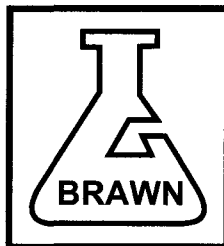




***26th Annual Report  
2010-2011***



**Brawn Biotech Limited**  
**(Formerly Brawn Pharmaceuticals Limited)**  
**New Delhi**

**26th Annual General Meeting**

**Date** 30th September, 2011

**Day** Friday.

**Time** 4.00 P.M.

**Place** "The Executive Club"  
439, Vill-Shahoorpur,  
P.O. – Fatehpur Beri  
New Delhi – 110074

**BOARD OF DIRECTORS**

Sh. B. R. Gupta	Chairman-cum- Managing Director
Smt. Urmila Gupta	Director
Smt. Brij Bala Gupta	Director
Sh. Manohar Lal	Director
Sh. Mahesh Kumar Nanchal	Director
Sh. Bal Kishan Sharma	Director

**COMPANY SECRETARY**

Sh. Amit Bansal

**AUDITORS**

M/s Satinder Saini & Co.  
Chartered Accountants  
514, Suneja Tower – 1, District Center  
Janak Puri  
New Delhi- 110058

**BANKERS**

Punjab National Bank  
H-22, Tropical Building,  
Connaught Place,  
New Delhi- 110001

**REGISTERED OFFICE**

C-64, Lajpat Nagar-I,  
New Delhi – 110024

**CORPORATE OFFICE**

4/4B, Asaf Ali Road,  
Old Delhi Stock Exchange Building,  
New Delhi – 110002

**REGISTRAR AND TRANSFER AGENT**

FOR BOTH PHYSICAL & DEMAT  
M/s RCMC Share Registry Private Ltd.,  
B-106, Sector – 2, Noida – 201301 (U.P.)

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**NOTICE**

Notice is hereby given that the 26th Annual General Meeting of the Members of Brawn Biotech Limited (Formerly Brawn Pharmaceuticals Limited) will be held on Friday, the 30th September, 2011 at 04:00 P.M. at "The Executive Club", 439, Vill. Shahoorpur, P.O. - Fatehpur Beri, New Delhi-110074 to transact the following businesses:

**Ordinary Business:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit and Loss Account for the year ended on that date and the Report of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Manohar Lai, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Bal Kishan Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
4. To reappoint Statutory Auditors' of the company and fix their remuneration and for the purpose to consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution.

**"RESOLVED THAT** M/s Satinder Saini & Co., Chartered Accountants, 514, Suneja Tower - 1, District centre, Janak Puri, New Delhi - 110058 be and are hereby reappointed as statutory auditors of the company to hold office from the conclusion of ensuing Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors of the Company."

Place : New Delhi  
Date : 03-09-2011

For and on behalf of the Board of Directors  
Sd/-  
**(B.R. Gupta)**  
Chairman-Cum-Managing Director



**Notes:**

- a.) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY, A BLANK FORM OF PROXY IS ENCLOSED HERewith AND IF INTENDED TO BE USED, IT SHOULD BE RETURNED, DULY FILLED IN, TO THE REGISTERED/CORPORATE OFFICE OF THE COMPANY NOT LESS THAN FOURTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.**
- b.) The Register of Members and Share Transfer Book of the Company will remain closed from Saturday, the 24<sup>th</sup> September, 2011 to Friday, the 30<sup>th</sup> September, 2011 (both days inclusive).
- c.) Shareholders are requested to intimate the change of address, if any, to the Company's Registrar & Transfer Agent M/s. RCMC Share Registry Private Limited, B-106, Sector-2, Noida – 201301 (U.P.)
- d.) Members /Proxies should bring the attendance slip enclosed herewith duly filled in for attending the meeting. Members, who hold shares in dematerialized form are requested to bring their Client ID and DP ID Number for easy identification of attending at the meeting.
- e.) Shareholders seeking any information or having any query with regard to accounts are requested to write to the Company at least seven days before the date of the meeting, so as to enable the management to keep the information ready.
- f.) Members are requested to bring their copies of Annual Reports with them to the meeting, as extra copies of the Annual Reports will not be available for distribution at the meeting.

Place : New Delhi  
Date : 03-09-2011

For and on behalf of the Board of Directors  
Sd/-  
**(B.R. Gupta)**  
Chairman-Cum-Managing Director

**DIRECTORS' REPORT**

Dear Shareholders,

The Directors of your Company have pleasure in presenting to you the Twenty Sixth Annual Report on the business & operations of the company and Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2011 along with the Auditor's Report thereon.

**FINANCIAL RESULTS**

The Financial Results of the Company for the year ended 31<sup>st</sup> March 2011 are as follows:

<b>Particulars</b>	<b>(Rs. in Lakh)</b>	
	<b>Year ended 31.03.2011</b>	<b>Year ended 31.03.2010</b>
Gross Sales	1613.05	125.65
Profit before Depreciation & Interest	45.79	12.06
Interest	4.26	0.10
Depreciation	0.32	0.18
Profit/(Loss) before Tax	41.21	11.78
Excess Provision for Income Tax of previous year written back	-	-
Provision for Gratuity	6.36	0.33
Provision for Leave Encashment	4.09	-
Provision for Income Tax	6.38	0.82
Provision for Deferred Tax	13.48	(37.22)
Net Profit/(Loss) after Tax	21.35	48.18
Profit/Loss brought forward	(117.39)	(165.57)
Amount Available for Appropriation	(96.04)	(117.39)
<b>Appropriations</b>		
Transfer to General Reserve	-	-
Balance carried to Balance Sheet	(96.04)	(117.39)

**OPERATIONS AND PERFORMANCE**

During the year 2010-11, your Company's total sales and other income were Rs. 1613.05 Lacs and it earned profit of Rs. 41.21 Lacs in contrast to previous year's sales of Rs. 125.65 Lacs where it earned profits of Rs. 12.06 Lacs. It is apparent from the financials shown above that the sale of the Company has been increased by more than 1200 % and the net profit has also increased by more than 300 % in comparison with the previous year's results. As the performance of the company in the first two quarters of the current year is on the higher side, we are expecting better results in the future.

**FUTURE PROSPECTS:**

The Company is into aggressive marketing activities as a result of which the Company is showing better results from the past years. The Company has registered its products in international markets and has expanded its presence, as a result of which the export sale was of Rs. 70.87 Lacs during the year under report. Presently, the Company is also acting as consignee agent for the supplies to Government Hospitals and institutions. The Company is also planning to expand its business operations in the other states of territory of India, currently in which the company is not in operation.

**DIVIDEND**

Your Directors regret their inability to recommend any dividend for the year 2010-2011 to cover up the losses of the past years.

**CHANGE OF NAME OF THE COMPANY**

The name of the Company has been changed from Brawn Pharmaceuticals Limited to **Brawn Biotech Limited** w.e.f. 18.11.2010.

**DIRECTORS**

Mr. Manohar Lai and Mr. Bal Kishan Sharma retires by rotation and being eligible offers themselves for re-appointment. Directors recommend their re-appointment.

**AUDITORS**

The Statutory Auditors, M/s Satinder Saini & Co., Chartered Accountants, New Delhi retires at the forthcoming Annual General Meeting and offers themselves for re-appointment as the Auditors' of the company.

As required under Section 224 (1B) of the Companies Act, 1956, the company has obtained from them a confirmation to the effect that their appointment, if made, would be in conformity with the limits prescribed in the said section.

