472,472)</b>	<b>(192,775,957)</b>
<b><u>Cash flows from financing activities</u></b>		
Receipt/(Re-payment) of long term loan	242,060,363	(119,123,847)
Receipt/(Re-payment) of short term loan	27,449,946	(1,200,000)
Dividend paid	(41,313,149)	(18,043,572)
Share capital and deposit for share	120,000,000	-
<b>C. Net cash (used in)/ Provided by financing activities</b>	<b>348,197,160</b>	<b>(138,367,420)</b>
<b>Net Increase/(decrease) in cash and cash equivalent (A+B+C)</b>	<b>31,314,928</b>	<b>(18,247,016)</b>
Cash and cash equivalent at the beginning of the year	11,410,005	29,657,021
Cash and cash equivalent at the end of the year	42,724,933	11,410,005

*F. Akhter*

**Mrs. Ferdousi Akhter**  
Chairman

*Dr. Md. Zakir Hossain*

**Dr. Md. Zakir Hossain**  
Managing Director

*Mahnaj Azad*

**Mahnaj Azad**  
Company Secretary



# Delta Pharma Limited

## Notes to the Financial Statements

As at and for the year ended 30 June 2023

### 1.00 The reporting entity and its nature of business

Delta Pharma Limited (The Company) was incorporated on 17th June 1964, registration No: C/502 as a Private Limited Company under the Companies Act, VII of 1913. From 2007, the company is operating as a public limited company (non listed) registered under the Companies Act, 1994 and Authorized Share Capital is Tk. 1,000,000,000 divided into 10,000,000 ordinary shares of Tk. 100 each and Paid Up Capital is Tk. 411,839,000 divided into 4,118,390 ordinary shares of Tk. 100 each.

The company manufactures various drugs and medicines both allopathic & indigenous and sells these in the local and foreign markets.

The factory of the Company is situated at Pakundia, Kishorgonj on its own land.

### 2.00 Basis of preparation of the financial statements

#### 2.01 Statement of compliance

The Financial Statements has been prepared in compliance with the requirements of the Companies Act, 1994 and other relevant local laws as applicable. Cash flows from operating activities are computed under Direct Method as prescribed by the Securities and Exchange Rules 1987.

#### 2.02 Statement on Compliance of IAS & IFRS:

The Financial Statements has been prepared in accordance with the applicable International Accounting Standards (IASs) and International Financial Reporting Standards (IFRS). The following IASs & IFRSs are applicable for the financial statements for the year under review:

- IAS - 1 Presentation of Financial Statements
- IAS - 2 Inventories
- IAS - 7 Statement of Cash Flows
- IAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors
- IAS - 10 Events after the Reporting Period
- IAS - 12 Income Taxes
- IAS - 16 Property, Plant and Equipment
- IAS - 19 Employee Benefits
- IAS - 21 The Effects of Changes in foreign Exchange Rates
- IAS - 23 Borrowing Cost
- IAS - 24 Related Party Disclosures
- IAS - 27 Separate Financial Statements
- IAS - 28 Investment in Associates
- IAS - 32 Financial Instruments: Presentation
- IAS - 33 Earnings Per Share
- IAS - 36 Impairment of Assets
- IAS - 37 Provisions, Contingent Liabilities and Contingent Assets
- IAS - 38 Intangible Assets
- IAS - 39 Financial Instruments: Recognition and Measurement
- IFRS- 7 Financial Instrument: Disclosures
- IFRS- 9 Financial Instrument
- IFRS- 13 Fair Value Measurement
- IFRS - 15 Revenue from contracts with Customers
- IFRS- 16 Leases

#### 2.03 Other regulatory compliances:

The company is required to comply with the following major laws and regulations along with the Companies Act 1994:

The Income Tax Act, 2023 and its Rules  
The Value Added Tax and Supplementary Duty Act, 2012.  
The Value Added Tax and Supplementary Duty Rules, 2016.  
The Customs Act, 1969  
Bangladesh Labor Law, 2006 (as amended in 2015)

#### 2.04 Date of authorization for issue of the financial statements

The board of directors in its meeting held on 24 October, 2023 reviewed the financial statements and authorized them for issue.

#### 2.05 Basis of measurement

The financial statements have been prepared under the historical cost convention.

#### 2.06 Functional and presentational (Reporting) currency

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented in Taka have been rounded off to the nearest Taka.

#### 2.07 Use of estimates and judgments

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues and expenses, assets and liabilities at the date of the reporting period. Due to the inherent uncertainty involved in making estimates, actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

#### 2.08 Going concern

The company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business and operations.

#### 3.00 Significant accounting policies

The accounting policies set out below have been applied consistently (otherwise as stated) to all periods presented in these financial statements.

#### 3.01 Foreign currency

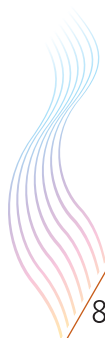
Transactions in foreign currencies are translated to Bangladesh Taka at the foreign exchange rate ruling at the date of transaction. Monetary assets and liabilities are converted at the rates prevailing at the balance sheet date. Non-monetary assets and liabilities are reported using the exchange rate at the date of transaction. Differences arising on conversion are charged or credited to the profit and loss account as per IAS- 21.

#### 3.02 Financial instrument

Non-derivative financial instrument comprising accounts and other receivables, cash and cash equivalent, loans and borrowings, and other payables are shown at transaction costs.

#### 3.03 Property, plant and equipment

These are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its working condition for its intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can





be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.

### 3.04 Rights of Use Assets

"The Company has adopted 'IFRS 16 – Leases' which becomes effective for annual reporting beginning on or after 01 January 2019 which replaces the existing standard IAS 17. The Company decided to adopt the modified retrospective approach for the transition accounting.

