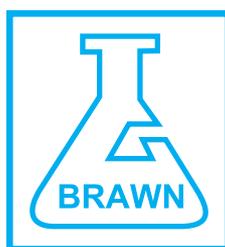




***31st Annual Report  
2015-2016***



**Brawn Biotech Limited**  
(Formerly Brawn Pharmaceuticals Limited)  
CIN : L74899DL1985PLC022468  
New Delhi



### **31st Annual General Meeting**

<b><u>Date</u></b>	1st September 2016
<b><u>Day</u></b>	.Thursday
<b><u>Time</u></b>	11.00 A.M.
<b><u>Place</u></b>	<b>“Rajmahal Banquet”</b> Agarwal Funcity Mall, 2nd Floor, CBD Ground, Near Karkardooma Court, Opp ICAI Building, Shahdara, Delhi-110032

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### **BOARD OF DIRECTORS**

Sh. Brij Raj Gupta	Chairman-cum- Managing Director
Smt. Urmila Gupta	Director
Smt. Brij Bala Gupta	Director
Sh. Manohar Lal	Non Executive Independent Director
Sh. Mahesh Kumar Nanchal	Non Executive Independent Director
Sh. Trilok Singh	Non Executive Independent Director

### **COMPANY SECRETARY**

Sh. Amit Bansal

### **CHIEF FINANCIAL OFFICER**

Ms. Rati Garg

### **AUDITORS**

M/S M.K Aggarwal & CO.  
(Chartered Accountants)  
30, Basement, Nishant Kunj,  
Opp. Metro Pillor No.332,  
Kohat Enclave, Pitampura  
New Delhi-110034

### **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-25/1, 1st Floor, Okhala Ind. Area, Phase-2,  
New Delhi-110020



## **Brawn Biotech Limited**

**CIN: L74899DL1985PLC022468**

Regd. Office: C-64, Lajpat Nagar-1,  
New Delhi-110024

Ph. No. 011-32911528, Fax: 011-23275208

Email: solution@brawnbiotech.com, website: www.brawnbiotech.com

### **NOTICE OF THIRTY FIRST ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the THIRTY FIRST ANNUAL GENERAL MEETING of the members of "BRAWN BIOTECH LIMITED" will be held on 1<sup>ST</sup> September, 2016 at 11:00 A.M. at Rajmahal Banquet, Agarwal Funcity Mall, 2<sup>nd</sup> Floor, CBD Ground, near Karkardooma Court, opp. ICAI building, Shahdara, Delhi-110032, to transact the following businesses:

#### **AS ORDINARY BUSINESS**

1. To receive, consider and adopt the **audited financial statements** of the company for the year ended 31<sup>st</sup> March, 2016 including Audited Balance Sheet as at 31<sup>st</sup> March, 2016 and Statement of Profit & Loss for the year ended on that date together with Cash Flow Statement and the Reports of Board of Directors and Auditors there on.
2. To declare **Dividend** for the financial year ended 31<sup>st</sup> march 2016, on Equity shares of the Company.
3. To appoint a director in place of **Mrs. Brij Bala Gupta** (DIN 00975261), Who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint M/s Rajiv Udai & Associates, Chartered Accountants, (Firm Regn. No. **018764N**), in place of M/s M.K Aggarwal & Co., Chartered Accountants (Firm Regn. No. **01411N**), New Delhi, as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting for the next 5 years, and to fix their remuneration for the financial year ending 31<sup>st</sup> March, 2016.

**RESOLVED FURTHER THAT** the Board of Directors of the company be and is hereby authorized to do all acts, deeds and things as may be necessary and expedient to give effect to this resolution."

**Regd. Office:**  
C-64, Lajpat Nagar-1  
New Delhi – 110 024  
**Dated: 5<sup>th</sup> August, 2016**

By order of the Board  
**For BRAWN BIOTECH LIMITED**

**Amit Bansal**  
Company Secretary

#### **NOTES**

1. a) A member entitled to attend and vote at the Annual General Meeting, is entitled to appoint a proxy to attend and vote instead of himself and such a proxy need not be a member of the Company. However, the company shall have the right to fully verify the identity of proxy.  
b) Proxies in order to be effective must be received at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.  
c) A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than 10 per cent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.  
d) Members / Proxies should bring the attendance slip duly filled in for attending the meeting along with their copy of Annual Report, as extra copies will not be supplied.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.



In case of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.

3. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, of the persons seeking re-appointment/appointment as Directors are provided in integral part of the notice.
4. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form are requested to submit their PAN to the Company/Registrar & Share Transfer Agent (RTA).
5. Members who are holding physical shares in identical names in more than one folio are requested to write to the Company/ RTA to enable the Company to consolidate their holdings in one folio. Further, members are also requested to immediately notify to the Company/RTA any change in their address with the postal area pin code number quoting their folio number.
6. Register of Members of the Company will remain closed from **Friday, the 26<sup>th</sup> day of August 2016 to Thursday the 1<sup>st</sup> day of September 2016** (both days inclusive) for the purpose of Annual General Meeting.
7. All documents referred to in the notice are open for inspection at the registered office of the company between **11.00 a.m. to 1.00 p.m.** on all working days upto the date of the meeting.
8. Payment of dividend as recommended by the Directors, if declared at the meeting, will be made to;
  - (a) the members holding shares in physical form and whose name appear in the Register of Members on the close of the day on **25<sup>TH</sup> August, 2016** and
  - (b) to the members holding shares in dematerialized form and whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners on the close of business hours on **25<sup>TH</sup> August, 2016**.
9. Payment of dividend will be made through National Electronic Clearing Services (NECS) by crediting the dividend amount to the bank account of the shareholders wherever relevant information is made available to the Company. Members holding shares in physical form and who wish to avail of NECS facility to receive dividend from the Company may furnish the information to RCMC Share Registry Private Limited, the Registrars and Transfer Agents. Members holding shares in electronic form may furnish the information to their Depository Participants in order to receive dividend through NECS mechanism.
10. Shareholders seeking any information with regard to accounts are requested to write to the Company at least ten days in advance so as to enable the Company to keep the information ready at the time of Annual General Meeting.
11. Electronic copy of the Annual Report for the financial period ending 31.03.2016, Notice of the 31<sup>st</sup> AGM of the Company, instructions for e-voting, along with the Attendance Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Annual Report is being sent in the permitted mode.
12. Members may also note that the Notice of the 31<sup>st</sup> AGM and the Annual Report 2016 will be available on the Company's website, [www.brawnbiotech.com](http://www.brawnbiotech.com). The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [solution@brawnbiotech.com](mailto:solution@brawnbiotech.com)



**13. VOTING THROUGH ELECTRONIC MEANS**

a. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulations 44 of SEBI Listing Regulations, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“ remote e-voting”) will be provided by Central Depository Services Limited (CDSL).

b. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

c. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

d. The remote e-voting period commences on **Monday, August 29, 2016 at 9.00 a. m.** and ends on **Wednesday, August 31, 2016 at 5.00 p.m.** during the e-voting period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **25<sup>th</sup> day of August, 2016** may cast their votes electronically. Once the vote on a resolution is cast by the shareholder, he shall not be allowed to change it subsequently. The e-voting module shall be disabled by CDSL for voting thereafter.

**The instructions for members for voting electronically are as under:-**

(i) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on the address label.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field</li> </ul>
<b>Dividend Bank Details</b>  <b>OR Date of Birth (DOB)</b>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>



- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e 25<sup>th</sup> August, 2016, may follow the same instructions as mentioned above for e-Voting.
- **Other instructions for E-voting**
- (A) In case of any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (B) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 25<sup>th</sup> August, 2016.
- (C) Mr. Gautam Goyal, Practicing Company Secretary (Membership No.: FCS No. 7973), have been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (D) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- (E) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (F) The results shall be declared on or after the AGM of the Company. The results of the e-voting along with the scrutinizer's report shall be available for inspection and also placed on the Company's website [www.brawnbiotech.com](http://www.brawnbiotech.com) The results will also be communicated to the stock exchanges where the shares of the Company are listed.



**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER  
(In pursuance of SEBI(Listing Obligations and Disclosure Requirements) Regulations,2015]**

**Re-Appointment of Mrs. Brij Bala Gupta (DIN: 00975261) (Item No. 3)**

In terms of Section 149, 152 and any other applicable provisions of the Companies Act, 2013, effective from 1<sup>st</sup> day of April, 2015, for the purpose of determining the directors liable to retire by rotation, the independent directors shall not be included in the total number of directors of the Company. In view of above, the remaining directors, being Executive Directors, are now made liable to retire by rotation at every Annual General Meeting in accordance with Section 152(6) of the Companies Act.

Mrs. Brij Bala Gupta, being longest in office, shall accordingly retire at the forthcoming Annual General Meeting and being eligible offers herself for re-appointment.

A brief resume of Mrs. Brij Bala Gupta is provided in this Annual Report.

Accordingly, the Board recommends her re-appointment.

Except Mrs. Urmila Gupta and Mr. Brij Raj Gupta, none of the Directors and Key Managerial Personnel and their relatives is concerned or interested, financial or otherwise, in agenda Item No. 3.

**PROFILE OF DIRECTORS AND OTHER DIRECTORSHIPS**

**Mrs. Brij Bala Gupta (DIN: 00975261)**

Mrs. Gupta is presently the Director of the Company. She has been appointed as Director in the year 2004 and since then she is playing a vital role in the Company.

Mrs. Gupta aged about 66 years is the wife of Shri Adarsh Kumar Gupta, who is a businessman in Pharmaceutical business. She has vast experience of Business, Trade & Industry for over 25 years. She looks after back office functions and plays a vital role in overall management of the company.

She holds 89600 Equity Shares in the Company.

She is also a Director in M/s Brawn Laboratories Limited but does not hold membership of any committees of the Board of such other companies.

**DIRECTORS' REPORT**

Dear Shareholders,

The Directors have pleasure in presenting the Thirty First Annual Report of your Company on the business & operations and Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2016 along with the Auditor's Report thereon.

