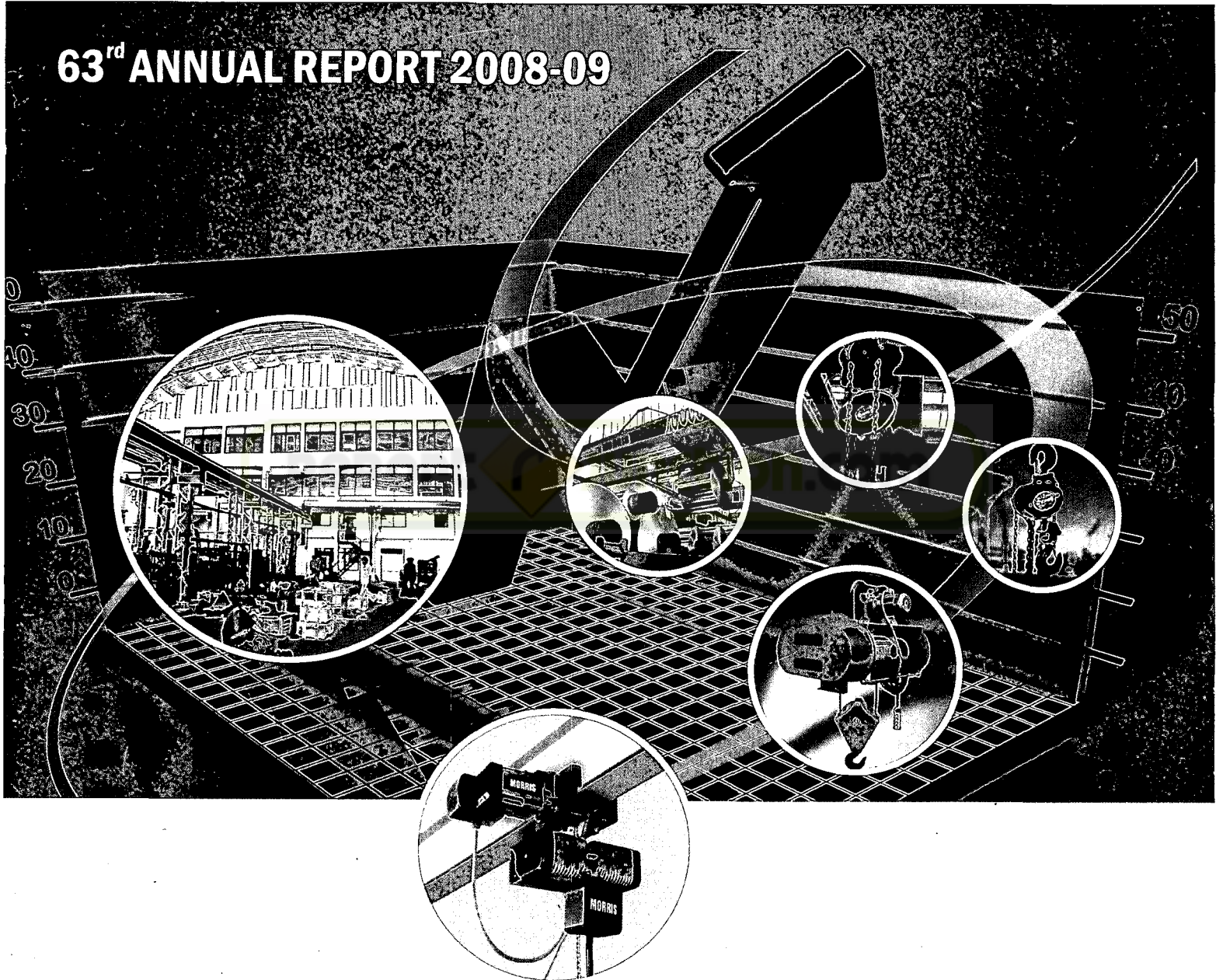




BRADY & MORRIS ENGINEERING COMPANY LIMITED

63rd ANNUAL REPORT 2008-09



BRADY & MORRIS ENGG. CO. LTD.**BOARD OF DIRECTORS****MR. PAVAN G. MORARKA** Chairman**MR. KAUSHIK D. SHAH****MR. GAUTAM DIVAN****MR. M. K. SHAH****AUDITORS**C. L. Dalal & Co.
Chartered Accountants**SOLICITORS**