**AUDITORS' REPORT**

Observations to the Auditors when read together with the relevant notes to the accounts and accounting policies are self-explanatory.

**DEVELOPMENT**

One of the main objectives of the company in the current financial year is to improve and develop good export market.

**DIRECTORS' RESPONSIBILITY STATEMENT**

The Board of Directors of your Company state:

- (a) That in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- (b) That the Directors had selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) That the Directors had prepared the annual accounts for the year ended 31<sup>st</sup> March 2011 on a going concern basis.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

Particulars in respect of conservation of energy, technology absorption and other particulars required under Section 217 (1)(e) of The Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 is enclosed as Annexure 'A' and forms part of this report.

**CORPORATE GOVERNANCE**

Your Company believes in conducting the business with due compliance of all the applicable laws, rules and regulations. The Company has duly implemented the system of corporate governance as per the requirements of the Listing Agreement. Detail report appears in the Annexure forming part of this report.

**EMPLOYEES RELATION**

Your Directors wish to express their sincere appreciation of the efficient services rendered by the employees at all levels throughout the company.



**PETICULARS OF EMPLOYEES**

None of the Employee of the Company has received remuneration above the limits as prescribed in Sub-section 2A of Section 217 of the Companies Act, 1956 read with Companies (Particular of Employees) Rules, 1975.

**FIXED DEPOSIT**

The Company has not accepted any fixed deposit from the public during the year under review.

**ACKNOWLEDGEMENT**

Your Directors wish to place on record their gratitude to the Government Authorities, Company's Bankers, Dealers, Customers and its Business Associates for their valued support extended to the company.

Place : New Delhi  
Date : 03-09-2011

For and on behalf of the Board of Directors  
Sd/-  
**(B.R. Gupta)**  
Chairman-Cum-Managing Director

**ANNEXURE TO THE DIRECTORS' REPORT****STATEMENT OF PARTICULARS UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988**

- (A) Conservation of Energy
- (i) Energy Conservation Measure taken
- (ii) 1) Preventive maintenance of equipment to seal energy wastages. N.A.
- 2) Regular day to day monitoring of energy Consumption items. N.A.
- (iii) Total and per unit energy consumption  
The figure-A (see Rule-A)  
Form-A (see Rule-2)  
Power and fuel consumption N.A.
- (B) Technology absorption N.A.
- (C) Expenditure on R&D N.A.
- (D) Foreign Exchange earnings Rs. 70.87 Lac

*(Rs. In Lacs)*

		Year ended 31 <sup>st</sup> March 2011	Year ended 31 <sup>st</sup> March 2010
a)	Total foreign Exchange earned	70.87	58.72
b)	Total foreign Exchange used on Import of raw materials, spare parts and capital goods	-	-
c)	Expenditure in Foreign Currencies for travels, subscription, consumables stores, goods for resale, commission on export sales etc.	-	-
d)	Remittance during the year in foreign currency on account of dividend.	-	-

Place : New Delhi  
Date : 03-09-2011

For and on behalf of the Board of Directors  
Sd/-  
**(B.R. Gupta)**  
Chairman-Cum-Managing Director





## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### OUTLOOK

The pharmaceutical industry is core to the Indian economy, a battle ground of major global majors in the pharmaceutical sectors. The industry is increasingly responding to the need to reduce various vulnerable diseases and enhance safety through vast development of life savings drugs and medicines. Its growth is being catalysed by a significant gap between demand and supply. As a result, with increasing competition, consumer preference will become paramount and product differentiation is expected to play a major role in success.

### FINANCIAL AND OPERATIONAL PERFORMANCE

The same has been discussed in the Board of Directors' Report.

### HUMAN RESOURCES

Adequate facilities and opportunities are also being provided to the staffs to update themselves in the fast changing era of technologies.

### COMPANY PERFORMANCE

The company could not leverage its rich technological and marketing strengths to its full capacity during the period under review due to various constraints. Even in this challenging situation the Company strives to regain its lost vigour and vitality.

### INTERNAL CONTROL & ADEQUACY

Your company has a proper and adequate system of internal control. Your company also ensures that transactions are authorized, recorded and reported correctly.

### PROSPECTS

In the wake of the ongoing economic reforms, the company is expected to make a strong showing through its current emphasis on high value added jobs, which would require considerable reinforcement in the areas of pharmaceuticals and image building as a reliable supplier with quality assurance.

### CAUTIONARY NOTE

The MD&A, detailing the Company's objectives, projections, estimates and expectations, may contain 'forward looking statements' within the meaning of applicable laws and regulations. These statements are based on certain assumptions and expectations of future events. The actual results may differ substantially or materially from those expressed or implied. The company assumes no responsibility to publicly amend, modify or revise any forward working statements, on the basis of any subsequent developments, information or events.

## REPORT ON CORPORATE GOVERNANCE

The Company continues to implement the code of Corporate Governance during the year under reference in terms of clause 49 of the Listing Agreement with Stock Exchanges.

### 1. BRIEF NOTE ON COMPANY'S PHILOSOPHY

Corporate Governance primarily involves transparency, full disclosure, independent monitoring of the state of affairs and being fair to all stakeholders. A good Corporate Governance lead to long term shareholders value and enhances interest of other stakeholders. It brings in to focus the fiduciary and trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value.

The Company has always believed in good Corporate Governance and Standard Corporate Practice. The company has always remained prompt and regular in discharging its statutory obligations and duties.



The Board of Directors has constituted various committees such as Audit Committee, Remuneration Committee and Shareholders'/investors' Grievances Committee. The meetings of the Board and Committees thereof have been held as frequently as required for proper and effective control over the affairs of the Company. All the directors, attending the Board and Committee Meetings, actively participate in the proceedings.

**2. BOARD OF DIRECTORS**

The Board of Directors comprises one Chairman-cum-Managing Director, two Non Executive Promoter Director and three Non Executive Independent Directors.

During the year, 13 Board Meetings were held.

The particulars regarding composition of the Board of Directors, particulars of Directors, other directorship of other public limited Companies and their attendance in the Meetings held during the year under review are given hereunder:

Name of the Directors & Category of Directorship		Directorship in other public limited companies		Committees Membership held in Other public Companies		No. of Board Meetings during the year		Attended Last AGM	No. of share held in the company
		Total	As Chairman	Total	Chairman	Held	Attended		
B.R. Gupta	Chairman & M.D	1	NIL	NIL	NIL	13	13	Yes	3,77,650
Brij Bala Gupta	Non-Executive Promoter Director	1	NIL	NIL	NIL	13	13	No	89,600
Urmila Gupta	Non-Executive Director	1	NIL	NIL	NIL	13	0	No	NIL
Manohar Lal	Non-Executive Independent Director	NIL	NIL	NIL	NIL	13	13	Yes	NIL
Mahesh Kumar Nanchal	Non-Executive Independent Director	NIL	NIL	NIL	NIL	13	13	Yes	3,100
Bal Kishan Sharma	Non-Executive Independent Director	NIL	NIL	NIL	NIL	13	13	Yes	NIL

**1. COMMITTEE OF THE BOARD**

The Board of Directors have constituted the following Committees with adequate delegation of powers.

**A. Audit Committee**

Composition of Audit Committee meets all the criteria as prescribed by law. The committee comprises of three Directors, who are Non Executive & Independent. It met four times during the year 2010-11 on 10<sup>th</sup> May, 2010; 12<sup>th</sup> August, 2010, 10<sup>th</sup> November, 2010 and 14<sup>th</sup> February, 2011.



