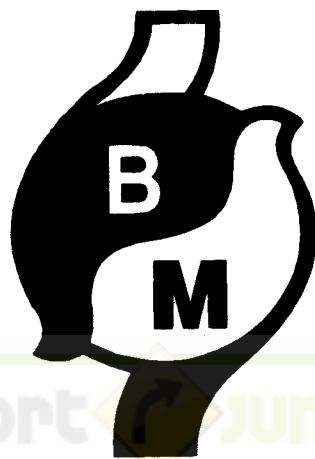


BRADY & MORRIS ENGG.CO. LTD



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57th
Annual Report
2002 - 2003

57th Annual Report 2002-03**BRADY & MORRIS ENGG. Co. LIMITED****BOARD OF DIRECTORS****MR. PAVAN G. MORARKA**

Chairman

MR. A. P. HARIANI**MR. K. D. SHAH****MR. K. K. KRISHNAN**

Chief Operating Officer

MR. Ganesh Iyer

(General Manager works)

Mr. Vijay Lal**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

Registrar & Transfer Agents

BIGSHARE SERVICES PVT. LTD.

E - 2, Ansa Industrial Estate

Saki Vihar Road, Saki Naka,

Andheri (E), Mumbai - 400 072

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BRADY & MORRIS ENGG. CO. LIMITED

NOTICE

NOTICE is hereby given that the Fifty-seventh Annual General Meeting of the Members of BRADY & MORRIS ENGINEERING CO. LTD., will be held on Saturday, 30th August, 2003 at 11.00 a.m. at Alexandra Girls' English Institution, 31, Hazarimal Somani Marg, Mumbai-400001, to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2003 and the Profit & Loss Account for the year ended on that date together with Directors' and Auditors' Reports thereon.
2. To declare a Dividend.
3. To elect a Director in place of Mr. K. D. Shah, who retires by rotation, and, being eligible, offers himself for re-election.
4. To appoint auditors and to fix their remuneration.

SPECIAL BUSINESS :

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

"RESOLVED THAT pursuant to Section 163 of the Companies Act, 1956, the Register of Members and Share Transfer Books and all other records and registers required to be maintained at the Registered Office of the Company, be maintained at the Office of the Registrar and Share Transfer Agents, M/s. Bigshare Services Pvt. Ltd., E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai-400 072."

By Order of the Board,

PAVAN G. MORARKA

Chairman

Registered Office:
Brady House, 12-14,
Veer Nariman Road,
Fort, Mumbai - 400 001.
Dated : 31st July, 2003

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 No.5 is annexed.
- (c) The Register of Members and the Share Transfer Books of the Company will remain closed from 27/08/2003 to 30/08/2003 (both days inclusive).

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- (d) Pursuant to the recent directions of SEBI / Stock Exchange, the Company has appointed the undermentioned Registrar and Transfer Agents for all work related to share registry in terms of both physical as well as electronic:
- Bigshare Services Pvt. Ltd.,**
E-2, Ansa Industrial Estate
Saki Vihar Road
Saki Naka, Andheri (East)
Mumbai-400 072.
- (e) The dividend on Equity Shares, as recommended by the Board of Directors for the year ended 31st March, 2003, if declared at the meeting, will be paid within 30 days of the date of the Meeting to those members whose names appear on the Register of Members of the Company as on record date which is fixed as 30th August, 2003. 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 the purpose.
- (f) Members attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of the hall. Members who hold shares in electronic form and desirous of attending the meeting are requested to bring alongwith them Client ID and DP ID numbers for easy identification.
- (g) Members are requested to notify immediately changes, if any, in their registered address to the Registrar & Transfer Agents specifying full address in Block Capitals with Pin Code of the Post Office.
- (h) 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.
- (i) 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.
- (j) Members are requested to quote Folio Numbers in all their correspondence.
- (k) Members are requested to bring their copy of the Annual Report along with them to the Annual General Meeting.
- (l) 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, 31st March, 1999, 31st March, 2000, 31st March 2001 and 31st March 2002 are advised to submit their claim to the Company immediately quoting their folio numbers.
- (m) 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-400001. The Members may take advantage of this facility.
- (n) In addition to National Securities Depository Limited (NSDL), your Company has an arrangement with Central Depository Services (India) Limited (CDSL) to provide Members with flexibility when trading in the Company's shares in electronic form. The Company's shares are compulsorily required