**FINANCIAL RESULTS**

The Financial Results of the Company for the year ended 31<sup>st</sup> March 2016 are as follows: *(Rs. in Thousands)*

<b>Particulars</b>	<b>Year ended 31.03.2016</b>	<b>Year ended 31.03.2015</b>
Revenue from Operations	<b>4,68,918.73</b>	<b>3,86,981.81</b>
Profit before Depreciation & Interest	<b>1,4338.92</b>	<b>5,959.87</b>
Interest	<b>956.93</b>	<b>914.55</b>
Depreciation	<b>332.41</b>	<b>261.80</b>
Profit/(Loss) before Tax	<b>1,3049.58</b>	<b>4,783.52</b>
Provision for Income Tax (MAT)	<b>4,905.30</b>	<b>1,802.66</b>
Creation of Deferred Tax Assets/(Deferred Tax Liabilities written back)	<b>239.30</b>	<b>(137.85)</b>
Net Profit/(Loss) from continuing operations	<b>9,497.39</b>	<b>2,843.01</b>
Extraordinary and exceptional items	-	-
Profit/(Loss) for the year	<b>9,497.39</b>	<b>2,843.01</b>
Profit/Loss brought forward	<b>(1824.58)</b>	<b>(4401.08)</b>
Adjustment of Dep. In acc. with sch. II of Companies Act, 2013	-	<b>(266.50)</b>
Amount Available for Appropriation	<b>7,672.81</b>	<b>(1,824.58)</b>
<b>Appropriations</b>		
Dividend on Equity Shares	<b>3000.30</b>	-
Tax on Distributed Profits on Equity	<b>610.79</b>	-
Transfer to General Reserve	-	-
Balance carried to Balance Sheet	<b>4061.72</b>	<b>(1,824.58)</b>

**OPERATIONS AND PERFORMANCE**

During the year 2015-16, your Company's revenue from operations were Rs. 4,68,918.73 Thousands and it earned profit before tax of Rs. 13,049.58 thousands as against previous year's sales of Rs. 3,86,981.81 Thousands in which profits of Rs. 4,783.52 Thousands earned by the Company. It is apparent from the financials shown above that the sale of the Company has been enhanced by approximately 20 % in comparison with the previous year. The net profits of the Company have also increased manifold and approximately 200% enhancement can be seen. The Company is dealing in Critical Care range of Products alongwith other Pharmaceutical products and also exporting the pharmaceutical goods in the overseas market, which results in tremendous growth in sale and profits of the Company.

**FUTURE PROSPECTS:**

In view of the best efforts of the management in the overseas markets during the Previous Years, Company got recognition as Star Export House from the Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India. The company has also started the registration process in the other countries for expanding its business. 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 business opportunities, which would require considerable reinforcement in the areas of pharmaceuticals and image building as a reliable supplier with quality assurance. Your Company is also planning to setup a Research and Development (R &D) unit for Pharmaceuticals and allied products.

**DIVIDEND**

Your Directors have recommended a dividend of 10 % equivalent to Rs 1 per equity share of face value of Rs. 10 each to be paid for the financial year under review. The dividend payout is subject to the approval of the members at the ensuing Annual General Meeting.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of the Companies Act, 2013 and pursuant to the company's Articles of Association, the Independent Directors of the Company are not be liable to retire by rotation.

In view of the above, and pursuant to Section 152(6), the remaining directors, being Executive Directors, are now made liable to retire by rotation at every Annual General Meeting. Thus, Smt. Brij Bala Gupta, Director would be liable to retire by rotation.



Smt. Brij Bala Gupta, being longest in office, would retire at this Annual General Meeting.

Brief resume of Smt. Brij Bala Gupta, nature of her expertise in specific functional areas and the name of the public companies in which she holds the Directorship, as stipulated under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is given in the notice convening the Annual General Meeting. The Board recommends her appointment as such.

The Independent Directors have submitted their declaration that they fulfill the requirements as stipulated in Section 149(6) of the Companies Act, 2013 and Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Pursuant to clause VII (1) of Schedule IV of the Companies Act, 2013, the Independent Directors had a separate meeting on 12.02.2016.

Pursuant to Section 203 of the Companies Act, 2013, the company designated, Ms. Rati Garg, as Chief Financial Officer under the Key Managerial Personnel of the Company. Her consent along with all required disclosures as per the Act were duly obtained and recorded.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Based on the framework of internal financial controls and compliance systems established and maintained by the company, work performed by the internal, statutory and secretarial auditors and the reviews performed by the Board and its committees, the Board is of the opinion that the company's internal financial controls were adequate and effective during the financial year 2015-16.

Pursuant to Sec.134 (5) of the Companies Act, 2013 the directors to the best of their knowledge and ability hereby report:

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. that the directors have selected 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 2015-16 and of the profit of the company for the year;
- iii. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. that the directors have prepared the annual accounts on a going concern basis;
- v. that the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi. that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **AUDITORS AND AUDITOR'S REPORT:**

##### **STATUTORY AUDITORS**

The Statutory Auditors, M/s M.K. Aggarwal & Co., Chartered Accountants, New Delhi retires at the forthcoming Annual General Meeting and being eligible offers themselves for re-appointment. The Company has received letter from the Auditors to the effect that their re-appointment, if made, would be within the prescribed limit under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

The Board recommends the appointment of M/s Rajiv Udai & Associates, Chartered Accountants, as auditors in place of M/s M.K. Aggarwal & Co., Chartered Accountants, New Delhi, from the conclusion of this AGM to the next 5 years.

The Company has received letter from M/s Rajiv Udai & Associates, Chartered Accountants to the effect that their appointment, if made, would be within the prescribed limit under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for appointment.

The notes on accounts are self-explanatory with regards to auditors' observations. There were no qualifications, reservations or adverse remarks made by the Auditors for the year under review.

##### **SECRETARIAL AUDITORS:**

The Board had appointed M/s Gautam Goyal & Associates, Practising Company Secretaries, as Secretarial Auditor to conduct the secretarial audit of the company for the financial year 2015-16, pursuant to the provisions of Section 204 of the Companies Act, 2013. The Report of the Secretarial Auditor forms part of the Board's Report as **Annexure 'A'**. Their report does not contain any observation requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Board at its meeting held on 05.08.2016 reappointed M/s Gautam Goyal & Associates, Practising Company Secretaries, as Secretarial Auditor for FY 2016-17.

##### **CORPORATE GOVERNANCE**

Your Company believes in conducting the business with due compliance of all the applicable laws, rules and regulations. Although, the provisions of Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable on our Company, the Company has duly implemented the system of corporate governance as per the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Detail report appears in the Annexure forming part of this report.

**VIGIL MECHANISM**

The Company has established a vigil mechanism which is overseen by the Audit Committee for the genuine concerns expressed by the employees and the Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of employees and the Company. The policy as approved by the Board is uploaded on the Company's website at <http://www.brawnbiotech.com/pharmapdf/Whistle%20Blower%20Policy.pdf>

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All related party transactions are negotiated on an arms-length basis and are in the ordinary course of business. None of the transactions with any of related parties were in conflict with the Company's interest. Suitable disclosures as required by the Accounting Standards (AS 18) have been made in the notes to the financial statements. Therefore, the provisions of Section 188(1) of the Companies Act, 2013 are not applicable. The policy on dealing with Related Party Transactions as approved by the Board is placed on the website at <http://www.brawnbiotech.com/pharmapdf/Related%20Party%20Transaction%20Policy.pdf>

**RISK MANAGEMENT POLICY OF THE COMPANY**

We have adopted a Risk management policy to identify and categorize various risks, implement measures to minimize impact of these risks where it is deemed necessary and possible, and a process to monitor them on a regular basis.

**REMUNERATION POLICY & BOARD EVALUATION**

The Board has adopted a Remuneration Policy as recommended by the Nomination & Remuneration Committee. It provides for the following:

- Criteria for determining Qualifications, Positive Attributes & Independence of the Directors.
- The basis for determining remuneration of the Directors, KMP's and other senior managerial personnel  
Some of the criteria's are:
  - Responsibilities & obligations of the personnel,
  - Strategies followed & successfully implemented,
  - Performance of the company,
  - Annual targets to the extent achieved,
  - In-depth knowledge & skills required for the job, etc.
- Defining of the Roles and Responsibilities along with the Remuneration of the KMP's and Senior managerial personnel.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has carried out an Annual Performance Evaluation of its own performance and the Directors individually. The manner of evaluation of Independent Directors, Chairman and the Board as a whole was done at a separate meeting held by Independent Directors. The performance evaluation of Independent Directors was done by entire Board, excluding Directors being evaluated.

**DISCLOSURES****a) Number of Board & Committee Meetings:**

During the year under review, Nine Board meetings, 4 Audit Committee meetings, 4 Stakeholders Relationship Committee meetings and One Nomination & Remuneration Committee meeting were convened and held. Details and attendance of such Board & Committees meetings are mentioned in Corporate Governance Report.

Pursuant to clause VII (1) of Schedule IV of the Companies Act, 2013, the Independent Directors had a separate meeting on 12.02.2016.

The Familiarization Program for the Independent Directors has been developed and has been uploaded on the website at

<http://www.brawnbiotech.com/pharmapdf/familiarization%20Programme%20for%20independent%20Directors.pdf>

- b) Deposits** – The Company has not accepted any deposit from public during the year under review.
- c) Share Capital** - There was no change in the Company's share capital during the year under review.
- d) Audit Committee** – The Company has duly constituted an Audit Committee, whose detailed composition and powers are provided in the Corporate Governance Report. There were no recommendations of the Audit Committee which have not been accepted by the Board during the financial year.



- e) **Extract Of Annual Return** - The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in **Annexure 'B'** and is attached to this Report.
- f) **Disclosure pertaining to Managerial Remuneration** - Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as per **Annexure 'C'**.
- g) **Particulars of Loans, Guarantees or Investments under Section 186** – There were no loans, guarantees or investments made by the company during the year under review.
- h) **Prevention of Sexual Harassment** – The Company has zero tolerance for sexual harassment at workplace. A policy has been adopted in line with the Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. During the year, no complaints pertaining to sexual harassment were received.

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure 'D'** and is attached to this report.

#### **CORPORATE SOCIAL RESPONSIBILITY**

As per ceilings provided under Section 135 and the Rules made thereunder of the Companies Act, 2013, the provisions of Corporate Social Responsibility are not applicable on our Company.