The details of the meeting of Audit Committee attended by the members are as under:-

Members of Audit Committee	Category	Meetings held	Meetings attended
Mr. Manohar Lal	Chairman	4	4
Mr. Mahesh Kumar Nanchal	Member	4	4
Mr. Bal Kishan Sharma	Member	4	4

#### B. Share Transfer & Shareholders/Investors' Grievance Committee

The Share Transfer & Shareholders/Investors' Grievance Committee of the Company looks into the matters like transfer/transmission, issuance of duplicate shares, non-receipt of Annual Reports and declare dividend etc. and investigate the investor's complaints and take necessary steps for redressal thereof.

The details of the meeting of Share Transfer & Shareholders/Investors' Grievance Committee attended by the members are as under:-

Members	Category	Meetings held	Meetings attended
Mr. Manohar Lal	Chairman	20	20
Mr. Mahesh Kumar Nanchal	Member	20	20
Mr. Bal Kishan Sharma	Member	20	20

#### C. Remuneration Committee

Remuneration Committee of the Board of Directors recommends/reviews the remuneration package of Managing Director & Whole Time Directors. The Remuneration Committee comprises of following Directors.

Members	Category
Mr. Manohar Lal	Chairman
Mr. Mahesh Kumar Nanchal	Member
Mr. Bal Kishan Sharma	Member

#### 1. General Body Meeting

(i) Location and time where last three AGMs were held:

Year	Date	Location	Time
2009-10	28 <sup>th</sup> September, 2010	Executive Club, 439, Vill -Shahoorpur, P.O., Fatehpur Beri, N.D-110074	9.30 a.m.
2008-09	26 <sup>th</sup> September, 2009	Executive Club, 439, Vill -Shahoorpur, P.O., Fatehpur Beri, N.D-110074	9.30 a.m.
2007-08	29 <sup>th</sup> September, 2008	Executive Club, 439, Vill -Shahoorpur, P.O., Fatehpur Beri, N.D-110074	9.30 a.m.

(ii) Special resolutions passed in the previous 3 AGMs :

28.09.2010: Special resolution for change of name of the Company from Brawn Pharmaceuticals Limited to Brawn Biotech Limited has been passed.

(iii) No Special resolution is proposed to be conducted through Postal Ballot.

**2. Means of Communication**

1. Quarterly Results: Dissemination through publication in newspaper as required under Listing Agreement.
2. Newspapers wherein results normally published –Business Standards (in Hindi) and Business Standards (in English)
3. The financial results and official news releases are also available on the company's website at [www.brawnpharma.com](http://www.brawnpharma.com)

**3. GENERAL SHAREHOLDERS INFORMATION****(i) Details of Forthcoming Annual General Meeting**

Date 30<sup>th</sup> September, 2011  
 Time 04.00 P.M.  
 Venue The Executive Club", 439, Vill – Shahoopur,  
 P.O. – Fatehpur Beri, New Delhi-110074

Financial year	The financial year of the company is for a period of 12 months from 1 <sup>st</sup> April to 31 <sup>st</sup> March every year.
Date of Book Closure	24-09-2011 to 30-09-2011
Listing on Stock Exchanges	Bombay Stock Exchange Limited; Delhi Stock Exchange Limited
Financial Calendar (Tentative)	1. Results for the Quarter ending June'11 - mid of Aug' 11 2. Results for the Quarter ending Sep'11 - mid of Nov' 11 3. Results for the Quarter ending Dec'11 - mid of Feb' 12 4. Results for the Quarter ending Mar'12- mid of May' 12
Registrar and Share Transfer Agent	M/s. RCMC Share Registry Private Limited B-106, Sector-2, Noida,-201301 (U.P.)
Dematerialisation of Shares	11,40,547 shares i.e. 38.01% (As on 31.03.2011)
Address for Correspondence	4/4B, Asaf Ali Road, Old Delhi Stock Exchange Building, New Delhi-110002, Phone: 32911528, 32911529, Fax: 011 -23275208

**(ii) Distribution of Shareholding as on 30.06.2011**

Shareholding of value of Rs.	Shareholders		Share holdings		
	Number	% to total	Shares	Amount	% to total
UPTO TO 5000	6282	93.34	776272	7762720.00	25.87
5001 TO 10000	203	3.02	171739	1717390.00	5.72
10001 TO 20000	131	1.95	217911	2179110.00	7.26
20001 TO 30000	49	0.73	129995	1299950.00	4.33
30001 TO 40000	13	0.19	45838	458380.00	1.53
40001 TO 50000	12	0.18	55839	558390.00	1.86
50001 TO 100000	15	0.22	105298	1052980.00	3.51
100001 and Above	25	0.37	1497408	14974080.00	49.91
<b>** G Total</b>	<b>6730</b>	<b>100.00</b>	<b>3000300</b>	<b>30003000.00</b>	<b>100.00</b>



Category code (I)	Category of shareholder (II)	Number of shareholders (III)	Total Number of Shares (IV)	Number of shares held in dematerialized form (V)	Total Shareholding as a percentage of total no. of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	No. of shares (VIII)	As a percentage (IX)=(VIII)/(IV)*100
<b>(A)</b>	<b>Shareholding of promoter and promoter Group</b>							
<b>(1)</b>	<b>Indian</b>							
(a)	INDIVIDUALS/HUF	33	12,68,850	1,12,650	42.29	42.29	0	0.00
(b)	CENTRAL GOVERNMENT/STATE GOVERNMENT	0	0	0	0.00	0.00	0	0.00
(c)	BODIES CORPORATE	1	68,100	0	2.27	2.27	0	0.00
(d)	FINANCIAL INSTITUTIONS/BANKS	0	0	0	0.00	0.00	0	0.00
(e)	ANY OTHER (SPECIFY)- DIRECTORS & RELATIVES	0	0	0	0.00	0.00	0	0.00
	Sub-Total (A) (1)	34	13,36,950	1,12,650	44.56	44.56	0	0.00
<b>(2)</b>	<b>Foreign</b>							
(a)	INDIVIDUALS(NRI)/FOREIGN INDIVIDUALS	0	0	0	0.00	0.00	0	0.00
(b)	BODIES CORPORATE	0	0	0	0.00	0.00	0	0.00
(c)	INSTITUTIONS	0	0	0	0.00	0.00	0	0.00
(d)	ANY OTHER (SPECIFY)	0	0	0	0.00	0.00	0	0.00
	Sub-Total (A) (2)	0	0	0	0.00	0.00	0	0.00
	Total (A)	34	13,36,950	1,12,650	44.56	44.56	0	0.00
<b>(B)</b>	<b>Public shareholding</b>							
<b>(1)</b>	<b>Institutions</b>							
(a)	MUTUAL FUNDS/UTI	5	17,800	0	0.59	0.59	0	0.00
(b)	FINANCIAL INSTITUTIONS/BANKS	0	0	0	0.00	0.00	0	0.00
(c)	CENTRAL GOVERNMENT/STATE GOVERNMENT	0	0	0	0.00	0.00	0	0.00
(d)	VENTURE CAPITAL FUND	0	0	0	0.00	0.00	0	0.00
(e)	INSURANCE COMPANIES	0	0	0	0.00	0.00	0	0.00
(f)	FOREIGN INSTITUTIONAL INVESTORS	0	0	0	0.00	0.00	0	0.00
(g)	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0.00	0	0.00
(h)	ANY OTHER SPECIFY	0	0	0	0.00	0.00	0	0.00
	Sub-Total (B) (1)	5	17,800	0	0.59	0.59	0	0.00
<b>(2)</b>	<b>Non-institutions</b>							
(a)	BODIES CORPORATE	78	1,19,071	1,15,371	3.97	3.97	0	0.00
(b)	i) INDIVIDUALS -HOLD UPTO 1 LAKH (NOM VALUE)	6544	12,83,912	7,98,859	42.79	42.79	0	0.00
	ii) INDIVIDUALS -HOLD ABOVE 1 LAKH (NOM VALUE)	6	1,42,645	72,845	4.75	4.75	0	0.00
(c)	ANY OTHER (SPECIFY)- A) CLEARNG MEMBERS	14	8,376	8,376	0.28	0.28	0	0.00
	B) NON-RESIDENTS	49	91,546	35,346	3.05	3.05	0	0.00
	C) TRUST	0	0	0	0.00	0.00	0	0.00
	Sub-Total (B) (2)	6691	16,45,550	10,30,797	54.84	54.84	0	0.00
	Total (B)	6696	16,63,350	10,30,797	55.43	55.43	0	0.00



