## BAFNA PHARMACEUTICALS LIMITED | CIN L24294TN1995PLC030698)

Regd office: Dld No: 299 New No: 68, THAMBU CHETTY STREET, CHENNAI- 600 001

Audited Standalone Financial Results for the Year and Cluarter Ended 11st Morch 2020 Standalone PARTI Year Ended Quarter Ended For the Year Corresponding 3 For the Year ended 3 months ended 3 months ended ended months ended (31.03.2019) (31-03-2020) (31-12-2019) (31.03.2020) (31.03.2019) Particulars SI,No Audited Audited Audited Unaudited Audited 4,247.24 4\_335.89 1,307.49 1 313 28 1,092 Revisue From aperations 65.36 31.01 25.53 3.29 76.7 (95) Other income 4,272,78 4,401.25 1.338.50 1.095.82 1.246.23 Total Income (I+II) 111 EXPENSES 3,329 44 IV 604.82 961.26 3.024.25 640.74 ast of materials consumed (0.00) 46 36 1.90 1.90 Purchases of Stock-in-Trade b) Changes in inventories of finished goods, Stock-in -Trade and (70.19) (323.78)81.14 (93.54) (172 28) vockin-progress 901 29 1,025.16 241.94 271.99 308.26 Employee benefits expense d) 342.17 (10.10) 46.35 9.55 2.52 Finance costs e) 326.66 212 64 90.22 100.12 52 49 Depreciation and amortization expenses 0 77.21 396 84 115.33 111.60 Other expenses 6.224.22 g) 4.460.58 1.160.47 1.326,83 043 33 Total expenses (IV) 11.67 (187.80) (1,822.97) 302.90 (64.66) Profit/(lass) before exceptional items and tax (I-IV) V 2.332.56 160.79 2.171.78 Exceptional Items VI [1,822.97] (2,520.36) 11.67 142.11 (2,236.43)Profit/ (loss) After exceptions items and tax(V-VI) VII Tax expense: VIII 11 Current tax 150.07 (3 52) 5 33 157 78 (2) Deterred tax (1,973.04)(2,520.36) (2,232.91) 6.34 (15.67)Profit (Loss) for the period from continuing operations (VII-VIII) IΧ Profit/(loss) from discontinued operations X Tax expenses of discontinued operations XI Profit/(loss) from Discontinued operations (after tax) (X-XI) XII (1,973.04) 6.34 (2,520.36) (2,232.91) (15.67) Profit/(loss) for the period (IX+XII) XIII Other Comprehensive Income A. (i) Items that will not be reclassified to profit or loss (ii) Income tax relating to items that will not be reclassified to XIV profit or loss B (i) Items that will be reclassified to profit or loss (ii) Income tax relating to items that will be reclassified to profit or loss Total Comprehensive Income for the period (XIII+XIV)Comprising (1.973.04)(2.520.36) (2,232.91) 6.34 (15.67) Profit (Loss) and Other.comprehensive Income for the period ) ΧV Earnings per equity share (for continuing operation): (106.54) (8.34) 0.03 (9 44) (0.66) XVI (1) Basic (8.34) 0.03 (106.54) 19,441 (0.56)(2) Diluted Earnings per equity share (for discontinued operation): XVII (1) Basic (2) Diluted Earning per equity share (for discontinued & continuing operation) (8.34) XVIII (9.44) 0.03 (106.54) (0.66) (1)Basic (8,34 (106.54) 19.441 121 Diluted

1 The above Year ended 31st March 2020 and quaterly financial results are. Audited and recommended by the Audit Committee and subsequently approved by the Board of Directors at their Meeting held on 25.06.2020

NIL

NIL

NIL

- 2. Status of Investor Complaints.:
  - I Opening balance
  - II Pending at the beginning of the quarter
  - III No of complaints received and disposed off during the quarter
  - IV Complaints pending at the end of the quarter
- 3 The Company operates only in one segment, ie. Pharmaceutical formulations, as such reporting is done on a single segment basis
- I. The above figures have been regrouped and Re-arranged Wherever considered necessary
- 5 The figures of the Quarter are the balancing figures in respect of the Financial year and the published year to date figures upto the Fourth quarter of the Financial year
- 6. The Unlisted subsidairy Company does have any operations and assets. As a result, There is dimunition in the Value of Investment and hence Value Considered as NIL. The Board of Directors in the meeting held on 25 06 2020 decided to Strike off the Subsidiary Company in the ensuing Year
- 7 Due to migration from a normal accounting package to SAP system, the Company has not valued inventories on the basis of IND AS 2 principles. However, since SAP is fully functional for and from the Financial year 2020-21, the inventory valuation would be streamlined to comply with the standard, and the impact would be quantified appropriately
- 8 Pursuant to the approval of the Resolution Plan by the NCLT, the company has implemented the plan in accordance with the same, the Company has written off and written back certain assets and Liabilities and net effect of the same is shown under the Healf Exceptional Items"
- 9. The company received substantial. Money to implement the Resolution Plan and the balance money was received during the lock down period. Futher the delays, there were some in delays obtaining approvals from Stock Exchanges with regard to Reduction of Share Capital and listing approval and also the Lock down resulted in delay in allotment of shares

10 The extent to which the COVID 19 pandemic will impact the company's future results will depend on developments, which are highly uncertain, including among other thing, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company. The Company will continue to closely monitor any material changes to future economic conditions CEUT/FOR BAFNA PHARMACEUTICALS LIMITED

Chennai 25.06.2020 Date:



SD/-T-(BAFNA MAHAVEER CHAND) Managing Director



MACE

CHENNA

(Rs. In Laktes) except EPS



BAFNA PHARMACEUTICALS LIMITED ( CIN L24294TN1995PLC030698)
Regd office: Old No: 299, New No: 68, THAMBU CHETTY STREET, CHENNAI-600 001 Standalone Balance Sheet as on