On transition to IFRS 16, all types of contracts have been evaluated to assess whether a contract is or contains, a lease at the date of initial application.

As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset. Under IFRS 16, right-of-use assets and lease liabilities have been recognized for all applicable leases, except for low value lease assets."

### 3.05 Depreciation of property, plant and equipment

No depreciation is charged on Land & Land development. Depreciation on all other fixed assets is computed using the reducing balance method so as to write off the assets over their expected useful lives.

Half year's depreciation has been charged on additions irrespective of the date when the related assets are put into use.

After considering the useful life of assets as per IAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management:

Category of PPE	Rate of depreciation (%)
Factory building	5%
Plant & machinery	10%
Electric equipments	20%
Furniture & fixture	10%
Automobiles & vehicles	20%
Generator	20%
Office equipment	10%
Electric Installation	10%
Spares & accessories	20%

### 3.06 Capital work-in-progress

Property, plant and equipment under construction/acquisition is accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost.

### 3.07 Inventories

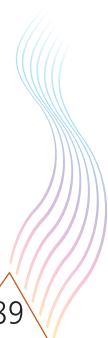
Stocks are valued at lower of cost and net realizable value except for goods in transit which are valued at cost as per IAS-2

Cost of raw materials and packing materials are valued by using FIFO formula.

Cost of work-in-progress and finished stocks are arrived at by using FIFO cost formula including allocation of manufacturing overheads related to bringing the inventories to their present condition. The company uses standard cost method for measurement of cost of finished goods.

### 3.08 Impairment of assets

All fixed assets have been reviewed and it was confirmed that no fixed assets have been impaired during the year and for this reason no provision has been made for impairment of assets as required by IAS-36.



### 3.09 Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the profit and loss account except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity in accordance with the requirement of IAS 12: Income Tax.

#### 3.09.1 Current tax

Current tax the expected tax payable on the taxable income for the year, using tax rate enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The company qualifies as a "Publicly Non-traded Company" and accordingly the rate of income tax applied for the year is 27.5%. Provision for tax has been made on the basis of Finance Act 2022-2023.

#### 3.09.2 Deferred tax

Deferred tax liabilities are the amount of income taxes payable in the future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The impact of changes on the account in the deferred tax assets and liabilities has also been recognized in the profit and loss account as per IAS-12 "Income Taxes".

### 3.10 Cash and cash equivalents

Cash in hand and cash at banks have been considered as Cash and Cash Equivalents for the preparation of these financial statements, which were held and available for use by company without any restriction and there was insignificant risk of changes in value of the same.

### 3.11 Cash flow statement

Cash Flow Statement is prepared principally in accordance with IAS-7 "Cash Flow Statement" and the cash flows from the operating activities have been presented under direct method.

### 3.12 Provisions

In accordance with the guidelines as prescribed by IAS-37: Provisions, Contingent liabilities and Contingent assets, provisions are recognized in the following situations:

- a. when the company has an obligation (legal or constructive) as a result of past events;
- b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. reliable estimates can be made of the amount of the obligation.

### 3.13 Revenue from contracts with Customers

Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net or returns and allowances, trade discounts and volume rebates as per IFRS-15

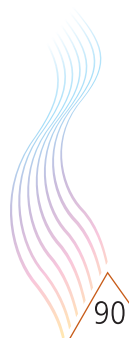
Revenue from the sale of goods is recognized when the significant risks and rewards of ownership has been transferred to the buyer, the company has no managerial involvement of ownership of the goods, the amount of revenue and the cost of the transaction can be measured reliably and it is probable that the economic benefit associated with the transactions will flow to the company.

### 3.14 Financial expenses

Financial expenses (Borrowing Costs) incurred during the year was recognized as revenue expenses in accordance with IAS-23: "Borrowing Cost".

### 3.15 Software

Software's are generally charged off as revenue expenditure. Purchase of software that is integral to the functionality of the related equipment is capitalized as part of that equipment.



### 3.16 Comparative information and re-arrangement thereof

Relevant comparative information has been presented in the financial statements. Previous year's figures have been rearranged/reclassified and restated wherever possible and considered necessary to conform to current year's presentation.

### 3.17 Reporting period

The period of these financial statements covers one year from 1st July to 30th June consistently.

### 3.18 Components of the Financial Statements

According to the International Accounting Standard IAS-1 "Presentation of Financial Statements" the Complete set of Financial Statements includes the components are stated below:

- (i) Statement of Financial Position.
- (ii) Statement of Profit or Loss and Other Comprehensive Income.
- (iii) Statement of Changes in Equity.
- (iv) Statement of Cash Flows.
- (v) Notes to the financial statements.

### 3.19 Related party transactions

Related party transaction is a transfer of resources, services or obligations between related parties regardless of whether a price is charged

- a) Significant contracts where company is a party and where directors have interest --Nil
- b) Shares issued to directors and Executives without consideration or at discount -----Nil
- c) Investment in Associates- Details are referred to note number 34.

### 3.20 Earning per share (EPS)

The company calculates earning per share (EPS) in accordance with IAS 33 "Earning Per Share" which has shown on the face of "Income Statement".

#### Basis of EPS

This has been calculated by dividing the basic earnings by the number of ordinary shares outstanding during the year. Previous years' EPS has been adjusted as per the requirement of IAS-33.

### 3.21 Provident fund

The company has introduced contributory provident fund scheme effective from January 2010 for its permanent employees. The provident fund is administered by a board of trustees and is funded by equal contribution from the employees and the company at 10% of basic pay. The process of taking recognition with NBR is going on.