Category code	Category of shareholder	Number of shareholders	Total Number of Shares	Number of shares held in dematerialized form	Total Shareholding as a percentage of total no. of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	No. of shares (VIII)	As a percentage (IX)=(VIII)/(IV)*100
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
(C)	<b>Shares held by Custodians and against which</b>							
	<b>Depository Receipts have been issued</b>							
	SHARES HELD BY CUSTODIANS	0	0	0	0.00	0.00	0	0.00
	Sub-Total (C)	0	0	0	0.00	0.00	0	0.00
	Total (C)	0	0	0	0.00	0.00	0	0.00
	Grand-Total	6730	30,00,300	11,43,447	100.00	100.00	0	0.00

**Code of Conduct**

As required by clause 49 I (D) of the Listing Agreement, the Company has formulated a Code of Conduct for all Directors and Senior Management of the Company and the same has been adopted by the Board. The Code is also available on the Company's official website. All the Directors and Senior Management Personnel have affirmed compliance with the said Code of Conduct.

**CEO/CFO Certification**

The Company is duly placing a certificate to the Board from the Chairman and Managing Director in accordance with the provisions of clause 49 (V) of the Listing Agreement. The aforesaid certificate duly signed by the Chairman and Managing Director in respect of the financial year ended 31<sup>st</sup> March`11 has been placed before the board in the meeting held on 31<sup>st</sup> May, 2011.

**Declaration**

The Board of Directors of the Company has adopted the Code of Conduct for Director and Senior Management of the Company.

All the Board Members and Senior Management Personnel have affirmed their Compliance with the respective Codes.

**Brij Raj Gupta**  
Chairman & Managing Director



**CERTIFICATE OF COMPLIANCE FROM A PRACTISING CHARTERED ACCOUNTANT STIPULATED UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To  
The Members of  
Brawn Biotech Limited  
(Formerly Brawn Pharmaceuticals Limited)

We have examined the compliance of conditions of Corporate Governance by Brawn Biotech Limited (Formerly Brawn Pharmaceuticals Limited) for the year ended on 31<sup>st</sup> March, 2011, as stipulated in Clause 49 by the Listing Agreement of the said Company with the Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

We state that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2011, no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness, which the management has conducted the affairs of the company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the directors and management, we certify that Company has generally complied with the condition of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

Place : New Delhi  
Date : 03.09.2011

**For Satinder Saini & Co**  
**Chartered Accountants**  
Registration No. 008834N  
Sd/-  
**(S.K.Saini)**  
Proprietor  
M.No. 87357

**AUDITORS' REPORT**

To the Members of  
**M/s Brawn Biotech Limited**

1. We have audited the attached Balance Sheet of M/s Brawn Biotech Limited (Formerly Known as Brawn Pharmaceuticals Limited) as at March 31, 2011 and also the Profit and Loss account and the cash flow statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above and subject to Note No. 2(E) of Schedule 13, we report that:
  - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - ii. In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
  - iii. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - iv. In our opinion, the Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub - Section (3C) of Section 211 of the Companies Act, 1956.
  - v. On the basis of the written representations received from the Directors, as on March 31, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.
  - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
    - a) in the case of the Balance Sheet, of the state of affairs of Company as at March 31, 2011;
    - b) in the case of the Profit and Loss Account, of the profit earned for the year ended on that date; and
    - c) in the case of Cash Flow Statement, of the cash Flow for the year ended on that date.

Place : New Delhi  
Date : 03.09.2011

**For Satinder Saini & Co**  
**Chartered Accountants**  
Registration No. 008834N  
Sd/-  
**(S.K.Saini)**  
Proprietor  
M.No. 87357



**Annexure referred to in paragraph [4] of our report of even date**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of the information made available.
- (ii) (a) As explained to us, inventories have been physically verified by the management in accordance with perpetual inventory program at regular intervals during the year which in our opinion is reasonable.  
(b) The procedures of physical verification of inventory followed by management are, in our opinion reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) The company has maintained proper record of inventory. As explained to us the discrepancies noticed on verification between the physical stock and the book records were not material.
- (iii) (a) As informed to us, the Company has not taken/granted loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under Section 301 of the Company's Act, 1956. Consequently the requirements of clauses (iii) (f) and (iii) (g) of paragraph 4 of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- (v) (a) According to the information and explanations given to us there is no contract or arrangement referred to in Section 301 of the Act, which are required to be entered in the register maintained under the said Section.  
(b) Accordingly, the provision of the clause v (b) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- (vi) According to the information and explanation given to us the company has not accepted any deposits from the public during the year. Therefore the provisions of clause (vi) of paragraph 4 of the order are not applicable to the company.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub section (1) of Section 209 of the Companies Act, 1956 for the products of the Company.
- (ix) According to the company records, the company is regular in depositing with appropriate authorities undisputed statutory dues including, Income Tax, Sales Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty, Cess & other material statutory dues applicable to it. There is no outstanding with respect to undisputed dues as of the last of the financial year concerned for a period of more than six months from the date they became payable.



- (x) The company has accumulated losses at the end of the financial year aggregating to Rs. 96.04Lac. The company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- (xi) Based on our audit procedures and according to the explanation given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, banks. The company has not issued any debentures.
- (xii) According to the information and explanations given to us, and based on the documents and records produced to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Accordingly the provision of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) The company does not deal or trade in shares, securities, debentures and other investments.
- (xv) Based on the information and explanations given to us by management, the company has not given the guarantees for loans by others from the banks & financial institutions.
- (xvi) The company has not raised any term loan during the year.
- (xvii) According to the information and explanations given to us, and on overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any secured debentures.
- (xx) The Company has not raised any money through public issue during the year.

Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during year.

