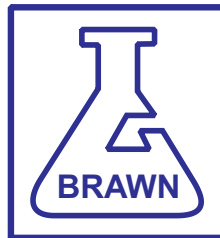




***25th Annual Report  
2009-2010***



**Brawn Pharmaceuticals Limited**  
**New Delhi**



## **25th Annual General Meeting**

**Date**

28th September, 2010

**Day**

Tuesday.

**Time**

9.30 A.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. Jaspreet Singh

## **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 25<sup>th</sup> Annual General Meeting of the Members of Brawn Pharmaceuticals Limited will be held on Tuesday, the 28<sup>th</sup> September, 2010 at 9.30 A.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 31<sup>st</sup> March, 2010 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 Mrs. Brij Bala Gupta, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint a Director in place of Mrs. Urmila Gupta, who retires by rotation and being eligible, offers herself 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."

### **Special Business:**

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** subject to such consents and permissions, if any, as may be necessary, approval of the Company be and is hereby accorded in terms of Section 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 and the Schedule(s) thereto, including any statutory amendment or re-enactment thereof, to the re-appointment of Brij Raj Gupta as Managing Director for a fresh tenure of five years effective from 28-09-2010 on the terms, conditions and remuneration, including minimum remuneration as are hereinafter specifically given:-

#### **TENURE:**

Five years with effect from 28/09/2010.

#### **FUNCTIONS:**

Subject to the direction, control and superintendence of the Board of Directors, Brij Raj Gupta shall have the overall responsibility for looking after the day to day management of the Company.

#### **REMUNERATION:**

Subject to the overall limit or remuneration payable to all the managerial personnel taken together, the remuneration payable to Brij Raj Gupta shall comprise salary, perquisites and commission, as may be decided by the Board/Remuneration Committee within an overall ceiling of 5% of the net profits of the Company, computed in the manner laid down in Section 349 of the Companies Act, 1956.

#### **REMUNERATION FOR A PART OF THE YEAR**

Remuneration for a part of the year shall be computed on pro-rata basis.

#### **MINIMUM REMUNERATION**

In the event of absence or inadequacy of profits in any financial year, the remuneration payable to Brij Raj Gupta shall be decided by the Remuneration Committee subject to the provisions of the Companies Act, 1956 and such approval, if any, as may be required.

#### **TERMINATION**

The appointment of Brij Raj Gupta as Managing Director may be terminated by either party, giving to the other, three calendar months notice in writing.



In the event of termination of this appointment of Brij Raj Gupta by the Company, he shall be entitled to receive compensation in accordance with the provisions of the Companies Act, 1956 or any statutory amendment or re-enactment thereof.

**RESOLVED FURTHER THAT** the Board/Remuneration Committee be and is hereby authorized to alter, vary and increase the remuneration in the event of any liberalization/revision in the levels of permissible managerial remuneration, notwithstanding the overall remuneration set out as above, as may then be prescribed/permissible.

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** subject to the provisions of section 21 and 31 of the Companies Act, 1956 and other applicable provisions, if any, and subject to the approval of Central Government and other authorities as may be required the name of the Company be and is hereby changed from **Brawn Pharmaceuticals Limited to Brawn Biotech Limited.**

**Resolved further that** the Clause I of the Memorandum of Association of the Company be substituted with the following new Clause:

- I. The Name of the Company is **BRAWN BIOTECH LIMITED.**

**RESOLVED FURTHER THAT** the name Brawn Pharmaceuticals Limited wherever it appears in the Memorandum and Articles of Association of the Company be substituted by the Brawn Biotech Limited.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to add, delete or change the main objects of the Company, if required, and to do all such acts, deeds, matters and things that may be necessary, proper or expedient, to give effect to this resolution.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to agree to such changes/modifications as may be suggested by the Registrar of Companies or other competent authority or that may otherwise deem fit by the Board and to take such other steps as may be required to give effect to this resolution.”

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Mr. Mahesh Kumar Nanchal, who was appointed as an Additional Director of the Company to hold office till the date of the Annual General Meeting, be and is hereby appointed as an ordinary Director of the Company whose office shall be liable for determination through retirement by rotation.”

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Mr. Manohar Lal, who was appointed as an Additional Director of the Company to hold office till the date of the Annual General Meeting, be and is hereby appointed as an ordinary Director of the Company whose office shall be liable for determination through retirement by rotation.”

For and on behalf of the Board of Directors

Sd/-

Place : New Delhi  
Date : 28-08-2010

(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 Thursday, the 23<sup>rd</sup> September, 2010 to Tuesday, the 28<sup>th</sup> September, 2010 (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.
- g.) Explanatory Statement as required under section 173(2) of the Companies Act, 1956, in respect of Special Business under item nos. 5 to 8 is enclosed herewith.

