



**SECRETARIAL COMPLIANCE REPORT**  
**OF**  
**M/s. BAFNA PHARMACEUTICALS LIMITED**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2021**

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

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

for the year ended 31.03.2021 in respect of compliance with the provisions of:

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

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

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

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

and circulars/ guidelines issued thereunder;

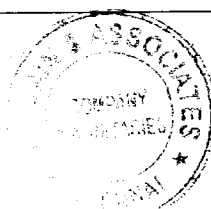
We further report that, the following Regulations / Guidelines were not applicable to the Company during the audit period:-

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

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

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

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	Regulation 23 (9) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	Delay in filing the disclosure of Related Party Transaction under	The Company has belatedly submitted the Related Party Disclosure under Regulation 23(9)



*A. S.*

	<p align="center">– <i>Disclosure of Related Party Transaction</i></p>	<p>Regulation 23(9) of SEBI (LODR) Regulations for the Half year ended 30<sup>th</sup>September, 2020.</p>	<p>of SEBI (LODR) Regulations, 2015 for the Half year ended 30<sup>th</sup>September, 2020, with a delay of Thirty Five (35) days, with the Stock Exchange.</p> <p>The Company had submitted a letter requesting the stock exchanges to waive of the penalty.</p>
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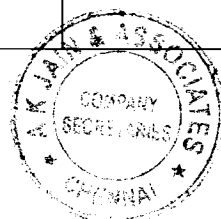
- b) The listed entity has maintained proper records under the provisions of the above Regulations and Circulars/ Guidelines issued thereunder in so far as it appears from my examination of those records.
- c) The following are the details of actions taken against the Listed Entity / its Promoters/ Directors / Material Subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and Circulars / Guidelines issued thereunder:

Sr.No	Name of the Stock Exchange	Regulation	Details of Non compliance	Observations/Remarks of the Practicing Company Secretary, if any
1	The National Stock Exchange of India Ltd (NSE)	Regulation 17(1) SEBI (LODR) Regulation, 2015	<p>The Company has received e-mail from NSE dated 30.10.2020 for clarification of the following</p> <p>1) Half of the Board is Not Independent – Provision pertaining to Board composition</p>	<p>The Company has clarified that Mr. Mahaveer Chand Bafna (Executive Director cum Chairman), Mr. Paras Bafna (Executive Director and Mr. Sunil Bafna (Non – Executive Independent Director has resigned w.e.f 10.09.2020 due to which the composition of board fell short of requirement of half of the board consisting of Independent Directors.</p>



*[Handwritten Signature]*

				<p>The company had informed the Stock Exchange that it is taking all necessary efforts to appoint a new independent director in compliance with SEBI (LODR) 2015.</p> <p>The Company does not come under the top 2000 listed company as on April 1, 2020 and hence the requirement of minimum number of 6 directors was not applicable.</p>
2	The National Stock Exchange of India Ltd (NSE)	Clarification – Regulation 31 of SEBI (LODR) Regulation, 2015, Regulation 7 SEBI (PIT) Regulation, 2015,	<p>The Company has received Notice from NSE dated 24.11.2020 for clarification of the following</p> <p>1) Change in sub category of Shareholders</p> <p>2. Change in Promoter Holding - Disclosure under SEBI (PIT) Regulation – 2015</p>	<p>1) The company inadvertently mentioned the category as Indian - Any Other in the Subcategory of Promoter Category for the quarter ended 30.06.2020 instead of Individual /HUF. However for the quarter ended 30.09.2020 it was correctly mentioned under Individual /HUF Category.</p> <p>The Company has made allotment of 21290701 equity shares of Rs.10/- each on 10.09.2020 in terms of Resolution plan approved by NCLT, Chennai and Form C under Regulation 7 (2) read with Regulation 6(2) – Continual Disclosure under SEBI (PIT)</p>



