



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.com
CIN : L24294 TN1995PLC030698

Date: 05th August 2021

Listing Department BSE Limited P J Towers Dalal Street, Mumbai – 400 001	Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400051
Security code : 532989 Security ID : BAFNAPHARM	Symbol : BAFNAPHARM Series : EQ

Dear Sir,

Sub.:- Outcome of the Board meeting held on 05th August 2021

Ref.:- Regulation 30 read with Reg. 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

The Board of Directors of the Company at their meeting held on today inter-alia transacted the following business.:-

1. UN-AUDITED FINANCIAL RESULT

Approval of un-audited financial results of the Company for the quarter ending 30th June 2021. Please find attached Limited Review Report from the statutory auditor of the Company M/s. R. Sathyanarayanan & Co.

2. Statutory Auditors comments along with Managements Reply :

Statutory Auditors Comments	Managements Reply
<i>The Company has not complied with principles underlined under IND AS 2 in respect of absorption of overheads (related to manufacture) in computation of BOM (Bill of materials), consequently not enabling capturing of overheads in valuation of stocks of WIP (Work in progress) and Finished goods through the SAP system. Valuation of closing inventories have been computed manually on cost absorption basis</i>	Due to migration from normal accounting package to SAP system, the Company has not valued inventories WIP on the basis of IND AS2 principle as there was a sudden technical error in the absorption of overheads *related to Manufacture) in computation of BOM (Bill of Materials) consequently not enabling capturing of Overheads in Valuation of stocks of WIP(Work in Progress) and Finished Goods through SAP System. However Valuation





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	of Closing Inventories have been computed Manually on Cost absorption Basis. The company is in the process of appointing an Costing Expert to bring the System in SAP.
<i>Fixed Asset Register has not been maintained in SAP system as prescribed in Schedule II of the Companies Act 2013. Review of useful life and residual value of asset on annual basis has not been carried out as prescribed under IND AS 16.</i>	Due to Migration from normal accounting package to SAP system, the Fixed Asset Register is in progress and likely to be updated in the Current Year.
<i>Computation of Gratuity as per IND AS 109 has been carried out up to 31st March 2021, but no equivalent provisioning has been made in the accounts. However the Company has commenced the process of creating fund in respect of the same in respect of the current quarter.</i>	The Management has decided that the same would be complied with in a phased manner beginning from the current FY 2021-22.
<i>There is a balance of unreconciled net excess Unavailed input credit up to 31st March 2021 to the tune of Rs 9.56.684/-, and the equivalent expenditure has not been booked nor has the company produced credit note for our verification.</i>	The Net Unavailed Input Credits were identified and necessary rectification will be done.
<i>The Company is yet to recognize effect of RCM (Reverse charge mechanism) in its GST returns on the eligible expenditures</i>	The Company will ensure the recognition effect of RCM in its GST Returns on the eligible expenditures.





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The Board Meeting commenced at 11.00 Hours and concluded at 14.00 Hours.

Thanking you.

Yours faithfully,
For BAFNA PHARMACEUTICALS LIMITED


Jitendra Kumar Pal
Company Secretary



BAFNA PHARMACEUTICALS LIMITED (CIN L24294TN1995PLC030698)

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

Unaudited Standalone Financial Results for the Quarter Ended 30 th June 2021

PART I

(Rs. In Lakhs) except EPS

Sl.No	Particulars	3 months ended	Preceding 3	Corresponding 3	For the Previous Year
		(30-06-2021)	months ended	months ended	ended
		Unaudited	Audited	Unaudited	Audited
I	Revenue From operations	2,125.86	2,184.05	1,670.25	7,121.79
II	Other Income	17.00	30.76	17.55	74.93
III	Total Income (I+II)	2,142.87	2,214.81	1,687.80	7,196.72
IV	EXPENSES				
a)	Cost of Goods Sold	1,361.65	1,015.75	1,076.19	4,250.95
b)	Purchases of Stock-in-Trade	-	-	-	-
c)	Changes in inventories of finished goods, Stock-in - Trade and work-in-progress	(53.71)	248.64	94.17	294.60
d)	Employee benefits expense	325.99	392.17	179.36	1,198.41
e)	Finance costs	10.61	37.54	1.64	74.19
f)	Depreciation and amortization expenses	146.09	149.88	94.74	447.82
g)	Other expenses	143.54	107.24	60.55	348.07
	Total expenses (IV)	1,934.17	1,951.21	1,506.64	6,614.05
V	Profit/(loss) before exceptional items and tax (I-IV)	208.70	263.60	181.16	582.67
VI	Exceptional Items				
VII	Profit/ (loss) before exceptions items and tax(V-VI)	208.70	263.60	181.16	582.67
VIII	Tax expense:				
	(1) Current tax	-	-	-	-
	(2) Deferred tax	-	-	-	-
IX	Profit (Loss) for the period from continuing operations (VII-VIII)	208.70	263.60	181.16	582.67
X	Profit/(loss) from discontinued operations	-	-	-	-
XI	Tax expenses of discontinued operations	-	-	-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)	-	-	-	-
XIII	Profit/(loss) for the period (IX+XII)	208.70	263.60	181.16	582.67
XIV	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 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	-	-	-	-
XV	Total Comprehensive Income for the period (XIII+XIV) Comprising Profit (Loss) and Other comprehensive Income for the period)	208.70	263.60	181.16	582.67
XVI	Earnings per equity share (for continuing operation):				
	(1) Basic	0.88	1.11	7.66	2.46
	(2) Diluted	0.88	1.11	7.66	2.46
XVII	Earnings per equity share (for discontinued				
	(1) Basic	-	-	-	-
	(2) Diluted	-	-	-	-
XVIII	Earning per equity share (for discontinued & continuing operation)				
	(1)Basic	0.88	1.11	7.66	2.46
	(2) Diluted	0.88	1.11	7.66	2.46