#### **PARTICULARS OF EMPLOYEES**

The statement containing particulars of employees as required under section 197 of the Companies Act' 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

#### **EMPLOYEES RELATION**

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

#### **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:-05.08.2016

For and on behalf of the Board of Directors  
**(B.R. Gupta)**  
**CHAIRMAN-CUM-MANAGING DIRECTOR**



**ANNEXURE 'A' TO THE DIRECTORS REPORT**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016  
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

To

The Members,

M/s. Brawn Biotech Ltd.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **Brawn Biotech Ltd.** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended **31<sup>st</sup> March, 2016**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March, 2016** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of foreign Direct Investment, Overseas Direct Investment, External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (**upto 14<sup>th</sup> May 2015**) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (**effective 15<sup>th</sup> May 2015**)

(b) The Securities and Exchange Board of India (Registrars to a Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client

(c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [**Not applicable as the company has not issued further share capital during the period under review**]

**Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-**

- (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock purchase Scheme) Guidelines, 1999;
- (vi) Other laws applicable to the Company are listed below:

(a) The Employees Provident Fund & Miscellaneous Provisions Act, 1952;

(b) The Employees State Insurance Act, 1948;

(c) Income Tax Act, 1961

(d) Industrial Dispute Act, 1947

(e) Minimum Wages Act, 1948

(f) Payment of Bonus Act, 1965

(g) Payment of Gratuity Act, 1972



We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with regard to meeting of Board of Directors (SS-1) and General Meeting(SS-2) issued by The Institute of Company Secretaries of India and made effective from **01<sup>st</sup> July,2015**
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange (BSE) and Delhi Stock Exchange (DSE) and SEBI (Listing Obligations and Disclosure Requirement) Regulations,2015 made effective from **01st December,2015**

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, to the extent applicable.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **Gautam Goyal & Associates**  
**Company Secretaries**

**Gautam Goyal**  
**FCS No.:7973**  
**C.P No.: 8938**

**Place:** New Delhi  
**Date:**-25.07.2016

This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

**ANNEXURE-A**

To  
The Members  
M/s. Brawn Biotech Limited

**Our Secretarial Audit Report of even date is to be read along with this letter.**

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc and formed our opinion solely on the basis of such representa
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Gautam Goyal & Associates**  
**Company Secretaries**

**Gautam Goyal**  
**FCS No.:7973**  
**C.P No.: 8938**

**Place:** New Delhi  
**Date:**-25.07.2016



**ANNEXURE 'B' TO THE DIRECTORS REPORT**

**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2015**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014**

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L74899DL1985PLC022468
2.	Registration Date	27-11-1985
3.	Name of the Company	BRAWN BIOTECH LIMITED
4.	Category/Sub-category of the Company	WHOLESALE OF PHARMACEUTICAL AND MEDICAL GOODS
5.	Address of the Registered office & contact details	C-64, LAJPAT NAGAR-1, NEW DELHI-110024
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	RCMC SHARE REGISTRY PRIVATE LIMITED B-25/1, 1 <sup>ST</sup> FLOOR, OKHLA INDUSTRIAL AREA PH ASE-II, NEW DELHI-110020 TEL. 011-26387320, 21 FAX: 011-26387322

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY ( All the business activities contributing 10 % or more of the total turnover of the company shall be stated)**

S. No.	Name and Description of ma in products / services	NIC Code of the Product/service	% to total turnover of the company
1	WHOLESALE OF PHARMACEUTICAL AND MEDICAL GOODS	46497	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NA**

**Iv. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)  
Category wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	211776	1156200	1367976	45.59	726012	775450	1501462	50.04	4.45
b) Central Govt	0	0	0	0	0	0	0	0	Nil
c) State Govt(s)	0	0	0	0	0	0	0	0	Nil
d) Bodies Corp.	0	68100	68100	2.27	0	68100	68100	2.27	NIL
e) Banks / FI	0	0	0	0	0	0	0	0	Nil
f) Any other	0	0	0	0	0	0	0	0	Nil



<b>Total shareholding of Promoter ( )</b>	211776	1224300	1436076	47.86	726012	843550	1569562	52.31	4.45
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	17800	17800	0.59	0	17800	17800	0.59	Nil
b) Banks / FI	0	0	0	0	0	0	0	0	Nil
c) Central Govt	0	0	0	0	0	0	0	0	Nil
d) State Govt(s)	0	0	0	0	0	0	0	0	Nil
e) Venture Capital Funds	0	0	0	0	0	0	0	0	Nil
f) Insurance Companies	0	0	0	0	0	0	0	0	Nil
g) FIIs	0	0	0	0	0	0	0	0	Nil
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	Nil
i) Others (specify)	0	0	0	0	0	0	0	0	Nil
<b>Sub-total(B)(1):-</b>	0	17800	17800	0.59	0	17800	17800	0.59	Nil
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	39261	3700	42961	1.43	64267	3700	67967	2.27	0.84
ii) Overseas	0	0	0	0	0	0	0	0	Nil
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	778933	469423	1248356	41.62	689456	461623	1151079	38.37	-3.25
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	93956	69800	163756	5.46	96661	0	96661	3.22	-2.24
<b>c) Others (Specify)</b>									
Non Resident Indians	32308	54200	86508	2.88	33783	52200	85983	2.87	-0.01
Hindu Undivided Family	0	0	0	0	0	0	0	0	Nil
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	Nil
Foreign Nationals	0	0	0	0	0	0	0	0	Nil
Clearing Members	4843	0	4843	0.16	11248	0	11248	0.37	0.21
Trusts	0	0	0	0	0	0	0	0	Nil
Foreign Bodies - D R	0	0	0	0	0	0	0	0	Nil
<b>Sub-total (B)(2):-</b>	949301	597123	1546424	51.55	895415	517523	1412938	47.1	-4.45
Total Public Shareholding (B)=(B)(1)+ (B)(2)	949301	614923	1564224	52.14	895415	535323	1430738	47.69	-4.45
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	Nil
<b>Grand Total (A+B+C)</b>	1161077	1839223	3000300	100	1621427	1378873	3000300	100	NIL



**B) Shareholding of Promoter-**

S. N.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	A B Pharma P Ltd	68,100	2.27	NA	68,100	2.27	NA	NA
2	Adarsh Kumar Gupta	1,87,650	6.25	NA	1,87,650	6.25	NA	NA
3	Asha Aggarwal	2,000	0.07	NA	2,000	0.07	NA	NA
4	Ashok Kumar Aggarwal	2,000	0.07	NA	2,000	0.07	NA	NA
5	Atul Gupta	61,500	2.05	NA	70,750	2.35	NA	0.3
6	Basant Kumar Goswami	1,600	0.05	NA	1,600	0.05	NA	NA
7	Bhawna Gupta	27,700	0.92	NA	27,700	0.92	NA	NA
8	Bishan dass dogra Sarla dogra	2,000	0.07	NA	2,000	0.07	NA	NA
9	Brij Bala Gupta	89,600	2.99	NA	89,600	2.99	NA	NA
10	Brij Raj Gupta	3,77,650	12.59	NA	4,96,700	16.56	NA	3.97
11	Bhawna Goyal	4,750	0.16	NA	4,750	0.16	NA	NA
12	Chandra Prakash	22,950	0.76	NA	NA	NA	NA	-0.76
13	Humaira Farooq	2,000	0.07	NA	2,000	0.07	NA	NA
14	Kalhan Bazaz Bhushan Bazaz	2,000	0.07	NA	2,000	0.07	NA	NA
15	Kavita Gupta	44,900	1.50	NA	44,900	1.50	NA	NA
16	Kush Gupta	13,050	0.43	NA	13,050	0.43	NA	NA
17	Love Gupta	10,800	0.36	NA	10,800	0.36	NA	NA
18	Madhu Bansal	21,300	0.71	NA	NA	NA	NA	-0.71
19	Mahesh Kumar Nanchal	2,900	0.10	NA	2,900	0.10	NA	NA
20	Mahesh Kumar Nanchal	200	0.01	NA	200	0.01	NA	NA
21	Mamta Gupta	24,000	0.80	NA	24,000	0.80	NA	NA
22	Maneet Kaur Chhatwal	2,000	0.07	NA	2,000	0.07	NA	NA
23	Mohan C Bazar	2,000	0.07	NA	2,000	0.07	NA	NA
24	Mohinder singh Shah	2,000	0.07	NA	2,000	0.07	NA	NA
25	Nitin Gupta	1,37,426	4.58	NA	1,52,209	5.07	NA	0.49
26	Nupur Vibhuti	2,500	0.08	NA	2,500	0.08	NA	NA
27	Pradip Prasad Maharani Prasad	2,000	0.07	NA	2,000	0.07	NA	NA
28	Rameshwari Devi Virender Mohan	2,000	0.07	NA	NA	NA	NA	-0.07
29	Shanta Bazaz	2,000	0.07	NA	2,000	0.07	NA	NA
30	Shashi Bala Gupta	2,09,600	6.99	NA	2,48,253	8.27	NA	1.28
31	Shri Ram Gupta	99,400	3.31	NA	99,400	3.31	NA	NA
32	Surabhi Vibhuti	2,500	0.08	NA	2,500	0.08	NA	NA
33	Tilak Raj Nijhara Nita Nijhara	2,000	0.07	NA	2,000	0.07	NA	NA
34	Virender Mohan Rameshwari Devi	2,000	0.07	NA	NA	NA	NA	-0.07



**C) Change in Promoters' Shareholding (please specify, if there is no change): No Change**

**D) Shareholding Pattern of top ten Shareholders:**

**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year		Date as and when purchased/sold shares	No. of shares purchase d/ sold during the Year	% change in shareholding during the year
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company			
1	Sushil Kumar Agarwal	69800	2.33	NA	NA	NA	NA	-2.33
2	Jayant Vishanji Kotak	22079	0.74	NA	NA	NA	NA	-0.74
3	Gopal Dhalumal	18500	0.62	18500	0.62	NA	NA	NA
4	Jagdish Daral	18220	0.61	2000	0.07	28.08.2015 04.09.2015 09.10.2015 16.10.2015 20.11.2015 27.11.2015	-1220 -1400 -4000 -1600 -5000 -3000	-0.54
5	Daksha Vishanji Kotak	15014	0.50	37093	1.24	22.05.2015	22079	+0.74
6	O P Chugh	4018	0.13	NA	NA	NA	NA	-0.13
7	Shrabonti Howlader	5859	0.20	2000	0.07	20.11.2015	-3859	-0.13
8	Credit Capital Investment Trus	NA	NA	10400	0.35	03.04.2015	10400	0.35
9	Shrutika Sharad Pente	5315	0.18	1000	0.03	08.05.2015 22.05.2015 28.08.2015 09.10.2015 20.11.2015	1000 685 -2000 -2000 -2000	-0.15
10	Surendra Pal Garg	8000	0.27	8000	0.27	NA	NA	NA
11	Anjanaben Anilkumar Patel	2204	0.07	0	00	NA	NA	-0.07
12	Sunil Khandelwal	6868	0.23	6868	0.23	NA	NA	NA
13	Vicco Products (Bombay) Limited	6300	0.21	6300	0.21	NA	NA	NA
14	Mardula Agarwal	6300	0.21	6300	0.21	NA	NA	NA
15	Deepak Haribhai Gaudani	6519	0.22	2120	0.07	08.05.2015 15.05.2015 29.05.2015	-2034 -1985 -380	-0.15
16	Kanubhai Rameshbhai Patel	5000	0.17	26207	0.87	10.04.2015 17.04.2015 24.04.2015 01.05.2015 08.05.2015 29.05.2015 31.07.2015 21.08.2015 25.09.2015 18.03.2015 25.03.2016 31.03.2016	2345 2216 500 25 2514 10 5163 352 1000 764 5441 877	0.7



