



**BRADY & MORRIS ENGINEERING COMPANY LIMITED**

**64<sup>th</sup> ANNUAL REPORT 2009-10**

## BRADY & MORRIS ENGG. CO. LTD.

### BOARD OF DIRECTORS

MR. PAVAN G. MORARKA Chairman

MR. KAUSHIK D. SHAH

MR. GAUTAM DIVAN

MR. M. K. SHAH

### CHIEF OPERATING OFFICER

S. GOWRI SHANKAR

### 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.

Tel : 22048361-5 • Fax : 22041855

Email : bradys@mtnl.net.in

Website: <http://www.bradys.in>

### WORKS

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

### REGISTRAR & SHARE TRANSFER AGENTS

BIGSHARE SERVICES PVT. LTD.

E-2/3, Ansa Industrial Estate.

Sakivihar Road, Saki Naka, Andheri (E)

Mumbai - 400 072

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### NOTICE

**NOTICE** is hereby given that 64th Annual General Meeting of the Members of **Brady & Morris Engineering Company Limited** will be held on Saturday, September 18, 2010 at 11.00 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 :-

1. To Consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date and the Report of Directors and Auditors thereon.
2. To Declare Dividend.
3. To appoint Director in place of Mr. Kaushik D. Shah, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Director in place of Mr. Mahendra. K. Shah who retires by rotation and being eligible offers himself for re-appointment
5. To appoint Auditors and to fix their remuneration.

For and on behalf of the Board

Sd/-  
**PAVAN G. MORARKA**  
Chairman

**Registered Office:**

Brady House  
12-14, Veer Nariman Road,  
Fort, Mumbai - 400 001.  
May 31, 2010.

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. The Register of Members and the Share Transfer Books of the Company will remain closed from 14/09/2010 to 17/09/2010 (both days inclusive).
3. The Dividend on Equity Shares as recommended by the Board of Directors of the Company, when sanctioned at the Annual General Meeting of the Company will be paid on or after September 23, 2010 to those members whose names appear on the Register of Members of the Company as at the close of the business hours on September 17, 2010. In respect of shares held in demat mode, dividend will be paid on the basis of beneficial ownership as on September 17, 2010 as per details furnished by National Security Depository Ltd. [NSDL] and Central Depository Services [India] Ltd. [CDSL].

4. Pursuant to the provision of Section 205(A) of the Companies Act, 1956, unclaimed Dividend upto the year ended March 31, 2002 has been transferred to the credit of the General Revenue Account of the Central Government.

Members should note that unclaimed dividend for the year ended 31.03.2003 and thereafter may be claimed from the Company and those members who have not yet received or encashed their Dividend Warrants may write to the Company with relevant particulars.

Members are hereby informed that Dividends which remain unclaimed/unencashed over a period of 7 years have to be transferred by the Company to The Investors Education & Protection Fund, constituted by the Central Government under Sections 205(A) & 205(C) of the Companies Act, 1956.

Members should note that no claim can be made by the shareholders for the unclaimed Dividends which have been transferred to the credit of The Investors Education & Protection Fund of the Central Government under the amended provisions of section 205(B) of the Companies Act, 1956.

Details of unclaimed Dividend with it's due date of transfer to Investors education and protection Fund is as below:

Sr. No.	Year ended	Date of Declaration	Due date of transfer to IEPF
1.	31.03.2003	30.08.2003	29.09.2010
2.	31.03.2004	14.08.2004	13.09.2011
3.	31.03.2005	27.08.2005	26.09.2012
4.	31.03.2006	23.09.2006	22.10.2013
5.	31.03.2007	27.09.2007	26.10.2014
6.	31.03.2008	30.08.2008	29.09.2015
7.	31.03.2009	19.09.2009	18.10.2016

5. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
6. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.
7. The Company has listed its shares on The Bombay Stock Exchange Limited, Mumbai.
8.
  - a. The Company has appointed M/s. BIGSHARE SERVICES PRIVATE LIMITED as Common Registrar & Transfer Agent of the Company for physicals well as demat mode of transfers. Members are therefore requested to send their grievances to them for early disposal at the address given below.
  - b. Members holding Shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below AND in case their shares are held in demat, this information should be passed on directly to their respective Depository Participants and not to the Company.

