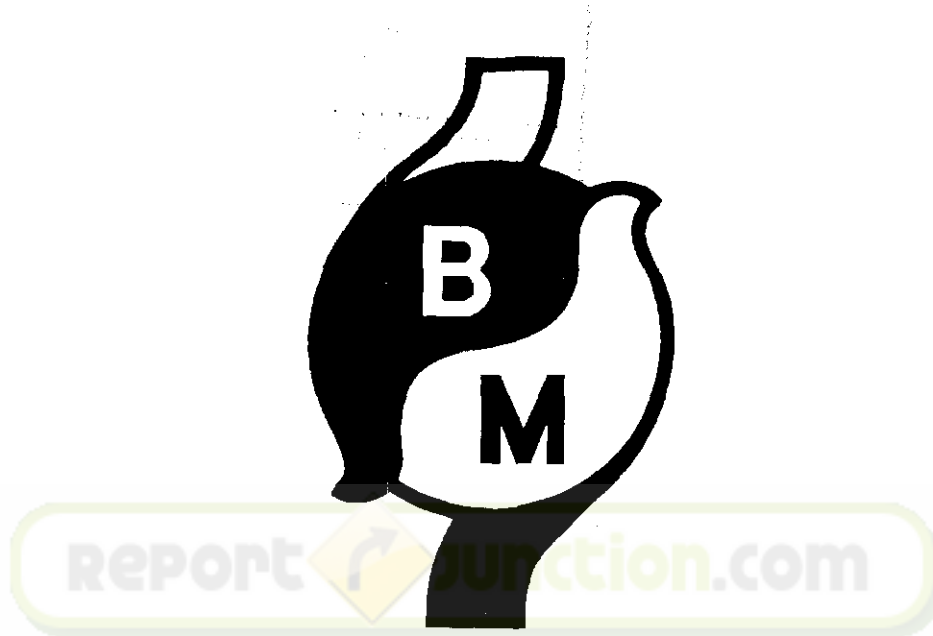


BRADY & MORRIS ENGINEERING COMPANY LIMITED



**54th ANNUAL REPORT
FOR THE YEAR ENDED 31ST MARCH, 2000**

BRADY & MORRIS ENGINEERING COMPANY LIMITED

BOARD OF DIRECTORS	:	MR. PAVAN G. MORARKA (CHAIRMAN) MR. K. L. KAPUR MR. A. P. HARIANI MR. K. D. SHAH MR. BAHUBALI S. SHAH MR. K. K. KRISHNAN
AUDITORS	:	C. L. DALAL & CO. CHARTERED ACCOUNTANTS
SOLICITORS	:	HARIANI & CO., MUMBAI
BANKERS	:	UNION BANK OF INDIA CITI BANK N. A.
REGISTERED OFFICE	:	"BRADY HOUSE" 12/14, VEER NARIMAN ROAD, FORT, MUMBAI - 400 001.
WORKS	:	GIDC INDUSTRIAL ESTATE, VATVA, AHMEDABAD - 382 445

BRADY & MORRIS ENGINEERING CO. LTD.

Notice

NOTICE is hereby given that the Fifty-Fourth Annual General Meeting of the Members of **BRADY & MORRIS ENGINEERING CO. LTD.**, will be held on Saturday, the 30th September, 2000 at 10.30 a.m. at Alexander Girls' English Institution, 31, Hazarimal Somani Marg, Mumbai-400 001, to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Directors' Report and Audited Balance Sheet as at 31st March, 2000 and the Profit & Loss Account for the year ended on that date.
2. To declare a Dividend.
3. To elect a Director in place of Mr. Pavan G. Morarka, who retires by rotation, and, being eligible, offers himself for re-election.
4. To elect a Director in place of Mr. A. P. Hariani, who retires by rotation, and, being eligible, offers himself for re-election.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

To consider and if thought fit, to pass with or without modification(s) the following Resolutions

AS AN ORDINARY RESOLUTION :

- 6 **"RESOLVED** that Mr. K. K. Krishnan, who was appointed as an Additional Director on 28-04-2000 and who in terms of Section 260 of the Companies Act, 1956 read with Article 138 of the Company's Articles of Association holds such office until the conclusion of this Annual General Meeting and in respect of whom the Company has received a Notice from Members of the Company under Section 257 of the said Act proposing his candidature for the office of a Director along with a deposit of Rs. 500/-, be and is hereby appointed as a Director of the Company."