### 3.22 Group insurance

The Company has also a group Insurance scheme for its permanent employees, premium for which is being charged to income statement annually as per the insurance policy.

### 3.23 Workers Profit Participation Fund and Welfare Fund

The company makes a regular allocation of 5% on Net Profit before tax to these funds and payment is made to the workers as per provisions of Labour Law 2006 (Revised 2018) Chapter-15.

	Amount in Taka	
	30 June 2023	30 June 2022
<b>4.00 Property, plant &amp; equipment</b>		
<b>A. Cost</b>		
Opening Balance	1,135,276,401	1,001,298,307
Add: Addition During the year	86,032,834	133,978,094
Less: Adjustment	1,700,000	-
	<b>1,219,609,235</b>	<b>1,135,276,401</b>
<b>B. Depreciation</b>		
Opening	353,847,120	302,144,674
Add: Depreciation during the year	54,426,540	51,702,447
Less: Adjustment	1,639,439	-
	<b>406,634,221</b>	<b>353,847,121</b>
<b>C. Written down value(A-B)</b>	<b>812,975,013</b>	<b>781,429,280</b>

(Schedule of property, plant and equipment are given in annexure -A)

#### 5.00 Right of Use Assets

<b>A. At cost</b>		
Opening Balance	10,153,603	10,153,603
Add: Addition during the year	12,195,657	-
Balance as at 30 June 2023	<b>22,349,260</b>	<b>10,153,603</b>
<b>B. Accumulated depreciation</b>		
Opening Balance	8,432,022	5,407,282
Add: Charged during the year	3,238,172	3,024,740
Balance as at 30 June 2023	<b>11,670,194</b>	<b>8,432,022</b>
<b>C. Written down value(A-B)</b>	<b>10,679,066</b>	<b>1,721,582</b>

(Please refer to Annexure- B for details.)

#### 6.00 Capital work-in progress

Land and Land Development (6.01)	457,498,063	-
Building/Civil work (6.02)	-	9,671,937
<b>Total</b>	<b>457,498,063</b>	<b>9,671,937</b>

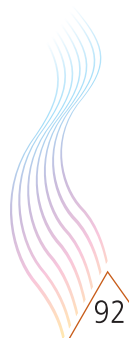
#### 6.01 Land and Land Development

Opening balance	-	-
Add: Addition during the year	461,170,000	-
<b>Sub total</b>	<b>461,170,000</b>	<b>-</b>
Less: Transferred to fixed assets during the year	3,671,937	-
<b>Total</b>	<b>457,498,063</b>	<b>-</b>

This addition made against procurement of 20 katha RAJUK commercial plot at Uttara plot number# 01, Sector number# 16.

#### 6.02 Building/Civil work

Opening balance	9,671,937	7,624,074
Add: Addition during the year	1,517,167	73,109,000
<b>Sub total</b>	<b>11,189,104</b>	<b>80,733,074</b>
Less: Transferred to fixed assets during the year	11,189,104	71,061,137
<b>Total</b>	<b>-</b>	<b>9,671,937</b>



		Amount in Taka	
		30 June 2023	30 June 2022
<b>7.00</b>	<b>Investment</b>		
	Investment in Shares (7.01)	109,300,000	64,800,000
	Investment as Share Money Deposit (7.02)	17,000,000	53,500,000
	Investment in Associates (7.03)	116,428,416	105,950,000
	<b>Total</b>	<b>242,728,416</b>	<b>224,250,000</b>
<b>7.01</b>	<b>Investment in Shares</b>		
	This is made up as follows :		
	Delta Health Care, Mirpur Ltd.	12,500,000	2,000,000
	Delta Health Care, Chittagong Ltd.	4,000,000	4,000,000
	Delta Health Care, Rampura Ltd.	1,000,000	1,000,000
	Delta Health Care, Jatrabari Ltd.	11,800,000	3,300,000
	Delta API Ltd.	80,000,000	54,500,000
	<b>Total</b>	<b>109,300,000</b>	<b>64,800,000</b>
<b>7.02</b>	<b>Investment as Share Money Deposit</b>		
	This is made up as follows :		
	Delta Health Care, Mirpur Ltd.	-	10,500,000
	Delta Health Care, Rampura Ltd.	9,500,000	9,000,000
	Delta Health Care, Jatrabari Ltd.	-	8,500,000
	Delta API Ltd.	7,500,000	25,500,000
	<b>Total</b>	<b>17,000,000</b>	<b>53,500,000</b>
<b>7.03</b>	<b>Investment in Associate</b>		
	This is made up as follows :		
	Delta Health Care, Mymensingh Ltd.	54,866,425	45,950,000
	Delta Limited	61,561,991	60,000,000
	<b>Total</b>	<b>116,428,416</b>	<b>105,950,000</b>
<b>8.00</b>	<b>Inventories</b>		
	This is made up as follows :		
	Raw materials	101,145,792	99,146,674
	Packing materials	34,395,504	34,986,404
	Work-in-process	15,288,187	26,227,136
	Finished goods	74,692,217	72,061,843
	Literature & printed materials	3,018,504	6,032,653
	Material in transit	4,167,029	18,364,262
	<b>Total</b>	<b>232,707,233</b>	<b>256,818,972</b>
<b>9.00</b>	<b>Trade and other receivables</b>		
	This is made up as follows :		
	Accounts receivable (trade) -Local (Note-9.01)	15,323,527	15,431,526
	Accounts receivable (trade) -Foreign (Note-9.02)	9,243,002	11,599,150
	<b>Total</b>	<b>24,566,529</b>	<b>27,030,676</b>
<b>9.01</b>	<b>Accounts receivable (Trade) -Local</b>		
	This is made up as follows :		
	Opening balance	15,431,526	14,824,273
	Add : Credit sales during the year	1,719,834,523	1,495,417,293
	<b>Total</b>	<b>1,735,266,049</b>	<b>1,510,241,566</b>
	Less : Collection during the year	1,719,942,522	1,494,810,040
	<b>Closing balance</b>	<b>15,323,527</b>	<b>15,431,526</b>





## 9.02 Accounts receivable (Trade) -Foreign

This is made up as follows :

Opening balance

Add :Sales during the year

**Total**

Less : Collection during the year

**Closing balance**

## 10.00 Advances, deposits & prepayments

This is made up as follows :

Office working & others

Suppliers

Advance VAT

Advance Income Tax

Proposed Delta Healthcare Purbachal Ltd.