For and on behalf of the Board of Directors  
Sd/-

**(B.R. Gupta)**

Chairman-Cum-Managing Director

Place : New Delhi  
Date : 28-08-2010

## **Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956**

### **Item No. 5:**

The tenure of Mr. Brij Raj Gupta to serve the Company as Managing Director of the Company expires this year. Thus, he is re-appointed as Managing Director of the Company for a further period of Five Years with effect from the date of Annual General Meeting. Therefore, the members' approval is sought to the re-appointment. The terms of his re-appointment and remuneration are set out in the resolution.

Mr. Brij Raj Gupta is interested in the resolution. Mrs. Brij Bala Gupta and Mrs. Urmila Gupta, who are relatives of Mr. Brij Raj Gupta, may be deemed to be interested in the resolution.

### **Item No. 6:**

Our Company is seeing the window of opportunity for capitalizing on the new set of ideas and technologies. There is huge potential of growth in Biotechnology products and our Company wants to utilize its present goodwill to take advantage of this opportunity. Therefore it is proposing to change the name of Company to Brawn Biotech Limited to reflect an image that we are dealing in biotechnology products in pharmaceutical industry. Most of the traditional pharmaceutical Companies are tying up with new biotechnology entrants in order to provide new technology products to their old market network.

None of the Directors is concerned / interested in the resolution.

### **Item No. 7:**

The Board is proposing to appoint Mr. Mahesh Kumar Nanchal as an ordinary director in the ensuing AGM. Accordingly, the resolution is placed before the members for their consideration and approval. The Board recommends the proposed resolution for adoption in the larger interest of the Company.

Mr. Mahesh Kumar Nanchal is interested and concerned in the proposed resolution.

### **Item No. 8:**

The Board is proposing to appoint Mr. Manohar Lal as an ordinary director in the ensuing AGM. Accordingly, the resolution is placed before the members for their consideration and approval. The Board recommends the proposed resolution for adoption in the larger interest of the Company.

Mr. Manohar Lal is interested and concerned in the proposed resolution.

For and on behalf of the Board of Directors  
Sd/-

**(B.R. Gupta)**

Chairman-Cum-Managing Director

Place : New Delhi  
Date : 28-08-2010



## DIRECTORS' REPORT

Dear Shareholders,

The Directors of your Company have pleasure in presenting to you the Twenty Fifth Annual Report on the business & operations of the company and Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2010 along with the Auditor's Report thereon.

### FINANCIAL RESULTS

The Financial Results of the Company for the year ended 31<sup>st</sup> March 2010 are as follows:

Particulars	<i>(Rs. in Lakh)</i>	
	Year ended 31.03.2010	Year ended 31.03.2009
Gross Sales and other Incomes	125.65	409.94
Profit before Depreciation & Interest	12.06	41.52
Interest	0.10	0.02
Depreciation	0.18	0.09
Profit/(Loss) before Tax	11.78	41.41
Excess Provision for Income Tax of previous year written back	-	-
Provision of Gratuity	-	0.24
Provision for Income Tax	0.82	4.39
Provision for Deferred Tax	(37.22)	-
Net Profit/(Loss) after Tax	48.18	36.78
Profit/Loss brought forward	(165.57)	(202.35)
Amount Available for Appropriation	(117.39)	(165.57)
<b>Appropriations</b>		
Transfer to General Reserve	NIL	NIL
Balance carried to Balance Sheet	(117.39)	(165.57)

### OPERATIONS AND PERFORMANCE

During the year 2009-10, your Company's total sales and other income were Rs 125.65 Lacs and it earned profit of Rs 12.06 Lacs in contrast to previous years sales of Rs 409.94 Lacs where it earned profits of Rs 41.52 lacs. At the face of it, it looks that Company is moving backwards but in reality, last year company has made major strategic decisions because of which the results of the first 2 quarters of current year are very impressive with the sales of Rs 374.85 Lacs covering almost 90% of the sales of year ended 31<sup>st</sup> March 2009. Next half year is still remaining and we are looking for far better results.

### FUTURE PROSPECTS:

Considering the present situation, the Company has started aggressive marketing activities as a result of which the Company has shown better results during the quarter ending on 30<sup>th</sup> June 2010 with the sales of Rs 350.34 Lacs earning profits of Rs 48.36 Lacs. The Company has registered its products in international markets and has expanded its presence. Presently, the Company is also acting as consignee agent for the supplies to Government Hospitals and institutions.

As a result of major market analysis, the Company has also decided to take advantage of biotechnology and is entering into new line of biotech products for which it is proposing to change the name of the Company to Brawn Biotech Limited to reflect the image of new product range with higher profit prospects. This time the Company is going to shine in the eyes of its stakeholders.

### DIVIDEND

Your Directors regret their inability to recommend any dividend for the year 2009-2010 to cover up the losses of the past years.

