

# BRADY & MORRIS ENGG. CO. LTD.



*59<sup>th</sup>*  
*Annual Report*  

---

*2004-2005*

**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****AUDITORS****C. L. Dalal & Co.**

Chartered Accountants

**SOLICITORS**

Hariani &amp; Co., Mumbai.

**BANKERS**

UNION BANK OF INDIA

**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.

## NOTICE

NOTICE is hereby given that the Fifty-ninth Annual General Meeting of the Members of **BRADY & MORRIS ENGINEERING CO. LTD.**, will be held on Saturday, 27th August, 2005 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 31<sup>st</sup> March, 2005 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. A. P. Hariani, who retires by rotation, and, being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

### **SPECIAL BUSINESS :**

5. To declare the result of the following Special Resolution to be passed by Postal Ballot in accordance with the provisions of the Companies (Passing of resolutions by postal ballot) Rules, 2001, Notice in respect of which along with postal ballot form and prepaid self addressed envelope will be posted to shareholders under postal certificate on 11th July, 2005 as required under the said Rules.

RESOLVED that subject to the provisions of section 17 and all other applicable provisions of the Companies Act, 1956 the Object Clause III of the Memorandum of Association of the Company be amended by inserting after sub-clause 40 the following new sub-clauses.

- 41) To conceive, plan, survey, design, study and evaluate all steps, technics and methods for setting up of all types of infrastructural projects, facilities or works, and to build, construct, manage Industrial Parks, Gardens, Roads, Bridges, Flyovers, Highways, Roadways, structures and facilities, Rail-roads, Railway Stations, Platforms, Railway Yards, Rail Tracks including gauge conversions thereof, Buildings, Wells, Water Courses, Dams, Canals, Reservoirs, Urban and Rural Water Supply System, Sewerage and Underground drainage systems, Airstrips, Airports, Seaports, Yacht Marina, Berths, Jetties, Quays, Wharf, Pier, Harbour, Docks and Marine structures of all types in India and Abroad.
- 42) To carry on business in India and abroad of generating, distributing, transmitting and trading in power, both conventional and non-conventional including wind power, hydro power, solar power, thermal power and putting power transmission lines, power stations and to deal in all types of power and electricity related products.
- 43) To carry on in India and abroad the business of collection and setting up requisite processes to recover all types of waste by re-cycling E-waste, Chemical Waste, Organic Waste, Plastic Waste, Metal Waste, etc.

**BRADY & MORRIS ENGG. CO. LTD.**

"FURTHER RESOLVED that the Board be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid Resolution."

FOR AND BEHALF OF THE BOARD

Place : Mumbai  
Date : 24th June, 2005

**K. K. KRISHNAN**  
Director

**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) Explanatory Statement in respect of item No.5 pursuant to Sec.173(2) of the Companies Act, 1956 is annexed.
- c) The Register of Members and the Share Transfer Books of the Company will remain closed from 20.08.2005 to 27.08.2005 (both days inclusive).
- d) Members holding shares in physical form are requested to advise any change of address with complete details and other related matters immediately to Company's Registrar & Transfer Agents, Bigshare Services Pvt. Ltd. Members holding shares in Electronic form should advise their respective Depository Participants about change in address and other related matters and not to the Company.
- e) The dividend on Equity Shares, as recommended by the Board of Directors for the year ended 31<sup>st</sup> March, 2005, 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 27.08.2005. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as on 19.08.2005 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 send their queries at least seven 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.
- l) Members who have not encashed their dividend warrant(s) for the financial year ended 31.03.1998 and thereafter may approach the Registered Office for revalidation of the Dividend Warrants as the amount of dividend remaining unpaid for a period of seven years shall be transferred to Investor Education & Protection Fund as per the provisions of Section 205A of the Companies Act, 1956. It may be noted that once the unclaimed dividend is transferred to the Central Government as above, no claim shall lie in respect thereof.
- k) Members holding shares in physical form can avail of the nomination facility by filing Form 2B (in duplicate) with the Company or its Registrar & Share Transfer Agents which will be made available on request and in case of shares held in demat form the nomination has to be lodged with their Depository Participant.
- m) 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 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(2) AND 192A OF THE COMPANIES ACT, 1956 IN RESPECT OF ITEM NO.5

The Board proposes to increase and widen the scope of business of our Company. The proposed Amendments to Object Clause of Memorandum of Association shall lead to growth prospects for the Company in the future.