17	Adroit Fin Ser Pvt Ltd	4301	0.14	100	0	24.04.2015	3999	-0.14
						01.05.2015	-4499	
						17.07.2015	-3701	
						07.08.2015	100	
						14.08.2015	-100	
						28.08.2015	2700	
						02.10.2015	-500	
						09.10.2015	-300	
						16.10.2015	-500	
						30.10.2015	-500	
						13.11.2015	-500	
						20.11.2015	-400	
						08.01.2016	100	
15.01.2016	-100							
18.	Guinness Securities Ltd	215	0.01	14708	0.49	12.06.2015	2064	0.48
						03.07.2015	850	
						10.07.2015	5861	
						17.07.2015	5718	
19.	BP Equities Pvt.Ltd	NA	NA	2000	0.07	04.09.2015	1425	0.07
						25.09.2015	3239	
						02.10.2015	3692	
						09.10.2015	50	
						16.10.2015	-6056	
						23.10.2015	1325	
						30.10.2015	-1225	
						20.11.2015	499	
						27.11.2015	-898	
						04.12.2015	2114	
						11.12.2015	1500	
						18.12.2015	3501	
						01.01.2016	2567	
						08.01.2016	-3675	
						15.01.2016	-6004	
22.01.2016	-54							
20.	MPSE Securities Ltd	NA	NA	2621	0.09	01.05.2015	202	0.09
						08.05.2015	606	
						15.05.2015	-11	
						22.05.2015	1125	
						05.06.2015	100	
						19.06.2015	-903	
						26.06.2015	-511	
						03.07.2015	-1	
						10.07.2015	-507	
						24.07.2015	85	
						07.08.2015	-100	
						20.11.2015	500	
						27.11.2015	-500	
						04.12.2015	6014	
						11.12.2015	2929	
18.12.2015	8014							
01.01.2016	752							
08.01.2016	-11102							
15.01.2016	-5380							
22.01.2016	2215							



20.	MPSE Securities Ltd					29.01.2016 05.02.2016 12.02.2016 19.02.2016 26.02.2016 04.03.2016 11.03.2016 18.03.2016 25.03.2016 31.03.2016	-2449 1682 3603 1010 -338 -1391 -841 -411 1471 -3242	
21.	Baldev Raj Grover	NA	NA	8000	0.27	28.08.2015 04.09.2015 25.09.2015 16.10.2015 23.10.2015 06.11.2015 13.11.2015	1000 4000 4175 750 500 -1124 -1301	0.27
22	Kovuru Venkateshwarlu	NA	NA	11500	0.38	01.05.2015 15.05.2015 19.02.2016 26.02.2016 04.03.2016 11.03.2016 18.03.2016	396 754 -150 2400 1830 3991 2279	0.38
23	Banoth Neema	NA	NA	10659	0.36	27.11.2015 04.12.2015 22.01.2015 19.02.2016 25.03.2016	11125 1700 -608 -850 -708	0.36
24	B Sunita	NA	NA	11202	0.37	04.09.2015 15.01.2016 22.01.2016 29.01.2016 19.02.2016 26.02.2016 04.03.2016	2312 3688 1500 1000 1500 1107 95	0.37
25	Gopal Dhalumal	NA	NA	18500	0.62	03.04.2015	18500	0.62

**E) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year		% Change in shareholding end of the year
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
	1. Brij Raj Gupta	377650	12.59%	496700	16.56%	3.97%
	2. Brij Bala Gupta	89600	2.99%	89600	2.99%	NA
	3. Mahesh Kumar Nanchal	3100	0.11%	3100	0.11%	NA
<b>There is change in the shareholding of Directors &amp; KMPs at the end of the year</b>						



**V INDEBTEDNESS** -Indebtedness of the Company including interest outstanding /accrued but not due for payment:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1098841			1098841
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL			NIL
<b>Total (i+ii+iii)</b>	1098841			1098841
<b>Change in Indebtedness during the financial year</b>				
—	674000.00	NIL	NIL	674000.00
—	(531688.00)			(531688.00)
<b>Net Change</b>	142312.00			142312.00
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	1241153.00	NIL	NIL	1241153.00
ii) Interest due but not paid	0			0
iii) Interest accrued but not due	0			0
<b>Total (i+ii+iii)</b>	1241153.00			1241153.00

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL -**

**A.** Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income -tax Act, 1961	No remuneration of any kind had been paid to the Directors during the year 2015-16	No remuneration of any kind had been paid to the Directors during the year 2015 - 16
2	Stock Option, Sweat Equity, Commission		
	Total (A)		
	Ceiling as per the Act	NA	NA

**B.** Remuneration to other directors (Independent Directors): No remuneration is paid to Independent Directors

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

SN.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		MR. AMIT BANSAL (CS)	MS. RATI GARG (CFO)	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income -tax Act, 1961	851920	583693	1435613
		NA	NA	NA
2	Stock Option, Sweat Equity, Commission, Others	NA	NA	NA
	Total (A)	851920	583693	1435613

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:** No penalties, punishment have been imposed on the Company, its Directors and other Officers under the Companies Act, 2013.



**ANNEXURE 'C' TO THE DIRECTORS' REPORT**

**PARTICULARS OF REMUNERATION**

The information required under Section 197 of the Act and the Rules made there-under, in respect of employees of the Company, is as follows:

- a) The Ratio of the Remuneration of each Director to the Median Remuneration of the Employees of the Company for the financial year:

Name of person	Ratio to Median Remuneration
<b>Non-Executive Directors</b>	<b>0.00</b>
<b>Executive Directors</b>	
Mr. Brij Raj Gupta	<b>0.00</b>

- b) The percentage increase in Remuneration of each Director, Chief Financial Officer, Company Secretary, in the financial year:

Name of person	% Increase in Remuneration
<b>Non-Executive Directors</b>	<b>0.00</b>
<b>Executive Directors</b>	
Mr. Brij Raj Gupta	<b>0.00</b>
<b>KMP</b>	
Mr. Amit Bansal (CS)	<b>19.00</b>
Ms. Rati Garg (CFO)	<b>30.00</b>

- c) The percentage increase in the Median Remuneration of employees in the financial year: **28%**
- d) The number of permanent employees on the rolls of Company as on 31.03.2016 employees is **40**.
- e) The explanation on the relationship between: Average increase in Remuneration and Company Performance - On an average, employee received an increase of **28%**. The increase in remuneration is in line with the market trends and is linked to organization performance.
- f) Comparison of the Remuneration of the Key Managerial Personnel against the Performance of the Company:

Particulars	Rs/Lac
Remuneration of Key Managerial Personnel (KMP) during financial year 2015-16 (Aggregate)	14.4
Remuneration (as % of revenue i.e. Rs. 4689.19 Lakhs)	0.31%
Remuneration (as % of PBT i.e. Rs. 130.50 Lakhs)	11.03%

- g) Variation in the Market Capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year

Particulars	Unit	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015	Variation
Closing rate of share at BSE	Rs.	46.00	10.06	357.26%
EPS	Rs.	3.17	0.99	220.20%
Market Capitalisation	Rs/lac	1380.14	301.83	357.26%
Price Earnings Ratio	Ratio	14.51	10.16	42.81%



- h) Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration. The average increase in salaries of employees in 2015 -16 was **28%**. Percentage increase in the Managerial Remuneration for the year was **23.56%**.
- i) Comparison of each Remuneration of the Key Managerial Personnel against the performance of the company

Particulars	Managing Director	Rs. In Lakhs	
		CS	CFO
Remuneration	Nil	8.51	5.83
Remuneration (as % of revenue i.e. Rs. 4689.18 Lakhs)	Nil	0.18	0.12
Remuneration (as % of PBT i.e. Rs. 130.49 Lakhs)	Nil	6.52	4.47

- j) **The key parameters for any variable component of Remuneration availed by the Directors :**  
Noremuneration and perquisites to Chairman and Managing Director were paid and hence no approval by the members had been required. Further the Non Executive Directors are getting/not getting sitting fees for attending Board & Committee Meetings.
- k) The ratio of the remuneration of the highest paid Director to that of employees who are not Directors but receive remuneration in excess of the highest paid Directors during the year: **Not Applicable.**
- l) Affirmation that the remuneration is as per the remuneration policy of the Company. The Company's Remuneration Policy is driven by the success and performance of the individual employees and the Company. The Company affirms Remuneration is as per the Remuneration policy of the Company.

**ANNEXURE 'D' TO THE DIRECTORS' REPORT**  
**INFORMATION AS PER SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED MARCH 31, 2016.**

**(A) CONSERVATION OF ENERGY, POWER AND FUEL CONSUMPTION**

The company is taking all measures to conserve Energy, Power and Fuel Consumption.