	(Rs. In	
Particulars	As at 31st March 2020	As at 31 st March 2019
	Audited	Audited
ASSETS		
Non-Current Assets		
(a) Property, Plant and Equipment	3,496.91	3,701.9
(b) Capital Work-in-Progress	21,21	
(c) Goodwill		
(d) Other Intangible Assets		
(e) Financial Assets		
(i) Investments		143.00
(ii) Trade Receivables		
(iii) Loans		
(iv) Other financials assets		3,295.3
(g) Other Non-Current Assets		99.5
Total Non-Current Assets	3,518.11	7,239.73
Current Assets		
(a) Inventories	1,141.15	928,23
(b) Financials Assets		
(i) Investments		
(ii) Trade Receivables	603.48	2,483.3
(iii) Cash and Cash Equivalents	848.02	270.19
(iv) Bank balance other than mentioned		
above		
(v) Loans		
(vi) Other financials assets	005.04	11101
(c) Other Current Assets	995.34	1,142.4
(d) Assets classified as held for sale	0.808.00	10010
Total Current Assets	3,587.98	4,824.24
Total Assets (1+2) EQUITY AND LIABILITIES	7,106.10	12,063.9
(a) Equity Capital	227.57	2.265.6
(b) Other Equity	236.56	2,365.6
(c) Equity Share Warrants	(677.60)	(286.3
Equity Attributable to Equity Shareholders	5,535,58	2.070.31
(d) Non controlling Interests	5,094,55	2,079,32
Total Equity	E 004 FF	2 070 27
Liabilities	5,094.55	2,079.37
(a) Non-Current Liabilities		
(i) Financial Liabilities		
- Borrowings	201.76	2 200 0
- Trade Payable	301.76	2,298.8
- Other Financial Liabilities		
(ii) Provisions		
(iii) Deferred Tax Liabilities (Net)		617.8
(iv) Other non-current liabilities		3.00
Total Non-Current Liabilities	301.76	2,919.69
(b) Current Liabilities	301.70	2,919.0
(i) Financial Liabilities		
- Borrowings		2,323.9
- Trade Payable	1,254.14	3,942.4
- Dues to micro and small	1,234.14	3,744.4
enterprises		
- Dues to Others		
- Other Financial Liabilities		
(ii) Other Current Liabilities	455.45	700 5
	455.65	798.5
(iii) Provisions (iv) Current Tax Liabilities (net)		
Total Current Liabilities	4 800 80	70(10
Total Liabilities	1,709.79	7,064.9
	5 407 40	40.000
Total Equity and Liabilities	7,106.10	12,063.9

For BAFNA PHARMACETICALS LIMITED

Place : Chennai Date: 25.06.2020

SD/-(BAFNA MAHAVEER CHAND) Managing Director DIN:01458211





## BAFNA PHARMACEUTICALS LIMITED ( CIN L24294TN1995PLC030698)

Regd office: Old No: 299, New No: 68, THAMBU CHETTY STREET, CHENNAI- 600 001

Standalone Cash flow Statement (Rs. In Lukhs)

Standalone Cash now Statement	( Rs. In La	
	Stand	
Particulars	As at 31st March 2020	As at 31 st March 2019
	Audited	Audited
Cash Flow from Operating Activities:		
Net Profit Before Tax and Including Exceptional Items	(187.80)	(1,822.97)
Adjustments for:		
Depreciation	326.66	342.17
Interest Paid	9.55	212,64
Interest Received	(3.94)	(11.72)
Other Income	(20.84)	555
Lease Rent Received	(0.75)	(0.75)
Exceptional items- Impact of impairment of Financial assets	(2,332.56)	0.00
Operating Profit before Working Capital Changes	(2,209.69)	(1,280.63)
Adjustment For		
[Increase]/decrease in Inventories	(212.92)	139.19
[Increase]/decrease in Trade Receivables	1,879.90	(55.43)
(Increase)/decrease in Short Term Loans and Advances	147.11	(79.27)
Increase/(decrease) in Trade Payables	(2,688.26)	1,159,92
Increase/(decrease) in Other Current Liabilities	(342 93)	6.72
Cash generated from Operation	(3,426.80)	(109.50)
Less Tax Paid		,,
Net Cash Used in Operating Activitly (A)	(3,426.80)	(109.50)
Cash Flow from Investing Activities:		
Sale of Fixed Assets	P 22	- 4
Purchase of Fixed Assets	(142.88)	(33.31)
Other Income	20 84	-
Interest Received	3.94	11.72
Lease Rent received	0.75	0.75
Changes in Long Term Loans and Advances	3,295.33	437,46
Change in Other Non- Current Assets	99.50	(63.43)
Net Cash used in Investing Activities (B)	3,277.48	353.19
Cash Flow from Financing Activitles		
Issue of Shares, Warrants & Application Activities	5,535.58	
Changes in Long Term Borrowings	(2,000.06)	(26.12)
Changes in Short Term Borrowings	(2,323.97)	(5.14)
Interest Paid	(9.55)	(212.64)
Dimunition in value of investment in subsidiary	143.00	(212.04)
Write back of Deferred tax liability	(617,87)	
Net Cash from Financing Activities (C)	727.14	(243.90)
Net Increase/ [Decrease] in Cash or Cash Equivalents (A+B+C)	577.83	(0.21)
Opening Balance of Cash & Cash Equivalents	270.19	270.40
Closing Balance of Cash & Cash Equivalents	848.02	270.19

#### Note

Pursuant to Insertion of New Clause under Regulation 33, Sub-regulation (3), the company has prepared Standlone Cash Flows statement for the Year Ended 31st March 2020. The Statement of Cash Flows for the Year ended 31st March 2020, as reported in the statement have been approved by the Company's Board of Directors.