*[Handwritten signature]*

			<p>3) Change in Promoter Holding - Disclosure under SEBI (SAST) Regulation – 2011</p> <p>4) Change in Number of Promoters – for quarter ended 30.09.2020</p>	<p>Regulation 2015, has been filed.</p> <p>The Company has made allotment of 21290701 equity shares of Rs.10/- each on 10.09.2020 in terms of Resolution plan approved by NCLT, Chennai and Disclosure under Regulation 29(1) of SEBI (SAST) Regulation 2011, has been filed.</p> <p>The Company has allotted shares to SRJR Lifesciences LLP on 10.09.2020 in terms of Resolution plan approved by NCLT, Chennai and therefore there is change in Number Promoters for the quarter ended 30.09.2020</p>
3	The National Stock Exchange of India Ltd (NSE)& BSE Ltd	Regulation 23(9) SEBI (LODR) Regulation, 2015	The Company has received Notice from NSE & BSE vide their letter/e-mail dated 18.01.2021 levying a penalty of Rs.2,06,500/- for non-compliance of Related Party Disclosure for the quarter ended 30.09.2020.	<p>The Company has belatedly submitted the disclosure of Related party Transaction under Regulation 23(9) of SEBI (LODR) Regulation, 2015 for the quarter ended 30.09.2020.</p> <p>The Company has also requested the Stock Exchange for waiver of the fine imposed vide their reply letter dated 23.01.2021.</p>



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

Sr. No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the Secretarial Compliance Report for the year ended.	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	<i>Regulation 25 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015</i> – Non-compliance with respect to reappointment of Independent Director for 2 <sup>nd</sup> term.	31 <sup>st</sup> March 2020	The Company has passed Special Resolution at the AGM held on 31.07.2020 to regularize the appointment of Mr. Babulal Kamlesh Kumar	The company has regularized the appointment of Mr. Babulal Kamlesh Kumar by passing a Special Resolution in the AGM held on 31.07.2020.  Therefore the action taken by the Listed entity as reported herein in self – explanatory.
2	<i>Regulation 40 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015</i> – Certificate from Practicing Company Secretary that all Share Certificates have been issued within 30 days from the date of lodgement for transfer, subdivision, consolidation renewal, exchange or endorsement of calls/allotment monies.	31 <sup>st</sup> March 2020	The Company has belatedly filed the certificate issued under Regulation 40(9) of SEBI LODR Regulations, 2015, on 09 <sup>th</sup> May 2019 for the year ending 31.03.2019	The Company has been suggested to improve the compliance reporting mechanism in order to ensure timely compliance and filing as applicable to the company.

We further report that

- a) The Company has received In-principle approval from NSE vide Reference No. NSE/LIST/24194 dated 7<sup>th</sup> August 2020 and From BSE vide Reference No. DCS/PREF/SD/765/2020-21 dated 4<sup>th</sup> September 2020 with respect to preferential allotment of 2,12,90,701 shares to Promoter pursuant to the NCLT Order under Insolvency and Bankruptcy Code, 2016



b) The Company has received its Listing approval from NSE vide letter Reference No. NSE/LIST/24744 dated 16<sup>th</sup> October 2020 and from BSE vide letter Reference No.DCS/PREF/PB/FIP/808/2020-21 dated 30<sup>th</sup> September 2020 for listing of 2,12,90,701 Equity Shares of Rs.10/- each with respect to preferential allotment of 2,12,90,701 shares to Promoter pursuant to the NCLT Order under Insolvency and Bankruptcy Code, 2016

c) The Company has also received trading approval for 2,12,90,701 Equity shares of Rs.10/- each from NSE vide its letter reference No. NSE/LIST/ 25097 dated 23<sup>rd</sup> October, 2020 and from BSE vide its letter reference No.DCS/PREF/TP/PB/11139/2020-21 dated 23<sup>rd</sup>October2020 with respect to preferential allotment of 2,12,90,701 shares to Promoter pursuant to the NCLT Order under Insolvency and Bankruptcy Code, 2016

For A.K.JAIN & ASSOCIATES  
Company Secretaries

Place: Chennai  
Date: 29.06.2021



*B. Sri*

**BALU SRIDHAR**  
Partner  
FCS No. 5869  
C. P. No. 3550  
UDIN: F005869C000540997