- (i) Energy Conservation Measure taken N.A.
- (ii) Usage of Alternate Sources of Energy N.A.
- (iii) Capital Investments in Energy Conservation Equipments N.A.
- (B) Technology absorption N.A.
- (C) Expenditure on R&D N.A.
- (D) Foreign Exchange earnings Rs. 399,575.42 Thousand

(Rs. in Thousands)

		Year ended 31 <sup>st</sup> March 2016	Year ended 31 <sup>st</sup> March 2015
a)	Total foreign Exchange earned	399,575.42	334,368.46
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.	565.64	-
d)	Remittance during the year in foreign currency on account of dividend.	-	-

PLACE: New Delhi  
DATE: 05.08.2016

For and on behalf of the Board of Directors  
**(B.R. Gupta)**

**CHAIRMAN-CUM-MANAGING DIRECTOR**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****OUTLOOK**

The Indian pharma industry, which is expected to grow over 15 per cent per annum between 2015 and 2020, will outperform the global pharma industry, which is set to grow at an annual rate of 5 per cent between the same period. The market is expected to grow to US\$ 55 billion by 2020, thereby emerging as the sixth largest pharmaceutical market globally by absolute size. India has also maintained its lead over China in pharmaceutical exports with a year-on-year growth of 7.55 per cent to US\$ 12.54 billion in 2015, according to data from the Ministry of Commerce and Industry. Overall drug approvals given by the US Food and Drug Administration (USFDA) to Indian companies have nearly doubled to 201 in FY 2015-16 from 109 in FY 2014-15 an increase of 84 per cent as per analysis by USFDA. The drugs and pharmaceuticals sector attracted cumulative FDI inflows worth US\$ 13.85 billion between April 2000 and March 2016, according to data released by the Department of Industrial Policy and Promotion (DIPP).

**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 Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

**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 leads 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, 09 Board Meetings were held.

The particulars regarding composition of the Board of Directors, particulars of Director's, 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 Director s & Category of Directorship		Directorship in other public limited companies		Committees Membership held in Other public Companies		No. of Board Meetings during the year		Attend ed Last AGM	No. of share held in the company
		Total	As Chairman	Total	Chairman	Held	Attend ed		
B.R. Gupta	Chairman & M.D	1	NIL	NIL	NIL	09	09	Yes	4,96,700
Brij Bala Gupta	Non-Executive Promoter Director	1	NIL	NIL	NIL	09	09	Yes	89,600
Urmila Gupta	Non-Executive Director	1	NIL	NIL	NIL	09	3	Yes	NIL
Manohar Lal	Non-Executive Independent Director	NIL	NIL	NIL	NIL	09	09	Yes	NIL
Mahesh Kumar Nanchal	Non-Executive Independent Director	NIL	NIL	NIL	NIL	09	09	Yes	Nil
Mr. Trilok Singh	Non-Executive Independent Director	NIL	NIL	NIL	NIL	09	07	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 four times during the year 2015-16 on 29<sup>th</sup> May, 2015; 13<sup>th</sup> August, 2015, 10<sup>th</sup> November, 2015 and 12<sup>th</sup> February, 2016.

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. Trilok Singh	Member	4	4



**B. Share Transfer & Shareholders/Investors' Grievance/ Stakeholder Relationship Committee**

The Share Transfer & Shareholders/Investors' Grievance / Stakeholder Relationship 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/ Stakeholders Relationship Committee attended by the members are as under:-

Members	Category	Meetings held	Meetings attended
Mr. Manohar Lal	Chairman	4	4
Mr. Mahesh Kumar Nanchal	Member	4	4
Mr. Trilok Singh	Member	4	4

**C. Nomination and 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. Trilok Singh	Member

**1. General Body Meeting**

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

Year	Date	Location	Time
2014-15	24th September, 2015	Executive Club, 439, Vill -Shahoorpur, P.O., Fatehpur Beri, N.D-110074	3.30 p.m.
2013-14	29th September, 2014	Executive Club, 439, Vill -Shahoorpur, P.O., Fatehpur Beri, N.D-110074	3.00 p.m.
2012-13	28th September, 2013	Executive Club, 439, Vill -Shahoorpur, P.O., Fatehpur Beri, N.D-110074	3.00 p.m.

(ii) Special resolutions passed in the previous 3 AGMs :  
Special Resolution for adoption of new set of Articles as per Companies Act, 2013 had been passed in the last AGM dated 29<sup>th</sup> September 2014.

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

**2. Means of Communication**

- Quarterly Results: Dissemination through publication in newspaper as required under SEBI (Listing Obligation and Disclosure Requirements), Regulation 2015
- Newspapers wherein results normally published -Business Standard (in Hindi) and Business Standard (in English).
- The financial results and official news releases are also available on the company's website at [www.brawnbiotech.com](http://www.brawnbiotech.com)

**3. GENERAL SHAREHOLDERS INFORMATION**

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

Date	1 <sup>st</sup> September, 2016
Time	11.00 A.M.
Venue	Rajmahal Banquet, Aggarwal Funcity Mall, 2nd Floor, CBD Ground, Near Karkardooma Court, Opp. ICAI Building, Shahdara, Delhi-110032



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	26-08-2016 to 01-09-2016
Listing on Stock Exchanges	Bombay Stock Exchange Limited;
Financial Calendar (Tentative)	1. Results for the Quarter ending June'16- mid of Aug' 16 2. Results for the Quarter ending Sep'16- mid of Nov' 16 3. Results for the Quarter ending Dec'16- mid of Feb' 17 4. Results for the Quarter ending Mar'17 end of May' 17
Registrar and Share Transfer Agent	M/s. RCMC Share Registry Private Limited B-25/1, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase -II, New Delhi-110020
Dematerialisation of Shares	16,21,427 shares i.e. 54.04%(As on 31.03.2016)
Address for Correspondence	4/4B, Asaf Ali Road, Old Delhi Stock Exchange Building, New Delhi-110002, Phone: 43538733, Fax: 011-23275208

**(ii) Distribution of Shareholding according to size class as on 31.03.2016**

Shareholding of value of Rs.	Shareholders		Share holdings		
	Number	% to total	Shares	Amount	% to total
UPTO TO 5000	5952	93.70	721071	7210710.00	24.03
5001 TO 10000	184	2.90	157209	1572090.00	5.24
10001 TO 20000	125	1.97	205449	2054490.00	6.85
20001 TO 30000	38	0.60	99858	998580.00	3.33
30001 TO 40000	17	0.27	59128	591280.00	1.97
40001 TO 50000	8	0.13	37115	371150.00	1.24
50001 TO 100000	7	0.11	47189	471890.00	1.57
100001 and Above	21	0.33	1673281	16732810.00	55.77
<b>** G Total</b>	<b>6352</b>	<b>100.00</b>	<b>3000300</b>	<b>30003000.00</b>	<b>100.00</b>

**(iii) Distribution of Shareholding as on 31.03.2016**

<b>Sr. No.</b>	<b>Category</b>	<b>No. of Shareholders</b>	<b>No. of Shares held</b>	<b>% to Total shares</b>
1.	Promoters & Promoter Group	30	15,53,862	51.79
2.	Mutual Funds	5	17800	0.59
3.	Bodies Corporate	54	67967	2.27
4.	Non-Residents	54	85983	2.87
5.	Clearing Members	12	11248	0.37
6.	Individuals	6197	12,63,440	42.11
	<b>Total</b>	<b>6352</b>	<b>3000300</b>	<b>100.00</b>

**CEO/CFO Certification and Auditors' Certificate relating to Corporate Governance**

As per Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions of Regulation 27 of the said Regulations are not applicable on the Company, and therefore, there is no requirement of CEO/ CFO Certification and Auditors' Certificate.

**BRIJ RAJ GUPTA**  
**CHAIRMAN & MANAGING DIRECTOR**

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF BRAWN BIOTECH LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of Brawn Biotech Limited ('the Company'), which comprise the balance sheet as at 31<sup>st</sup> March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on the financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



**OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A', a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - I. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – **Refer Note No.2(M)** to the financial statements;
    - ii. The Company has no long term contracts including derivative contracts on which provision is required for material foreseeable losses as per the applicable law or accounting standards.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: New Delhi  
Date: 27.05.2016

**For M.K.AGGARWAL & CO.**  
Chartered Accountants  
Firm No.01411N

**CA Atul Aggarwal**  
Partner  
Membership No.099374

**Annexure – 'A' to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventories have been physically verified by the management at reasonable intervals and no material discrepancies were noticed.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.



(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there is no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute.

(viii) The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: New Delhi  
Date: 27.05.2016

**For M.K.AGGARWAL & CO.**  
Chartered Accountants  
Firm No.01411N

**CA Atul Aggarwal**  
Partner  
Membership No.099374

#### **Annexure - B to the Auditors' Report**

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Brawn Biotech Limited** ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: New Delhi  
Date: 27.05.2016

**For M.K.AGGARWAL & CO.**  
Chartered Accountants  
Firm No.01411N

**CA Atul Aggarwal**  
Partner  
Membership No.099374



**Balance Sheet as at 31st March 2016**

(Figures in Thousands except share quantity and per share data)

S.No.	Particulars	Note No.	Amount As at 31.03.2016	Amount As at 31.03.2015
<b>I</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
<b>1</b>	<b>Shareholders Funds</b>			
	Share Capital	3	30,003.00	30,003.00
	Reserve and surplus	4	25,257.22	19,370.92
			<b>55,260.22</b>	<b>49,373.92</b>
<b>2</b>	<b>Share application money pending allotment</b>		-	-
<b>3</b>	<b>Non - Current Liabilities</b>			
	(a) Long Term Borrowings	5	484.09	-
	(b) Long Term Provisions	6	776.82	718.15
	(c) Deferred Tax Liabilities	13	-	26.07
			<b>1,260.91</b>	<b>744.22</b>
<b>4</b>	<b>Current Liabilities</b>			
	(a) Short Term Borrowings	7	-	-
	(b) Trade Payables	8	49,526.17	67,987.78
	(c) Other Current Liabilities	9	17,504.90	14,228.36
	(d) Short Term Provisions	10	15,943.53	7,697.24
			<b>82,974.60</b>	<b>89,913.38</b>
	<b>TOTAL</b>		<b>139,495.73</b>	<b>140,031.52</b>
<b>II</b>	<b><u>ASSETS</u></b>			
<b>1</b>	<b>Non - Current Assets</b>			
	(a) Fixed Assets			
	(i) Tangible Assets	11	2,368.46	1,891.51
	(b) Non Current Investments	12	300.00	300.00
	(c) Deffered Tax Assets (Net)	13	213.23	-
	(d) Long term loans and advances	14	816.70	1,826.83
	(e) Other Non Current Assets	15	26,816.48	26,816.48
			<b>30,514.87</b>	<b>30,834.81</b>
<b>2</b>	<b>Current Assets</b>			
	(a) Inventories	16	4,953.83	10,278.11
	(b) Trade Receivables	17	92,022.60	92,150.91
	(c) Cash and Bank Balances	18	1,737.32	2,497.20
	(d) Short Term loans and advances	19	10,267.11	4,270.48
			<b>108,980.86</b>	<b>109,196.71</b>
	<b>TOTAL</b>		<b>139,495.73</b>	<b>140,031.52</b>