### DIRECTORS

Mr. Brij Raj Gupta is proposed to be re-appointed as Managing Director of the Company for a further period of 5 years. The Board recommends the resolution for his re-appointment.



Mrs. Brij Bala Gupta and Mrs. Urmila Gupta retires by rotation and being eligible offers themselves for re-appointment. Directors recommend their re-appointment.

Appointment of Mr. Mahesh Kumar Nanchal and Mr. Manohar Lal as an ordinary Director of the Company is placed before the Members for consideration. The Board recommends the resolution(s) for adoption by the members.

**AUDITORS**

The Statutory Auditors, M/s. Satinder Saini & Co., Chartered Accountants, New Delhi retire at the forthcoming Annual General Meeting and offer 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 of 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. Also, the aggressive marketing campaign launched by the Company is reaping fruitful results. Company is also entering into new biotechnology products range which will increase the profitability of the Company. Presently, the Company is also acting as consignee agent for the supplies to Government Hospitals and institutions.

**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 judgments 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 2010 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. Detailed 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.

**PERTICULARS 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 the Companies (Particular of Employees) Rules, 1975.

**FIXED DEPOSIT**

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

**ACKNOWLEDGMENT**

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.

For and on behalf of the Board of Directors

Sd/-

**(B.R. Gupta)**

Chairman-Cum-Managing Director

Place : New Delhi  
Date : 28-08-2010

**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. 58.72 Lac
		(Rs. In Lacs)

	Year ended 31 <sup>st</sup> March 2010	Year ended 31 <sup>st</sup> March 2009	
a)	Total foreign Exchange earned	58.72	246.72
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.	-	-

For and on behalf of the Board of Directors

Sd/-

**(B.R. Gupta)**

Chairman-Cum-Managing Director

Place : New Delhi  
Date : 28-08-2010





## **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 sector. 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 production strengths 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 publicity and it may 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 Directors & three Non Executive Independent Directors.

During the year, 9 Board Meetings were held.

The particulars regarding composition of the Board of Directors, particulars of Director's, 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 Meetings Board during the year		Attend ed Last AGM	No. of shares held in the company
		Total	As Chairman	Total	Chairman	Held	Attend ed		
B.R. Gupta	Chairman & M.D	1	NIL	NIL	NIL	9	9	Yes	3,77,650
Brij Bala Gupta	Non-Executive Promoter Director	1	NIL	NIL	NIL	9	9	No	89,600
Urmila Gupta	Non-Executive Promoter Director	1	NIL	NIL	NIL	9	0	No	NIL
Manohar Lal	Non-Executive Independent Director	NIL	NIL	NIL	NIL	9	9	Yes	NIL
Mahesh Kumar Nanchal	Non-Executive Independent Director	NIL	NIL	NIL	NIL	9	9	Yes	3,100
Bal Kishan Sharma	Non-Executive Independent Director	NIL	NIL	NIL	NIL	9	7	Yes	NIL

**3. 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 three times during the year 2009-10 on 19th June, 2009; 30th October, 2009 and 29th January, 2010.

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	3	3
Mr. Mahesh Kumar Nanchal	Member	3	3
Mr. Bal Kishan Sharma	Member	3	3

**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 declared 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:

<b>Members</b>	<b>Category</b>	<b>Meetings held</b>	<b>Meetings attended</b>
Mr. Manohar Lal	Chairman	13	13
Mr. Mahesh Kumar Nanchal	Member	13	13
Mr. Bal Kishan Sharma	Member	13	13

### **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.

<b>Members</b>	<b>Category</b>
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:

<b>Year</b>	<b>Date</b>	<b>Location</b>	<b>Time</b>
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.
2006-07	29 <sup>th</sup> September, 2007	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 : No special resolutions passed in the previous 3 AGMs  
 (iii) No Special resolution is proposed to be conducted through Postal Ballot.

### **2. Means of Communication**

- (i) Quarterly Results: Dissemination through publication in newspaper as required under Listing Agreement.  
 (ii) Newspapers wherein results normally published –Business Standards (in Hindi) and Business Standards (in English)

### **3. GENERAL SHAREHOLDERS INFORMATION**

#### **(i) Details of Forthcoming Annual General Meeting**

Date	28 <sup>th</sup> September, 2010
Time	9.30 A.M.
Venue	"The Executive Club", 439, Vill – Shahoorpur, P.O. – Fatehpur Beri, New Delhi-110074

<b>Financial year</b>	2009-10
<b>Date of Book Closure</b>	23-09-2010 to 28-09-2010
<b>Listing on Stock Exchanges</b>	Bombay Stock Exchange Limited; Delhi Stock Exchange Limited
<b>Registrar and Share Transfer Agent</b>	M/s. RCMC Share Registry Private Limited B-106, Sector-2, Noida,-201301 (U.P.)
<b>Dematerialisation of Shares</b>	11,11,148 shares i.e. 37.03% (As on 31.03.2010)
<b>Address for Correspondence</b>	4/4B, Asaf Ali Road, Old Delhi Stock Exchange Building, New Delhi-02 Ph.: 32911528, 32911529, Fax: 011-23275208



