



S. Anil Kumar Jain B.Com., FCS

Balu Sridhar M.A.C.S., FCS., LLB

Pankaj Mehta B.Com (C.S.), ACS

SECRETARIAL COMPLIANCE REPORT
OF
M/s.BAFNA PHARMACEUTICALS LIMITED
FOR THE FINANCIAL YEAR ENDED 31.03.2020

We, A.K. Jain & Associates, have examined:

- a) all the documents and records made available to us and explanation provided by **M/s.BAFNA PHARMACEUTICALS LIMITED** ("the Listed Entity),
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31.03.2020 in respect of compliance with the provisions of:

- a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the Circulars/ Guidelines issued thereunder, have been examined, include:-

- a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



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- d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- e) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- f) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

and circulars/ guidelines issued thereunder;

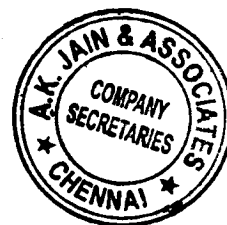
We further report that, the following Regulations / Guidelines were not applicable to the Company during the audit period:-

- a) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d) The Securities and Exchange Board of India (Issue and Listing of Non-convertible and Redeemable Preference Shares) Regulations, 2013;
- e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

and based on the above examination, I hereby report that, during the Review Period:

- a) The Listed Entity has complied with the provisions of the above Regulations and Circulars/ Guidelines issued thereunder, except in respect of matters specified below:-

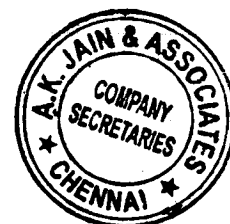
Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	<i>Regulation 25 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015</i>	Non-Compliance with respect to the reappointment of Independent	The Company has re-appointed Mr. Babulal Kamlesh Kumar as an Independent Non-



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	Maximum Tenure of Independent Director	Director for 2 nd term.	Executive Director for a second term with effect from 08.02.2019, by way passing of Ordinary Resolution, at its 24 th Annual General Meeting held on 27 th June 2019, instead of passing Special Resolution. It has been informed to us that the Company has proposed to pass a Special Resolution in the ensuing Annual General Meeting to regularize the appointment of Mr. Babulal Kamlesh Kumar.
2	Regulation 40 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Certificate from Practicing Company Secretary that all Share Certificates have been issued within 30 days from the date of lodgement for transfer, subdivision, consolidation renewal, exchange or endorsement of calls/allotment monies.	Delay of in filing the Certificate issued under Regulation 40(9) of SEBI (LODR) Regulations for the Half year ended 31 st March, 2019	The Company has belatedly filed the Certificate issued under Regulation 40(9) of SEBI (LODR) Regulations, 2015 for the Half year ended 31 st March, 2019, with a delay of Nine (9) days, with the BSE Limited.

- b) The listed entity has maintained proper records under the provisions of the above Regulations and Circulars/ Guidelines issued thereunder in so far as it appears from my examination of those records.
- c) The following are the details of actions taken against the Listed Entity / its Promoters/ Directors / Material Subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and Circulars / Guidelines issued thereunder:

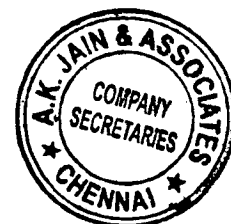


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Sr.No	Action taken by	Details of violation	Details of Action taken E.g. fines, warning letter, debarment, etc.	Observations/Remarks of the Practicing Company Secretary, if any
Not Applicable				

d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the Secretarial Compliance Report for the year ended.	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	Regulation 30(1) of SEBI (LODR) Regulations, 2015 – Delay in Intimation of voting result of AGM 2018 to Stock Exchange	31 st March, 2019	The Annual General Meeting of the Company was held on 29.09.2018 and the Voting Results of Annual General Meeting was intimated on 03.10.2018 with delay of 3 days.	The Company was under Corporate Insolvency Resolution Process from 16.07.2018 to 01.02.2019. We have been informed by the Management of the Company that after the completion of CIRP an effective Compliance Reporting Mechanism has been implemented by the Company to monitor and ensure the timely compliance and filings as applicable to the Company.
2	Preferential issue under SEBI (ICDR) Regulations, 2009:-	31 st March, 2019	The delay in listing is due to queries and clarifications	The 50,00,000 Equity shares were listed subsequently on 20 th May 2019.