1. The above unaudited quarterly financial results were reviewed and recommended by the Audit Committee at their meeting held on 04.08.2021 and subsequently approved by the Board of Directors at their Meeting held on 05.08.2021

2. The Company operates only in one segment, ie. Pharmaceutical formulations, as such reporting is done on a single segment basis.

3. The above figures have been regrouped and Re- arranged Wherever considered necessary.

4. Being the First Quarter of the year, Figures of the Quarter ended 30th June 2021 and Year to date for this Quarter are same hence not mentioned separately.

5. The production entries have now been made online in SAP however the input of other overheads into Bill of materials is yet to be completed and hence inventory valuation is yet to be streamlined.

6. The impact arising out of COVID-19 Pandemic on the future results of the Company will depend on developments, that 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 in future economic conditions.

For BAFNA PHARMACEUTICALS LIMITED

Place: Chennai
Date: 05.08.2021

(S. HEEMALATHA)
Executive Director
DIN :02714329





R. SATHYANARAYANAN & Co.
CHARTERED ACCOUNTANTS

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Partners:

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

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

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

Independent Auditor's Review Report on Quarterly (for the Quarter ended 30th June 2021) unaudited and year to date (01 April 2021 to 30 June 2021) financial results of BAFNA PHARMACEUTICALS LIMITED for the period 1st April 2021 to 30th June 2021 pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended

The Board of Directors
Bafna Pharmaceuticals Limited
No.299, Thambu Chetty Street, Chennai-600 001

1. We have reviewed the accompanying statement of unaudited financial results of M/s. Bafna Pharmaceuticals Limited for the quarter ended 30th June 2021 and year to date results for the period from 01 April 2021 to 30 June 2021 ("the Statement").

2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (Listing Regulations), *subject to the qualifications mentioned vide clause no 4 herein below.*

b. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



4. Based on our review conducted as above, except for :

- *The Company has not complied with principles underlined under IND AS 2 in respect of absorption of overheads (related to manufacture) in computation of BOM (Bill of materials), consequently not enabling capturing of overheads in valuation of stocks of WIP (Work in progress) and Finished goods through the SAP system. Valuation of closing inventories have been computed manually on cost absorption basis.*
- *Fixed Asset Register has not been maintained in SAP system as prescribed in Schedule II of the Companies Act 2013. Review of useful life and residual value of asset on annual basis has not been carried out as prescribed under IND AS 16.*
- *Computation of Gratuity as per IND AS 109 has been carried out up to 31st March 2021, but no equivalent provisioning has been made in the accounts. However the Company has commenced the process of creating fund in respect of the same in respect of the current quarter.*
- *There is a balance of unreconciled net excess Unavailed input credit up to 31st March 2021 to the tune of Rs 9.56.684/-, and the equivalent expenditure has not been booked nor has the company produced credit note for our verification.*
- *The Company is yet to recognize effect of RCM (Reverse charge mechanism) in its GST returns on the eligible expenditures*

nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed or that it contains any material misstatement.

Our Opinion is modified in respect of the above

UDIN: 21028377AAAAB1101

Place: Chennai

Date: 5TH August 2021

For R. SATHYANARAYANAN & CO.

Chartered Accountants
ICAI Regn. No. 003656S


Partner
R. Sathyanarayan
M. No. 028377

R. SATHYANARAYANAN & CO.,

Chartered Accountants
No. 2, (Old No. 21), Ground Floor,
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