

BRADY & MORRIS ENGG. CO. LTD.



58th
Annual Report

2003-2004

**BOARD OF DIRECTORS****MR. PAVAN G. MORARKA**

Chairman

MR. K. D. SHAH**MR. A. P. HARIANI****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 400001.

WORKS

GIDC Industrial Estate

Vatva, Ahmedabad - 382 445

REGISTRAR & TRANSFER AGENTS**BIGSHARE SERVICES PVT. LTD.**

E-2, Ansa Industrial Estate.

Sakivihar Road, Saki Naka, Andheri (E),

Mumbai 400 072

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**BRADY & MORRIS ENGG. CO. LTD.****58th Annual Report 2003-04****NOTICE**

NOTICE is hereby given that the Fifty-eighth Annual General Meeting of the Members of BRADY & MORRIS ENGINEERING CO. LTD., will be held on Saturday, 14th August, 2004 at 11.00 a.m. at Alexandra Girls English Institution, 31, Hazarimal Somani Marg, Mumbai - 400 001, to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2004 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. Pavan G. Morarka, who retires by rotation, and being eligible, offers himself for re-election.
4. To appoint Auditors and to fix their remuneration.

BY ORDER OF THE BOARD
PAVAN G. MORARKA
 Chairman

Registered Office :

Brady House,
 12-14, Veer Nariman Road,
 Fort, Mumbai - 400 001.
 Dated : 21st June, 2004

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 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 Register of Members and the Share Transfer Books of the Company will remain closed from 07.08.2004 to 14.08.2004 (both days inclusive).
- (c) Pursuant to the recent directions of SEBI / Stock Exchanges, 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.

Tel. No. 022 - 28470652 / 2847 0653 / 2847 3747 / 2847 3474

Fax No. 022 - 28475207

- (d) The dividend on equity Shares, as recommended by the board of directors for the year ended 31st March, 2004, 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 14-08-2004. 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.
- (e) 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.
- (f) 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.
- (g) 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.
- (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) Consequent upon amendment of Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999 the amount for the subsequent years remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund set up by the Government of India and no payments shall be made in respect of any such claims by the Fund.
Members who have not yet encashed their dividend warrant(s) for the financial year ended 31.03.1997 and onwards are requested to claim the amount forthwith from the Company.
- (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-400001. The Members may take advantage of this facility.



- (i) 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 Companies shares in electronic form. The Companies shares are compulsorily required to be traded in dematerialised form and therefore members will find it beneficial to dematerialise their shares at the earliest.

BY ORDER OF THE BOARD

PAVAN G. MORARKA

Chairman

Registered Office :

Brady House,
12-14, Veer Nariman Road,
Fort, Mumbai-400 001.

Dated : 21st June, 2004

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**DIRECTORS' REPORT 2003-2004**

**TO,
THE MEMBERS,**

The Directors present the Fifty-eighth Annual Report and Audited Accounts for the year ended 31st March, 2004.

1. FINANCIAL RESULTS :

	2003-2004	2002-2003
	(Rs.in Lacs)	(Rs.in Lacs)
a) Operating Profit before Interest and Depreciation	46.16	66.87
b) Less : Interest	<u>11.03</u>	<u>22.21</u>
c) Profit Before Depreciation	35.13	44.66
d) Less : Depreciation	<u>19.82</u>	<u>22.19</u>
e) Profit for the year before Taxation	15.31	22.47
f) Less: Provision for Taxation		
i) Current	3.04	6.73
ii) Deferred	<u>2.78</u>	<u>1.70</u>
	<u>5.82</u>	<u>8.43</u>
g) Profit after Taxation	9.49	14.04
h) Add /(Less) : Prior Year `s adjustment	<u>(0.10)</u>	<u>(0.22)</u>
i) Net Profit	9.39	13.82
j) Add : Profit Brought Forward	<u>166.00</u>	<u>162.74</u>
k) Amount available for appropriations	175.39	176.56
l) Less : Appropriations-		
i) Proposed Dividend	9.00	9.00
ii) Tax on Dividend	1.15	1.16
iii) Transfer to General Reserve	<u>0.25</u>	<u>0.40</u>
	<u>10.40</u>	<u>10.56</u>
m) Balance Profit carried to Balance Sheet	<u>164.99</u>	<u>166.00</u>

2. DIVIDEND:-

Your Directors recommend for the approval of the shareholders Dividend @ 12% for the year ended 31st March, 2004.

3. WORKING RESULTS :-

The turnover of the Company during the year rose to Rs. 363.96 lacs as against Rs.223.85 lacs in the previous year recording a growth of 62%. However, the profit before taxation has



come down to Rs. 15.31 lacs from Rs. 22.47 lacs in the previous year due to reduction in licence fees on surrender of leased property.

4. FUTURE OUTLOOK :-

The Company re-organised its marketing set-up and has been able to increase its market share. The Board is pleased to inform that the Company has acquired ISO 9001:2000 status. The Company proposes to phase out and replace its old machineries leading to better productivity and enhanced operational efficiencies keeping in view the growth in demand of our products. The Company has also invested in an ERP module, which shall improve planning and information flow. It also proposes to complete a networking of its sales offices in the current Financial Year.

5. BOARD OF DIRECTORS :-

In accordance with the requirements of the Companies Act, 1956, and Articles of Association of the Company, Mr. Pavan G. Morarka retires by rotation and is eligible for reappointment.

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 had 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 services rendered by members of staff at all levels.

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, Ms. Lalitha 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 subsection (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 a Annual General Meeting and fix their remuneration.

11. ACKNOWLEDGE MENT:-

The Directors wish to place on record their appreciation of the co-operation and assistance received from bankers, customes and suppliers.

BY ORDER OF THE BOARD
PAVAN G. MORARKA
Chairman

Mumbai

Dated : 21st June, 2004

**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, 2004.

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. | } | |

**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 year 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 | : | NIL |
| 3. Foreign exchange outgo on account of imports | : | NIL |
| 4. Foreign exchange outgo on account of dividend | : | 55,684/- |

Mumbai

Dated : 21st June, 2004

BY ORDER OF THE BOARD

PAVAN G. MORARKA

Chairman