**(ii) Distribution of Shareholding as on 30.06.2010**

Shareholding of value of Rs.	Shareholders		Share holdings		
	Number	% to total	Shares	Amount	% to total
UPTO TO 5000	6513	93.58	813429	8134290.00	27.11
5001 TO 10000	208	2.99	175152	1751520.00	5.84
10001 TO 20000	132	1.90	217683	2176830.00	7.26
20001 TO 30000	46	0.66	119580	1195800.00	3.99
30001 TO 40000	15	0.22	55127	551270.00	1.84
40001 TO 50000	8	0.11	37969	379690.00	1.27
50001 TO 100000	14	0.20	102288	1022880.00	3.41
100001 and Above	24	0.34	1479072	14790720.00	49.30
<b>** G Total</b>	<b>6960</b>	<b>100.00</b>	<b>3000300</b>	<b>30003000.00</b>	<b>100.00</b>

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)
(A)	<b>Shareholding of promoter and promoter Group</b>							
(1)	<b>Indian</b>							
(a)	INDIVIDUALS/HUF	33	12,64,850	1,06,350	42.16	42.16	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	13,32,950	1,06,350	44.43	44.43	0	0.00
(2)	<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	13,32,950	1,06,350	44.43	44.43	0	0.00



<b>(B) Public shareholding</b>								
<b>(1) 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) Non-institutions</b>								
(a)	BODIES CORPORATE	84	1,05,379	1,01,679	3.51	3.51	0	0.00
(b)	i) INDIVIDUALS -HOLD UPTO 1 LAKH (NOM VALUE)	6760	12,96,976	7,97,424	43.23	43.23	0	0.00
	ii) INDIVIDUALS -HOLD ABOVE 1 LAKH (NOM VALUE)	5	1,32,232	62,432	4.41	4.41	0	0.00
(c)	ANY OTHER (SPECIFY)- A) CLEARNG MEMBERS	20	18,120	18,120	0.60	0.60	0	0.00
	B) NON-RESIDENTS	52	96,843	31,143	3.23	3.23	0	0.00
	C) TRUST	0	0	0	0.00	0.00	0	0.00
	Sub-Total (B) (2)	6921	16,49,550	10,10,798	54.98	54.98	0	0.00
	Total (B)	6926	16,67,350	10,10,798	55.57	55.57	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)
<b>(C) 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	6960	30,00,300	11,17,148	100.00	100.00	0	0.00



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

**To  
The Members of  
Brawn Pharmaceuticals Limited**

We have examined the compliance of conditions of Corporate Governance by Brawn Pharmaceuticals Limited for the year ended on 31st March, 2010, 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 31st March, 2010, 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.

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

Sd/-

**(S.K.Saini)**

Proprietor

M.No. 87357

Place : New Delhi  
Date : 28.08.2010



## AUDITORS' REPORT

To the Members of

**Brawn Pharmaceuticals Limited**

1. We have audited the attached Balance Sheet of M/s Brawn Pharmaceuticals Limited as at March 31, 2010 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, 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2010 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, 2010;
    - 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.

**For Satinder Saini & Co  
Chartered Accountants**

Registration No. 008834N

Sd/-

**(S.K.Saini)**

Proprietor

M.No. 87357

Place : New Delhi  
Date : 28.08.2010



**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.163.91 Lacs. 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.

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

Sd/-  
**(S.K.Saini)**

Proprietor  
M.No. 87357

Place : New Delhi  
Date : 28.08.2010

**BALANCE SHEET AS AT 31ST MARCH,2010**

PARTICULARS	SCHEDULE	RUPEES 31.03.10	RUPEES 31.03.09
<b>I) SOURCE OF FUNDS</b>			
<b>SHAREHOLDERS' FUNDS</b>			
(A) Share Capital	1	30,003,000.00	30,003,000.00
(B) Reserves & Surpluses	2	21,195,500.00	21,195,500.00
<b>Total</b>		<b><u>51,198,500.00</u></b>	<b><u>51,198,500.00</u></b>
<b>II) APPLICATION OF FUNDS</b>			
<b>1 FIXED ASSETS</b>			
Gross Block	3	126,300.00	111,550.00
Less: Accumulated Depreciation		27,137.00	9,016.00
Net Block		<u>99,163.00</u>	<u>102,534.00</u>
<b>2 INVESTMENTS</b>			
	4	300,000.00	300,000.00
<b>3 CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
(A) Sundry Debtors	5	32,011,112.84	33,212,420.00
(B) Cash & Bank Balances	6	277,254.03	67,637.26
(C) Loans & Advances	7	4,733,151.39	7,288,255.99
		<u>37,021,518.26</u>	<u>40,568,313.25</u>
LESS: CURRENT LIABILITIES & PROVISIONS	8	1,683,262.53	6,329,070.77
NET CURRENT ASSETS		<u><b>35,338,255.74</b></u>	<u><b>34,239,242.48</b></u>
<b>4 PROFIT AND LOSS ACCOUNT</b>			
	9	11,738,697.27	16,556,723.52
<b>5 Deferred Tax Assets</b>			
		3,722,384.00	-
<b>Total</b>		<b><u>51,198,500.00</u></b>	<b><u>51,198,500.00</u></b>
<b>NOTES ON ACCOUNTS ANNEXED</b>			
	13		