AS A SPECIAL RESOLUTION

- 7 **"RESOLVED** that pursuant to the provisions of Section 31 and all other applicable provisions of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered as follows :-
After Article 53, following new articles be added as Article No. 53A & 53B

'DEMATERIALIZATION OF SECURITIES-

53A Definitions

1. For the purpose of this Article :-

'Beneficial Owner' means the beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996;

'SEBI' means the Securities & Exchange Board of India

'Bye-laws' means bye-laws made by a depository under Section 26 of the Depositories Act, 1996;

'Depositories Act' means the depositories Act, 1996, and any statutory modification or re-enactment thereof for the time being in force;

'Depository' means a Company formed and registered under the Depositories Act, 1996 ('the Act') and which has been granted a certificate of registration under sub section (1A) of Section 12 of the Securities & Exchange Board of India Act, 1992;

'Record' includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;

'Regulations' means the regulations made by SEBI;

'Security' means such security as may be specified by the SEBI Board from time to time

'Shareholder' or **'member'** means the duly registered holder, from time to time of the shares of the Company and includes the subscribers to the Memorandum of Association of the Company and also every person holding Equity Shares of the Company as also one whose name is entered as a beneficial owner of the shares in the records of a Depository;

Dematerialisation of Securities

2. Notwithstanding anything contained in these Articles of Association, the Company shall be entitled to dematerialise or rematerialise its shares, debentures and other securities (both existing and future) held by it with the Depository and to offer its shares, debentures and other securities for subscription in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any;

Options for Investors

3. Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.

If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.

Securities in Depositories to be in fungible form

4. All securities held by a Depository shall be dematerialised and shall be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187A, 187B, 187C, and 372 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.

Rights of Depositories and beneficial owners

- 5 (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

BRADY & MORRIS ENGINEERING CO. LTD.

(b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of securities held by it.

(c) Every person holding securities of the Company and whose name is entered as beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his/her securities held by a Depository.

Service of the documents

6. Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

Option to opt out in respect of any security

7. If a beneficial owner seeks to opt out of a Depository in respect of any security, the beneficial owner shall inform the Depository accordingly. The Depository shall, on receipt of the intimation as above, make appropriate entries in its record and shall inform the Company accordingly. The Company shall within thirty (30 days) of the receipt of intimation from the Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be.

Transfer of securities

8. Nothing contained in the Act or these Articles regarding transfer of securities shall apply to any transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.

Allotment of Securities dealt with in a Depository.

9. Notwithstanding anything in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

Distinctive number of Securities held in a Depository

10. Nothing contained in the Act or these Articles regarding the necessity of having of distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

Register and index of beneficial owners

11. The Register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security holders as the case may be for the purposes of this Article.

Stamp duty on securities held in dematerialised form

12. No stamp duty would be payable on shares and securities held in dematerialised form in any medium as may be permitted by law including any form of electronic medium.

Applicability of the Depositories Act

13. In case of transfer of shares, debentures and other marketable securities, where the Company has not issued any certificate and where such shares, debentures or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.

Company to recognise the rights of Registered holders as also the Beneficial owners in the records of the Depository

14. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the Beneficial owner of the shares in records of the Depository as the absolute owner thereof as regards receipt of dividend or bonus or service of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof."

Nomination facility

- 53B Notwithstanding anything contained in any other clause or clauses of the Articles of Association of the Company, a holder or joint holders of shares or debentures, may nominate, in accordance with the provisions of Section 109A of the Companies Act, 1956 and in the manner prescribed thereunder, a person to whom all the rights in the shares or debentures of the Company, shall vest in the event of death of such holder(s). Any nomination so made shall be dealt with by the Company in accordance with the provisions of Section 109B of the Companies Act, 1956."

By Order of the Board of Directors

Registered Office :
'Brady House',
12-14, Veer Nariman Road,
Fort, Mumbai-400 001.

PAVAN G. MORARKA
Chairman

Date : 28th August, 2000.

NOTES :

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY DULY STAMPED COMPLETED AND SIGNED SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- (b) The Explanatory Statement in respect of Item Nos. 6 & 7 pursuant to Section 173(2) of the Companies Act, 1956 is annexed.
- (b) The Register of Members and the Share Transfer Books of the Company will remain closed from 23rd September, 2000 to 30th September, 2000 (both days inclusive)
- (d) Payment of dividend will be made within forty two days from the date of its approval at the Annual General Meeting, to those members whose names stand on the Register of Members as on 30th September, 2000. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by National Security Depository Ltd. and Central Depository Service (India) Ltd. for this purpose.
- (e) Members are requested to notify immediately changes, if any, in their registered address to the Company specifying full address in Block Capitals with Pin Code of the Post Office.
- (f) Members are requested to send their queries at least ten days in advance of the meeting so that the information can be made available at the meeting.
- (g) Members are requested to bring with them the attendance slip sent with the Annual Report duly completed and signed and hand it over at the entrance.
- (h) Members are requested to quote Folio Numbers in all their correspondence.
- (i) Members are requested to bring their copy of the Annual Report along with them to the Annual General Meeting.
- (j) In terms of Section 205-C introduced by the Companies (Amendment) Act, 1999, read with Section 205-A of the Companies Act, 1956, as amended, the amount of Dividend remaining unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund. Members who have so far not encashed their Dividend Warrant (s) for the financial years ended 31st March, 1997, 31st March, 1998 and 31st March 1999 are advised to submit their claim to the Company immediately quoting their folio numbers.
- (k) A recent amendment to the Companies Act, 1956 has introduced provisions for nomination by shareholders. The prescribed nomination form can be obtained from the Company's Registered Office at 'Brady House' 12-14 Veer Nariman Road, Fort, Mumbai - 400 001. The Members may take advantage of this facility.
- (l) A copy of the Articles of Association of the Company is available for inspection by the members during business hours on any working day at the Registered Office of the Company except holidays observed by the Company and will also be available at the Meeting.