Place : New Delhi  
Date : 03.09.2011

**For Satinder Saini & Co**  
**Chartered Accountants**  
Registration No. 008834N

Sd/-  
**(S.K.Saini)**  
Proprietor  
M.No. 87357



**BALANCE SHEET AS AT 31ST MARCH, 2011**

PARTICULARS	SCHEDULE	RUPEES 31.03.11	RUPEES 31.03.10
<b>I) SOURCE OF FUNDS</b>			
<b>SHARE HOLDERS' FUNDS</b>			
(A) Share Capital	1	30,003,000.00	30,003,000.00
(B) Reserves & Surplus	2	21,195,500.00	21,195,500.00
(C) Unsecured loan		3,000,000.00	-
<b>Total</b>		<b>54,198,500.00</b>	<b>51,198,500.00</b>
<b>II) APPLICATION OF FUNDS</b>			
<b>1 FIXED ASSETS</b>	3		
Gross Block		328,825.00	126,300.00
Less: Accumulated Depreciation		59,263.15	27,137.00
Net Block		<u>269,561.85</u>	<u>99,163.00</u>
<b>2 INVESTMENTS</b>	4	300,000.00	300,000.00
<b>3 CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
(A) Sundry Debtors	5	61,678,135.86	32,011,112.84
(B) Cash & Bank Balances	6	1,573,642.96	277,254.03
(C) Loans & Advances	7	4,960,750.26	593,151.39
(D) Inventory		23,927,163.00	-
		<u>92,139,692.08</u>	<u>32,881,518.26</u>
LESS: CURRENT LIABILITIES & PROVISIONS	8	54,595,747.56	1,683,262.53
NET CURRENT ASSETS		<u>41,650,707.52</u>	<u>35,338,255.74</u>
PROFIT AND LOSS ACCOUNT	9	9,604,157.45	11,738,697.27
DEFERRED TAX ASSETS		2,374,073.18	3,722,384.00
<b>Total</b>		<b>54,198,500.00</b>	<b>51,198,500.00</b>

NOTES TO ACCOUNTS ANNEXED

13

AS PER OUR REPORT OF EVEN DATE ATTACHED

For and on behalf of the board of Directors

**For Satinder Saini & Company**

Chartered Accountants  
Firm Regn No. 008834N

Sd/-  
**(S. K. Saini)**  
Proprietor  
M.No. 87357

Sd/-  
**(B.R.Gupta)**  
Managing Director

Sd/-  
**(Brij Bala Gupta)**  
Director

Sd/-  
**(Amit Bansal)**  
Company Secretary

Place: New Delhi

Date : 03.09.2011

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

<b>PARTICULARS</b>	<b>SCHEDULE</b>	<b>RUPEES 31.03.11</b>	<b>RUPEES 31.03.10</b>
<b>INCOME</b>			
Sales		161,173,858.06	9,535,338.24
Other Income		130,667.00	3,029,473.46
<b>Total</b>		<b>161,304,525.06</b>	<b>12,564,811.70</b>
<b>EXPENDITURE</b>			
Cost of Goods Sold	10	86,594,585.44	8,162,646.45
Salaries & Other benefits	11	37,108,034.00	1,846,250.00
Other Expenses	12	33,448,787.67	1,360,133.95
Depreciation	3	32,126.15	18,121.00
<b>Total</b>		<b>157,183,533.26</b>	<b>11,387,151.40</b>
<b>Profit/Loss before Taxation</b>		4,120,991.80	1,177,660.30
Provision for Income Tax		638,141.16	82,018.05
Add: Written back of Deferred Tax Assets		(1,348,310.82)	3,722,384.00
<b>Profit after Tax</b>		<b>2,134,539.82</b>	<b>4,818,026.25</b>
Add: Balance brought forward from Previous Year		(11,738,697.27)	(16,556,723.52)
<b>Amount Available for Appropriation</b>		<b>(9,604,157.45)</b>	<b>(11,738,697.27)</b>
<b>APPROPRIATION</b>			
Transfer to General Reserve		-	-
Transfer to Balance Sheet		(9,604,157.45)	(11,738,697.27)
<b>Earning Per Share</b>		1.16	0.37

**NOTES TO ACCOUNTS ANNEXED**

13

AS PER OUR REPORT OF EVEN DATE ATTACHED

For and on behalf of the board of Directors

**For Satinder Saini & Company**Chartered Accountants  
Firm Regn No. 008834NSd/-  
**(S. K. Saini)**  
Proprietor  
M.No. 87357Sd/-  
**(B.R.Gupta)**  
Managing DirectorSd/-  
**(Brij Bala Gupta)**  
DirectorSd/-  
**(Amit Bansal)**  
Company Secretary

Place: New Delhi

Date : 03.09.2011



**SCHEDULE - 1**

**SHARE CAPITAL**

	RUPEES 31.03.11	RUPEES 31.03.10
AUTHORISED 45,00,000 EQUITY SHARE OF RS 10 EACH	45,000,000.00	45,000,000.00
ISSUED, SUBSCRIBED & PAID UP 30,00,300 EQUITY SHARE'S OF RS 10 EACH FULLY PAID UP	30,003,000.00	30,003,000.00
<b>TOTAL</b>	<b>30,003,000.00</b>	<b>30,003,000.00</b>

**SCHEDULE - 2**

**RESERVES & SURPLUSES**

	RUPEES 31.03.11	RUPEES 31.03.10
SHARE PREMIUM ACCOUNT 3,60,000 Equity Shares of Rs 10/- each issued At a premium of Rs 15/- each 19,60,300 Equity Shares of Rs 10/- each issued At a premium of Rs 5/- each	15,201,500.00	15,201,500.00
INVESTMENT ALLOWANCE RESERVE	150,000.00	150,000.00
GENERAL RESERVE	5,844,000.00	5,844,000.00
<b>TOTAL</b>	<b>21,195,500.00</b>	<b>21,195,500.00</b>

**SCHEDULE-3**

**FIXED ASSETS SCHEDULE AS PER SCHEDULE XIV OF COMPANIES ACT 1956**

PARTICULARS	GROSS BLOCK ON 1.04.2010	RATE OF DEP	ADDITIONS	DEDUCTIONS	TOTAL	DEPRECIATION UP TO 31.03.2010	DEDUCTIONS FOR THE YEAR 2010-11	TOTAL	NET BLOCK	NET BLOCK
								57,185.30	AS ON 31.03.2011	AS ON 31.03.2010
COMPUTER	126,300.00	16.21	150,625.00	-	276,925.00	27,137.00	-	30,048.30	219,739.70	99,163.00
AIR CONDITIONERS & REFRIGERATION	-	6.33	27,000.00	-	27,000.00	-	-	1,217.44	25,782.56	-
MOBILE / TELEPHONE INSTRUMENTS	-	6.33	4,000.00	-	4,000.00	-	-	201.40	4,698.60	-
OFFICE EQUIPMENT	-	6.33	20,000.00	-	20,000.00	-	-	659.01	19,340.99	-
<b>TOTAL</b>	<b>126,300.00</b>		<b>202,525.00</b>	<b>-</b>	<b>328,825.00</b>	<b>27,137.00</b>	<b>-</b>	<b>32,126.15</b>	<b>269,561.85</b>	<b>99,163.00</b>

**SCHEDULE - 4****INVESTMENTS****LONG TERM INVESTMENTS**

(OTHER THAN TRADE)

UNQUOTED (A Company under the same Management)

30,000 EQUITY SHARES OF RS 10 EACH

M/S BRAWN LABORATORIES LTD, FULLY PAID UP

(Market Price not ascertainable)

**TOTAL**

<b>RUPEES</b>	<b>RUPEES</b>
<b>31.03.11</b>	<b>31.03.10</b>
300,000.00	300,000.00
<b>300,000.00</b>	<b>300,000.00</b>

**SCHEDULE - 5****SUNDRY DEBTORS**A) DEBTORS OUTSTANDING FOR A  
PERIOD EXCEEDING SIX MONTHS

B) OTHER DEBTORS

**TOTAL**

<b>RUPEES</b>	<b>RUPEES</b>
<b>31.03.11</b>	<b>31.03.10</b>
27,020,654.73	27,040,303.63
34,657,481.13	4,970,809.21
<b>61,678,135.86</b>	<b>32,011,112.84</b>