Office rent

Deposits & prepayments

**Total**

## 11.00 Cash and bank balances

This is made up as follows :

Cash in hand

Cash at bank

**Total**

## 12.00 Share capital

### 12.01 Authorized capital :

10,000,000 ordinary shares of Tk. 100/- each

### 12.02 Issued, subscribed, called-up & paid-up capital :

3,593,690 ordinary shares @ Tk. 100/- each

Issue of 587,700 new ordinary shares @ Tk. 100/- each

**Total ordinary shares 4,181,390 @ Tk. 100/- each**

## 13.00 Share money deposit

This is made up as follows :

Received during the year

Converted into share capital

**Closing balance**

## 14.00 Retained earnings

This is made up as follows :

Opening balance

Add : Addition during the year

Less: 8% Cash dividend for 2022

**Balance transferred to B/S**

## 15.00 Long term loan & lease obligation

This is made up as follows :

Islami Bank Bangladesh Ltd. Mouchak Br: (HPSM)

Uttara Finance & Investment Ltd.

Amount in Taka	
30 June 2023	30 June 2022
11,599,150	25,629,301
283,805,790	210,226,024
<b>295,404,940</b>	<b>235,855,325</b>
286,161,938	224,256,175
<b>9,243,002</b>	<b>11,599,150</b>
9,448,601	13,714,621
13,378,608	39,813,134
3,737,323	340,888
41,330,459	35,620,816
35,760,000	35,760,000
3,185,463	2,671,463
10,212,644	6,652,644
<b>117,053,098</b>	<b>134,573,566</b>
3,855,977	3,847,108
38,868,956	7,562,897
<b>42,724,933</b>	<b>11,410,005</b>
<b>1,000,000,000</b>	<b>1,000,000,000</b>
359,369,000	359,369,000
58,770,000	-
<b>418,139,000</b>	<b>359,369,000</b>
120,000,000	-
(58,770,000)	-
<b>61,230,000</b>	<b>-</b>
56,806,415	6,790,137
79,399,509	67,984,728
(28,749,520)	(17,968,450)
<b>107,456,404</b>	<b>56,806,415</b>
67,375,410	91,437,807
-	44,196,237

	Amount in Taka	
	30 June 2023	30 June 2022
IBBL Mouchak Br: Murabaha Trust Receipt (MTR)	161,654,185	90,791,182
IBBL Mouchak Br: (MPIT)	54,068,604	107,768,757
Sandhani Credit Co-operative Society	239,218,210	36,769,973
Provident Fund	25,833,273	-
SIBL Dhanmondi Br.(Ijara & HPSM)	15,765,208	-
Lease obligation	7,620,780	-
<b>Total</b>	<b>571,535,670</b>	<b>370,963,956</b>
<b>16.00 Deferred tax liabilities</b>		
Deferred tax liabilities recognized in accordance with the provisions of IAS 12: Income taxes, is arrived as follows:		
Balance as at 1 July	46,833,858	47,510,795
Adjustment/Addition during the year	857,718	(676,937)
<b>Total</b>	<b>47,691,576</b>	<b>46,833,858</b>
<b>17.00 Accounts payables</b>		
This is made up as follows :		
Suppliers & others	194,075,796	154,154,588
<b>Total</b>	<b>194,075,796</b>	<b>154,154,588</b>
<b>18.00 Short term loan</b>		
This is made up as follows :		
Short Term others Loan	39,400,000	17,200,000
SIBL Dhanmondi Br. (Time Loan & LTR)	5,249,946	-
<b>Total</b>	<b>44,649,946</b>	<b>17,200,000</b>
<b>19.00 Current portion of long term loan</b>		
This is made up as follows :		
IPDC Finance Limited	-	8,364
Industrial and Infrastructure Development Finance Company Limited (IIDFC)	-	9,193,110
Provident Fund	7,560,220	-
Sandhani Credit Co-operative Society	47,408,436	8,233,722
SIBL Dhanmondi Br. (Ijara & HPSM)	3,457,116	728,198
Lease obligation	3,257,423	2,031,151
<b>Total</b>	<b>61,683,195</b>	<b>20,194,545</b>
<b>20.00 Profit/Interest payable</b>		
This is made up as follows :		
Islami Bank Bangladesh Ltd., Mouchak Br: Profit on MPIT & MTR	19,644,389	18,895,046
<b>Total</b>	<b>19,644,389</b>	<b>18,895,046</b>
<b>21.00 Liabilities for expenses</b>		
This is made up as follows :		
Accrued expenses, suppliers & others	375,478,026	356,275,992
Audit Fees	351,388	351,388
<b>Total</b>	<b>375,829,414</b>	<b>356,627,380</b>
<b>22.00 Dividend Payable</b>		
Opening Balance	21,790,747	21,865,868
Provision during the year*	28,749,520	17,968,450

	Amount in Taka	
	30 June 2023	30 June 2022
Less: Paid during the year	50,540,267	39,834,318
<b>Closing balance</b>	<b>41,313,149</b>	<b>18,043,572</b>
	<b>9,227,117</b>	<b>21,790,746</b>

\*Dividend for the year of 2020-2021 was not accounted for in the financial statements of 2021-2022 which was approved on 14th AGM on 25 December 2021 by the shareholders now recorded.