Significant Accounting Policies & Notes on Financial Statements 01 to 25

For and on behalf of Board of Directors

"As per our report of even date"  
For M. K. Aggarwal & Co.  
Chartered Accountants  
Firm Registration No. 01411N

Atul Aggarwal  
Partner  
M.No. 099374

Place: Delhi  
Date: 27.05.2016

Brij Raj Gupta  
(Managing Director)  
DIN No. 00974969

Brij Bala Gupta  
(Director)  
DIN No. 00975261

Rati Garg  
(Chief Financial Officer)

Amit Bansal  
(Company Secretary)



**Profit & Loss Account for the year ended 31st March 2016**

(Figures In Thousands except share quantity and per share data)

S.No.	Particulars	Notes	Amount 31/03/2016	Amount 31/03/2015
<b>I</b>	<b>Revenue from Operations</b>			
	Sale of Products	20	468,838.42	386,464.07
	Other Incomes	21	80.31	517.74
	<b>TOTAL REVENUE</b>		<b>468,918.73</b>	<b>386,981.81</b>
<b>II</b>	<b>Expenses</b>			
	Purchase of Stock in Trade		399,885.74	329,917.20
	Changes in inventories of Stock in Trade	22	5,324.28	6,830.52
	Employee Benefits Expenses	23	18,618.12	15,182.33
	Finance Cost	24	956.93	914.55
	Depreciation and amortization Expenses	11	332.41	261.80
	Other Expenses	25	30,751.67	29,091.90
			<b>455,869.15</b>	<b>382,198.29</b>
<b>III</b>	<b>Profit / (Loss) before exceptional items, extraordinary items, tax, depreciation and amortisation ( I - II )</b>		<b>13,049.58</b>	<b>4,783.52</b>
<b>IV</b>	Exceptional items		-	-
<b>V</b>	<b>Profit / (Loss) before extraordinary items and tax ( III ± IV )</b>		<b>13,049.58</b>	<b>4,783.52</b>
<b>VI</b>	Extraordinary items		-	-
<b>VII</b>	<b>Profit / (Loss) before tax ( V ± VI )</b>		<b>13,049.58</b>	<b>4,783.52</b>
<b>VIII</b>	<b>Tax Expense:</b>			
	(a) Current Tax Expense for Current Year (MAT)		4,348.393	1,802.66
	(b) (Creation of Deferred Tax Assets)/ Provision for Deferred Tax Liabilities		(239.30)	137.85
	(c) MAT Credit		(556.91)	-
	(d) Tax Expenses for Previous Year		-	-
<b>IX</b>	<b>Profit / (Loss) from continuing operations ( VII ± VIII )</b>		<b>9,497.39</b>	<b>2,843.01</b>
<b>X</b>	<b>Profit / (Loss) from discontinuing operations</b>		-	-
<b>XI</b>	<b>Profit / (Loss) for the year ( IX ± X )</b>		<b>9,497.39</b>	<b>2,843.01</b>
<b>XI</b>	<b>Earning Per Equity Share (Face Value Rs.10/-)</b>			
	Basic		3.17	0.99
	Diluted		3.17	0.99

Significant Accounting Policies & Notes on Financial Statements 01 to 25

For and on behalf of Board of Directors

"As per our report of even date"  
For M. K. Aggarwal & Co.  
Chartered Accountants  
Firm Registration No. 01411N

Atul Aggarwal  
Partner  
M.No. 099374

Place: Delhi  
Date: 27.05.2016

Brij Raj Gupta  
(Managing Director)  
DIN No. 00974969

Brij Bala Gupta  
(Director)  
DIN No. 00975261

Rati Garg  
(Chief Financial Officer)

Amit Bansal  
(Company Secretary)



**Cash Flow Statement for the year ended 31 March, 2016**

(Figures In Thousand)

Particulars	For the year ended		For the year ended	
	31.03.2016		31.03.2015	
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		13,049.58		4,783.52
<u>Adjustments for:</u>				
Depreciation and amortisation	332.41		261.80	
Finance costs	956.93	1,289.34	1,044.79	1,306.59
Operating profit / (loss) before working capital changes				
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	5,324.28		6,830.52	
Trade receivables	128.32		(8,504.92)	
Short-term loans and advances	(5,966.65)		(902.92)	
Long-term loans and advances	1,010.12		1,182.51	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	(18,461.60)		213.71	
Other current liabilities	3,276.54		(2,837.71)	
Short-term provisions	4,454.80		206.51	
Long-term provisions	58.67	(10,175.53)	35.35	(3,776.95)
Cash flow from extraordinary items		-		-
Cash generated from operations		-		-
Net income tax (paid) / refunds		(30.00)		-
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>4,133.39</b>		<b>2,313.16</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	(809.35)		(1,240.87)	
Cash flow from extraordinary items	-	(809.35)	-	(1,240.87)
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(809.35)</b>		<b>(1,240.87)</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from long-term borrowings	484.09		-	
Proceeds from other short-term borrowings	-		1,037.45	
Finance cost	(956.93)	(472.84)	(1,044.79)	(7.34)
Cash flow from extraordinary items		-		-
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(472.84)</b>		<b>(7.34)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>2,851.20</b>		<b>1,064.95</b>
Cash and cash equivalents at the beginning of the year		2,497.20		1,882.53
Effect of exchange differences on restatement of foreign currency Cash		-		-
<b>Cash and cash equivalents at the end of the year</b>		<b>5,348.40</b>		<b>2,947.48</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>				
Cash and cash equivalents as per Balance Sheet (Refer Note-19 )		1,737.32		2,497.20
Less: Bank balances not considered as Cash and cash equivalents as				
Net Cash and cash equivalents (as defined in AS 3 Cash Flow		<b>1,737.32</b>		<b>2,497.20</b>
Add: Current investments considered as part of Cash and cash				
<b>Cash and cash equivalents at the end of the year *</b>		<b>1,737.32</b>		<b>2,497.20</b>
* Comprises:				
(a) Cash on hand		49.83		896.28
(b) Cheques, drafts on hand		-		-
(c) Balances with banks		-		-
(i) In current accounts		1,687.48		1,600.93

**Notes:**

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.
- (ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

**Significant Accounting Policies & Notes on Financial Statements 01 to 25**

For and on behalf of Board of Directors

"As per our report of even date"  
For M. K. Aggarwal & Co.  
Chartered Accountants  
Firm Registration No. 01411N

Atul Aggarwal  
Partner  
M.No. 099374

Place: Delhi  
Date: 27.05.2016

Brij Raj Gupta  
(Managing Director)  
DIN No. 00974969

Brij Bala Gupta  
(Director)  
DIN No. 00975261

Rati Garg  
(Chief Financial Officer)

Amit Bansal  
(Company Secretary)

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(Figures In Thousands except share quantity and per share data)

**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 based on useful lives given in schedule II to the Companies Act, 2013.

**(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**

	F.Y. 2015-16	F.Y. 2014-15
(i) Claims against the company not acknowledged as debts	Nil	Nil
(ii) Estimated amounts of contracts remaining to be executed on Capital Accounts and not provided for	Nil	Nil

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

- (i) 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.
- (ii) 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.



<b>(E)</b>	<b>Managerial Remuneration :</b>	F.Y. 2015-16	F.Y. 2014-15
	Remuneration to Directors	Nil	Nil
<b>(F)</b>	<b>Auditor's Remuneration:</b>		
	Statutory Audit Fee	343.5	112.36
	Internal Audit Fee	28.63	28.09
	Secretarial Audit Fee	23.00	23.00
<b>(G)</b>	<b>The deferred tax assets comprises of the following:</b>		
	<b>i. Deferred Tax Liability</b>		
	Related to Fixed Assets (A)	51.53	26.07
	<b>ii. Deferred Tax Assets</b>		
	Disallowance under Income Tax Act, 1961 (B)	264.75	-
	Net Deferred Tax Assets/(Liabilities)	213.23	(26.07)

**(H) 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:-

<b>Name of Concern</b>	<b>Relationship</b>
M/s Brawn Laboratories Ltd.	Associate Company by virtue of Common Directors
M/s Overseas Laboratories Pvt. 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
M/s South Delhi Medicos	Associate firm by virtue of relative of Director is proprietor
M/s Sai Corporation	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. Trilok Singh

**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 parties:**

<b>S.No.</b>	<b>Name of Company/Firm</b>	<b>Nature of Transactions</b>	<b>F.Y. 2015-16</b>	<b>F.Y. 2014-15</b>
1	M/s Brawn Laboratories Ltd.	Sales/Purchases/ Discount Income	387,634.72	331,169.00
2	M/s Delhi Pharma	Sales/ (Sales Return)-Net	-	-
3	M/s South Delhi Medicos	Sales	117.18	84.52
4	M/s Brawn Herbals	purchase	600.00	-
5	M/s Brawn Herbals	sale	98.83	-

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

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 deals only in Pharmaceutical product which in the context of Accounting Standard 17 is considered the only primary business segment. Hence no segmental reporting is required.



## Brawn Biotech Ltd.

31st Annual Report 2015 - 2016

<b>(J) Earning Per Share</b>		F.Y. 2015-16	F.Y. 2014-15
Profit / (Loss) after Tax as per Profit & Loss Account		9,497.39	2,980.86
Number of Equity Share		3000300	3000300
Earnings/ (Loss) Per Shares		3.17	0.99

(K) In view of the insufficient information from the suppliers regarding their status as SSI units, the amount due to small scale industrial undertaking can not be ascertained.

<b>(L) Amount remitted in foreign currency</b>		F.Y. 2015-16	F.Y. 2014-15
(a) Expenditure in foreign currency		565.64	Nil
(b) Value of imports on CIF basis		Nil	Nil
(c) Earning in foreign currency			
Export of good		399,575.42	334,368.46

**(M) LITIGATIONS**

"1) Amount of Rs. Rs.26,816.48 is recoverable from Balajee Commercio General - LDA Africa against export of goods which is pending before Justice (retd.) Ms. Sharda Aggarwal, Ld. Sole Arbitrator for award and a criminal proceedings against such persons from whom the amount is recoverable is pending before the Ld. Metropolitan Magistrate, Tis Hazari Courts, Delhi. The outcome of the same is not known.