**M/S. BIGSHARE SERVICES PRIVATE LIMITED**

Unit : [ BRADY & MORRIS ENGINEERING COMPANY LIMITED ]

E-2/3, Ansa Industrial Estate, Saki Vihar Road,

Saki Naka, Andheri [East], MUMBAI - 400 072.

Tel: 022 2847 0652 / 4043 0200

Email: info@bigshareonline.com

9.
  - a. Members are informed that in order to avoid fraudulent encashment of dividend warrants they should send to the Registrar and Transfer Agent of the Company at the address given above under the signature of the Sole/First Joint holder the information relating to Name and Address of the Banker along with the Pin Code Number and Bank Account Number to print on the Dividend Warrants.
  - b. Members desirous of availing the facility of Electronic Credit of Dividend are requested to send ECS Form to the Registrar and Transfer Agent of the Company at the address given above.
  - c. Members holding shares in dematerialized form and desirous to change or correct the bank account details should send the same immediately to the concerned Depository Participant. Members are also requested to give MICR Code to the Depository Participant.
10. All documents referred to in the Notice are open for inspection at the registered office of the Company during office hours on all working days except public holidays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
11. Members/Proxies holding their Shares in Physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
12. Members who are holding shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.
13. In all correspondence with the Company, members are requested to quote their Folio No. and in case their shares are held in demat form, they must quote their DP ID and Client ID Number.

Registered Office:  
Brady House,  
12-14, Veer Nariman Road,  
Fort, Mumbai - 400 001.  
May 31, 2010.

For and on behalf of the Board

Sd/-  
**PAVAN G. MORARKA**  
Chairman

## DIRECTORS' REPORT 2009-2010

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

Your Directors are pleased to present the Sixty-fourth Annual Report and Audited Accounts for the year ended 31st March, 2010. Your Company continues to maintain its growth and the results are:

#### 1. FINANCIAL RESULTS:

	2009-2010 (Rs.in Lacs)	2008-2009 (Rs.in Lacs)
a) Gross Sales	2861.74	2759.98
b) Operating Profit before interest and Depreciation	280.93	292.95
c) Less : Interest	124.22	100.29
d) Profit Before Depreciation	156.71	192.66
e) Less : Depreciation	103.35	75.18
f) Profit for the year before Taxation	53.36	117.48
g) Less Provision for Taxation		
(i) Current	16.25	36.00
(ii) Deferred	3.53	9.65
(iii) Fringe Benefit Tax	-	3.07
Sub - total	19.78	48.72
h) Profit after Taxation	33.58	68.76
i) Add / (Less) : Prior Year's adjustment	(0.15)	(4.79)
j) Net Profit	33.43	63.97
k) Add: Profit Brought Forward	134.42	115.94
l) Amount available for appropriations	167.85	179.91
m) Less : Appropriations -		
Proposed Dividend	33.75	33.75
Tax on Dividend	5.74	5.74
Transfer to General Reserve	2.00	6.00
Sub - total	41.49	45.49
n) Balance Profit carried to Balance Sheet	126.36	134.42

#### 2. DIVIDEND :

Your Directors are pleased to recommend for the approval of the Shareholders Dividend @15% i.e. Rs. 1.50 per share for the year ended 31st March, 2010.

#### 3. WORKING RESULTS :

Although, the gross sales is higher at Rs. 2861.74 lakhs as compared to Rs. 2759.98 lakhs in the previous year, the profit before tax is Rs. 53.36 lakhs as compared to Rs. 117.48 lakhs in the previous year. The results have been affected due to delay in execution of certain projects and increase in operating cost.