Hariani & Co., Mumbai

BANKERS

UNION BANK OF INDIA

REGISTERED OFFICE"Brady House"
12/14, Veer Nariman Road
Fort, Mumbai 400001.**WORKS**

1. GIDC Industrial Estate
Vatva, Ahmedabad - 382 445
2. Bareja, Sarsa Patia Village, Dist Kheda

REGISTRAR & SHARE TRANSFER AGENTSBIGSHARE SERVICES PVT. LTD.
E-2/3, Ansa Industrial Estate.
Sakivihar Road, Saki Naka, Andheri (E)
Mumbai - 400 072**CONTENTS****PAGE**

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BRADY & MORRIS ENGG. CO. LTD.

NOTICE

NOTICE is hereby given that the Sixty-third **ANNUAL GENERAL MEETING of the Members of BRADY & MORRIS ENGINEERING CO. LTD.**, will be held on Saturday, 19th September, 2009 at 11.30 a.m. at Maharashtra Chamber of Commerce Trust, Babasaheb Dahanukar Sabhagriha, Oricon House, 6th Floor, 12, K. Dubhash Marg, Fort, Mumbai-400 001, to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit & Loss Account for the year ended on that date together with Directors' and Auditors' Report thereon.
2. To declare a Dividend.
3. To elect a Director in place of Mr. Gautam Divan, who retires by rotation, and, being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

FOR & ON BEHALF OF THE BOARD

PAVAN G. MORARKA
CHAIRMAN

Registered Office:

'Brady House'
12-14, Veer Nariman Road
Fort, Mumbai-400 001.
Mumbai : 27th July, 2009

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 Register of Members and the Share Transfer Books of the Company will remain closed from 12.09.2009 to 19.09.2009 (both days inclusive).
- (c) 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 or to R & T Agents.
- (d) The dividend on Equity Shares, as recommended by the Board of Directors for the year ended 31st March, 2009, 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 19.09.2009. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as on 12.09.2009 as per details furnished by National Security Depository Ltd. and Central Depository Service (India) Ltd. for the purpose.
- (e) To disburse dividend through ECS, wherever said facility is available. Members holding shares in electronic mode are requested to initiate requisite steps with their respective depository Participant (DP), to update their bank account details. Members holding shares in physical form are requested to furnish their Bank A/c. details to the Company's Registrar & Transfer Agents, Bigshare Services Pvt. Ltd.,

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- (f) Members attending the meeting are requested to bring with them their copy of the Annual Report and 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) Consequent upon amendment of Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999 the amount of dividend 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.
- (i) Members who have not encashed their dividend warrant(s) for the financial year ended 31.03.2002 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.
- (j) 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.
- (k) 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, it is beneficial in the interest of the members to dematerialise their shares at the earliest.

FOR & ON BEHALF OF THE BOARD

PAVAN G. MORARKA
CHAIRMAN

Registered Office:
'Brady House'
12-14, Veer Nariman Road
Fort, Mumbai-400 001.
Mumbai : 27th July, 2009



DIRECTORS' REPORT 2008-2009

TO THE MEMBERS OF BRADY & MORRIS ENGINEERING CO. LTD.

Your Directors take pleasure in presenting the Sixty-third Annual Report and Audited Accounts for the year ended 31st March, 2009. Your Company continues to maintain its growth and the results are :

1. FINANCIAL RESULTS:

	2008-2009 (Rs. in Lacs)	2007-2008 (Rs. in Lacs)
a) Gross Sales	2759.98	2195.78
b) Operating Profit before interest and Depreciation	292.95	266.93
c) Less : Interest	100.29	63.96
d) Profit Before Depreciation	192.66	202.97
e) Less : Depreciation	75.18	56.72
f) Profit for the year before Taxation	117.48	146.25
g) Less Provision for Taxation		
(i) Current	36.00	55.60
(ii) Deferred	9.65	(6.45)
(iii) Fringe Benefit Tax	3.07	2.75
Sub - total	48.72	51.90
h) Profit after Taxation	68.76	94.35
i) Add : Prior Year's adjustment	(4.79)	(2.82)
j) Net Profit	63.97	91.53
k) Add: Profit Brought Forward	115.94	71.90
l) Amount available for appropriations	179.91	163.43
m) Less : Appropriations -		
Proposed Dividend	33.75	33.75
Tax on Dividend	5.74	5.74
Transfer to General Reserve	6.00	8.00
Sub - total	45.49	47.49
n) Balance Profit carried to Balance Sheet	134.42	115.94

2. DIVIDEND:

Your Directors are pleased to recommend for the approval of the shareholders Dividend @ 15% i.e. Rs1.50 per share for the year ended 31st March, 2009.

