



BAFNA PHARMACEUTICALS LIMITED

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.comCIN: L24294
TN1995PLCO30698

To,

Listing Department, BSE Limited,
P J Towers,
Dalal Street, Mumbai – 400001.

Listing Department,
National Stock Exchange of India,
Exchange Plaza, Bandra Kurla
Complex,
Bandra (E), Mumbai – 400051.

Security Code: 532989 Security ID:
BAFNAPHARM

Symbol: BAFNAPH Series: EQ.

Dear Sir/Madam,

Subject: Out come of the Board Meeting.

Reference: Regulation 30 & 33 of SEBI (Listing Obligation and Listing Requirements) Regulations, 2015.

With reference to the captioned subject, we hereby wish to inform you that the Board at its meeting held today i.e., May 27, 2023, which commenced at 12:10 pm and concluded at 3:30 pm has inter alia considered and approved the following:

1. Approval of Financial Statements

The Audited Financial results (standalone) for the quarter and year ended March 31, 2023, pursuant to Regulation 33(3) of Listing Regulations. The copy of the same including statement of assets and liabilities, statement of cash flow along with Auditors' Report with unmodified opinion and declaration to the effect that the Auditors' have given unmodified opinion on the audited financial results (standalone) for the year ended March 31, 2023, (Please refer Annexure-1).

This is for your information and necessary records.

For Bafna Pharmaceuticals Limited,

VISHNU
VASUDEVA
KUPPA
Digitally signed by
VISHNU VASUDEVA
KUPPA
Date: 2023.05.27
15:36:54 +05'30'

Vishnu V. Kuppa,
Company Secretary & Compliance Officer

Independent Auditor's Report on Audited Quarterly and Year to Date Financial Results of Bafna Pharmaceuticals Limited pursuant to Regulation 33 of SEBI (Listing and Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Bafna Pharmaceuticals Limited

Opinion

We have audited the accompanying financial results of **Bafna Pharmaceuticals Limited** ("the Company") for the quarter and year ended 31st March, 2023 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations")

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 in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter and year ended 31st March 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Statement under the provisions of the Act and the rules made thereunder, 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

Attention is invited to:

- a. the non-receipt of the foreign currency receivables as on 31st March 2023 aggregating to ₹ 203 Lakhs (as on 31st December 2022 – ₹ 178 Lakhs), which are outstanding beyond the stipulated time period permitted under the RBI Master Direction on Export of Goods and Services vide FED Master Direction No. 16/2015-16 dated 1st January, 2016 (as amended), issued by the Reserve Bank of India (RBI). The management of the Company is in the process of obtaining approval towards extension of time limits for realization or write off of the balances. Pending such confirmation, no adjustment is envisaged in the books of accounts for the reporting period.
- b. the non-compliance with Minimum Public Shareholding ("MPS") requirements specified in Rule 19 (2) and Rule 19A of the Securities Contracts (Regulations) Rules, 1957, as amended and Regulation 38 of the Listing regulations during the year. The Company had received communications from BSE Limited and National

Stock Exchange of India Limited in respect to such non-compliance and penalty of ₹ 8.02 Lakhs has been imposed on the Company. The Company had subsequently met the MPS criteria and is in the process of obtaining waiver of the penalty levied.

- c. the adjustment of Income Tax Refund pertaining to previous Assessment Years amounting to ₹ 45.17 Lakhs. The Income Tax Department has issued the refund order on various dates for respective assessment years; however, such refunds have been adjusted against the outstanding demands through Centralized Processing Centre (“CPC”). As represented by the management, the Company has filed a writ petition with the Honourable Madras High Court against the adjustment of refund issued with the outstanding demand.
- d. the non-compliance of Section 203 of the Companies Act, 2013, and Regulation 6 of Listing Regulations with respect to non-appointment Company Secretary cum Compliance Officer from 12th August 2022. Subsequently, on 7th April 2023, the Board considered and approved the appointment of a Company Secretary.
- e. the non-compliance in respect to the composition of Board of Directors of the Company, as required by the Regulation 17(1)(c) of the Listing Regulations. With effect from 14th January 2023, the Board comprised of 5 Directors, whereas the said regulations mandates requirement of not less than 6 Directors.