#### 4. FUTURE OUTLOOK :-

The Company has taken necessary steps to increase built up area for production, add equipments and reduce costs. Further, the Company has strengthened technical and marketing team. This would result into higher productivity, better efficiency and profitability.

#### 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. K. D. Shah & Mr. M. K. Shah Directors retire by rotation and being eligible offer themselves 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. 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

Sd/-  
**PAVAN G. MORARKA**  
Chairman

Mumbai : 31st May, 2010.

## 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, 2010.

### 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   | } | NONE |
| b) Benefit derived as a result of above R & D                  |   |      |
| c) Future plan of action                                       |   |      |
| d) Expenditure on R & D                                        |   |      |
| 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                                                           | } | NONE |
| b) Benefit derived as a result of the above efforts 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 : Please refer Notes No. 17 to 19 of the Notes on Accounts.

For & On Behalf of the Board

Sd/-  
**PAVAN G. MORARKA**  
Chairman

Mumbai : 31st May, 2010.

**ANNEXURE B TO DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2010****VOLUNTARY REPORT ON CORPORATE GOVERNANCE**

Corporate Governance is the system by which Companies are directed and controlled by the management in the best interest of the Shareholders and others; ensuring greater transparency and better and timely financial reporting. Corporate Governance therefore generates long term economic value for its Shareholders.

Your Company believes that the implementation of Corporate Governance principles generates public confidence in the corporate system. With this belief, your Company has initiated significant measures for compliance with Corporate Governance.

**BOARD OF DIRECTORS:**

The details of composition of the Board, category, attendance of Directors at Board Meetings during the financial year and last Annual General Meeting, number of other Directorships and other Committee Memberships are given below:

Name of Director	Category	Date of Appointment	No. of Board Meeting attended	Attendance at last AGM
Mr. Pavan G. Morarka	CHAIRMAN	27/02/1985	5	YES
Mr. Kaushik D. Shah	Director	19/05/1994	5	YES
Mr. M. K. Shah	Director	29/06/2007	4	YES
Mr. Gautam R. Divan	Director	28/07/2007	5	YES

During the financial year ended March 31, 2010, 5 [FIVE] Board meetings were held on 27/04/2009, 27/07/2009, 19/09/2009, 24/10/2009 and 30/01/2010.

**INFORMATION SUPPLIED TO THE BOARD**

The Board has complete access to all information with the Company & to any of the employee of the Company. The Board is provided with all the relevant information on the important matters affecting the working of the Company as well as the related details required deliberations by the members of the board.

Among others, this includes:

- Annual operating plans, capital budgets and updates.
- quarterly results of the Company and its operating divisions.
- minutes of meeting of audit committee and other committees.
- information on recruitment and remuneration of senior officers just below the board level.
- general notices of interests.
- Materially important show cause, demand, prosecution and penalty notices.
- Fatal or serious accidents or dangerous occurrences.
- details of any joint venture of collaboration agreement.
- sale of material nature of investments, subsidiaries, assets which is not in the normal course of business.
- foreign exchange exposure and the steps taken by the management to limit the risk of adverse exchange rate movement.
- Any materially significant effluent or pollution problem.
- Any issue which involves possible public or product liability claims of a substantial nature.
- Significant development in the human resource and industrial relations fronts.
- Legal compliances reporting system.

The Board is routinely presented with all information under the above heads whenever applicable and materially significant.



**GENERAL SHAREHOLDERS INFORMATION :**

ANNUAL GENERAL MEETING : 64th Annual General Meeting.  
DAY & DATE : September 18, 2010.  
TIME : 11.00 A. M.  
VENUE : Maharashtra Chamber of Commerce Trust,  
Babasaheb Dahanukar Sabhagriha,  
Oricon House, 6th Floor, 12, K. Dubhash  
Marg, Fort, Mumbai 400 001

DATE OF BOOK CLOSURE: 14/09/2010 to 17/09/2010 [Both days inclusive].