The Board of Directors at its Meeting held on 24<sup>th</sup> June, 2005 passed a Resolution recommending addition of object clauses to be approved by the Shareholders by Postal Ballots.

For this purpose, the requisite Special Resolution is being proposed for consideration of the Members and it is proposed to seek members' consent by way of Postal Ballot under section 17 read with Section 192A of the Companies Act, 1956. The requisite Postal Ballot Form and pre-paid self addressed envelope is being sent separately.

The Directors have recommended passing of the Special Resolution set out in the aforesaid Notice.

None of the Directors of the Company are, in any way, concerned with or interested in the Resolution.

Place : Mumbai  
Date : 24th June, 2005

FOR AND ON BEHALF OF THE BOARD  
**K. K. KRISHNAN**  
Director

**DIRECTORS' REPORT 2004-2005**

TO,  
THE MEMBERS,

The Directors present the Fifty-ninth Annual Report and Audited Accounts for the year ended 31st March, 2005.

**1. FINANCIAL RESULTS :**

	2004-2005 (Rs. in Lacs)	2003-2004 (Rs. in Lacs)
a) Operating Profit before Interest and Depreciation	58.40	46.16
b) Less : Interest	<u>16.53</u>	<u>11.03</u>
c) Profit Before Depreciation	41.87	35.13
d) Less : Depreciation	<u>22.52</u>	<u>19.82</u>
e) Profit for the year before Taxation	19.35	15.31
f) Less: Provision for Taxation		
i) Current	7.12	3.04
ii) Deferred	<u>0.50</u>	<u>2.78</u>
	<u>7.62</u>	<u>5.82</u>
g) Profit after Taxation	11.73	9.49
h) Add /(Less) : Prior Year`s adjustments	<u>(3.34)</u>	<u>(0.10)</u>
i) Net Profit	8.39	9.39
j) Add : Profit Brought Forward	<u>164.99</u>	<u>166.00</u>
k) Amount available for appropriations	173.38	175.39
l) Less : Appropriations :		
i) Proposed Dividend	9.00	9.00
ii) Tax on Dividend	1.26	1.15
iii) Transfer to General Reserve	0.30	0.25
	<u>10.56</u>	<u>10.40</u>
m) Balance Profit carried to Balance Sheet	<u>162.82</u>	<u>164.99</u>

**2. DIVIDEND:**

Your Directors recommend for the approval of the shareholders Dividend @ 12% for the year ended 31st March, 2005.



**3. WORKING RESULTS :**

The turnover of the Company during the year rose to Rs. 577.25 lacs as against Rs.363.96 lacs in the previous year recording a growth of 59%. However, the profit before taxation at Rs. 19.35 lacs as against Rs. 15.31 lacs last year has not grown in the same proportion in view of the severe volatility in input cost especially metals, fierce competition and strategic man power investments.

**4. FUTURE OUTLOOK :**

The re-organised marketing set-up continues to increase the market share of the Company for its products. The Company is on the verge of finalization of new machineries which shall yield better productivity and enhanced operational efficiencies keeping in view the increased demand for our products. The ERP module commissioned during the last financial year has improved information flow which has led to more effective planning. Your Company is exploring ways and means to expand and diversify, resulting into capital investments. The pending order position is at a healthy high and order booking has shown a consistent growth.

**5. BOARD OF DIRECTORS :**

In accordance with the requirements of the Companies Act, 1956, and Articles of Association of the Company, Mr. A. P. Hariani 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. ACKNOWLEDGEMENT:**

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

Place : Mumbai

Dated : 24th June, 2005.

FOR AND ON BEHALF OF THE BOARD

**PAVAN G. MORARKA**

Chairman




**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, 2005.

**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. | } |      |



# BRADY & MORRIS ENGG. CO. LTD.

## 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 outgoings are as under :

- |  |   |                |
|--|---|----------------|
| 1. Foreign exchange earnings                         | : | NIL            |
| 2. Foreign exchange outgoings on account of travel   | : | Rs. 2,50,316/- |
| 3. Foreign exchange outgoings on account of imports  | : | NIL            |
| 4. Foreign exchange outgoings on account of dividend | : | Rs. 55,684/-   |

FOR AND ON BEHALF OF THE BOARD

**PAVAN G. MORARKA**

Chairman

Place : Mumbai

Dated : 24th June, 2005