### 23.00 Provision for taxation

Opening balance	24,070,484	20,726,958
Addition during the year	19,535,791	10,234,055
Add: Under charged in previous FY 2020-21	12,171,932	19,926,583
	<b>55,778,207</b>	<b>50,887,596</b>
Less: Adjustment during the year	26,008,362	26,817,113
<b>Closing balance</b>	<b>29,769,845</b>	<b>24,070,483</b>

### 24.00 Revenue

This is made up as follows :

Local Sales	1,719,834,523	1,495,417,293
Export Sales	283,805,790	210,226,024
<b>Total</b>	<b>2,003,640,313</b>	<b>1,705,643,317</b>

### 25.00 Cost of sales

This is made up as follows :

Opening stock of finished goods	72,061,843	72,143,935
Add : Cost of goods manufactured (Note-25.01)	1,009,778,107	852,597,496
<b>Finished goods available for sales</b>	<b>1,081,839,950</b>	<b>924,741,431</b>
Less : Closing stock of finished goods	74,692,217	72,061,843
Cost of physician sample	-	-
<b>Cost of sales</b>	<b>1,007,147,733</b>	<b>852,679,588</b>

### 25.01 Cost of goods manufactured

This is made up as follows :

Opening work-in-process	26,227,136	12,331,610
Add: Cost of raw materials consumed (Note-25.02)	556,624,690	495,785,669
Cost of packing materials consumed (Note-25.03)	171,059,833	160,303,964
	<b>753,911,659</b>	<b>668,421,243</b>
Less : Closing work-in-process	15,288,187	26,227,136
<b>Total cost of materials</b>	<b>738,623,472</b>	<b>642,194,107</b>
Manufacturing overhead (Note-25.04)	271,154,635	210,403,389
<b>Total cost of goods manufactured</b>	<b>1,009,778,107</b>	<b>852,597,496</b>

### 25.02 Cost of raw materials consumed

This is made up as follows :

Opening stock	99,146,674	95,559,567
Add: Purchase	558,623,808	499,372,776
<b>Raw materials available for use</b>	<b>657,770,482</b>	<b>594,932,343</b>
Less: Closing stock	101,145,792	99,146,674
<b>Cost of raw materials consumed</b>	<b>556,624,690</b>	<b>495,785,669</b>



### 25.03 Cost of packing materials consumed

This is made up as follows :

Amount in Taka	
30 June 2023	30 June 2022
Opening stock	26,435,464
Add: Purchase	168,854,904
<b>Packing materials available for use</b>	<b>195,290,368</b>
Less: Closing stock	34,986,404
<b>Cost of packing materials consumed</b>	<b>160,303,964</b>

### 25.04 Manufacturing overhead

This is made up as follows :

Automobiles & vehicles expenses	2,853,755	2,113,375
Bank charge	10,895	7,971
Carriage Inwards	211,127	140,470
Casual wages	9,583,326	14,607,353
Computer expenses	293,128	460,588
Conveyance expenses	330,690	173,158
Depreciation expenses	43,541,232	41,361,958
Generator expenses	26,014,700	10,028,800
Insurance expenses	1,081,308	1,338,313
Laboratory chemicals supply	1,703,625	1,621,436
Internet Bill	221,213	213,157
Mobile bill	240,690	201,908
Non- Inventory product supply	1,282,974	1,065,063
Overtime premium	3,489,620	4,679,025
Printing & stationery	4,336,918	2,291,124
Repair & maintenance	7,662,829	8,774,899
Rent, rates & taxes	407,298	350,035
Salary & allowances expenses.	141,675,089	81,089,450
Subs. books & periodicals	-	5,749
Training expenses	283,692	73,000
Renewal & registration	69,801	45,925
Toll Charge	1,081,804	1,173,570
Uniform & cleaning	481,420	548,369
Water, electricity & gas	13,957,503	15,955,313
Welfare & recreation	10,339,998	11,034,330
Development expenses written off (Amortization Exp.)	-	11,049,050
<b>Total</b>	<b>271,154,635</b>	<b>210,403,389</b>

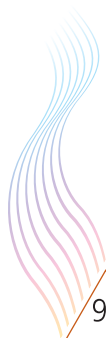
### 26.00 Administrative, selling and distribution expenses

This is made up as follows :

AGM expenses	853,128	699,413
Audit fees	351,389	351,388
Automobiles & vehicles exp.	19,627,128	20,138,393
Bank charge	1,070,563	1,182,419
Corporate affairs	846,000	808,467
Casual wages	5,758,429	7,903,948
Carriage outwards	40,119,575	33,473,140
Computer expenses	2,189,947	2,772,546
Conveyance expenses	8,160,447	8,424,897
Depreciation expenses	14,123,480	13,365,229