For BAFNA PHARMACETICALS LIMITED

Place : Chennai Date : 25.06.2020 10 P. 10 P.

(BAFNA MAHAVEER CHAND)
Managing Director
DIN:01458211







Partners.

CAR. SATHYANARAYANAN, B.Com., E.C.A., ISA (ICAI).

Ph.: 28112450 / 42132674 E-mail rsathyas@gmail.com

# 2 (Old # 21), Ground Floor, Lakshmipuram 2nd Street, Royapettah, Chennai - 600 014.

independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

## To the Board of Directors of Bafna Pharmaceuticals Limited

### Opinion

- 1. We have audited the accompanying Quarterly and Year to Date Audited Standalone annual financial results ('the Statement') of Bafna Pharmaceuticals Limited ('the Company') for the quarter ended 31 March 2020 and the year ended 31 March 2020 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations'), including relevant circulars issued by the SEBI from time to time.
- 2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
- (i) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, read with SEBI Circular CIF/CFD/FAC/62/2016 dated 5 July 2016 (here in after referred to as 'the SEBI Circular); and
- (ii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued there under, and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the Company for the γear ended 31 March 2020, except in respect of the following:
  - Quantification and valuation of Work in progress (WIP) is computed on estimated basis by the Management, and not on as per methodologies prescribed as per IND AS-2. Inventory costing system in the production units have to be streamlined.
  - The Company has not followed or complied with the Impairment principles prescribed as per IND AS 109 in respect of write off and write back of financial assets.







Partners.

CAR. SATHYANARAYANAN, B Com., F C A., ISA (ICAI)... CAR. SATHYANARAYAN, B Com., F C A., ISA (ICAI)... Ph.: 28112450 / 42132674 E-mail:rsathyas@gmail.com

# 2 (Old # 21), Ground Floor, Lakshmipuram 2nd Street, Royapettah, Chennai - 600 014.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.

## **Emphasis of Matter Paragraph**

We draw attention to Note no 9 of the accompanying Standalone Ind AS financial results, which expresses caution and the need to monitor the impact of the COVID-19 pandemic on the Company's financial estimates as well as future economic conditions. Our opinion is not modified in respect of this matter.

# Management's and Those Charged with Governance responsibilities for the Statement

4. This Statement has been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued there under and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations including SEBI Circular. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

5. In preparing the Statement, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.







Partners:

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CAR. SATHYANARAYAN, B.Com., F.C.A., ISA (ICAB).

Ph.: 28112450 / 42132674 E-mail:rsathyas@gmail.com

# 2 (Old # 21), Ground Floor, Lakshmipuram 2nd Street, Royapettah, Chennai - 600 014.

6. The Board of Directors is also responsible for overseeing the Company's financial reporting process

# Auditor's Responsibilities for the Audit of the Statement

- 7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 Standards on Auditing, specified under section 143(10) of the Act, 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 this Statement.
- 8. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - identify and assess the risks of material misstatement of the Statement, 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. Under Section 143(3) (i) of the Act, we
    are also responsible for expressing our opinion on whether the Company has in place an
    adequate internal financial controls system over financial reporting and the operating
    effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of the Board of Directors' 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 results, or, if such disclosures are inadequate, to modify our opinion.







Partners:

CAR. SATHYANARAYANAN, B Com., FC A., ISA (ICAL).
CAR. SATHYANARAYAN, B Com., FC A., ISA (ICAL).

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# 2 (Old # 21), Ground Floor, Lakshmipuram 2nd Street, Royapetlah, Chennai - 600 014.

- 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 Statement, including the
  disclosures, and whether the Statement represents the underlying transactions and events in a
  manner that achieve fair presentation.
- 9. 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.
- 10. 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.

### Other Matter

11. The Statement includes the financial results for the quarter ended 31 March 2020, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us, as required under the Listing regulations.

For R. SATHYANARAYANAN & CO. Chartered Accountants

ICAI Regn./No. 003656S

R. Saihyanarayan M. No. 028377

UDIN: 20028377AAAAA G9231

R. SATHYANARAYANAN & CO.

Chartered Accountants
No. 2, (Old No. 21), Ground Floor,
Lakshmipuram 2nd Street,
Royapettah, Chennai - 600 014.

Place: Chennal

Date: 25th June 2020





REGD. OFFICE: "BAFNA TOWERS" 299, THAMBU CHETTY STREET, CHENNAI-600 001, INDIA. PHONE: 044-25267517/25270992/42677555, FAX: 91-44-25231264, email: info@bafnapharma.com, Website, www.bafnapharma.com CIN: L24294 TN1995PLC030698

### BAFNA PHARMACEUTICALS LIMITED

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2020 ON ANNUAL AUDITED STANDALONE FINANCIAL RESULTS

Qualifications in the Auditors Report

The Board of Bafna Pharmaceuticals Limited, have dealt with the matter stated in the qualifications in statutory auditors report on the standalone financial results of Bafna Pharmaceuticals Limited for the year ended 31st March 2020 (the Standalone Annual Results) included in the Statement of Standalone Financial Results (the Standalone Statement) to the extent information was available with them.

Rs. In Lakhs

SIno	Particulars	Audited figures (as	Adjusted figures
		reported before	(audited figures
		adjusting for	after adjusting for
		qualifications)	qualifications)
1	Turnover/ Total Income	4272.78	Not determinable
2	Total Expenditure	4460.58	Not determinable
3	Net Profit/ (Loss)	(2520.36)	Not determinable
4	Earnings per share	(106.54)	Not determinable
5	Total assets	7106.10	Not determinable
6	Total Liabilities	7106.10	Not determinable
7	Net Worth	5094.55	Not determinable
8	Any other financial items (as felt appropriate by the management)		-

### Qualification of the Auditors Report

1. Details of Audit Qualification:

a. Quantification and valuation of Work in progress (WIP) is computed on estimated basis by the Management, and not on as per methodologies prescribed as per IND AS 2. Inventory costing system in the progression units have to be streamlined.

