



# 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: November 12, 2021

To,

Listing Department,  
**BSE Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001  
**Scrip Code:** 532989

Listing Department  
**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai – 400 051  
**Symbol – BAFNAPH**

**Subject: Outcome of Meeting of the Board of Directors of Bafna Pharmaceuticals Limited ("the Company") in terms of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

Pursuant to the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") as amended, this is to inform you that the Board of Directors ("Board") of the Company, had at its meeting held today i.e. Friday, November 12, 2021, the Board has decided the following matters:

1. Approved the un - audited financial results of the Company for the quarter /half year ended September 30, 2021. Please find attached Limited Review Report from the Statutory Auditor.
2. Statutory Auditors comments along with Management's Reply:

<b>Statutory Auditor's Comment</b>	<b>Management's Reply</b>
<i>(a) Valuation of Work-in-progress and Finished goods as on 30th September 2021 not computed as per principles laid down in IND AS 2,</i>	Due to technical delays in the updation in line with the production process in the SAP system, the Company has not valued inventories on the basis of IND AS 2 principles. The same would be streamlined to comply with the standard by the end of Current Financial year ending, and the resultant impact if any would be quantified appropriately .
<i>(b) Unresolved mismatch in respect of ITC (Input tax credit) between books of accounts and GSTR2A, the taxable value of which was Rs 53 lakhs,</i>	The Net unavailed Input Credits were identified and necessary rectification will be done. The Company is continuously following with the vendor and we are yet to receive any reply from them.
<i>c) SAP system not being fully online at Grantylon factory in respect of Stores/production processes</i>	There are some technical delays in the updation of production process in SAP which we are confident to complete by the end of Current Financial Year.
<i>(d) Fixed Asset register not being maintained in SAP as prescribed under Schedule II of the Companies Act besides non- compliance in respect of IND AS 16</i>	The company has already commenced the updation process as required and are confident to complete by the end of the ensuing quarter.





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### 3. Raising of funds by way of offer and issue of equity shares to the existing shareholders of the Company on a rights basis (Rights Issue) for an aggregate amount upto INR 50 Crore.

The Board has constituted a Rights Issue Committee of Directors for the above purpose and has authorised the Committee to determine the terms of the Rights Issue including the quantum of issue, rights entitlement ratio, issue price, issue size, book closure or record date, entitlement timing of the issue, appointment of intermediaries, etc., in consultation with the Lead Manager to the Right Issue and to decide all other matters relating to the Right Issue. Such details shall be informed and/or announced in due course as and when decided or required, as per applicable statutory provisions and depending upon the market conditions. The above proposal to issue of shares shall be subject to necessary approvals, confirmations and consents as may be necessary and in compliance with applicable law including the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the Companies Act, 2013 and the Rules made there under and as amended.

The proposed Rights Issue will be a step towards meeting with the Minimum Public Shareholding requirements and is one of the prescribed methods in accordance with SEBI Circular No. CIR/CFD/CMD/14/2015 dated November 30, 2015, as amended. Accordingly, the Promoter may not participate in the proposed Rights Issue.

The meeting commenced as IST 11.00 am and concluded at ~~02.00~~pm.

Please take note of the same in your record and acknowledge the receipt of the same.

Thanking you,

Yours faithfully,

For Bafna Pharmaceuticals Limited

Jitendra Kumar Pal  
Company Secretary & Compliance Officer