	Amount in Taka	
	30 June 2023	30 June 2022
Export expenses	14,149,672	18,670,958
Generator expenses	422,724	147,196
Insurance premium	2,052,437	1,511,659
Internet bill	4,711,294	2,681,615
Legal & professional fees	85,250	191,125
Medical expenses	29,263	82,998
Mobile bill	11,107,301	10,268,884
Overtime premium	5,797,373	5,877,577
Pad, Brochure, Logo etc. expenses	36,657,210	43,116,178
Physician sample cost	18,427,819	15,687,091
Physician sample packing cost	2,039,762	1,736,393
Physician sample processing & delivery cost	1,674,471	1,425,430
Product development expenses	3,644,250	4,094,316
Postage, telephone & fax	21,949	12,785
Printing & stationery	9,488,966	9,718,990
Promotional expenses	10,018,202	8,528,379
Sales Bonus	35,672,804	30,235,065
Entertainment Expenses	1,933,004	701,395
Rent, rates & taxes	14,509,933	10,305,086
Renewal & registration	1,134,576	596,053
Repair & maintenance	3,010,495	2,712,334
Salary & allowances exp.	541,493,148	438,616,311
Subs. books & periodicals	2,000	9,140
Training expenses	1,433,683	1,753,132
Travelling expenses	2,046,706	3,101,634
Water, electricity & gas	3,067,338	2,749,545
Welfare & recreation	12,453,800	14,039,689
<b>Total</b>	<b>830,185,516</b>	<b>717,690,797</b>
<b>27.00 Other Income</b>		
This is made up as follows :		
Cash Incentive from Export	22,270,344	17,858,801
Foreign Exchange Fluctuation Gain /(Loss)	41,586	-
Profit/(loss) apportioned from investment in associate	(19,521,584)	-
Dividend Income	1,204,000	-
Gain on disposal fixed assets	289,439	-
Interest on FDR	788,533	-
Other Income	-	32,579
<b>Total</b>	<b>5,072,318</b>	<b>17,891,380</b>
<b>28.00 Finance Costs</b>		
This is made up as follows :		
Profit/Interest on bank loan (MTR & MPIT)	18,842,168	17,470,659
Profit/Interest on bank loan (HPSM)	7,838,799	10,308,667
Interest on lease- Uttara Finance & Investments Ltd.	2,453,995	10,329,414
Sandhani Credit Co-operative Society	17,524,500	6,630,320
Profit/Interest on Social Islami Bank Ltd.	1,175,855	486,158
Interest on Healthcare Pharmaceuticals	160,000	-
Interest on Providend Fund	4,929,836	3,330,095
Profit/Interest on IIDFC	350,217	1,701,491





	Amount in Taka	
	30 June 2023	30 June 2022
Profit/Interest on IPDC	-	44,091
Interest Expense on Lease Liability	540,815	521,565
<b>Total</b>	<b>53,816,185</b>	<b>50,822,460</b>

### 29.00 Contribution to WPPF

This represents statutory contribution by the company as per Bangladesh Labour Act (Revised 2018) 2006. The amount is computed @ 5% of net profit before tax (but after charging such contribution).

### 30.00 Income tax expense

Current tax	19,535,791	10,234,055
Add: Under charged in previous years	12,171,932	19,926,583
Add: Deferred Tax (Income)/ Expenses related to the origination and reversal of temporary differences	857,718	(676,937)
<b>Total</b>	<b>32,565,441</b>	<b>29,483,702</b>

### 31.00 Earning Per Share (EPS)

The composition of EPS is given below :

Profit attributable to the shareholders during the year	79,399,509	67,984,728
Weighted average number of shares outstanding at the end of the period (4,181,390 ordinary shares of Tk. 100 each)	4,181,390	3,593,690
<b>Basic Earning Per Share (per value Tk.100)</b>	<b>18.99</b>	<b>18.92</b>

### 32.00 Net Asset Value (NAV) per share

<b>Total Assets (A)</b>	<b>1,940,932,351</b>	<b>1,446,906,018</b>
Less:		
Current Liabilities	734,879,702	612,932,789
Non Current Liabilities	619,227,245	417,797,814
<b>Total Liabilities (B)</b>	<b>1,354,106,947</b>	<b>1,030,730,603</b>
<b>Net Asset Value (NAV) (A-B)</b>	<b>586,825,404</b>	<b>416,175,415</b>
Total number of ordinary shares	4,181,390	3,593,690
<b>Net Asset Value per share</b>	<b>140.34</b>	<b>115.81</b>

### 33.00 Events after the statement of financial position date

There was no events subsequent to the date of balance sheet which require adjustment or disclosure in the financial statements.

The board of directors in its meeting held on 24 October, 2023 recommended 8% cash dividend per share for the year 2022-2023 which is subject to the approval at the forthcoming AGM.



### 34.00 Related Party Disclosures

During the year, the Company carried out a number of transactions with related parties in the normal course of business. The name of the related parties nature of the transactions and their value have been set out in accordance with the provision of International Accounting Standard (IAS) 24 "Related Party Disclosures"

Name of related parties	Nature of relationship	Nature of transactions	Disclosed in	Opening	Transaction amount	Payment/ Adjustment during the year	Closing Investment/ Receivable
Delta Health Care, Mirpur Ltd.	Investing Co.	Investment	7	12,500,000	-	-	12,500,000
Delta Health Care, Chittagong Ltd.	Investing Co.	Investment	7	4,000,000	-	-	4,000,000
Delta Limited	Associate	Investment	7	60,000,000	200,000	(1,361,991)	61,561,991
Delta Health Care, Rampura Ltd.	Investing Co.	Investment	7	10,000,000	500,000	-	10,500,000
Delta Health Care, Mymensingh Ltd.	Associate	Investment	7	45,950,000	29,800,000	20,883,575	54,866,425
Delta Health Care, Jatrabari Ltd.	Investing Co.	Investment	7	11,800,000	-	-	11,800,000
Delta API Ltd.	Subsidiary	Investment	7	80,000,000	7,500,000	-	87,500,000
Delta Health Care, Mirpur Ltd.	Investing Co.	Receivable	9	386,797	516,849	279,837	623,809
Delta Health Care, Chittagong Ltd.	Investing Co.	Receivable	9	155,166	55,821	55,821	155,166
Delta Health Care, Rampura Ltd.	Investing Co.	Receivable	9	430,371	168,153	168,154	430,370
Delta Health Care, Mymensingh Ltd.	Associate	Receivable	9	2,489,974	266,938	575,023	2,181,889
Delta Health Care, Jatrabari Ltd.	Investing Co.	Receivable	9	1,371,127	121,951	97,035	1,396,043
<b>Total</b>				<b>229,083,435</b>	<b>39,129,712</b>	<b>20,697,454</b>	<b>247,515,693</b>