BRADY & MORRIS ENGINEERING COMPANY LIMITED

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173
OF THE COMPANIES ACT, 1956 IN RESPECT OF ITEM NOS. 6 & 7**

ITEM NO. 6 -

Mr. K. K. Krishnan was appointed on 28/04/2000 as an additional Director pursuant to Article 138 of the Articles of Association of the Company. As such, Mr. K. K. Krishnan holds office as a Director upto the date of this Annual General Meeting and is eligible for re-appointment.

Notice under Section 257 of the Companies Act, 1956 has been received from the Members indicating their intention to propose Mr. K. K. Krishnan to the office of Director at the forthcoming Annual General Meeting along with deposit of Rs. 500/-

Mr. K. K. Krishnan is the Chief Executive of Holding Company and has varied experience in Industries for a long time. The Board considered it desirable to continue to receive benefit of his advice and guidance.

None of the Directors of the Company are interested in the above resolution, save and except and to the extent that they are Directors and/or shareholders.

ITEM NO. 7 -

- A) Consequent to the Passing of the Depositories Act, 1996 and the introduction of the Depository system, a facility has been provided to the investors to hold securities in the form of electronic entries instead of paper scrips. The Company has entered into an Agreement with National Securities Depository Limited (NSDL) & Central Depository Services (India) Ltd. (CDSL) which enables the investors to hold the equity shares of Brady & Morris Engg. Co. Ltd. in electronic form and trade in them under the Depository system.

The new automated system of holding and trading in the securities of the company side by side with the paper based system has necessitated certain alterations in the Articles of Association of the Company, especially in matters such as the issue, holding, transfer and dealing in shares and other securities as also certificates etc.

It may be clarified that while additional facility as above has been provided within the new legal framework, Shareholders have been given an option to join this system. The existing provisions in respect of the shares held in the form of paper scrips will continue without any change.

A new Article viz. Article 53A as set out in the Resolution is proposed to be added to reflect this change.

- B) Further, as per the recent amendment to the Companies Act, 1956, a facility has been provided to the holder of shares / debentures to nominate any person who will be entitled to his shares / debentures in the event of his death.

A new Article viz. Article 53B as set out in the Resolution is proposed to be added to reflect this change.

The Directors recommend the above Resolutions for acceptance by the Members.

None of the Directors of the Company are interested in the above resolution, save and except and to the extent that they are Directors and/or shareholders.

By Order of the Board of Directors

PAVAN G. MORARKA
Chairman

Registered Office :
'Brady House",
12-14, Veer Nariman Road,
Fort, Mumbai - 400 001.
Date : 28th August, 2000



DIRECTORS' REPORT 1999-2000

TO,

THE MEMBERS OF BRADY & MORRIS ENGG. CO. LTD.

The Directors present the Fifty-Fourth Annual Report and Audited Accounts for the year ended 31st March, 2000

1. FINANCIAL RESULTS :

	1999-2000 (Rs. In lacs)	1998-1999 (Rs. In lacs)
a) Operating Profit before Interest and Depreciation	100.47	89.83
b) Less : Interest	<u>57.02</u>	<u>62.08</u>
c) Profit Before Depreciation	43.45	27.75
d) Less : Depreciation	<u>24.99</u>	<u>15.45</u>
e) Profit for the year before Taxation	18.46	12.30
f) Less Provision for Taxation	<u>2.15</u>	<u>1.30</u>
g) Profit after Taxation	16.31	11.00
h) Add / (Less) : Prior Year's adjustment	<u>(0.18)</u>	<u>--</u>
i) Net Profit	16.13	11.00
j) Add Profit Brought Forward	<u>95.16</u>	<u>90.82</u>
k) Amount available for appropriations	111.29	101.82
l) Less : Appropriations -		
Proposed Dividend	6.64	6.00
Tax on Dividend	<u>1.46</u>	<u>0.66</u>
	<u>8.10</u>	<u>6.66</u>
m) Balance Profit carried to Balance sheet	<u><u>103.19</u></u>	<u><u>95.16</u></u>

2. DIVIDEND :

Your Directors recommend for the approval of the shareholders Dividend @ 10% for the year ended 31st March, 2000.

3. DEPOSITORY SYSTEM :

During the year, your Company's shares came under the category of compulsory trading in dematerialised form, with effect from 24/07/2000 for all categories of investors. Your Company in line with its constant endeavor to provide best possible services to shareholders