**SCHEDULE - 6****CASH & BANK BALANCES**

CASH IN HAND

BALANCE IN CURRENT ACCOUNTS

**TOTAL****SCHEDULE - 7****LOANS & ADVANCES**

DEPB RECOVERABLE

(ADVANCES RECOVERABLE IN CASH OR IN KIND  
OR FOR VALUE TO BE RECEIVED)

SECURITY DEPOSITS

OTHER DEPOSITS

TAX DEDUCTED AT SOURCE

PRE-PAID EXPENSES

STAFF IMPREST / ADVANCES

**TOTAL**

<b>RUPEES</b>	<b>RUPEES</b>
<b>31.03.11</b>	<b>31.03.10</b>
75,937.96	208,463.96
1,497,705.00	68,790.07
<b>1,573,642.96</b>	<b>277,254.03</b>
<b>RUPEES</b>	<b>RUPEES</b>
<b>31.03.11</b>	<b>31.03.10</b>
4,140,000.00	4,140,000.00
313,602.00	313,602.00
154,808.19	121,341.32
155,776.07	155,708.07
85,352.00	2,500.00
4,251,212.00	-
<b>4,960,750.26</b>	<b>593,151.39</b>

**SCHEDULE - 8**

	<u>RUPEES</u>	<u>RUPEES</u>
	<u>31.03.11</u>	<u>31.03.10</u>
<b><u>CURRENT LIABILITIES &amp; PROVISIONS</u></b>		
SUNDRY CREDITORS & EXPENSES PAYABLE	40,939,757.06	1,157,629.10
ADVANCE FROM CUSTOMERS	10,163,881.29	-
STATUTORY LIABILITIES PAYABLE	1,648,939.00	410,378.38
PROVISION FOR INCOME TAX	798,159.21	82,018.05
PROVISION FOR GRATUITY	635,938.00	33,237.00
PROVISION FOR LEAVE ENCASHMENT	409,073.00	-
<b>TOTAL</b>	<b><u>54,595,747.56</u></b>	<b><u>1,683,262.53</u></b>

**SCHEDULE - 9**

	<u>RUPEES</u>	<u>RUPEES</u>
	<u>31.03.11</u>	<u>31.03.10</u>
<b><u>MISCELLANEOUS EXPENDITURE</u></b>		
(TO THE EXTENT NOT WRITTEN OFF OR ADJ)		
<b><u>PROFIT &amp; LOSS ACCOUNT</u></b>		
OPENING BALANCE	11,738,697.27	16,556,723.52
LESS: CURRENT YEAR PROFIT & LOSS ACCOUNT	2,134,539.82	4,818,026.26
<b>BALANCE CARRIED FORWARD</b>	<b><u>9,604,157.45</u></b>	<b><u>11,738,697.27</u></b>

**SCHEDULE - 10**

	<u>RUPEES</u>	<u>RUPEES</u>
	<u>31.03.11</u>	<u>31.03.10</u>
<b><u>PURCHASE / COST OF GOODS SOLD</u></b>		
OPENING STOCK	-	-
PURCHASES	110,521,748.44	8,162,646.45
SUB TOTAL	110,521,748.44	8,162,646.45
LESS CLOSING STOCK	23,927,163.00	-
<b>COST OF GOODS SOLD</b>	<b><u>86,594,585.44</u></b>	<b><u>8,162,646.45</u></b>

**SCHEDULE - 11**

	<u>RUPEES</u>	<u>RUPEES</u>
	<u>31.03.11</u>	<u>31.03.10</u>
<b><u>PERSONNEL EXPENSES</u></b>		
SALARY & WAGES	13,493,769.00	766,929.00
BONUS	1,108,444.00	63,900.00
GRATUITY	635,938.00	7,979.00
LEAVE ENCASHMENT	415,004.00	-
OTHER ALLOWANCES	21,454,879.00	1,007,442.00
<b>TOTAL</b>	<b><u>37,108,034.00</u></b>	<b><u>1,846,250.00</u></b>

**SCHEDULE - 12****OTHER EXPENSES****( SELLING & ADMINISTRATIVE EXPENSES)**

	<b>RUPEES</b>	<b>RUPEES</b>
	<b>31.03.11</b>	<b>31.03.10</b>
ADDITIONAL DEMAND P.F	-	379,824.00
ADVERTISEMENT EXPENSES	863,092.00	29,733.00
AGM EXPENSES	9,706.00	8,824.00
AUDIT FEES	60,665.00	44,120.00
BREAKAGE & EXPIRY	1,280,739.91	-
BUSINESS PROMOTON EXPENSES	3,227,684.00	-
COMMISSION PAID	4,990,843.06	-
COMPUTER MAINTAINENCE	126,565.00	-
CONVEYANCE EXPENSES	93606.00	4,782.00
DIRECTORS SITTING FEES	-	13,650.00
DISCOUNT EXPENSES	1,753,546.79	-
FREIGHT & CARTAGE	2,900,399.00	281,814.00
INSURANCE EXPENSE	45,789.00	-
GENERAL EXPENSES	271,445.00	-
INPUT VAT REVERSE	1,292,600.12	-
INTEREST & BANK CHARGES	425,934.33	10,193.33
LEGAL & PROFESSIONAL FEES	225,508.00	244,515.00
LISTING & FILING FEE	44,120.00	31,765.00
MEMBERSHIP FEES	16,493.00	2,500.00
OFFICE EXP.	128,342.00	1,720.00
OTHER EXPENSES	752,277.46	22.62
POSTAGE,AND COMMUNICATION EXPENSES	613,618.00	38,381.00
PRINTING & STATIONERY	368,807.00	33,172.00
OCTROI EXPENSES	147,160.00	-
REPAIR & MAINTAINENCE	43,987.00	-
REGISTRATION & LICENCE FEES	171,470.00	3,750.00
RENT	948,576.00	180,000.00
SHARE MANAGEMENT EXPENSES	30,037.00	8,506.00
STAFF WALFAIR EXPENSES	67,593.00	3,928.00
TELEPHONE EXP.	1,448,645.00	6,152.00
TESTING CHARGES	17,503.00	32,782.00
TRAVELLING EXPENSES	11,082,036.00	-
<b>TOTAL</b>	<b>33,448,787.67</b>	<b>1,360,133.95</b>



**SCHEDULE-'13'****SCHEDULE FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT****1. SIGNIFICANT ACCOUNTING POLICIES****(A) GENERAL**

The accounts are prepared on historical cost basis as a going concern following the mercantile system of accounting and recognizing income and expenditure on accrual basis. Accounting policies not specifically referred to otherwise are consistent and in concurrence with generally accepted accounting principles.

**(B) VALUATION OF INVENTORIES**

Inventories are valued at cost or market price whichever is lower.

**(C) FIXED ASSETS AND DEPRECIATION**

Fixed assets are stated at cost less accumulated depreciation. Depreciation on fixed assets is provided on straight-line method at the rates and in the manner provided in schedule XIV to the Companies Act, 1956.

**(D) INVESTMENTS**

Investments are stated at cost of acquisition.

**(E) REVENUE RECOGNITION****(i) Sales**

Sales are recognized when effectively the risk and rewards of ownership has passed to the buyer.

**(ii) Commission/Fee/Discount Income**

Commission / Fee/ Discount Income is accounted as and when accrued and realizable upon raising of bills.

**(F) FOREIGN EXCHANGE TRANSACTION**

Transactions in foreign currency are recorded at the exchange rate prevailing at the time of such transactions. Realized gains or losses on foreign exchange transactions are recognized in the Profit and Loss account at the time of actual realization of gains/losses.