AS PER OUR REPORT OF EVEN DATE.

For and on behalf of the board of Directors

**For Satinder Saini & Company**

Chartered Accountants

Sd/-

**(S. K. Saini)**

Proprietor

M.No. 87357

Sd/-

**(B.R.Gupta)**

Managing Director

Sd/-

**(Brij Bala Gupta)**

Director

Sd/-

**(Jaspreet Singh)**

Company Secretary

Place: New Delhi

Date : 28.08.2010



**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

PARTICULARS	SCHEDULE	RUPEES 31.03.10	RUPEES 31.03.09
<b>INCOME</b>			
Sales		9,535,338.24	39,691,563.99
Other Income		3,029,473.46	1,302,856.18
<b>Total</b>		<b><u>12,564,811.70</u></b>	<b><u>40,994,420.17</u></b>
<b>EXPENDITURE</b>			
Cost of Goods Sold	<b>10</b>	8,162,646.45	33,384,679.89
Salaries & Other benefits	<b>11</b>	1,846,250.00	1,950,880.00
Other Expenses	<b>12</b>	1,360,133.95	1,532,226.87
Depreciation	<b>3</b>	18,121.00	9,016.00
<b>Total</b>		<b><u>11,387,151.40</u></b>	<b><u>36,876,802.76</u></b>
<b>Profit/Loss before Taxation</b>		1177660.30	4,117,617.41
Less: Provision for Income Tax		82,018.05	438,000.00
Less: Provision for FBT		-	1,000.00
Add: Recognition of Deferred Tax Assets		3,722,384.00	-
<b>Profit after Tax</b>		<b>4,818,026.26</b>	<b>3,678,617.41</b>
Add: Balance brought forward from Previous Year		(16,556,723.52)	(20,235,340.93)
<b>Amount Available for Appropriation</b>		<b>(11,738,697.27)</b>	<b>(16,556,723.52)</b>
<b>APPROPRIATION</b>			
Transfer to Balance Sheet		(11,738,697.27)	(16,556,723.52)
<b>Earning Per Share</b>		0.37	1.23
<b>NOTES ON ACCOUNTS ANNEXED</b>	<b>13</b>		

AS PER OUR REPORT OF EVEN DATE.

**For Satinder Saini & Company**

Chartered Accountants

Sd/-

**(S. K. Saini)**

Proprietor

M.No. 87357

Place: New Delhi

Date : 28.08.2010

For and on behalf of the board of Directors

Sd/-

**(B.R.Gupta)**

Managing Director

Sd/-

**(Brij Bala Gupta)**

Director

Sd/-

**(Jaspreet Singh)**

Company Secretary



**SHARE CAPITAL**

**SCHEDULE - 1**

	<b>RUPEES 31.03.10</b>	<b>RUPEES 31.03.09</b>
<b>AUTHORISED</b>		
4,500,000 EQUITY SHARE OF RS 10 EACH	45,000,000.00	45,000,000.00
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
3,000,300 EQUITY SHARES OF RS 10 EACH FULLY PAID UP	30,003,000.00	30,003,000.00
<b>TOTAL</b>	30,003,000.00	30,003,000.00

**RESERVES & SURPLUSES**

**SCHEDULE - 2**

	<b>RUPEES 31.03.10</b>	<b>RUPEES 31.03.09</b>
<b>SHARE PREMIUM ACCOUNT</b>	15,201,500.00	15,201,500.00
360,000 Equity Shares of Rs 10/- each issued At a premium of Rs 15/- each		
1,960,300 Equity Shares of Rs 10/- each issued At a premium of Rs 5/- each		
<b>INVESTMENT ALLOWANCE RESERVE</b>	150,000.00	150,000.00
<b>GENERAL RESERVE</b>	5,844,000.00	5,844,000.00
<b>TOTAL</b>	21,195,500.00	21,195,500.00