### 35.00 Contingent Liabilities

- a. The Company has contingent liabilities aggregating Tk. 14,373,995 relating to dispute on income tax claims for the financial year of 2021-22. The Company has filed Income Tax Reference case with the Tax Appellate Division against these claims. However, Previous assessment of the Company settled as of date.
- b. The Company has opened LC to import raw materials. The Company has 22 nos LC outstanding as on 30 June,2023 for USD 642,690 ( in BDT 69,796,134 approx.)which are payables subject to received delivery in future.

**Delta Pharma Limited**  
Schedule of Property, Plant and Equipment  
As at 30 June 2023

**Annexure-A**

Amount in Taka

Particulars	Cost			Rate of Dep. (%)	Depreciation			Written down value as on 30 June 2023
	Balance as on 1 July 2022	Addition during the year	Disposal / Adjust		Balance as on 1 July 2022	Charged during the year	Disposal / Adjust	
Land & land development	201,648,744	3,671,937	-	0%	-	-	-	205,320,681
Factory building	313,887,756	14,889,802	-	5%	61,246,352	13,004,315	74,250,667	254,526,891
Plant & machinery	267,740,084	48,558,378	-	10%	118,502,608	17,351,666	135,854,274	180,444,187
Electric equipments	10,255,653	-	-	20%	8,166,004	417,930	8,583,934	1,671,719
Furniture & fixture	29,666,005	2,673,116	-	10%	12,151,277	1,885,129	14,036,405	18,302,716
Automobiles & vehicles	107,766,537	-	-	20%	72,770,487	6,999,210	79,769,697	27,996,840
Generator	18,104,665	-	1,700,000	20%	14,793,719	662,189	13,816,469	2,588,196
Office equipment	140,267,978	8,835,475	-	10%	51,974,423	9,271,129	61,245,552	87,857,901
Electric installation	28,811,668	268,362	-	10%	6,497,976	2,244,787	8,742,763	20,337,267
Spares & accessories	17,127,311	7,135,764	-	20%	7,744,275	2,590,184	10,334,459	13,928,616
<b>Total as at 30 June 2023</b>	<b>1,135,276,401</b>	<b>86,032,834</b>	<b>1,700,000</b>		<b>353,847,120</b>	<b>54,426,540</b>	<b>406,634,220</b>	<b>812,975,014</b>
<b>Total as at 30 June 2022</b>	<b>1,001,298,307</b>	<b>133,978,094</b>	<b>-</b>		<b>302,144,674</b>	<b>51,702,447</b>	<b>353,847,120</b>	<b>781,429,280</b>

**\*Depreciation charged during the year:**

Head	Percentage (%)	Amount (Tk.)
Manufacturing Overhead	0.80	43,541,232
Administrative expenses	0.20	10,885,308
Right of Use Assets (Admin)		3,238,172
<b>Total</b>		<b>57,664,712</b>

**Annexure-B**

Amount in Taka

Particulars	Cost			Rate of Dep. (%)	Depreciation			Written down value as on 30 June 2023
	Balance as on 1 July 2022	Addition during the year	Disposal / Adjust		Balance as on 1 July 2022	Charged during the year	Disposal / Adjust	
Corporate Office	7,557,533	12,195,657	-	-	5,878,082	3,196,042	9,074,124	10,679,066
Distribution Office	2,596,071	-	-	-	2,553,940	42,130	2,596,071	-
<b>Total as at 30 June 2023</b>	<b>10,153,604</b>	<b>12,195,657</b>	<b>-</b>	<b>-</b>	<b>8,432,022</b>	<b>3,238,172</b>	<b>11,670,194</b>	<b>10,679,066</b>
<b>Total as at 30 June 2022</b>	<b>10,153,604</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,407,282</b>	<b>3,024,740</b>	<b>8,432,022</b>	<b>1,721,582</b>

## Some remarkable moments in the year 2022-2023



15<sup>th</sup> Annual General Meeting 2022



15<sup>th</sup> Annual General Meeting 2022





## Some remarkable moments in the year 2022-2023



15<sup>th</sup> Annual General Meeting 2022



15<sup>th</sup> Annual General Meeting 2022



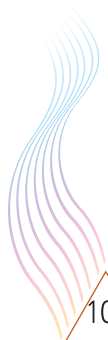
## Some remarkable moments in the year 2022-2023



Annual Marketing & Sales Conference 2023



Annual Marketing & Sales Conference 2023





## Some remarkable moments in the year 2022-2023



Annual Marketing & Sales Conference 2023



Annual Marketing & Sales Conference 2023



## Some remarkable moments in the year 2022-2023



Our Prescribers at APB Conference 2023



OGSB Conference at BICC, Sponsored by Milcal



## Some remarkable moments in the year 2022-2023



Celebrating the Birthday of Milcal by our Prescriber



Delta Pharma Team at CPHI, China-2023



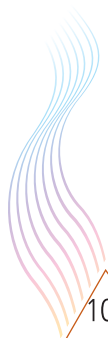
## Some remarkable moments in the year 2022-2023