Factory: UNIT 1: 13, S.V. KOIŁ STREET, MADHAVARAM, CHENNAI-600 060, INDIA. PHODE +044-25530 29/25531965, Email:factory@bafnapharma.com

UNIT-II: 147, Madhavaram Redhills High Road, Grantlyon Village, Vadakarai Post Ciernal 600 052. Phone: +044-26322900, E mail: fatory1@bafnapharma.com



REGD. OFFICE: "BAFNA TOWERS" 299, THAMBU CHETTY STREET, CHENNAI-600 001, INDIA. PHONE: 044-25267517/25270992/42677555, FAX: 91-44-25231264, email: info@bafnapharma.com, Website, www.bafnapharma.com CIN: L24294 TN1995PLC030698

b. The Company has not followed or complied with the Impairment principles prescribed as per IND AS 109 in respect of write off and write back of financial assets

Type of Audit Qualification

Qualified Opinion

- 2. Frequency of qualification First time
- For Audit Qualification(s) where the impact is quantified by the auditor, Management's views: Not applicable
- 4. For Audit Qualification(s) where the impact is not quantified by the auditor:
- (i) Management's estimation on the impact of audit qualification: Not quantifiable
  - ii) if management is unable to estimate the impact, reason for the same:

Reply for 1.a -

Due to migration from normal accounting package to SAP system, the Company has not valued inventories on the basis of IND AS2 principle. However since SAP is fully functional for and from the financial year 2020-21, the inventory valuation would be streamlined to comply with the standard and the impact would be quantified appropriately.







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## Reply for 1.b -

Pursuant to the approval of the Resolution Plan by the NCLT, Chennai, Wherein the Resolution Applicant – Mr. Bafna Mahaveer Chand had Appealed for Certain Write offs and Write backs of assets and Liabilities (based on business prudence and Judgement). In accordance with the same, the Company has written off and written back certain assets and Liabilities and net effect of the same is shown under the Head 'Exceptional Items".

iii) Auditor's Comments on (i) or (ii) above

NIL

For and on behalf	of the Board o	of Directors of	
Bafna Phai	maceuticals L	imitêd	
75-7	N. C.		For M/s.Sathyanarayanan&Co Chartered Accountants Regn No: 0003656S
SD/	SD/-	SD/-	
Mahaveer Chand	M. Sridhar	V. Rajamani	SD/-
Bafna	CFO	Chairman of	R.Sathyanarayan
Managing Director		Audit	Partner.
* *		Committee	
DIN:01458211		DIN:00052868	M.No: 028377