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

**SCHEDULE-3**

PARTICULARS	GROSS BLOCK	ADDITIONS	DEDUCTIONS	TOTAL	DEPRECIATION	DEDUCTIONS	FOR THE YEAR	TOTAL	NET BLOCK	NET BLOCK
	ON 1.04.2009				UP TO 31.03.2009		2009-10		AS ON 31.03.2010	AS ON 31.03.2009
Computers	111,550.00	14,750.00	-	126,300.00	9,016.00	-	18,121.00	27,137.00	99,163.00	102,534.00
<b>TOTAL</b>	<b>111,550.00</b>	<b>14,750.00</b>	<b>-</b>	<b>126,300.00</b>	<b>9,016.00</b>	<b>-</b>	<b>18,121.00</b>	<b>27,137.00</b>	<b>99,163.00</b>	<b>102,534.00</b>

**INVESTMENTS****SCHEDULE - 4**

	<b>RUPEES 31.03.10</b>	<b>RUPEES 31.03.09</b>
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)	300,000.00	300,000.00
<b>TOTAL</b>	<b>300,000.00</b>	<b>300,000.00</b>

**SUNDRY DEBTORS****SCHEDULE - 5**

	<b>RUPEES 31.03.10</b>	<b>RUPEES 31.03.09</b>
A) DEBTORS OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS	27,040,303.63	26,816,475.00
B) OTHER DEBTORS	4,970,809.21	6,395,945.00
<b>TOTAL</b>	<b>32,011,112.84</b>	<b>33,212,420.00</b>

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

	<b>RUPEES 31.03.10</b>	<b>RUPEES 31.03.09</b>
CASH IN HAND	208,463.96	29,553.96
BALANCE IN CURRENT ACCOUNT	68,790.07	38,083.30
<b>TOTAL</b>	<b>277,254.03</b>	<b>67,637.26</b>

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

	<b>RUPEES 31.03.10</b>	<b>RUPEES 31.03.09</b>
(ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED) OTHER ADVANCES RECOVERABLE	4,140,000.00	4,140,000.00
SECURITY DEPOSITS	313,602.00	263,602.00
OTHER DEPOSITS	121,341.32	12,958.94
TAX DEDUCTED AT SOURCE	155,708.07	41,291.00
PRE-PAID EXPENSES	2,500.00	2,500.00
ADVANCE FBT	-	1,000.00
ADVANCE TO PARTY	-	2,826,904.05
<b>TOTAL</b>	<b>4,733,151.39</b>	<b>7,288,255.99</b>

**CURRENT LIABILITIES & PROVISIONS****SCHEDULE - 8**

	<b>RUPEES 31.03.10</b>	<b>RUPEES 31.03.09</b>
SUNDRY CREDITORS & EXPENSES PAYABLE	1,190,866.10	2,150,162.10
STATUTORY LIABILITIES PAYABLE	410,378.38	298,856.10
PROVISION FOR INCOME TAX	82,018.05	438,000.00
ADVANCE FROM PARTY	-	3,442,052.57
<b>TOTAL</b>	<b>1,683,262.53</b>	<b>6,329,070.77</b>

**PROFIT & LOSS ACCOUNT****SCHEDULE - 9**

	<b>RUPEES 31.03.10</b>	<b>RUPEES 31.03.09</b>
OPENING BALANCE	16,556,723.52	20,235,340.93
CURRENT YEAR PROFIT & LOSS ACCOUNT	4,818,026.26	3,678,617.41
BALANCE CARRIED FORWARD	11,738,697.27	16,556,723.52

**PURCHASE / COST OF GOODS SOLD****SCHEDULE - 10**

	<b>RUPEES 31.03.10</b>	<b>RUPEES 31.03.09</b>
OPENING STOCK	-	-
PURCHASES	8,162,646.45	33,384,679.89
SUB TOTAL	8,162,646.45	33,384,679.89
LESS CLOSING STOCK	-	-
<b>COST OF GOODS SOLD</b>	<b>8,162,646.45</b>	<b>33,384,679.89</b>

**PERSONNEL EXPENSES****SCHEDULE - 11**

	<b>RUPEES 31.03.10</b>	<b>RUPEES 31.03.09</b>
SALARY & WAGES	766,929.00	876,975.00
BONUS	63,900.00	73,052.00
PROVISION FOR GRATUITY	7,979.00	23,842.00
OTHER ALLOWANCES	1,007,442.00	977,011.00
<b>TOTAL</b>	<b>1,846,250.00</b>	<b>1,950,880.00</b>

