

DIRECTORS' REPORT

Dear Shareholders,

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

FINANCIAL RESULTS

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

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

OPERATIONS AND PERFORMANCE

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

FUTURE PROSPECTS:

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

DIVIDEND

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

CHANGE OF NAME OF THE COMPANY

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

DIRECTORS

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

AUDITORS

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

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

AUDITORS' REPORT

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

DEVELOPMENT

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

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of your Company state:

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

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

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

CORPORATE GOVERNANCE

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

EMPLOYEES RELATION

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

PARTICULARS OF EMPLOYEES

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

FIXED DEPOSIT

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

ACKNOWLEDGEMENT

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

For and on behalf of the Board of
Directors

PLACE: New Delhi

DATE: 03.09.2011

Sd/-
(B.R. Gupta)
CHAIRMAN-CUM-MANAGING DIRECTOR

ANNEXURE TO THE DIRECTORS' REPORT

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

(A) Conservation of Energy

- (i) Energy Conservation Measure taken
- (ii)
 - 1) Preventive maintenance of equipment to seal energy wastages. N.A.
 - 2) Regular day to day monitoring of energy Consumption items. N.A.
- (iii) Total and per unit energy consumption
The figure-A(see Rule-A
Form-A (see Rule-2)
Power and fuel consumption N.A.

(B) Technology absorption N.A.

(C) Expenditure on R&D N.A.

(D) Foreign Exchange earnings Rs. 70.87 Lac

(Rs. In Lacs)

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

For and on behalf of the Board of Directors

PLACE: New Delhi
DATE: 03.09.2011

Sd/-
(B.R. Gupta)
CHAIRMAN-CUM-MANAGING DIRECTOR

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OUTLOOK

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

FINANCIAL AND OPERATIONAL PERFORMANCE

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

HUMAN RESOURCES

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

COMPANY PERFORMANCE

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

INTERNAL CONTROL & ADEQUACY

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

PROSPECTS

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

CAUTIONARY NOTE

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

REPORT ON CORPORATE GOVERNANCE

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

1. BRIEF NOTE ON COMPANY'S PHILOSOPHY

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

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

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

2. BOARD OF DIRECTORS

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

During the year, 13 Board Meetings were held.

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

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 2010-11 on 10th May, 2010; 12th August, 2010, 10th November, 2010 and 14th February, 2011.

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

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

B. Share Transfer & Shareholders/Investors' Grievance Committee

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

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

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

C. Remuneration Committee

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

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

1. General Body Meeting

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

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

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

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

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

2. Means of Communication

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

3. GENERAL SHAREHOLDERS INFORMATION

(i) Details of Forthcoming Annual General Meeting

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

Financial year	The financial year of the company is for a period of 12 months from 1 st April to 31 st March every year.
Date of Book Closure	24-09-2011 to 30-09-2011

Listing on Stock Exchanges	Bombay Stock Exchange Limited; Delhi Stock Exchange Limited
Financial Calendar (Tentative)	<ol style="list-style-type: none"> 1. Results for the Quarter ending June'11- mid of Aug' 11 2. Results for the Quarter ending Sep'11- mid of Nov' 11 3. Results for the Quarter ending Dec'11- mid of Feb' 12 4. Results for the Quarter ending Mar'12- mid of May' 12
Registrar and Share Transfer Agent	M/s. RCMC Share Registry Private Limited B-106, Sector-2, Noida,-201301 (U.P.)
Dematerialisation of Shares	11,40,547 shares i.e. 38.01% (As on 31.03.2011)
Address for Correspondence	4/4B, Asaf Ali Road, Old Delhi Stock Exchange Building, New Delhi-110002, Phone: 32911528, 32911529, Fax: 011-23275208