Our opinion is not modified in respect of the above matters.

Management’s Responsibilities for the Financial Results

The statement has been prepared on the basis of the audited financial statements. The Company’s Board of Directors are responsible for the preparation of the Statement that give a true and fair view of the net profit and other financial information in accordance with the recognition and measurement principles laid down in Ind AS prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding 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 give a true and fair view and are free from material misstatement, whether due to fraud and error.

In preparing the financial statements, the Board of Directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to 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.

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

Auditor’s Responsibility for the Audit of the Financial Statements

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 SAs 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 decision of users taken on the basis of the Statement.

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

- Identify and assess the risk 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 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of 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 to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw our 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 as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statements represent the underlying transactions and events in a manner that achieves fair representation.

Materiality is the magnitude of misstatements in the financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial results.

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.

Other Matter

The Statement includes the results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of 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.

Attention is drawn to the fact:

The financial results of the Company for the Quarter and Year ended 31st March, 2022 was audited by another Chartered Accountant, who issued unmodified report vide their report dated 26th May 2022. The above report have been furnished to us by management, which have been relied upon by us for the purpose of review of this Statement. Our audit report is not modified in respect of this matter.

For Brahmayya & Co.,
Chartered Accountants
Firm Registration No. 000511S



Lokesh Vasudevan
Partner
Membership No: 222320
UDIN: 23222320BGYUWS7389

Place: Gurugram
Date: 27th May 2023

BAFNA PHARMACEUTICALS LTD

CIN: L24294TN1995PLC030698

Corporate Office and Registered Office: Bafna Towers, New No. 68, Old No 299, Tambu Chetty Street, Chennai-600001 (Tamil Nadu)

Email : cs@bafnapharma.com, Web : www.bafnapharma.com

Statement of Assets and Liabilities as at 31st March 2023		
(₹ in Lakhs except as Stated)		
Particulars	Mar 31, 2023	Mar 31, 2022
	(Audited)	(Audited)
I ASSETS		
(1) Non Current Assets		
(a) Property, Plant and Equipment	4,022.97	3,884.56
(b) Intangible Work-In-Progress	150.00	-
(c) Financial Assets		
i) Other Financial Assets	54.18	41.92
Total Non Current Assets	4,227.15	3,926.48
(2) Current assets		
(a) Inventories	2,221.96	2,028.05
(b) Financial Assets		
(i) Trade receivables	4,114.85	1,477.96
(ii) Loans	5.41	9.67
(iii) Cash and cash equivalents	781.00	17.30
Total Financial Asset	4,901.26	1,504.93
(c) Current tax assets (Net)	47.47	62.55
(d) Other current assets	1,560.48	1,492.45
Total Current Assets	8,731.17	5,087.98
Total Assets	12,958.32	9,014.46
II EQUITY AND LIABILITIES		
A EQUITY		
(a) Equity Share Capital	2,365.63	2,365.63
(b) Other Equity	4,979.83	3,830.74
Total Equity	7,345.46	6,196.37
B LIABILITIES		
(1) Non Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	843.33	531.70
Total Financial Liabilities	843.33	531.70
(b) Government Grant	121.90	85.12
Total Non Current Liabilities	965.23	616.82
(2) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,449.06	574.24
(ii) Trade payables		
a) total outstanding dues of micro and small enterprises	806.33	219.64
b) total outstanding dues of creditors other than micro and small enterprises	2,039.74	1,020.85
(iii) Other financial liabilities	67.71	37.10
Total Financial Liabilities	4,362.84	1,851.83
(b) Other current liabilities	212.00	186.82
(c) Provisions	62.91	156.06
(d) Government Grant	9.88	6.56
Total Current Liabilities	4,647.63	2,201.27
Total Equity and Liabilities	12,958.32	9,014.46