**OTHER EXPENSES****SCHEDULE - 12**

	<b>RUPEES 31.03.10</b>	<b>RUPEES 31.03.09</b>
<b>(SELLING &amp; ADMINISTRATIVE EXPENSES)</b>		
INTEREST & BANK CHARGES	10,193.33	31,702.09
PRINTING & STATIONERY	33,172.00	38,321.00
POSTAGE, AND COMMUNICATION EXPENSES	38,381.00	37,151.00
LEGAL & PROFESSIONAL FEES	244,515.00	189,436.00
AUDIT FEES	44,120.00	44,080.00
CONVEYANCE EXPENSES	4,782.00	14,090.00
FREIGHT & CARTAGE	281,814.00	649,231.00
LISTING & FILING FEE	31,765.00	27,756.00
ADVERTISEMENT EXPENSES	29,733.00	17,437.00
MEMBERSHIP FEES	2,500.00	3,500.00
SHARE MANAGEMENT EXPENSES	8,506.00	27,992.00
STAFF WELFARE EXPENSES	3,928.00	5,430.00
DIRECTORS SITTING FEES	13,650.00	12,900.00
TELEPHONE EXP.	6,152.00	6,570.00
OFFICE EXP.	1,720.00	-
BREAKAGE & EXPIRY	-	79,372.00
REGISTRATION & LICENCE FEES	3,750.00	64,584.00
AGM EXPENSES	8,824.00	21,180.00
AGENCY & INSPECTION CHARGES	-	25,980.00
RATE & TAXES	-	5,083.00
RENT	180,000.00	60,000.00
ADDITIONAL DEMAND P.F	379,824.00	161,883.00
TESTING CHARGES	32,782.00	4,607.00
OTHER EXPENSES	22.62	2,081.34
DISCOUNT EXPENSES	-	1,860.44
<b>TOTAL</b>	<b>1,360,133.95</b>	<b>1,532,226.87</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 ON 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 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), arised 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) Managerial Remuneration :		
Remuneration to Directors	Nil	(Nil)
Sitting Fees	Rs.13,650/-	(Rs.12,900/-)
<b>(G) Auditor's Remuneration:</b>		
Audit Fee	Rs. 27,575/-	(28,090/-)
Tax Matters	Rs.16,545/-	(16,854/-)
<b>TOTAL</b>	<b>Rs.44,120/-</b>	<b>(44,944/-)</b>

(H) The deferred tax assets comprises of the following:		
<b>i. Deferred Tax Liability</b>		
Related to Fixed Assets		17800.00
<b>ii. Deferred Tax Assets</b>		
Related to Brought Forward/carried forward of business losses and Unabsorbed depreciation		3740184.00
<b>Net Deferred Tax Assets</b>		<b>3722384.00</b>

- (I) **Related Party Disclosure**  
(a) Related party disclosures as required to by AS-18 are given below:

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

M/S Brawn Laboratories Ltd.  
M/S A.B.Pharma (P) Ltd.  
M/S Overseas Laboratories (P) Ltd.  
M/S Delhi Pharma  
M/S Fine Pharmachem

**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 transaction</b>	<b>Amount</b>
1.	M/s Brawn Laboratories Ltd.	Purchases	Rs.81.63 Lac
2.	M/s Brawn Laboratories Ltd.	Commission Received	Rs.3.94 Lac
3.	M/s Brawn Laboratories Ltd.	Discount Income	Rs.18.85 Lac
4.	M/s Brawn Laboratories Ltd.	Consultancy Fee	Rs.7.50 Lac
5.	M/s Delhi Pharma	Sales	Rs.0.90 Lac

**(J) Segment Information**

The Company's business segment is confined to only one business activity that is Pharmaceuticals and hence segment reporting is not disclosed.

**(K) Earning Per Share****(Rs. In Lacs)**

	<b>2009-2010</b>	<b>2008-2009</b>
Profit/(Loss) after Tax	10.96	36.79
As per Profit & Loss Account		
Number of Equity Share	3000300	3000300
Earnings/ (Loss) Per Shares	0.37	1.23

(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 on loan licenses basis and hence the information regarding installed capacity is not given.

(b) Sales and purchases of goods

**Value (Rs. In Lacs)**

Class of goods

(i) Purchases

Pharmaceuticals items

81.63 (333.85)

(ii) Turnover

Pharmaceuticals items

95.35 (396.92)

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

**(N) Amount remitted in foreign currency****Value (Rs. In Lac)**(a) Expenditure in foreign currency  
Traveling expenseNIL  
(NIL)

(b) Value of imports on CIF basis

NIL  
(NIL)(c) Earning in foreign currency  
Export of goods58.72  
(246.72)

(Previous year figures in Brackets)