Date: 25th June 2020

Place: Chennai





Since   Particular   Particul			Regd offi	off Old No: 299, No	Rect office: Old No. 255, New No. 38, Intrinsic Control of State March 2020	March 2020		( Rs. In Lakh	Rs. In Lakhs) except EPS		
		Audited Mandalone and Consol	ומשובם בווושוורושו עבז		Standalone						
1975	PARTI			Quarte	r Ended	Year	Ended	Quarter	rEnded	Year	page
Participation   Participatio			3 months ended (31-03-2020)	3 months ended (31-12-2019)	Corresponding 3 months ended (31.03.2019)	For the Year ended (31.03.2020)	For the Year ended (31.03.2019)	Consolidated Upto 3 months ended (31.03.2020)	Consolidated Upto 3 months ended (31.12.2019)	Forthe Year ended (31.03.2020)	Forthe Year ended (31.03.2019)
Control Flow Special Control	SLNo	Particulars		patiboooli	Audited	Audited	Audited	Audited	Unaudited	Audited	Audited Augit on
			1313.28	1.092	1.307.49	4,247.24	4,335.89	1,313 28	1,092.52	75.52	65 36
Controlled to the period of the first of the control of the cont		Recentle From oper ations	167.06)	m		25 53	92 39	197,00	5.25	4.272.78	4,401.25
Fig.   Control of the control of t	-		1,246.23	1,095.82		4,272.78	4,401.25	1,746.23	70101017		
Comparison to control of the Lord Book Stack or Trade and Stack or T	×				26 726	2 671 25	3,329.44	540.74			3,329,44
Charge and above for code, Stocker's risk and   Charge and Stocker's risk and Stocker	14	Cost of materials consumed	6:074	08	n	1 90	46 36			1.90	46 36
Charlest Control Register	q	Purchases of Stock-in-Trade		ns t							
Comparison of the control of the c		Changes in inventories of finished goods, Stock-in -Trade and	(172 28)	(93.54)		(323.78)	81 14	(172.28)			901 24
Contractional Learning Secretariant (Contractional Learning Secretariant Contractional Learning Secretariant (Contractional Learning Secretariant Contractional Learning Secretariant (Contraction	0	Agrico College	308.26		121	1,025 16	901 29	3787		3	212 66
Control Cont	0	Construction of the control of the c	1.52			53.0	342.17	52.2			347 62
Control December   Control Dec	6 4	Trigative Costs	52 49			325.60	27.77	F1 511			0.118,11
Control before receptions before secretaries (bit Monthly Integral   1,145			111 60			28 585	CC 8CE 2	943.86	1	4	6,230.53
	4		943.33		1	1107 201		302.36			(1,929,28)
	>	Profit/(loss) before exceptional items and tax (HV)	302.90			95/25/2		84 13			100 99
70   Profit   Loss befores exceptions from and back/v/s)   74.21.1   14.22.24.3   15.20.24.24.3   15.20.24.24.3   15.20.24.2   15.20.2	>	Exceptional Nems	160 75			12 577 361	(1,822,97)	218.23			(1,728.29
1. Current to   1. Current t	VII	Profit; [loss] before exceptions items and tax[V-VI]	142.11	(5,053,3)							
12   Deletered tax   15   78   15   15   15   15   15   15   15   1		13k expense					60.63+				106 74
Profit Loss for the period from continuing operations (VIII-VIIII)   115.67]   (2.35.25.13)   (2.35.25.13)   (2.36.25.13)	>	(2) Deferred tax	157 78			*1	NO DEL				8
Prefit of Non controlling Increst Minority Interest   Minority I	×	Profit (Loss) for the period from continuing operations (VII-VIII)				(2,520.36)	(1,973.04)				(1,835,03
Take reporting to descriptions (after tax) (b.xi)   (15.67)   (12.23.91)   (2.23.91)   (2.472.93)   (2.472.		Profit of Non controlling laterest /Minority Interest		K	3*			(28 69)		(28.69	(52.01)
	×	Section of the second second of the second o				4					
Profit/(lass) from Discontinued operations (after taw) (bxxXI)	×	Tax expenses of discontinued operations			C						
Profit (flust) of the period (N-NII)   Compensation of the period (N-NIII)   Compensation of the period (N-NIIII)   Compensation of the period (N-NIIIII)   Compensation of the period (N-NIIIIIIII)   Compensation of the period (N-NIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII		(X-XI)									50.788,1)
Other Comparehenive Income   Income tax relating to terms that will not be reclassified to profit or loss	AIX ON	Profit (1935) from Decreated (UX-XII)	(15.67			(2,520.36					
In the companies that will not be reclassified to profit or loss   In the companies to remain that will not be reclassified to profit or loss   In the companies to remain that will not be reclassified to profit or loss   In the companies to remain that will be reclassified to profit or loss   In the companies to remain that will be reclassified to profit or loss and Other companies to profit tools and Other companies to remain that will be reclassified to profit or received that will be reclassified to profit tools and Other companies to the period (2,232.91)	AV.	Other Comprehensive Income									
In Income tax relating to trems that will not be reclassified to profit or loss   Solitems: Sal will be reclassified to profit or loss   Sal will be		A (i) items that will not be reclassified to profit or loss									
State   Stat	13/	(ii) income tax relating to items that will not be reclassified to									
Total Comprehensive for the period   (1,973.04)   (1,973.04)   (1,973.04)   (1,973.04)   (2,772.93)   (2,77		B (i) Rems that will be reclassified to profit or loss									
Total Comprehensive Income for the period   (15,67)   (2,332.91)   (6,34 (2,520.36)   (1,973.04)   (1,973.04)   (1,973.04)   (2,772.93)   (2,772.9		(iii) Income tax relating to items that will be reclassified to profit									
Income for the period	1	Total Comprehensive Income for the period (XIII+XIV)Comprising Profit (Loss) and Other.comprehensive									(1,887.05)
Earnings per equity share (for discontinued & continuing	The Sevil	Income for the period	(12,0								
		Earnings per equity share (for cont num; operation):	(0.6)								
Earnings per equity share (for discontinued operation):  (1) Basic (2) Divined (3) Carning per equity share (for discontinued & continuing (4) (126.54) (126.54) (126.54) (126.54)	XVIII	The state of the s	9 (0)							200	TARAN.
Earning per equity share (for discontinuing (126.54) (126.54) (126.54) (126.54) (126.54)	To a second									<i>y</i>	
Earning per equity share (for discontinued & continuing (126.54) (126.54) (126.54) (126.54) (126.54)	-						•			3	
Earning per equity share (for discontinued & continuing (126.54) (126.54) (126.54) (126.54) (126.54) (126.54)		125 Daluted								142	CHERINA
0.00 (13.6.54) (13.6.54) (13.6.54) (13.6.54)	210	Earning per equity share (for discontinued & continuing								2342	600 003
(0.00)	N. C.		201							1000	1

The extent to which the COVID 19 pandemic will impact the company's future results will depend on developments, which are highly uncertain, including among other thing, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread The company received substantial Money to implement the Resolution Plan and the balance money was received during the lock down period. Further the delays, there were some in delays obtaining approvals from Stock Exchanges with regard to. Reduction of Share Capital and Due to migration from # normal accounting package to SAP system, the Company has not valued inventories on the basis of IND AS 2 principles. However, since SAP is fully functional for and from the Financial year 2020-21, the inventory valuation would be streamlined to comply Purusuant teche approval of the Resolution Plan by the NCLE, the company has implemented the plan in accordance with the same, the Company has written off and written back certain assets and Liabilities and net effect of the Same is shown under the Head Exceptional For BAFNA PHARMACEUTICALS LIMITED (BAFNA MAHAVEER CHAND The above Consolidated and Standalone Year ended 3.5st March 2020 and Quaterly financial results are Aud ted and recommended by the Audit Committee and subsequently approved by the Board of Directors at their Meeting held on 25 06 2020 Managing Director DIN No: 01458211 MACEU CHENNA 600 060 BA or mitgate its impact whether government mandated or elected by the Company. The Company will continue to closely monitor any material changes to future economic conditions. The figures of the Quarter are the balanding figures in respect of the Financial year and the published year to date figures upto the Fourth quarter of the Financial year Th≞ Company operates only in the segment, ie Pharmaceutical formulations, as such reporting is done on a single segment basis Ž The above figures have been regrouped and Re- arranged Wherever considered necessary ing approval and also the Lock down resulted in delay in allotment of shares No of complaints received and disposed off during the quarter th the standard, and the impact would be quantified appropriately Complaints pending at the end of the quarter Pending at the beginning of the quarter Status of Investor Complaints 25.06.2020 Chennai  $\geq$ Place Date:

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# BAFNA PHARMACEUTICALS LIMITED ( CIN L24294TN1995PLC030698) Regd office: Old No: 299, New No: 68. THAMBU CHETTY STREET, CHENNAI- 600 001 Standalone and Consolidated Balance Sheet as on