For Bafna Pharmaceuticals Limited

Place : Chennai
Date : 27.05.2023




 Hemalatha
 Executive Director
 (DIN: 02714329)

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Statement of Audited Financial Results for the Year Ended 31st March 2023

Particulars	(₹ in Lakhs except as Stated)				
	Quarter Ended			Year Ended	
	March 31st 2023 (Audited)	December 31st 2022 (Unaudited)	March 31st 2022 (Audited)	March 31st 2023 (Audited)	March 31st 2022 (Audited)
1 Revenue from Operations	4,224.38	3,421.84	1,498.24	11,534.99	8,514.03
Other Income	25.86	192.69	123.06	327.27	169.80
2 Total Income	4,250.24	3,614.53	1,621.30	11,862.26	8,683.83
EXPENSES					
Cost of Material Consumed	1,972.20	1,959.59	810.42	5,957.04	4,170.34
Purchase of Stock in Trade	293.56	346.98	-	640.54	-
Manufacturing Expenses	382.47	349.94	261.37	1,352.89	1,135.11
Change in Inventories of Semi Finished Goods and Finished Goods	136.00	(204.00)	(107.52)	(291.07)	(177.40)
Employee benefits expenses	457.18	397.19	374.81	1,586.59	1,464.82
Finance cost	70.41	57.59	20.86	203.76	79.38
Depreciation and Amortization expense	152.52	139.84	140.13	533.44	549.33
Other expenses	220.89	267.88	197.07	717.44	724.97
3 Total Expenses	3,685.23	3,315.01	1,697.14	10,700.63	7,946.55
4 Profit from ordinary Activities before Exceptional Items & tax (2-3)	565.01	299.52	(75.84)	1,161.63	737.28
5 Exceptional Items		-	19.12	-	215.65
6 Profit / (Loss) before Tax (4-5)	565.01	299.52	(94.96)	1,161.63	521.63
7 Tax Expense					
Relating to previous periods	27.83	-	-	27.83	-
8 Profit / (Loss) for the Period (6-7)	537.18	299.52	(94.96)	1,133.80	521.63
9 Other Comprehensive income	17.11	(0.60)	10.66	15.31	(2.40)
10 Total Comprehensive Income for the period (8+9)	554.29	298.92	(84.30)	1,149.11	519.23
11 Paid up Share Capital (Face Value of ₹ 10 each)	2,365.63	2,365.63	2,365.63	2,365.63	2,365.63
12 Other Equity as per the Balance Sheet				4,979.83	3,830.74
13 Earnings Per Equity Share					
Basic (Rs.)	2.34	1.26	(0.36)	4.86	2.19
Diluted (Rs.)	2.34	1.26	(0.36)	4.86	2.19

Notes

- The financial results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors of the Company at their respective meetings held on 27th May, 2023. The statutory auditors have carried out the audit of the above financial results.
- The figures for the quarter ended 31st March 2023 & preceding quarter ended 31st March 2022 are the balancing figures between the audited year to date figures for the year ended 31st March and the unaudited published figures for the nine months ended 31st December of the respective financial years.
- Exceptional Item as on 31st March 2022 represents gratuity provisions created for earlier years.
- The Company has opted for rate of income tax as specified under section 115BAA of the Income Tax Act, 1961 for and from Assessment year 2023-24 i.e. for the year ended 31st March 2023.
- The figures for the previous quarters and year ended have been regrouped and reclassified accordingly. The Company has restated the financial statements for the year ended 31st March 2022 with respect to the error in accounting of Government Grants as prescribed under Indian Accounting Standards (Ind AS 8) as notified under Section 133 of the Companies Act, 2013.
- Company's business relates to the manufacturing of pharmaceuticals formations, which in context of Indian Accounting Standards 108 (Ind AS 108) as notified under Section 133 of the Companies Act, 2013 is considered as the only segment.