3. WORKING RESULTS:

The Gross Sales of the Company increased from Rs.2195.78 Lacs to Rs.2759.98 Lacs recording a growth of 26%. The Order Booking for the year was higher by 30%. The Profit Before Tax is lower than last year due to higher Interest Cost, Depreciation and volatility in prices of Metals in the 1st half of the Financial Year.

4. FUTURE OUTLOOK:

The Company has initiated steps to improve its cost of production and increase productivity thereby improving profit margins. The pending order position is healthy and the Company is expected to do better in the coming years. The Company is also strengthening its R&D Dept. which would help in improvising the existing designs and products, thereby increasing our market share.

The Company has also acquired land at Chowdwar - Cuttack, Orissa and is exploring the possibility of setting up an Engineering Unit in a joint venture.

63rd Annual Report 2008-09**5. BOARD OF DIRECTORS:**

In accordance with the provisions of Section 256 of the Companies Act 1956 and the Articles of Association of the Company, Mr. Gautam Divan retires by rotation and being eligible offers himself for re-appointment.

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 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 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 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, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO :

Information required in terms of 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 given in Annexure I and forms part of this Report.

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. Mansi Damania. 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. INSURANCE

All the properties of the Company including Factory Building Plant & Machinery, stocks, etc. are adequately insured.

12. Information about the Company and its Directors are furnished in Annexure B to this Report.

13. ACKNOWLEDGEMENT :

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

FOR & ON BEHALF OF THE BOARD

PAVAN G. MORARKA

Chairman

Mumbai : 27th July, 2009

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, 2009.

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)

- | | | |
|---|---|------|
| <ol style="list-style-type: none"> 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 <ol style="list-style-type: none"> i. Capital ii. Recurring iii. Total iv. Total R & D Expenditure as a percentage of total turnover. | } | NONE |
|---|---|------|

2. Technology Absorption, Adaptation and innovation :

- | | | |
|--|---|------|
| <ol style="list-style-type: none"> a) Efforts in brief made towards technology Absorption, Adaptation and innovation b) Benefit derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc. | } | NONE |
|--|---|------|

3. Imported Technology :

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

C. Foreign Exchange Earnings and Outgoings

Please refer Notes No.16 to 18 of the Notes on Accounts.

For & On Behalf Of the Board

PAVAN G. MORARKA
Chairman

Mumbai : 27th July, 2009

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Annexure B to the Directors' Report for the year ended 31.03.2009

1. Composition of the Board:

Sl. No	Name	Date of appointment
a	Mr. Pavan G Morarka	27.02.1985
b	Mr. Kaushik D Shah	19.05.1994
c	Mr. M. K. Shah	29.06.2007
d	Mr. Gautam R. Divan	28.07.2007

2. Board Meetings held:

Sl. No	Date
a	30.06.2008
b	30.07.2008
c	30.08.2008
d	08.11.2008
e	07.02.2009

3. Directors' attendance record and Directorships held:

No. of Board Meetings held during the year : 5

Sl. No	Name	Position	Board Meetings attended during the year	Whether attended last AGM	Directorship in other public limited companies incorporated in India
A.	Mr. Pavan G Morarka	Chairman & Director	5	Y	W. H. Brady & Co. Ltd. Brady Air Ltd. Shirt Company India Ltd. Global Tradecracker Ltd.
B.	Mr. Kaushik D Shah	Director	5	Y	W. H. Brady & Co. Ltd. Arman Lease & Finance Ltd. Amol Decalite Ltd. Global Tradecracker Ltd.
C.	Mr. M. K. Shah	Director	5	Y	NIL
D.	Mr. Gautam R. Divan	Director	5	Y	HDFC Standard Life Insurance Co. Ltd. HDFC Bank Ltd.