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

### Note-3: Equity Share Capital **NOTES FORMING PART OF FINANCIAL STATEMENTS**

(Figures In Thousand except share quantity and per share data)

S. No.	Particulars	Amount as at 31/3/2016	Amount as at 31/3/2015
1	<u>Authorised Capital</u> 45,00,000 Equity Shares of Rs.10/- Each (Previous Year 45,00,000 Equity Shares of Rs.10/- Each)	45,000.00	45,000.00
2	<u>Subscribed, Issued and Paid up Capital</u> 30,00,300 Equity Shares of Rs10/- Each Fully Paid Up (Previous Year 30,00,300 Equity Shares of Rs10/- Each Fully Paid Up)	30,003.00	30,003.00
	<b>Total</b>	<b>30,003.00</b>	<b>30,003.00</b>

#### Shareholding Pattern

S.No.	Name of Shareholders Holding More than 5%	as on 31/03/2016		as on 31/03/2015	
		Number	Percentage	Number	Percentage
1	Mr Adarsh Kumar Gupta	187650	6.25%	187650	6.25%
2	Mr Brij Raj Gupta	496700	16.56%	377650	12.59%
3	Mrs Shashi Bala Gupta	248253	8.27%	209600	6.99%
4	Mr. Nitin Gupta	152209	5.07%	-	-
	<b>Total</b>				

#### Reconciliation

Particulars	As at 31 March, 2016	As at 31 March, 2015
Equity Shares (Fully Paid Up) having voting rights		
Opening Balance	3,000.30	3,000.30
Fresh Issue during the year	-	-
Other Changes	-	-
Closing Balance	3,000.30	3,000.30

Voting rights of shareholders: As per article 76 of the Articles of Association of the Company,

- on show of hands, every member present in person shall have one vote;
- on a poll, the voting rights of the members shall be as laid down in section 47 of the Companies Act, 2013.



**Notes Forming Part of Financial Statements**

**Note- 4: Reserve & Surplus**

(Figures In Thousands except share quantity and per share data)

S. No.	Particulars		As at 31 March, 2016		As at 31 March, 2015
1	<b>Securities Premium Reserve</b> 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		15,201.50		15,201.50
2	<b>Investment Allowance Reserve</b>		150.00		150.00
3	<b>General Reserve</b>		5,844.00		5,844.00
4	<b>Profit / (Loss) Account</b> Opening Balance Add/(Less) Profit/(Loss) during the year Add/(Less): Adjustment of depreciation in accordance with Schedule-II of Companies Act 2013	(1,824.58) 5,886.30 -		(4,401.08) 2,843.01 (266.50)	
	<b>TOTAL</b>		<b>25,257.22</b>		<b>19,370.92</b>

S.No.	Particulars		For the Year Ended on 31st March 2016		For the Year Ended on 31st March 2015
1	Profit / (Loss) for the Year Less: Dividend on Equity Shares Tax on Distributed Profits on Equity Transfer to General Reserve	3,000.30 610.79 -	9,497.39 3,611.09	- - -	2,843.01
	<b>TOTAL</b>		<b>5,886.30</b>		<b>2,843.01</b>

**Note-5: Long Term Borrowings**

(Figures In Thousands except share quantity and per share data)

S. No.	Particulars	Amount as at 31/3/2016	Amount as at 31/3/2015
1	<b>Secured</b>		
	<b>A. Vehicle Loan From Bank</b> (Secured against hypothecation of Cars)	484.09	-
	<b>TOTAL</b>	<b>484.09</b>	<b>-</b>

**Note-6: Long Term Provisions**

(Figures In Thousands except share quantity and per share data)

S.No.	Particulars	Amount as at 31.03.2016	Amount as at 31.03.2015
A.	<b>Employee Benefits</b>		
	- Compensated Absents*	251.45	231.74
	- Gratuity*	525.37	486.41
	- Others	-	-
	<b>TOTAL</b>	<b>776.82</b>	<b>718.15</b>

\* Provisions have been made on the basis certificates obtained from acturarian.



**Notes Forming Part of Financial Statements**

**Note-7: Short Term Borrowings**

(Figures In Thousands except share quantity and per share data)

S.No.	Particulars	Amount as at 31.03.2016	Amount as at 31.03.2015
<b>A.</b>	<b>Secured</b>		
	a Loan From Banks	-	-
	<b>TOTAL</b>	<b>-</b>	<b>-</b>

**Note-8: Trade Payables**

(Figures In Thousands except share quantity and per share data)

S.No.	Particulars	Amount as at 31.03.2016	Amount as at 31.03.2015
1	Trade Payables	3,085.09	3,134.04
2	Due from Related Parties	46,441.08	64,853.74
	<b>Total</b>	<b>49,526.17</b>	<b>67,987.78</b>

**Note-9: Other Current Liabilities**

(Figures In Thousands except share quantity and per share data)

S.No.	Particulars	Amount as at 31.03.2016	Amount as at 31.03.2015
A	- Statutory remittances		
	Contributions towards Employee Welfare	138.92	115.24
	Direct / Indirect Taxes	221.64	208.15
B	- Current maturities of Long Term Borrowings (Refer Note-5)	757.07	1,098.84
C	- Expenses Payable	5,931.20	3,354.77
D	- Trade / Security Deposits received	3,000.00	3,500.00
E	- Advances from customers	2,831.29	1,806.93
F	- Cheques issued but not yet presented	4,092.20	3,636.51
G	- Employees Balances Pending Settlements	532.59	507.92
	<b>Total</b>	<b>17,504.90</b>	<b>14,228.36</b>

**Note10: Short Term Provisions**

(Figures In Thousands except share quantity and per share data)

S.No.	Particulars	Amount as at 31.03.2016	Amount as at 31.03.2015
A	Employee Benefits		
	- Compensated Absents	8.79	7.49
	- Gratuity	15.15	10.82
	- Bonus	3,537.55	3,256.42
B	Others Short Term Provisions		
	- Income Tax	8,770.96	4,422.51
	- Proposed Dividend	3,611.09	-
	<b>Total</b>	<b>15,943.53</b>	<b>7,697.24</b>



## Notes Forming Part of Financial Statements

### Note -11 : Tangible Assets Schedule

(Figures in Thousands except share quantity and per share data)

S. No.	Particulars	Rate of Dep.	Gross Block			Depreciation			Net Block			
			As At 01.04.15	Additions	Sale/ Adjustment	As At 31.03.2016	Up to 31.03.15	For the year	Deduction/ Adjustment	Up to 31.03.16	As At 31.03.2016	As At 31.03.2015
1	Computers	31.67%	262.95	-	-	262.95	205.01	44.79	-	249.80	13.150	57.94
2	Airconditioners & Refrigeration	19.00%	59.13	-	-	59.13	45.67	11.30	-	56.97	2.16	13.46
3	Mobile/Telephone Instruments	19.00%	25.20	7.90	-	33.10	2.66	5.44	-	8.10	25.00	22.54
4	Office Equipments	19.00%	22.35	-	-	22.35	0.69	4.27	-	4.96	17.39	21.66
5	Vehicles	9.50%	2,033.45	801.47	-	2,834.92	257.54	266.62	-	524.16	2,310.76	1,775.91
	<b>Total</b>		<b>2,403.08</b>	<b>809.36</b>	<b>-</b>	<b>3,212.44</b>	<b>511.57</b>	<b>332.41</b>	<b>-</b>	<b>843.98</b>	<b>2,368.46</b>	<b>1,891.52</b>
	<b>Previous Year Figures</b>		<b>1,162.22</b>	<b>112.31</b>	<b>566.88</b>	<b>2,403.09</b>	<b>433.25</b>	<b>261.80</b>	<b>183.48</b>	<b>511.57</b>	<b>1,891.52</b>	<b>728.97</b>

Note: The depreciation has been charged as per Straight Line method prescribed under the Companies Act 2013



**Notes Forming Part of Financial Statements**

**Note -12 : Non Current Investments**

(Figures In Thousands except share quantity and per share data)

S.No.	Particulars	Amount as at 31.03.2016	Amount as at 31.03.2015
A	<b>Trade Investment Unquoted</b> (at cost)		
	- Equity Instruments		
	30000 Equity Shares of Brawn Laboratories Ltd of Rs. 10/- each (Previous Year 30000 Equity Shares of Brawn\ Laboratories Limited of Rs. 10/- each) (Related Party by virtue of same Directors)	300.00	300.00
	- Others	-	-
	<b>Total</b>	<b>300.00</b>	<b>300.00</b>

**Note -13 : Deferred Tax Assets ( Liabilities )**

(Figures In Thousands except share quantity and per share data)

S.No.	Particulars	Amount as at 31.03.2016	Amount as at 31.03.2015
A	<b>Opening Balance</b>	(26.07)	111.78
	(Provision for DTL)/Creation for DTA	239.30	(137.85)
	<b>Total</b>	<b>213.23</b>	<b>(26.07)</b>

**Note -14 : Long Term Loans & Advances**

(Figures In Thousands except share quantity and per share data)

S.No.	Particulars	Amount as at 31.03.2016	Amount as at 31.03.2015
1	<b>SECURITY DEPOSIT - REGISTRAR GENERAL DELHI</b> Security Deposited with Court pending litigation.	-	107.50
2	<b>SECURITY DEPOSIT - THE REGISTRAR DELHI HIGH COURT</b> Security Deposited with Court pending litigation.	-	156.10
3	<b>STAFF ADVANCES</b> (Unadjusted Balances with ex employees. Management is in process of settling the full and final settlement of the employees. No provision for doubtful recoveries has been made.)	816.70	1,563.22
	<b>Total</b>	<b>816.70</b>	<b>1,826.83</b>

**Note-15 : Other Non - Current Assets**

(Figures In Thousands except share quantity and per share data)

S. No.	Particulars	Amount as at 31.03.2016	Amount as at 31.03.2015
1	Long Term Trade Receivable - Considered Good under Litigations (Amount recoverable from M/s Balajee Comercio Geral - Lda against export sales in earlier years. The amount is under dispute and pending before Court for settlement. Management considered these recoverables as good and hence no provision considered necessary.)	26,816.48	26,816.48
	<b>TOTAL</b>	<b>26,816.48</b>	<b>26,816.48</b>



**Notes Forming Part of Financial Statements**

**Note -16 : Inventories**

(Figures In Thousands except share quantity and per share data)

S.No.	Particulars	Amount as at 31.03.2016	Amount as at 31.03.2015
1	Finished Goods	4,953.83	10,278.11
	<b>Total</b>	<b>4,953.83</b>	<b>10,278.11</b>