**(G) CONTINGENT LIABILITIES**

Liabilities below Rs. 1,00,000/- if any are not recognized as contingent liability.

**2. NOTES TO ACCOUNTS:****(A) CONTINGENT LIABILITIES NOT PROVIDED FOR**

(i) Claims against the company not acknowledged as debts: Nil

(ii) Estimated amounts of contracts remaining to be executed on Capital Accounts and not provided for Nil (Previous Year Nil)

**(B) IN THE OPINION OF DIRECTORS**

(a) The current assets and loans and advances are approximately of value stated if realized in the ordinary course of business except to the extent of impairment, if any.

(b) The provision for all known liabilities is adequate and considered reasonable.

(C) Balances of Sundry Debtors, Creditors and other Advances are subject to confirmation/reconciliation and consequential adjustment if any arising there to shall be considered in due course of time.

**(D) RETIREMENT BENEFITS**

Liability for Gratuity and leave encashment is being provided based upon the certificate of Acturian at the end of the year.

(E) Refer Schedule -7, The Company has recognized recoverable claim of Rs.41.40 Lac (Rs.41.40 Lac), arising on account of custom duty credit on export sales. These claims are recoverable subject to receipt of export payments, which are overdue and under litigation. The management considered these debtors as good and hence no provision is considered necessary.



(F) <b>Managerial Remuneration :</b>		
Remuneration to Directors	Nil	(Nil)
Sitting Fees	Rs.14,550/-	(Rs.13,650/-)
<b>(G) Auditor's Remuneration:</b>		
Audit Fee	Rs. 44,120/-	(27,575/-)
Tax Matters	Rs.16,545/-	(16,545/-)
<b>TOTAL</b>	<b>Rs.60,665/-</b>	<b>(44,120/-)</b>
(H) The deferred tax assets comprises of the following:		
<b>i. Deferred Tax Liability</b>		
Related to Fixed Assets	Rs. 20202.19	(17800.00)
<b>ii. Deferred Tax Assets</b>		
Related to Brought Forward/carried forward of business losses and Unabsorbed depreciation	Rs.23,94,275.37	(3740184.00)
<b>Net Deferred Tax Assets</b>	<b>Rs.23,74,073.18</b>	<b>(3722384.00)</b>
(I) <b>Related Party Disclosure</b>		
(a) Related party disclosures as required to by AS -18 are given below:		

**Companies/Firms in which Directors & their relative are interested:**

<b>Name of Concern</b>	<b>Relationship</b>
M/S Brawn Laboratories Ltd.	Associate Company by virtue of Common Directors
M/S Overseas Laboratories (P) Ltd.	Associate Company by virtue of Common Directors
M/S Delhi Pharma	Associate firm by virtue of relative of Director is proprietor
M/S Fine Pharmachem	Associate firm by virtue of relative of Director is proprietor

**Directors:**

Mr. Brij Raj Gupta  
Mrs. Brij Bala Gupta  
Mrs. Urmila Gupta  
Mr. Mahesh Kumar Nanchal  
Mr. Manohar Lal  
Mr. Bal Kishan Sharma

**Relatives of Director :**

Mr. A.K. Gupta  
Mrs. Shashi Bala Gupta  
Dr. Atul Gupta  
Mr. Nitin Gupta  
Mr. Love Gupta  
Mr. Kush Gupta

**Transactions with related party:**

<b>S.No.</b>	<b>Name of Company/Firm</b>	<b>Nature of Transactions</b>	<b>Amount (Rs. in Lac)</b>	
1.	M/s Brawn Laboratories Ltd.	Purchases	546.12	(81.63)
2.	M/s Brawn Laboratories Ltd.	Sales	1.76	(Nil)
3.	M/s Delhi Pharma	Sales	14.70	(0.90)



**(J) Segment Reporting (AS-17)**

1. **Primary Segment:** The identification of Business segment is done in accordance with the system adopted for internal financial reporting to the board of directors and management structure. The company has identified products as primary segment.
2. **Secondary Segment:** The company had operated in one more geographical area in addition to primary segment.

Particulars	Pharmaceuticals Products	Fabric	Consolidated Total
A- Revenue/Sales	12,11,48,634.06	4,00,25,224.00	16,11,73,858.06
B- Cost of Goods Sold	5,05,31,858.44	3,60,62,727.00	8,65,94,585.44
C- Net Revenue	7,06,16,775.62	39,62,497.00	7,45,79,272.62
D- Operating Expenses	7,03,60,968.82	5,27,979.00	7,05,88,947.82
E- Operating Profit	5,55,806.68	34,34,518.00	39,90,324.80
F- Add: Discount Income	1,29,967.00	Nil	1,29,967.00
G- Other Income	700.00	Nil	700.00
H- Ner Profit/Loss	6,86,473.38	34,34,518.00	41,20,991.80
I- Segment Assets	5,02,36,003.00	39,62,497.00	5,41,98,500.00
J- Segment Liabilities	5,41,98,500.00	Nil	5,41,98,500.00

Earning Per Share	(Rs. In Lacs)	
	2010-2011	2009-2010
Profit/(Loss) after Tax As per Profit & Loss Account	34.83	10.96
Number of Equity Share	3000300	3000300
Earnings/ (Loss) Per Shares	1.16	0.37

- (L) There is no amount remaining unpaid to Small Scale Suppliers within the meaning of "The interest on Delayed Payments to Small Scale and Ancillary Undertaking Act".
- (M) Additional information pursuant to provisions of paragraph 3 & 4 of part (ii) schedule (vi) to the Companies Act, 1956 (As certified by the management and accepted by the auditors).
- (a) The Company had no manufacturing activities during the year. The company got its products manufactured from other parties and hence the information regarding installed capacity is not given.
- (b) Sales and purchases of goods  
Class of goods

Class of Traded Goods	unit	Purchases		Sales	
		Quantity	Value (Rs)	Quantity	Value (Rs)
<b>TABLETS</b>	Nos.	11488460	42159991.87	9544350	78168700.84
<b>CAPSULES</b>	Nos.	5767080	21163850.15	4533560	28250367.33
<b>LIQUID/ORAL/SYRUP/DROPS</b>	Nos.	1357490	4981674.42	1185080	7384692.23
<b>INJECTION</b>	Nos.	1388360	5094960.18	993570	6191319.28
<b>OINTEMENTS</b>	Nos.	18470	67780.62	16080	100200.70
<b>SACHETS</b>	Nos.	269980	990764.17	169040	1053353.67
<b>SUITING FABRICS</b>	Mtrs	377113	36062727.00	377113	40025224.00

(The above figures are prepared and certified and being technical matter relied upon by Auditors)



(N) The variation in profit shown in unaudited results/ published is due to reversal of VAT recoveries and provisions for retirement benefits as on date of 31<sup>st</sup> March 2011.

		<b>Value (Rs. in Lac)</b>	
(O)	Amount remitted in foreign currency		
(a)	Expenditure in foreign currency	NIL	(NIL)
	Traveling expense	NIL	(NIL)
(b)	Value of imports on CIF basis	NIL	(NIL)
(c)	Earning in foreign currency		
	Export of good	70.87	(58.72)
	(Previous year figures in Brackets)		

(P) Previous year's figures have been regrouped/rearranged wherever necessary to make them comparable with current year figures.