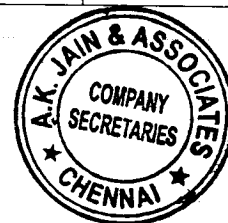
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	Delay in listing of 50,00,000 equity shares of Rs.10/- each in the Stock Exchanges		raised by the Stock Exchanges. The Company has got listing and trading approval for 50,00,000 shares allotted on preferential basis on 20th May 2019.	and therefore the action taken by the listed entity as reported herein is self-explanatory.
3	Regulation 14 of SEBI (LODR) Regulations, 2015:- Belated Payment of Annual Listing Fees for the FY 2018-2019	31 st March, 2019	As the Company was in Corporate Insolvency Resolution Process (CIRP) under IBC, 2016, and due to paucity of funds the delay has occurred in payment of Listing Fees to National Stock Exchange of India Limited and BSE Limited.	The Company was in Corporate Insolvency Resolution Process under IBC, 2016 and the Company subsequently paid the Annual Listing Fees on 01.02.2019 and 15.02.2019 to NSE and BSE respectively. Therefore action taken by the listed entity as reported herein is self-explanatory.
4	Regulation 17 of SEBI (LODR) Regulations, 2015:- The Composition of Board of Directors of the company was not in terms of SEBI (LODR) Regulations, 2015 for the quarter ended September 2018 and December	31 st March, 2019	The Company was in CIRP with effect from 16th July 2018, under IBC, 2016. One of the Independent Director Mr. R. Dwarkanathan,	The Company has appointed an Independent Director with effect from 08.02.2019 and has complied with the composition of Board of Directors with optimum combination of Executive and Non-executive Directors, including Independent



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	2018.		resigned on 21.08.2018 due to personal reasons. Upon completion of CIRP, the Company has appointed an Independent Director with effect from 08.02.2019 and complied with composition of Board of Directors as prescribed under SEBI (LODR) Regulations, 2015.	Directors in the Board.
5	Regulation 19 of SEBI (LODR) Regulations, 2015: The composition of the Nomination and Remuneration Committee of the company was not in accordance with SEBI (LODR) Regulations, 2015 for the quarter ended September 2018 and December 2018.	31 st March, 2019	The Company was under Corporate Insolvency Resolution Process with effect from 16th July 2018, under IBC, 2016. One of the Independent Director Mr. R. Dwarkanathan, resigned on 21.08.2018 due to personal reasons. Upon completion of	The Company has appointed an Independent Director with effect from 08.02.2019 and has reconstituted the Nomination and Remuneration Committee and complied with the Composition of the Nomination and Remuneration Committee.



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			<p>CIRP, the Company has appointed an Independent Director with effect from 08.02.2019 and reconstituted the Nomination and Remuneration Committee and complied with composition as prescribed under SEBI (LODR) Regulations, 2015.</p>	
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We further report that the Hon'ble National Company Law Tribunal, Chennai Bench vide its Order dated 01st February, 2019 had approved the Resolution Plan submitted by Mr. Mahaveer Chand Bafna, the Resolution applicant.

In terms of the Approved Resolution Plan, the fully paid up Equity Shares existing as on 30th June, 2018 shall be reduced to 10% in the following manner:-

Pre and Post reduction of Paid-up Equity Share Capital

Pre-Reduction	Post Reduction
2,36,56,335 equity shares of Rs.10/- each aggregating to Rs.23,65,63,350/-	23,65,634 equity shares of Rs. 10/- each aggregating to Rs.2,36,56,340/-

Accordingly, the Company had cancelled and reduced its Equity Share Capital to 23,65,634 Equity Shares of Rs.10/- each amounting to Rs.2,36,56,340/-. The Company had then applied for recommencement of trading to National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) after the aforesaid reduction of Capital. Thereafter, the Company has received In-Principle Approval from BSE vide its letter reference No. DCS/AMAL/SD/1650/2019-20 dated January 13, 2020 and from NSE vide its letter Ref: NSE/LIST/98716 dated January 02, 2020 for listing of 23,65,634 Equity Shares of Rs.10/- each of the Company.



The Company has also received trading approval for 23,65,634 Equity shares of Rs.10/- each from BSE vide its letter reference No. DCS/AMAL/TP/SD/10185/2019-20 dated 25th February, 2020 and from NSE vide its letter reference No. NSE/LIST/102590 dated 25th February 2020.

For A.K.JAIN & ASSOCIATES
Company Secretaries

Place: Chennai
Date: 28.07.2020



A handwritten signature in black ink, appearing to read "B. Sridhar".

BALU SRIDHAR
Partner
FCS No. 5869
C. P. No. 3550
UDIN: F005869B000527104