BRADY & MORRIS ENGG. CO. LIMITED

to be traded in dematerialised form and therefore members will find it beneficial to dematerialise their shares at the earliest.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956 IN RESPECT OF ITEM NO.5

ITEM NO.5 :

As per Section 163 of the Companies Act, 1956, Register of Members, Register of Debentureholders, index of Members and Debentureholders and copies of all Annual Returns under Section 159 and 160 together with copies of certificates and documents required to be annexed thereto under sections 160 and 161 of the Companies Act, 1956 are to be kept at the Registered Office of the Company.

As per SEBI circular, the Company has appointed M/s. Bigshare Services Pvt. Ltd. as its Registrar and Share Transfer Agents for both Physical and electronic shares, w.e.f. 1st February, 2003 and therefore, all above records required to be maintained at the Registered Office of the Company are transferred to Registrar's Office.

The Board recommend the Resolution to be passed.

None of the Directors of the Company is, in any way concerned or interested in the said Resolution.

By Order of the Board,

PAVAN G. MORARKA
Chairman

Registered Office :
Brady House,
12-14, Veer Nariman Road,
Fort, Mumbai : 400 001
Dated : 31st July, 2003

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57th Annual Report 2002-03**BRADY & MORRIS ENGINEERING COMPANY LIMITED****DIRECTORS' REPORT 2002-2003**

To,

The Members,

The Directors present the Fifty-seventh Annual Report and Audited Accounts for the year ended 31st March, 2003.

1. FINANCIAL RESULTS :

	2002-2003	Rs.in lacs 2001-2002
a) Operating Profit before interest and Depreciation	66.87	120.95
b) Less : Interest	<u>22.21</u>	<u>32.85</u>
c) Profit Before Depreciation	44.66	88.10
d) Less : Depreciation	<u>22.19</u>	<u>24.93</u>
e) Profit for the year before Taxation	22.47	63.17
f) Less Provision for Taxation		
i) Current	6.73	4.90
ii) Deferred	<u>1.70</u>	<u>23.87</u>
	<u>8.43</u>	<u>28.77</u>
g) Profit after Taxation	14.04	34.40
h) Add / (Less) : Prior Year's adjustment	<u>(0.22)</u>	<u>(0.07)</u>
i) Net Profit	13.82	34.33
j) Add : (i) Profit Brought Forward	<u>162.74</u>	109.62
(ii) Adjustment of Deferred Tax.....	—	28.69
	<u>162.74</u>	<u>138.31</u>
k) Amount available for appropriations	<u>176.56</u>	<u>172.64</u>
l) Less : Appropriations -		
Proposed Dividend	9.00	9.00
Tax on Dividend	1.15	—
Transfer to General Reserve	<u>0.40</u>	<u>0.90</u>
	<u>10.55</u>	<u>9.90</u>
m) Balance Profit carried to Balance Sheet	<u>166.01</u>	<u>162.74</u>

2. DIVIDEND :

Your Directors recommend for the approval of the shareholders Dividend @ 12 % for the year ended 31st March, 2003.

BRADY & MORRIS ENGG. CO. LIMITED

3. WORKING RESULTS :

The turnover of the Company during the year amounted to Rs.252.50 lacs as against Rs.204.00 lacs in the previous year. However, profit before taxation has gone down to Rs.22.47 lacs from Rs.63.17 lacs in the previous year, mainly due to fall in the income of compensation / lease charges of our premises, as Licencee has vacated our said premises from 1/10/2002.

4. FUTURE OUTLOOK :

As the Company has reorganized its manufacturing and marketing activities, Company hopes to improve its working in the current year.

5. BOARD OF DIRECTORS :

- (a) In accordance with the requirements of the Companies Act, 1956, and Articles of Association of the Company, Mr. K. D. Shah retires by rotation and is eligible for reappointment.
- (b) Your Directors regret to inform about the sad demise of Mr. K. L. Kapur on 8th July, 2003. He was a Director on the Board of your Company since April 1989. The Directors place on record the valuable guidance and support extended by him during his tenure as a Director.

6. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to sub-section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that :

- (a) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) The Directors have selected such accounting policies and applied them consistently and made judgements 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 the period;
- (c) The Directors have 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) The Directors have prepared the annual accounts on a going concern basis.

7. PERSONNEL & PARTICULARS OF EMPLOYEES :

During the year under review, Industrial Relations in the Company continued to be satisfactory. The Directors place on record their appreciation of the services rendered by members of staff at all levels.

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During the year under report, none of the employees of the Company was in receipt of remuneration in excess of the ceilings prescribed under Section 217(2A) of the Companies Act, 1956.

8. CONSERVATION OF ENERGY :

The information as required under Section 217 (1) (e) of the Companies Act, 1956 and forming part of this report is given in the Annexure.

9. COMPLIANCE CERTIFICATE :

Pursuant to provisions of Section 383 A of the Companies Act, 1956 and the rules made thereunder, the Company has obtained a Compliance Certificate from Practicing Company Secretary, Mrs. Lalita Lath. The same is attached herewith.

10. APPOINTMENT OF AUDITORS :

M/s. C. L. Dalal & Co., Chartered Accountants, hold office till the conclusion of this Annual General Meeting. Pursuant to Section 224(1) of the Companies Act, a Certificate has been furnished by M/s. C. L. Dalal & Co. that their appointment, if made, will be in accordance with the limit specified in sub-section (1-B) of the said Section 224. The members are requested to appoint Auditors for the year from the conclusion of the ensuing Annual General Meeting till the conclusion of the subsequent Annual General Meeting and fix their remuneration.

11. ACKNOWLEDGEMENT :

The Directors wish to place on record their appreciation of the co-operation and assistance received from Bankers, Customers and Suppliers.

By Order of the Board,

PAVAN G. MORARKA
Chairman

BRADY & MORRIS ENGG. CO. LIMITED

Mumbai : 31st July, 2003

ANNEXURE 'A' TO THE DIRECTORS' REPORT

STATEMENT UNDER SECTION 217(1)(E) READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2003.

A) CONSERVATION OF ENERGY :

- a) Company's operations involve low energy consumption. Wherever possible, energy conservation measures have already been implemented and there are no major areas where further energy conservation measures can be taken. However, efforts to conserve and optimise the use of energy through improved operational methods and other means will continue.
- b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy :NIL
- c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods :
Efforts made by us to economise consumption of power had a marginal impact on cost of production.
- d) Total energy consumption per unit of production as per Form-A of the Annexure in respect of industries specified in the Schedule thereto: NOT APPLICABLE

B) TECHNOLOGY ABSORPTION :

Efforts made in Technology Absorption as per Form-B.

FORM - B

1. Research & Development (R & D)

a) Specified areas in which R & D carried out by the Company	}	
b) Benefit derived as a result of above R & D	}	
c) Future plan of action	}	
d) Expenditure on R & D	}	NONE
i. Capital	}	
ii. Recurring	}	
iii. Total	}	
iv. Total R & D Expenditure as a percentage of total turnover.	}	

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2. Technology Absorption, Adaptation and innovation :

- | | | |
|---|---|------|
| a) Efforts in brief made towards technology Absorption, | } | |
| Adaptation and innovation | } | |
| b) Benefit derived as a result of the above efforts | } | NONE |
| e.g. product improvement, cost reduction, | } | |
| product development. import substitution etc. | } | |

3.Imported Technology :

During the last five years no technology has been imported hence this is not applicable.

C) FOREIGN EXCHANGE EARNINGS AND OUTGOINGS :

The Foreign Exchange earnings and outgo are as under -

- | | | |
|---|---|-------------|
| 1. Foreign exchange earnings | : | NIL |
| 2. Foreign exchange outgo on account of travel | : | Rs.35,080/- |
| 3. Foreign exchange outgo on account of imports: | | NIL |
| 4. Foreign exchange outgo on account of dividend: | | Rs.55,684/- |

By Order of the Board,

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PAVAN G. MORARKA
Chairman

Mumbai : 31st July, 2003.