(Rs. In Lakhs)

	Stand A		Laklis] — Consoli	dated
Particulars	As at 31st March 2020	As at 31 st March 2019	As at 31st March 2020	As at 31 st March 2019
	Audited	Audited	Audited	Audited
ASSETS				
Non-Current Assets (a) Property, Plant and Equipment	2 404 01	2 701 00	3,496.91	3,701,90
(b) Capital Work-in-Progress	3,496.91	3,701.90	21.21	3,701,90
(c) Goodwill	21.21		3.58	3.58
(d) Other Intangible Assets			3,30	3.30
(e) Financial Assets				
(i) Investments		143.00		
(ii) Trade Receivables		143.00		
(iii) Loans				
(iv) Other financials assets		3,295.33		3,295.33
(g) Other Non-Current Assets		99.50		99.50
Total Non-Current Assets	3,518,11	7,239,73	3,521.69	7,100.31
Current Assets	5,510,11	71233173	5,521.07	7,100,51
(a) Inventories	1,141,15	928,23	1,141,15	928.23
(b) Financials Assets	1,141,15	740,43	1,141,15	720.23
(i) Investments				
(ii) Trade Receivables	603.48	2,483.37	603.48	2,483.37
(iii) Cash and Cash Equivalents	848.02	2,463.37	848.07	2,463.37
(iv) Bank balance other than mentioned	840.02	270,19	040.07	2/1.32
above (v) Loans				
(vi) Other financials assets				
(c) Other Current Assets	995.34	1,142.44	1,016.87	1,163.98
(d) Assets classified as held for sale	1,000	2/2/10/11	4,010,0	1,100170
Total Current Assets	3,587,98	4,824,24	3,609.57	4,846.90
Total Assets (1+2)	7,106.10	12,063.97	7,131,25	11,947,22
EQUITY AND LIABILITIES	7,100.10	12,003.77	7,131.20	11,717,22
(a) Equity Capital	236.56	2,365.63	236.56	2,365.63
(b) Other Equity	(677.60)	(286.32)	(660.67)	(459.81)
(c) Equity Share Warrants	5,535.58	(200.52)	5,535.58	(185,61)
Equity Attributable to Equity Shareholders	5,094,55	2,079.32	5,111.47	1,905,82
(d) Non controlling Interests	5,074,00	2,077,32	8.07	(20.61)
Total Equity	5,094.55	2,079.32	5,119.54	1,885.21
Liabilities	5,074.55	4,07 7,54	3,117,34	1,003.21
(a) Non-Current Liabilities				
(1) Financial Liabilities				
- Borrowings	301.76	2,298,82	301.76	2,298.82
- Trade Payable	.3771.770	646 71606	.6717711	ran mine
- Other Financial Liabilities				
(ii) Provisions				
(m) Deferred Tax Liabilities (Net)		617.87		617.87
(iv) Other non-current liabilities		3.00		63.22
Total Non-Current Liabilities	301.76	2,919.69	301.76	2,979,91
(b) Current Liabilities	301.70	2,717.07	301170	2,773171
(i) Financial Liabilities				
- Borrowings		2 222 07		2,323.97
-Trade Payable	1,254.14	2,323.97 3,942.40	1,254.14	3,955.86
- Dues to micro and small	1,234,14	3,942,40	1,234,14	3,733,00
enterprises Dues to Others				
- Other Financial Liabilities				
	155.65	500.50	455.00	000.00
(ii) Other Current Liabilities	455.65	798.58	455.82	802.27
(iii) Provisions				
(iv) Current Tax Liabilities (net)				
Total Current Liabilities	1,709.79	7,064.95	1,709.96	7,082.09
Total Liabilities		10.011.1		44 + 1= 1
Total Equity and Liabilities	7,106.10	12,063.97	7,131.25	11,947.21

Place : Chennal Date : 25.06.2020

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For BAFNA PHARMACETICALS LIMITED

(BAFNA MAHAVEER CHAND) Managing Director DIN:01458211





#### BAFNA PHARMACEUTICALS LIMITED ( CIN L24294TN1995PLC030698) Regd office: Old No: 299, New No: 68, THAMBU CHETTY STREET, CHENNAI- 600 001

Standalone and Consolidated Cash flow Statement ( Rs. In Ealitis) Consolidated Stand Alone As at 31st Particulars As at 31st As at 31 st As at 31 st March March March 2020 March 2019 2019 2020 Audited Audited Audited Audited Cash Flow from Operating Activities: [1 822 97] (1,829 29) Net Profit Before Tax and Including Exceptional Items (187.80 (188 34 Adjustments for: Depreciation 326 66 342 17 326 66 347 62 9 55 Interest Paid 9 55 212 64 212 66 Interest Received (11 72) (3 94) (11 72) (3 94) (20 84) Other Income 120.84 Sundry Balance Write Back (3 01) 0.00 0.00 (0.75) (0.75) Lease Rent Received (0.75) (0.75) Exceptional items- Impact of impairment of Financial assets (2 255 91) (2.332.56) 0.00 0.00 Operating Profit before Working Capital Changes (2,209,69) (1,280.63) (2.133.57)(1,284.49) Adjustment For: Increase // decrease in Inventories (212 92) 139 19 (212.92) 139 19 [Increase]/decrease in Trade Receivables 1,879 90 (55.43) 1 879 90 (55 43) Increase)/decrease in Short Term Loans and Advances 147 11 (79.27) 147.11 (80 55) Increase/[decrease] in Trade Payables 1,159 92 (2,701 72) 1,094.84 (2,688 26) Increase/[decrease] in Other Current Liabilities (342 93) 6 72 (409.67) 771 Cash generated from Operation (3.430.87) (178.72) (3.426.80) (109.50) Less: Tax Paid Net Cash Used in Operating Activitiy (109.50) (3.430.87) (A) (3,426,80) (178.72) Cash Flow from Investing Activities: Sale of Fixed Assets 493 24 Purchase of Fixed Assets (142 88) (33 31) (142 88) (33 31) Other Income 0 00 0.00 20 84 20 84 Interest Received 11 72 3 94 11.72 3 94 0 75 0 75 0.75 0 75 Lease Rent received Sundry Balance Write Back 0 00 3 01 Changes in Long Term Loans and Advances 3.295 33 437 46 3,394 83 1.093.09 Change in Other Non-Current Assets 99 50 (6343)0.00 (32.29) Net Cash used in Investing Activities 3.277.48 353.19 3.277.48 1,536.21 Cash Flow from Financing Activities Issue of Shares, Warrants & Application Activities 5,535.58 5,535.58 138.01 Changes in Long Term Borrowings (1,258.15) (2,000.06) (26.12) (1.997.06) Changes in Short Term Borrowings (5.14) (5.14) (2,323.97) (2.323.97) (9.55) Interest Paid (9.55) {212.64] (212.66) Dimunition in value of investment in subsidiary 143.00 143.00 (43.33) Write back of Deferred tax liability (617.87) (617.87) Net Cash from Financing Activities 727.14 (243.90) 730.14 (1.381.27)Net Increase/ [Decrease] in Cash or Cash Equivalents [A+B+C] 577.83 (0.21)576.75 (23.79)Opening Balance of Cash & Cash Equivalents 270.40 271.32 295.12 270.19 Closing Balance of Cash & Cash Equivalents 848.02 270.19 848.07 271.32