(ii) Distribution of Shareholding as on 30.06.2011

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

(I)	Category of shareholder (II)	Number of shareholders (III)	Total Number of Shares (IV)	Number of shares held in dematerialized form (V)	Total Shareholding as a percentage of total no. of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	No.of shares (VIII)	As a percentage (IX)=(VIII)/(IV)*100
(A)	Shareholding of promoter and promoter Group							
(1)	Indian							
(a)	INDIVIDUALS/HUF	33	12,68,850	1,12,650	42.29	42.29	0	0.00
(b)	CENTRAL GOVERNMENT/STATE GOVERNMENT	0	0	0	0.00	0.00	0	0.00
(c)	BODIES CORPORATE	1	68,100	0	2.27	2.27	0	0.00
(d)	FINANALCIAL INSTITUTIONS/BANKS	0	0	0	0.00	0.00	0	0.00
(e)	ANY OTHER (SPECIFY)- DIRECTORS & RELATIVES	0	0	0	0.00	0.00	0	0.00
	Sub-Total (A) (1)	34	13,36,950	1,12,650	44.56	44.56	0	0.00
(2)	Foreign							
(a)	INDIVIDUALS(NRI)/FOREIGN INDIVIDUALS	0	0	0	0.00	0.00	0	0.00
(b)	BODIES CORPORATE	0	0	0	0.00	0.00	0	0.00
(c)	INSTITUTIONS	0	0	0	0.00	0.00	0	0.00
(d)	ANY OTHER (SPECIFY)	0	0	0	0.00	0.00	0	0.00
	Sub-Total (A) (2)	0	0	0	0.00	0.00	0	0.00
	Total (A)	34	13,36,950	1,12,650	44.56	44.56	0	0.00
(B)	Public shareholding							

(1)	Institutions							
(a)	MUTUAL FUNDS/UTI	5	17,800	0	0.59	0.59	0	0.00
(b)	FINANCIAL INSTITUTIONS/BANKS	0	0	0	0.00	0.00	0	0.00
(c)	CENTRAL GOVERNMENT/STATE GOVERNMENT	0	0	0	0.00	0.00	0	0.00
(d)	VENTURE CAPITAL FUND	0	0	0	0.00	0.00	0	0.00
(e)	INSURANCE COMPANIES	0	0	0	0.00	0.00	0	0.00
(f)	FOREIGN INSTITUTIONAL INVESTORS	0	0	0	0.00	0.00	0	0.00
(g)	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0.00	0	0.00
(h)	ANY OTHER SPECIFY	0	0	0	0.00	0.00	0	0.00
	Sub-Total (B) (1)	5	17,800	0	0.59	0.59	0	0.00
(2)	Non-institutions							
(a)	BODIES CORPORATE	78	1,19,071	1,15,371	3.97	3.97	0	0.00
(b)	i) INDIVIDUALS -HOLD UPTO 1 LAKH (NOM VALUE)	6544	12,83,912	7,98,859	42.79	42.79	0	0.00
	ii) INDIVIDUALS -HOLD ABOVE 1 LAKH (NOM VALUE)	6	1,42,645	72,845	4.75	4.75	0	0.00
(c)	ANY OTHER (SPECIFY)- A) CLEARNG MEMBERS	14	8,376	8,376	0.28	0.28	0	0.00
	B) NON-RESIDENTS	49	91,546	35,346	3.05	3.05	0	0.00
Cate- gory code	C) TRUST Category of shareholder	Number of share-holders	Total Number of Shares	Number of shares held in dematerialized form	Total Shareholding as a percentage of total no. of shares	Shares Pledged or otherwise encumbered	No.of shares	As a percentage
	Sub-Total (B) (2)	6691	16,45,550	10,30,797	54.84	0	0	0.00
	Total (B)	6696	16,63,350	10,30,797	55.43	0	0	0.00
(I)	(II)	(III)	(IV)	(V)	percentage of (A+B) (VI)	percent- age of (A+B+C) (VII)	(VIII)	(IX)=(VIII)/(IV)*100
(C)	Shares held by Custodians and against which							
	Depository Receipts have been issued							
	SHARES HELD BY CUSTODIANS	0	0	0	0.00	0.00	0	0.00
	Sub-Total (C)	0	0	0	0.00	0.00	0	0.00
	Total (C)	0	0	0	0.00	0.00	0	0.00
	Grand-Total	6730	30,00,300	11,43,447	100.00	100.00	0	0.00

Code of conduct

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

CEO/CFO Certification

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

Declaration

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

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

Sd/-
BRIJ RAJ GUPTA
CHAIRMAN & MANAGING DIRECTOR

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

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

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

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

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

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

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

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

Sd/-
(S.K.Saini)
Proprietor

Place: New Delhi
Date: 03.09.2011

M.No. 87357