4. Information submitted to the Board:

Among others, this includes:

- Quarterly results of the company
- Minutes of meeting of the share transfer committee
- Information on recruitment of senior officers just below the Board level
- Materially important show cause notices, demand, prosecution and penalty notices
- Fatal or serious accidents or dangerous occurrences
- Materially relevant details in financial obligations to and by the company or substantial non payment of goods sold by the company
- Details of joint venture / collaboration agreements
- Assets purchase and disposal.



5. Remuneration of Directors: sitting fees, salary, perquisites

Sl. No	Name of Director	Relationship with other Directors	Sitting Fees	Salary	Contribution to PF	Total
1	Mr. Pavan G Morarka	Nil	Rs.28,500/-	—	—	Rs.28,500/-
2	Mr.Kaushik D. Shah	Nil	Rs.27,500/-	—	—	Rs.27,500/-
3.	Mr. M. K. Shah	Nil	Rs.28,500/-	—	—	Rs.28,500/-
4.	Mr. Gautam R. Divan	Nil	Rs.27,500/-	—	—	Rs.27,500/-

6. Share Transfer Committee :

This committee comprises of Mr. Pavan G. Morarka and any one of the other Directors. The committee met once during the year on 09.05.2008 and was attended by Mr. Pavan G. Morarka and Mr. M. K. Shah.

7. Disclosure regarding appointment / reappointment of Directors:

In terms of the Articles of Association of your company, one-third of the Board of Directors are liable for retirement by rotation and are eligible for reappointment in the Annual General Meeting.

On this basis, Mr. Gautam Divan is liable for retirement by rotation this year and has offered himself for reappointment.

Mr. Gautam Divan is a practicing Chartered Accountant and holds Directorship in several companies including HDFC Bank Limited.

8. General Body Meetings: Details of last three AGMs

Financial Year Ended	Date	Time	Venue
31st March, 2006	September 23, 2006	11.30 a.m.	Alexandra Girls' English Institution 31, Hazarimal Somani Marg Mumbai-400 001.
31st March, 2007	September 27, 2007	11.30 a.m.	Maharashtra Chamber of Commerce Trust Oricon House, 6th Floor 12, K. Dubhash Marg, Fort Mumbai-400 001.
31st March, 2008	August 30, 2008	11.30 a.m.	Maharashtra Chamber of Commerce Trust Oricon House, 6th Floor 12, K. Dubhash Marg, Fort Mumbai-400 001.

9. ADDITIONAL INFORMATION TO SHAREHOLDERS:

a. Annual General Meeting

Date	:	19th September 2009.
Venue	:	Maharashtra Chamber of Commerce Trust Babasaheb Dahanukar Sabhagriha Oricon House, 6th Floor 12 K. Dubhash Marg, Fort Mumbai-400 023.
Time	:	11.30 a.m.

b. Financial Calendar:

Financial Year : 1st April to 31st March

Results for each quarter and year ended 31.03.2009 were announced as under:

First quarter	:	30.07.2008	Unaudited
Second Quarter	:	08.11.2008	
Third Quarter	:	07.02.2009	
Fourth Quarter & Financial Year 2008-09	:	27.04.2009	

For the year ending 31st March, 2010, results will be announced in :

First quarter	:	July, 2009
Second Quarter	;	October, 2009
Third Quarter	:	January 2010
Fourth Quarter & Financial Year 2009-10	:	June, 2010

Annual General Meeting for the year ending 31.03.2010 will be held in August / September 2010.

c. Book Closure:

For the purpose of dividend the Register of Members & Transfer Books will remain closed from 12.09.2009 to 19.09.2009 (both days inclusive).

d. Registrar & Share Transfer Agents:

M/s Bigshare Services P Ltd
E-2/3, Ansa Industrial Estate,
Saki Vihar Road,
Saki Naka,
Andheri (East),
Mumbai – 400 072.
Tel No.28470652 • Fax No. 28475207 • Email : info@bigshareonline.com

e. Stock Exchange details:

Name of the Exchange	Stock Code
Bombay Stock Exchange Limited, Mumbai	505690

The ISIN number of your company is INE 856A01017

f. Address for correspondence:

BRADY & MORRIS ENGINEERING COMPANY LIMITED
BRADY HOUSE
12/14, VEER NARIMAN ROAD
FORT,
MUMBAI – 400 001.
Tel : 22048361-5 • Fax : 22041855
Email: bradys@mtnl.net.in
Website: http://www.bradys.in