#### Note:

Pursuant to Insertion of New Clause under Regulation 33, Sub-regulation (3), the company has prepared Standlone Cash Flows statement for the Year Ended 31st March 2020. The Statement of Cash Flows for the Year lended 31st March 2020, as reported in the statement have been approved by the Company's Board of Directors.

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Place : Chennal Date : 25.06.2020 (BAFNA MAHAVEER CHAND)

FOR BAFNA PHARMACETICALS LIMITED

Managing Director DIN:01458211



CHENNA!



Partners

CAR. SATHYANARAYANAN, B.Com., F.C.A., ISA (ICAI).
CAR. SATHYANARAYAN, B.Com., F.C.A., ISA (ICAI).

Ph.: 28112450 / 42132674 E-mail:rsathyas@gmail.com

# 2 (Old # 21), Ground Floor, Lakshmipuram 2nd Street, Royapettah, Chennai - 600 014.

independent Auditor's Report on Quarterly and Annual Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Bafna Pharmaceuticals Limited

#### Opinion

- 1. We have audited the accompanying consolidated Quarterly and Annual financial results ('the Statement') of Bafna Pharmaceuticals Limited ('the Holding Company') and its subsidiary Company i.e Bafna Life Styles Remedies Limited (the Holding Company and its subsidiary together referred to as 'the Group') For the year ended 31 March 2020, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.
- 2, In our opinion and to the best of our information and according to the explanations given to us. The Consolidated financial statements/ financial information of the Group:
- (i) includes the annual financial results
- (ii) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, read with SEBI Circular CIR/CFD/FACI62I2016 dated 5 July 2016 (hereinafter referred to as 'the SEBI Circular); and
- (iii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('IndAS')prescribed Under Section 33 of the Companies Act, 2013 ('the Act') read with relevant rules issued there under, and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Group, for the year ended 31 March 2020, except in respect of the following:
  - Quantification and valuation of Work in progress (WIP)of the parent Company is computed on estimated basis by the Management, and not on as per methodologies prescribed as per IND AS
     Inventory costing system in the production units have to be streamlined.
  - The Parent Company has not followed or complied with the Impairment principles prescribed as per IND AS 109 in respect of write off and write back of financial assets.







# R. SATHYANARAYANAN & Co.

CHARTERED ACCOUNTANTS

Partners:

CA R. SATHYANARAYANAN, B.Com. F.C.A., ISA (ICAI).
CA R. SATHYANARAYAN, B.Com., F.C.A., ISA (ICAI).

Basis for Opinion

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3. We conducted our audit it in accordance with the Standards on Auditing ('SAs') specified under section 143(1 0) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Group and its associates, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAl' )together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matter Paragraph**

We draw attention to Note no 9 of the accompanying Consolidated Ind AS financial results, which expresses caution and the need to monitor the impact of the COVID-19 pandemic on the Company's financial estimates as well as future economic conditions. Our opinion is not modified in respect of this matter.

### Management's and Those Charged with Governance Responsibilities for the Statement

4. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit or loss after tax and other comprehensive income, and other financial information of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under section 133 of the Act, read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations, including SEBI Circular, The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, in terms of the provisions of the Act, the respective Board of Directors/ Management of the companies included in the Group and its associates, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safe guarding of the assets of the Group, and its associates, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively, for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results, that give a true and fair view and are free from material misstatement, whether due to fraud error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid:



Partners

CA R. SATHYANARAYANAN, B Com. F.C.A., ISA (ICAL).
CA R. SATHYANARAYAN, B.Com. F.C.A., ISA (ICAL).

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5. In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies, to continue as a going concern disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors/ management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

In this context, Attention is drawn to clause no 6 of the Standalone financial statements regarding the going concern status of subsidiary company, and that, it is proposed to go in voluntary strike off in the ensuing year.

6. The respective Board of Directors/ management of the companies included in the Group, are responsible for overseeing the financial reporting process of the companies included in the Group.

### Auditor's Responsibilities for the Audit of the Statement

- 7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 Standards on Auditing, specified under section 1a3(10) of the Act, 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 this Statement.
- 8. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - identify and assess the risks of material misstatement of the Statement, 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, ntentional 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, Under section 143(3) (i) of the Act, we are
    also responsible for expressing our opinion on whether the Group and its associates (covered
    under the Act)-have adequate internal financial controls system in place and the operating
    effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 ability of the Group 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 Statement or, if such disclosures are inadequate, to modify our opinion.