(O) 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

Sd/-

**(S. K. Saini)**

Proprietor

M.No. 87357

Sd/-

**(B.R.Gupta)**

Managing Director

Sd/-

**(Brij Bala Gupta)**

Director

Sd/-

**(Jaspreet Singh)**

Company Secretary

Place: New Delhi

Date : 28.08.2010



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

	FOR THE YEAR ENDED ON <b>31.03.2010</b>	FOR THE YEAR ENDED ON <b>31.03.2009</b>
<b>A.) CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT (LOSS) FROM OPERATING ACTIVITY		
NET PROFIT (LOSS) AFTER TAX	1,095,642.26	3,678,617.41
<b>ADJUSTMENTS FOR</b>		
LOSS ON SALE OF ASSETS	-	-
ASSETS WRITTEN OFF	-	-
INTEREST PAID	-	-
DEPRECIATION	18,121.00	9,016.00
PRILIMINARY EXPENSES WRITTEN OFF	-	-
<b>OPERATING PROFIT ( LOSS ) BEFORE WORKING CAPITAL CHANGES</b>	<b>1,113,763.26</b>	<b>3,687,633.41</b>
<b>ADJUSTMENTS FOR WORKING CAPITAL CHANGES</b>		
Increase/Decrease in Sundry Debtors	1,201,307.16	(2,634,359.90)
Increase/Decrease in Loans & Advances	2,555,104.60	(2,879,556.62)
Increase/Decrease in Current Liabilities	(4,645,808.25)	1,975,250.87
	<b>224,366.77</b>	<b>148,967.76</b>
<b>NET CASH FROM OPERATING ACTIVITIES A</b>		
<b>B.) CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Fixed Assets	(14,750.00)	(111,550.00)
Capital work-in Progress	-	-
Proceeds form sale of fixed Assets	-	-
<b>NET CASH USED IN INVESTMENT ACTIVITIES B</b>	<b>(14,750.00)</b>	<b>(111,550.00)</b>
<b>C.) CASH FLOW FROM FINANCE ACTIVITY</b>		
Proceeds from issue of Share Capital	-	-
Payment of Borrowings	-	-
Increase in Loans & Advances	-	-
Payment of interest	-	-
<b>NET CASH USED IN FINANCE ACTIVITY C</b>	<b>-</b>	<b>-</b>
<b>CASH FLOW DURING THE YEAR (A+B+C)</b>	<b>209,616.77</b>	<b>37,417.76</b>
<b>Cash &amp; Cash Equivalent ( Opening Balance)</b>	<b>67,637.26</b>	<b>30,219.50</b>
<b>Cash &amp; Cash Equivalent ( Closing Balance)</b>	<b>277,254.03</b>	<b>67,637.26</b>

For and on behalf of the Board of Directors

Place : New Delhi  
Date: 28.08.2010

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

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

Sd/-  
**(Jaspreet Singh)**  
Company Secretary

**AUDITORS' CERTIFICATE**

The Board of Directors  
**BRAWN PHARMACEUTICALS LTD.**

We have examined the cash flow statement of BRAWN PHARMACEUTICALS LTD. for the year ended 31st March, 2010. 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 28.08.2010 to the members of the company.

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

Place: New Delhi  
Date: 28.08.2010

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

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

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

<b>1. Registration details</b>	
Registration Number	L74899DL1985PLC022468
Balance Sheet Date	31.03.2010
State Code	55
<b>2. Capital raised during the year</b>	(Amount in thousand)
Public issue	Nil
Bonus issue	Nil
Rights issue	Nil
Private Placement	Nil
<b>3. Position of mobilization and Deployment of funds</b>	
Total Liabilities	51198.5
Total Assets	51198.5
<b>Sources of funds</b>	
Paid-up Capital	30,003
Reserves & Surplus	21195.5
Secured Loans	Nil
Unsecured Loans	Nil
<b>Application of funds</b>	
Net Fixed Assets	99.16
Investment	300
Net Current Assets	35338.26
Misc. Expenditure	Nil
Accumulated Losses	11738.70
<b>4. Performance of Company (Amount in Rs. Thousand)</b>	
Turnover	12564.81
Total Expenditure	11387.15
Profit / (Loss) Before Tax	1177.66
Profit / (Loss) After Tax	4818.03
Earning Per Shares (in Rs.)	0.37
Dividend rate	0
<b>5. Generic names of three Principal Products / Services of Company</b>	
(As per monetary terms)	
Item Code No. (ITC Code)	
Product Description	
Item Code No. (ITC Code)	N.A.
Product Description	
Item Code No. (ITC Code)	
Product Description	

For and on behalf of the board of Directors

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

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

Sd/-  
**(Jaspreet Singh)**  
 Company Secretary

Place: New Delhi  
 Date : 28.08.2010



# 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 25th Annual General Meeting of the Company held on Tuesday, the 28th September, 2010 at 9.30 a.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**

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# Brawn Pharmaceuticals Limited

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

Folio No.	
-----------	--

## 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 25th Annual General Meeting of the Company to be held on Tuesday, the 28th September,  
2010 at 9.30 a.m. or at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2010

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.

**Book-Post  
(U.P.C.)**

To



*If undelivered, please return to :*  
**Brawn Pharmaceuticals Limited**  
Old Delhi Stock Exchange Building  
4/4B, Asaf Ali Road,  
New Delhi - 110 002