Delta Pharma Limited at Africa Pharma Expo 2023, Kenya



Bangladesh Pharma Delegation, visiting the Jordan FDA





## Some remarkable moments in the year 2022-2023



Achiever's Tour of Sales & Marketing Team 2023 in Thailand



Quran Learning & Understanding Course for Our Employees as CSR Activity

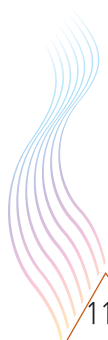
## Some remarkable moments in the year 2022-2023



Commercial Plot at Uttara 3rd Phase, Dhaka for Office Complex of Delta Pharma Limited



Commercial Plot at Uttara 3rd Phase, Dhaka for Office Complex of Delta Pharma Limited







# Dermafin

Terbinafine 250 mg Tablet

*Care Tinea to Onychomycosis*



Only @  
**20Tk.**  
per tablet



**Delta Pharma Limited**





# VONOZAN

Vonoprazan 10 mg & 20 mg Tablet



...more than a PPI

**VONOZAN** superior to PPI

- More efficacious & safer than PPI
- Rapid action & long duration acid suppression
- Greater gastric pH 4 holding time ratio
- Shows an excellent healing for PPI resistant EE
- Once daily dosing



Indication	Adult dose	Treatment duration	Maintenance dose
Gastric ulcer	20 mg once daily	8 weeks	10 mg once daily, when response to the initial dose is inadequate, the dose may be increased to 20 mg once daily
Duodenal ulcer		6 weeks	
Reflux esophagitis		4 to 8 weeks	
Recurrent gastric or duodenal ulcer associated with low-dose Aspirin & NSAID administration	10 mg once daily		
Adjunct therapy to Helicobacter pylori eradication	20 mg twice daily	7 days	



**Delta Pharma Limited**



## Delta Pharma Limited

Registered Address:  
Factory: Tarakandi, Pakundia, Kishoreganj  
Dhaka Office: House # 501, Road # 34, New DOHS  
Mohakhali, Dhaka-1206. Tel: 02-222292192, 8711645-7

### Proxy Form

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member of

Delta Pharma Limited do hereby appoint Mr./Ms. \_\_\_\_\_ as my/our Proxy to attend and vote for me/us on my/our behalf at the **16<sup>th</sup> ANNUAL GENERAL MEETING (AGM)** of the shareholders of **Delta Pharma Limited** to be held on **25 November (Saturday) 2023, at 10:00 am** at **SKS Convention Hall-2 (Sena Gourob), 9<sup>th</sup> Floor, SKS Tower, 7, VIP Road, Mohakhali, Dhaka-1206, Bangladesh** and at any adjournment thereof.

As witness my/our hand this \_\_\_\_\_ day of \_\_\_\_\_ 2023.

Signature of the Member

Signature of the Proxy

Register Folio No. ....

No of shares held: .....

Signature Verified



Authorized Signature

#### Note:

- A member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote on his/her behalf. The Proxy Form, duly stamped and completed, must be deposited at the Dhaka office address of the Company at House # 501, Road # 34, New DOHS, Mohakhali, Dhaka-1206 at least 48 hours before the time fixed for the Meeting.
- Physical admission into the meeting room will be allowed on production of the "Attendance Slip" attached with the Proxy Form.



## Delta Pharma Limited

Registered Address:  
Factory: Tarakandi, Pakundia, Kishoreganj  
Dhaka Office: House # 501, Road # 34, New DOHS  
Mohakhali, Dhaka-1206. Tel: 02-222292192, 8711645-7

### Attendance Slip

I/We hereby record my attendance at the **16<sup>th</sup> ANNUAL GENERAL MEETING (AGM)** of the shareholders of **Delta Pharma Limited** to be held on **25 November (Saturday) 2023, at 10:00 am** at **SKS Convention Hall-2 (Sena Gourob), 9<sup>th</sup> Floor, SKS Tower, 7, VIP Road, Mohakhali, Dhaka-1206, Bangladesh.**

Name of the Member/Proxy \_\_\_\_\_

Register Folio No. \_\_\_\_\_ holding of \_\_\_\_\_ Ordinary Shares.

Signature of the Member/Proxy

Signature verified by

Note: Members are requested to present the Attendance Slip at the Registration Desk.

Proxy Form

Attendance Slip



# LOCATION MAP OF THE VENUE



**ENTRANCE**

**Parking**

**Lift 9 Level**



# Trusted combination therapy for Type 2 Diabetes



## Empazin L <sup>10/5 mg</sup>/<sub>25/5 mg</sub>

Empagliflozin & Linagliptin Tablet



20Tk. per tablet



35Tk. per tablet

## Bioequivalent Empazin

Empagliflozin  
10 mg & 25 mg Tablet



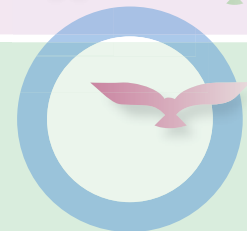
15Tk. per tablet



30Tk. per tablet

## Empazin M <sup>5/500</sup>/<sub>5/1000</sub>/<sub>12.5/500</sub>

Empagliflozin and Metformin Tablet



10Tk. per tablet



15Tk. per tablet



20Tk. per tablet

For more information



[www.deltapharmabd.com](http://www.deltapharmabd.com)



## **Delta Pharma Limited**

House # 501, Road # 34, New DOHS, Mohakhali, Dhaka-1206, Bangladesh  
Tel: +88-02-222292192, Fax: +88-02-9834959, Web: [www.deltapharmabd.com](http://www.deltapharmabd.com)



Certificate Number 19460-Q15-001  
ISO 9001:2015 Certified Company