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Partners

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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 Group to cease to continue as a going concern. Attention is drawn to clause no 6 of the Standalone financial statements regarding the going concern status of subsidiary company, and that, it is proposed to go in voluntary strike off in the ensuing year.

- Evaluate the overall presentation, structure and content of the Statement, including the
  disclosures, and whether the Statement represents the underlying transactions and events in a
  manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities within the Group, to express an opinion on the Statement.
   We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors.
- 9. We communicate with those charged with governance of the Holding Company and such other entities included in the Statement, of which we are the independent auditors, regarding, among other matters, the planned scope and timing of the audit and significant audit finding including any significant deficiencies in internal control that we identify during our audit.
- 10. 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 matter that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- 11. We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD114412019 dated 29 March 2019, issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent

## Other Matter

12. The Statement also includes the Group's share of net loss after tax/ total comprehensive loss of Rs.2472.93 Lakhs for the year ended 31 March 2020, in respect of the Subsidiary Company, based on their annual financial information which have been audited by us. Those financial information have been furnished to us by the Holding Company's management. Our opinion on the Statement, and our report in terms of Regulation 33 of the Listing Regulations, read with SEBI Circulars, in so far as it relates to the aforesaid subsidiary is based solely on such audited financial information. In our opinion, and according to the information and explanations given to us by the management, those financial information are not material to the Group.

Our opinion is modified in respect of the issues mentioned vide Clause 2 (ii) hereinabove.







CAR. SATHYANARAYANAN, B.Com., F.C.A., ISA (ICAI). CAR. SATHYANARAYAN, B.Com., F.C.A., ISA (ICAI).

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14. The Statement includes the consolidated financial results for the quarter ended 31 March 2020, being the Balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to date consolidated figures up to the third quarter of the current financial year, which were subject to limited review by us.

For R. SATHYANARAYANAN & CO.

Chartered Accountants ICAI Regn, No. 0036565

> Pertner R. Sathyanarayan M. No. 028377

UDIN: 20028377AAAAA H7983

Place: Chennai

Date: 25th June 2020

R. SATHYANARAYANAN & CO. Chartered Accountants No. 2, (Old No. 21), Ground Floor, Lakshmipuram 2nd Street, Royapettah, Chennai - 600 014.





REGD. OFFICE: "BAFNA TOWERS" 299, THAMBU CHETTY STREET, CHENNAI-600 001, INDIA. PHONE: 044-25267517/25270992/42677555, FAX: 91-44-25231264, email: info@bafnapharma.com, Website, www.bafnapharma.com CIN: L24294 TN1995PLC030698

### BAFNA PHARMACEUTICALS LIMITED

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2020 ON ANNUAL AUDITED CONSOLIDATED FINANCIAL RESULTS

Qualifications in the Auditors Report

The Board of Bafna Pharmaceuticals Limited, have dealt with the matter stated in the qualifications in statutory auditors report on the consolidated financial results of Bafna Pharmaceuticals Limited for the year ended 31<sup>st</sup> March 2020 (the Consolidated Annual Results)

Rs. In Lakhs

SI no	Particulars	Audited figures (as reported before adjusting for qualifications)	Adjusted figures (audited figures after adjusting for qualifications)
1	Turnover/ Total Income	4272.79	Not determinable
2	Total Expenditure	4461.11	Not determinable
3	Net Profit/ (Loss)	(2472.93)	Not determinable
4	Earnings per share	(15.52)	Not determinable
5	Total assets	7131.25	Not determinable
6	Total Liabilities	7131.25	Not determinable
7	Net Worth	5111.47	Not determinable
8	Any other financial items (as felt appropriate by the management)	*	-

## Qualification 1 of the Auditors Report

1. Details of Audit Qualification:

a. Quantification and valuation of Work in progress (WIP) is computed on estimated basis by the Management, and not on as per methodologies prescribed as per IND AS 2 Inventory costing system in the production units have to be streamlined.



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b. The Company has not followed or complied with the Impairment principles prescribed as per IND AS 109 in respect of write off and write back of financial assets.

## Type of Audit Qualification:

Qualified Opinion

- 2. Frequency of qualification First time
- For Audit Qualification(s) where the impact is quantified by the auditor, Management's views: Not applicable
- 4. For Audit Qualification(s) where the impact is not quantified by the auditor:
- (i) Management's estimation on the impact of audit qualification: Not quantifiable
  - ii) if management is unable to estimate the impact, reason for the same;

### Reply for 1.a -

Due to migration from normal accounting package to SAP system, the Company has not valued inventories on the basis of IND AS2 principle. However since SAP is fully functional for and from the financial year 2020-21, the inventory valuation would be streamlined to comply with the standard and the impact would be quantified appropriately.





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Pursuant to the approval of the Resolution Plan by the NCLT, Chennai, Wherein the Resolution Applicant – Mr. Bafna Mahaveer Chand had Appealed for Certain Write offs and Write backs of assets and Liabilities (based on business prudence and Judgement). In accordance with the same, the Company has written off and written back certain assets and Liabilities and net effect of the same is shown under the Head 'Exceptional Items".

iii) Auditor's Comments on (i) or (ii) above

NIL

For and on behalf of the Board of Directors of Bafna Pharmaceuticals Limited For M/s.Sathyanarayanan&Co Chartered Accountants egn No: 0003656S SD/-SD/-SD/-SD/-V. Rajamani Mahaveer Chand M. Sridhar Chairman of R. Sathyanarayan **CFO** Bafna Partner. Audit Managing Director Committee M.No: 028377 DIN:00052868 DIN:01458211

Date: 25th June 2020

Place: Chennai