**Note -17 : Trade Receivables**

(Figures In Thousands except share quantity and per share data)

S.No.	Particulars	Amount as at 31.03.2016	Amount as at 31.03.2015
1	<b>Unsecured</b>		
	Over Six Months		
	- Considered Good	-	-
	- Related Parties	-	-
	Others		
	- Considered Good	91,826.52	92,093.70
	- Related Parties	196.07	57.21
	<b>Total</b>	<b>92,022.60</b>	<b>92,150.91</b>

**Note -18 : Cash and Bank Balances**

(Figures In Thousands except share quantity and per share data)

S. No.	Particulars	Amount as at 31.03.2016	Amount as at 31.03.2015
1	Cash and Cash Equivalents		
	Cash in Hand	49.83	896.28
2	Balance with Scheduled Bank in Current Accounts	1,687.48	1,600.93
	<b>Total</b>	<b>1,737.32</b>	<b>2,497.20</b>

**Note -19 : Short Term Loans and Advances**

(Figures In Thousands except share quantity and per share data)

S. No.	Particulars	Amount as at 31.03.2016	Amount as at 31.03.2015
1	Advance Income tax	7,450.19	2,647.47
2	Deposits / Balances with Sales Tax Authorities	51.02	449.55
3	Advance to Suppliers	576.17	1,088.57
4	Prepaid Expenses	47.60	-
5	E.M.D./Security Deposits	1,550.34	50.00
6	MAT Credit	591.79	34.89
	<b>TOTAL</b>	<b>10,267.11</b>	<b>4,270.48</b>

**Note -20 : Sale of Products**

(Figures In Thousands except share quantity and per share data)

S. No.	Particulars	Amount as at 31.03.2016	Amount as at 31.03.2015
1	Domestic	56,648.85	45,439.13
2	Export	399,575.42	334,368.46
3	Other Operating Income (Comprises of Commission, Discount & Duty Draw Back)	12,614.15	6,656.48
	<b>TOTAL</b>	<b>468,838.42</b>	<b>386,464.07</b>



**Notes Forming Part of Financial Statements**

**Note -21 : Other Incomes**

(Figures In Thousands except share quantity and per share data)

S. No.	Particulars	Amount as at 31.03.2016	Amount as at 31.03.2015
1	Notice Pay Deduction	-	56.90
2	Short & Excess	1.60	1.04
3	Miscellaneous Income	78.72	428.82
4	Gain on Foreign Exchange Fluctuation	-	30.97
	<b>TOTAL</b>	<b>80.31</b>	<b>517.74</b>

**Note-22 : Change in inventories of Stock in Trade**

(Figures In Thousands except share quantity and per share data)

S. No.	Particulars	Amount as at 31.03.2016	Amount as at 31.03.2015
1	Opening Stock	10,278.11	17,108.63
	Less: Closing Stock	4,953.83	10,278.11
	<b>Change in inventories of Stock in Trade</b>	<b>5,324.28</b>	<b>6,830.52</b>

**Note- 23 : Employee Benefits Expenses**

(Figures In Thousands except share quantity and per share data)

S. No.	Particulars	Amount for the year ended 31/3/2016	Amount for the year ended 31/3/2015
1	Salary, Bonus and Allowances	17,411.44	13,676.48
2	Gratuity	73.74	265.91
3	Leave Encashment	35.22	21.27
4	Contribution to Provident and Other Funds	922.71	691.63
5	Staff Welfare Expenses	99.41	42.22
6	Incentives	75.60	484.82
	<b>TOTAL</b>	<b>18,618.12</b>	<b>15,182.33</b>

**Note-24 : Finance Cost**

(Figures In Thousands except share quantity and per share data)

S. No.	Particulars	Amount for the year ended 31/3/2016	Amount for the year ended 31/3/2015
1	Interest on Term Loan	152.00	137.29
2	Interest on Securities Deposits	565.51	607.45
3	Bank Charges	239.41	169.80
	<b>TOTAL</b>	<b>956.93</b>	<b>914.55</b>



**Notes Forming Part of Financial Statements**

**Note-25 : Other Expenses**

(Figures in Thousands except share quantity and per share data)

S. No.	Particulars	Amount for the year ended 31/3/2016	Amount for the year ended 31/3/2015
1	Advertise Expenses	221.32	249.00
2	AGM Expenses	94.45	119.86
3	Audit Fees	358.50	163.45
4	Breakage & Expiry Expenses	8,810.82	11,926.37
5	Business Promotion Expenses	2,101.89	1,780.10
6	Commission Expenses	1,573.50	912.78
7	Computer Maintenance Expenses	81.97	197.55
8	Conveyance Expenses	91.25	76.31
9	Cylinder Charges	2.63	-
10	Electricity & Diesel Expenses	85.45	230.45
11	Freight & Cartage Inward	198.76	247.67
12	Freight & Cartage Out ward	361.64	1,090.44
13	General Expenses	176.50	147.76
14	Input Vat Reverse	-	28.13
15	Insurance Expenses	496.26	161.08
16	Interest on Late Deposit of TDS	109.44	130.24
17	Labour Charges	12.37	35.02
18	LD Charges	1,560.39	15.30
19	Legal & Professional Fees	3,110.31	1,564.46
20	Listing & Filing Fee	230.73	143.21
21	Loss on Foreign Exchange Fluctuation	565.98	-
22	Loss on sale of computer	-	103.86
23	Octrai & Entry Tax Expenses	66.16	10.35
24	Office Expenses	522.98	480.03
25	Other Expenses	5.69	-
26	Packing Expenses	8.55	0.73
27	Postage & Communication Expenses	237.99	230.67
28	Printing & Stationary Expenses	1,035.51	235.91
29	Registration & Licence Fee	571.77	50.14
30	Rent	2,656.72	988.57
31	Repair & Maintenance Expenses	340.78	113.96
32	Scheme & Discount Expenses	365.20	3,519.72
33	Share Management Expenses	46.05	35.30
34	Subscription & Membership fees	13.74	22.16
35	Telephone Expenses	469.26	469.37
36	Testing Charges	170.98	189.05
37	Travelling Expenses	3,996.16	3,422.91
	<b>TOTAL</b>	<b>30,751.67</b>	<b>29,091.90</b>

For and on behalf of Board of Directors

"As per our report of even date"  
For M. K. Aggarwal & Co.  
Chartered Accountants  
Firm Registration No. 01411N

Atul Aggarwal  
Partner  
M.No. 099374

Place: Delhi  
Date: 27.05.2016

Brij Raj Gupta  
(Managing Director)  
DIN No. 00974969

Brij Bala Gupta  
(Director)  
DIN No. 00975261

Rati Garg  
(Chief Financial Officer)

Amit Bansal  
(Company Secretary)



**BRAWN BIOTECH LIMITED**

**PROXY FORM**

(CIN: L74899DL1985PLC022468)

Regd. Office: C-64, Lajpat Nager-1, New Delhi-110024

Tel: 011-43538733, Fax: 011-23275208 E-mail: [solution@brawnbiotech.com](mailto:solution@brawnbiotech.com), Website: [www.brawnbiotech.com](http://www.brawnbiotech.com)

Name of the member(s) :
Registered address:
Email Id:
Folio No./DP ID- Client ID:

I / We, being the member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint:

- 1) Name: \_\_\_\_\_  
E Mail: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature \_\_\_\_\_ Or failing him / her \_\_\_\_\_
- 2) Name: \_\_\_\_\_  
E Mail: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual General Meeting of the Company to be held on Thursday, September 1, 2016 at 11:00 a.m. at Rajmahal Banquet, Agarwal Funcity Mall, 2nd Floor, CBD Ground, near Karkardooma Court, Opp. ICAI Building, Shahdara, Delhi-110032 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional*	
		For	Against
<b>Ordinary Business</b>			
1	Adoption of Balance Sheet, Statement of Profit and Loss and the Reports of the Board of Directors and Auditors thereon for the financial period ended on March 31, 2016		
2	Appoint a Director in place of Mrs .Brij Bala Gupta, who retires by rotation and being eligible offers herself for re-appointment		
3	Appointment of M/s Rajiv Udai & Associates as Statutory Auditors and fixation of their remuneration		

Affix  
Revenue  
Stamp not  
less than  
Rs 0.15

Signed this ..... day of ..... 2016.

**Signature of the member**

**Signature of the Proxy Holder(s)**

**NOTE:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 31<sup>th</sup> Annual General Meeting.
- \*3. It is optional to put a 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For ' and 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she think appropriate.
4. Please complete all details including detail of member(s) in above box before submission.



**ATTENDANCE SLIP**

**Folio No./ DP ID / Client ID:**

**Number of shares held**

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the 31st Annual General Meeting of the Company at Rajmahal Banquet, Agarwal Funcity Mall, 2nd Floor, CBD Ground, near Karkardooma Court, Opp. ICAI Building, Shahdara, Delhi-110032 on Thursday, September 1, 2016 at 11:00 A.M.

\_\_\_\_\_  
Name of the Member / Proxy  
(in BLOCK letters)

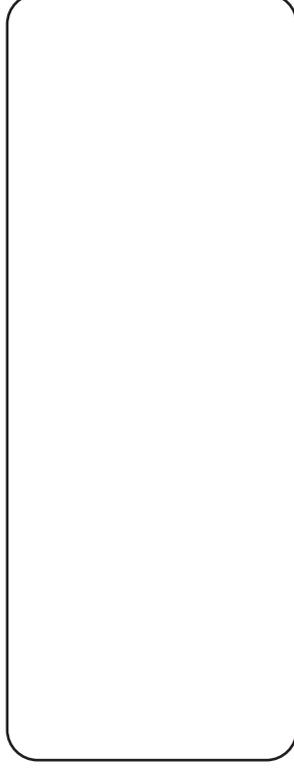
\_\_\_\_\_  
Signature of the Member /Proxy

**Note:**

1. Please complete the Folio/DP ID-Client ID No. and name, sign the Attendance Slip and hand it over at the Attendance Verification counter at the entrance of the Meeting Hall.
2. Electronic copy of the Annual Report for the financial period ended on 31.03.2016 and Notice of the Annual General Meeting (AGM) alongwith Attendance Slip and Proxy Form is being sent to all the members whose e-mail address is registered with the Company / Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of Annual Report for the financial period ended on 31.03.2016 and Notice of Annual General Meeting alongwith Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.
4. Members are requested to carry their photo ID proof for verification at the venue of Annual General Meeting.

## Courier

To



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