AS PER OUR REPORT OF EVEN DATE

For and on behalf of the board of Directors

**For Satinder Saini & Company**

Chartered Accountants

Regn. No. 008834N

Sd/-

**(S. K. Saini)**

Proprietor

M.No. 87357

Sd/-

**(B.R.Gupta)**

Managing Director

Sd/-

**(Brij Bala Gupta)**

Director

Place: New Delhi

Date : 03.09.2011

Sd/-

**(Amit Bansal)**

Company Secretary

**CASH FLOW STATEMENT****(PURSUANT TO CLAUSE 32 THE LISTING AGREEMENT WITH STOCK EXCHANGE)**

	<b>FOR THE YEAR ENDED ON 31.03.2011</b>	<b>FOR THE YEAR ENDED ON 31.03.2010</b>
<b>A.) NET CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT (LOSS) FROM OPERATING ACTIVITY		
NET PROFIT (LOSS) AFTER TAX	4,831,161.46	1,095,642.26
<b>ADJUSTMENTS FOR</b>		
LOSS ON SALE OF ASSETS	-	-
ASSETS WRITTEN OFF	-	-
INTEREST PAID	-	-
DEPRECIATION	32,126.15	18,121.00
PRILIMINARY EXPENSES WRITTEN OFF	-	-
<b>OPERATING PROFIT ( LOSS ) BEFORE WORKING CAPITAL CHANGES</b>	<b>4,863,287.61</b>	<b>1,113,763.26</b>
<b>ADJUSTMENTS FOR WORKING CAPITAL CHANGES</b>		
Increase/Decrease in Sundry Debtors	(29,667,023.02)	1,201,307.16
Increase/Decrease in Inventory	(23,927,163.00)	2,555,104.60
Increase/Decrease in Current Liabilities	52,945,722.03	(4,645,808.25)
Increase/Decrease in Deferred Tax	(1,348,310.82)	-
<b>NET CASH FROM OPERATING ACTIVITIES A</b>	<b>2,866,512.81</b>	<b>224,366.77</b>
<b>B.) CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Fixed Assets	(202,525.00)	(14,750.00)
Capital work-in Progress	-	-
Proceed form sale of fixed Assets	-	-
<b>NET CASH USED IN INVESTMENT ACTIVITY B</b>	<b>(202,525.00)</b>	<b>(14,750.00)</b>
<b>C.) CASH FLOW FROM FINANCE ACTIVITY</b>		
Proceed from Issue of Share Capital	-	-
Payment of Borrowings	-	-
Proceed from Unsecured loan	3,000,000.00	-
Increase In Loans & Advances	(227,598.87)	-
Payment of interest	-	-
<b>NET CASH USED IN FINANCE ACTIVITY C</b>	<b>2,772,401.13</b>	<b>-</b>
<b>CASH FLOW DURING THE YEAR (A+B+C)</b>	<b>1,296,388.94</b>	<b>209,616.77</b>
<b>Cash &amp; Cash Equivalent ( Opening Balance)</b>	<b>277,254.03</b>	<b>67,637.26</b>
<b>Cash &amp; Cash Equivalent ( Closing Balance)</b>	<b>1,573,642.97</b>	<b>277,254.03</b>

For and on behalf of the Board of Directors

Place : New Delhi  
Date : 03.09.2011Sd/-  
**(B.R.Gupta)**  
Managing DirectorSd/-  
**(Brij Bala Gupta)**  
DirectorSd/-  
**(Amit Bansal)**  
Company SecretaryThe Board of Directors  
BRAWN BIOTECH LTD.**AUDITORS' CERTIFICATE**

We have examined the cash flow statement of BRAWN BIOTECH LTD. for the year ended 31st March, 2011. The statement has been prepared by the company in accordance with the listing agreement with the stock exchanges and is based on and in agreement with the corresponding Profit & Loss account and Balance Sheet of the company covered by our report of 03.09.2011 to the members of the company.

**For Satinder Saini & Company**  
Chartered Accountants  
Firm Regn No. 008834N

Sd/-  
**(S. K. Saini)**  
Proprietor  
M. No.87357

Place: New Delhi  
Date : 03.09.2011

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

(As per Schedule VI, Para IV of the Companies Act, 1956)

<b>I. REGISTRATION DETAILS</b>	
Registration No	L7489DL1985PLC022468
State Code	55
Balance Sheet Date	31/03/2011
<b>II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSAND)</b>	
Public Issue	Nil
Bonus Issue	Nil
Right Issue	Nil
Private Placement	Nil
<b>III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS</b>	
Total Liabilities	54198.5
Total Assets	54198.5
<b>SOURCES OF FUNDS</b>	
Paid up Capital	30,003
Reserve & Surplus	21195.5
Secured Loans	Nil
Unsecured Loans	Nil
<b>APPLICATION OF FUNDS</b>	
Net Fixed Assets	Nil
Investments	300
Net Current Assets	41650.71
Misc. Expenditure	Nil
Accumulated Losses	9604.16
<b>IV. PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSANDS)</b>	
Turnover	161304.52
Total Expenditure	157183.53
Profit/(Loss) Before Tax	4121.00
Profit/Loss After Tax	2134.54
Earning Per Shares (in Rs.)	1.16
Dividend rate	0
<b>V. GENERAL NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (AS PER MONETARY TERMS)</b>	
Item Code No. (ITC Code)	
Product Description :	N.A.
Item Code No. (ITC Code)	
Product Description :	
Item Code No. (ITC Code)	
Product Description :	

**For and on behalf of the Board of Directors**Place: New Delhi  
Date: 03-09-2011Sd/-  
**B R Gupta**  
(Chairman-cum-Managing Director)Sd/-  
**Brij Bala Gupta**  
(Director)Sd/-  
**Amit Bansal**  
(Company Secretary)



# Brawn Biotech Limited

(Formerly Brawn Pharmaceuticals Limited)

Regd. Office: C-64, Lajpat Nagar-I, New Delhi - 110024

Folio No.	
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## ATTENDANCE SLIP

Client ID No.	
DPID No.	

Name: .....

Address: .....

No. of Shares held .....

I hereby record my presence at the 26th Annual General Meeting of the Company held on Friday the 30th September, 2011 at 04.00 p.m. at "The Executive Club", 439, Vill-Shahoorpur, P.O. - Fatehpur Beri, New Delhi- 110074.

### SIGNATURE OF THE ATTENDING MEMBER/ PROXY\*

Notes: A Member/proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over the same at the entrance duly signed.

\* Strike out whichever is not applicable.

\*\* Applicable for investors holding shares in electronic form.

**NB.: No Gift Coupon will be distributed at the AGM**

# Brawn Biotech Limited

(Formerly Brawn Pharmaceuticals Limited)

Regd. Office: C-64, Lajpat Nagar-I, New Delhi - 110024

Folio No.	
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## PROXY FORM

Client ID No.	
DPID No.	

I/we \_\_\_\_\_

of \_\_\_\_\_ being a member/ members of the above named

Company, hereby appoint \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_ of failing him/her

\_\_\_\_\_ as my/our proxy to attend and vote for me/us and

on my/our behalf at the 26th Annual General Meeting of the Company to be held on Friday, the 30th September,

2011 at 04.00 p.m. or at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011

Folio No. \_\_\_\_\_ Signature \_\_\_\_\_

No. of Shares held \_\_\_\_\_

Affix Re  
1/-  
Revenue  
stamp

\*\* Applicable for investors holding shares in electronic form.

Note : This Form in order to be effective should be duly stamped, completed and must be deposited at the Registered/Corporate Office of the Company not less than 48 hours before the time of commencement of the meeting.

**Brawn Biotech Limited**  
Old Delhi Stock Exchange Building  
4/4B, Asaf Ali Road,  
New Delhi - 110 002