**SHARE TRANSFER SYSTEM:**

Share Transfer Requests are received at the registered office of the Company as well as directly at RTAs office. RTA does the verification and processing of documents. In order to comply with the requirement of SEBI circular Nos. SMD/POLICY/CIR-10/02 dated May 7, 2002 to effect transfer of shares within one month, the RTA has been authorised to process, approve and effect transfer of shares on behalf of the Company at fortnightly intervals. The share certificates duly endorsed for transfer are returned to shareholders within stipulated time of 30 days.

**REGISTRAR & SHARE TRANSFER AGENTS :****M/S. BIGSHARE SERVICES PRIVATE LIMITED**

Unit : [ BRADY & MORRIS ENGINEERING COMPANY LIMITED ]

E-2/3, Ansa Industrial Estate, Saki Vihar Road,  
Saki Naka, Andheri [East], MUMBAI - 400 072.

Tel: 022 2847 0652 / 4043 0200

Email: info@bigshareonline.com

**LISTING:**

The Bombay Stock Exchange Limited, Mumbai.

**STOCK CODE OF THE COMPANY:**

The Bombay Stock Exchange Limited, Mumbai

Scrip Name : BRADY & MORRIS ENGINEERING COMPANY LIMITED

Scrip Code : 505690.

Electronic Mode : INE856A01017.

DEPOSITORY CONNECTIVITY: NSDL and CDSL.

ISIN NO. FOR THE COMPANY'S SECURITY : INE856A01017.

**DEMATERIALISATION OF SHARES:**

As on March 31, 2010, 19,88,737 Shares representing 88.39 of total Equity Shares were held in dematerialised form with NSDL and CDSL.

Members can hold shares in electronic forms and trade the same in Depository System. However, they can hold the same in physical form also.

## GENERAL BODY MEETINGS:

The last three Annual General Meetings were held as under:

Financial Year ended	Date	Time	Venue
31.03.2007	27.09.2007	11.30 A.M.	Alexandra Girls English Institution 31, Hazarimal Somani Marg,
31.03.2008	30.08.2008	11.30 A.M.	Maharashtra Chamber of Commerce Trust, Oricon House, 6th Floor, 12, K. Dubhash Marg, Fort, Mumbai 400 001.
31.03.2009	19.09.2009	11.30 A.M.	-- As above --

All the matters as set out in the respective notices were passed by the Shareholders. No special resolution was required to be put through postal ballot last year.

## MEANS OF COMMUNICATION:

Quarterly results are published in prominent daily newspapers.

The Company has its own website and all the vital information relating to the Company and its products are displayed on the web site. Address of the website is [www.brady.in](http://www.brady.in)

## SHAREHOLDING PATTERN AS ON MARCH 31, 2010:

Category	No. Of shares held	% of shareholding
Promoters	18,43,890	81.95
Private Bodies Corporate	1,62,776	7.23
Indian Public	2,39,998	10.67
NRI/OCBs	3,336	0.15
<b>Total</b>	<b>22,50,000</b>	<b>100.00</b>

## DISTRIBUTION OF SHAREHOLDING AS ON 31/03/2010:

No. of Equity Shares held	No. of Shareholders	No. of Shares held	% of Equity Capital
Upto 500	1062	120,457	5.34
500-1000	59	42,943	1.91
1001-2000	23	31,098	1.38
2001-3000	09	24,132	1.07
3001-4000	02	7,750	0.34
4001-5000	02	9,450	0.42
5001-10000	01	5,490	0.24
10001 & above	05	20,08,680	89.27
<b>Total</b>	<b>1163</b>	<b>22,50,000</b>	<b>100.00</b>

## COMPLIANCE OFFICER & ADDRESS FOR CORRESPONDENCE:

Mr. R. K. Sharma

**BRADY & MORRIS ENGINEERING COMPANY LIMITED**

12-14, Veer Nariman Road,

Fort, Mumbai - 400 001.

E-mail : [bradys@mtnl.net.in](mailto:bradys@mtnl.net.in)

Telephone No. 22048361/2/3.