For Bafna Pharmaceuticals Limited

Place : Chennai
Date : 27.05.2023




Hemalatha
 Executive Director
 (DIN: 02714329)

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Summary of Cash Flow Statement for the Year Ended 31st March 2023		
(₹ in Lakhs except as Stated)		
Particulars	March 31st 2023	March 31st 2022
	(Audited)	(Audited)
A. Cash Flow From Operating Activities Before Exceptional Item		
Profit / (Loss) before Tax	1,176.91	519.26
Adjustments for:		
Depreciation and Amortization	533.44	447.82
(Profit) / Loss on Sale of Property Plant and Equipments	(19.64)	-
Provision for Expected Credit Loss on Financial Assets (Net)	36.86	-
Provision on Recoverability of Non Financial Assets (Net)	40.41	-
Bad Debts and Irrecoverable Balances Written Off	30.44	-
Interest Income	(2.97)	(1.49)
Government Grant	(9.88)	(6.55)
Interest Expenses	179.75	8.86
Cash Generated Before Working Capital Changes	1,965.32	967.90
Movement In Working Capital		
Increase / (Decrease) in Trade Payables	1,605.58	1,221.77
Increase / (Decrease) in Provisions	(93.15)	156.06
Increase / (Decrease) in Other Financial Liabilities	19.60	(51.17)
Increase / (Decrease) in Other Liabilities	25.19	52.56
(Increase) / Decrease in Trade Receivables	(2,704.19)	(611.21)
(Increase) / Decrease in Inventories	(193.91)	(483.72)
(Increase) / Decrease in Loans	4.26	(7.41)
(Increase) / Decrease in Other Financial Assets	(52.68)	15.64
(Increase) / Decrease in Other Assets	(68.03)	(372.05)
Cash Generated From Operations	507.99	888.37
(Direct Taxes Paid) / Refund Received (Net)	(12.74)	(17.05)
Net Cash Flow From / (Used in) Operating Activities	495.25	871.32
B. CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES		
Purchase of PPE, Intangible Assets and Investment Property	(671.86)	(652.61)
Proceeds from Sale of Property Plant and Equipments	19.64	-
Receipt of Government Grants	50.00	98.21
Intangible Assets Under Development	(150.00)	-
Interest Income Received	2.97	1.49
Net Cash Flow From / (Used in) Investing Activities	(749.25)	(552.91)
C. CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES		
Proceeds/ (Repayment) of Long Term Borrowings	1,186.44	(472.66)
Interest Paid	(168.74)	(8.82)
Net Cash Flow From / (Used in) Financing Activities	1,017.70	(481.48)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	763.70	(163.07)
Cash and Cash Equivalents at the beginning of the year	17.30	180.37
Cash and Cash Equivalents at the end of the year	781.00	17.30
Components of Cash and Cash Equivalents		
Cash and cheques on Hand	0.40	0.08
Balances with Banks		
-Current Accounts	12.55	1.86
-EEFC Accounts	653.30	-
-Deposit Account	114.75	15.36
Cash and cash Equivalent	781.00	17.30





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DECLARATION

In terms of Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015, read with SEBI circular No. CIR/CFD/CNID/56/2016 dated May 27, 2016, we hereby declare that M/s Brahmayya & Co. Chartered Accountants, represented by its partner Lokesh Vasudevan holding membership number 222320, Statutory Auditor of the Company have issued an unmodified opinion on the standalone financial results of the Company for the financial year ended March 31, 2023.

This declaration is given pursuant to regulation 33(3)(d) of SEBI (LODR) Regulations, 2015, as amended from time to time.

For Bafna Pharmaceuticals Limited,



Sridhar Melagiri
Chief Financial Officer

Place: Chennai
Date: May 27, 2023.