



**BRADY & MORRIS ENGINEERING COMPANY LIMITED**

**67<sup>th</sup> ANNUAL REPORT 2012-13**

## BRADY & MORRIS ENGG. CO. LTD.

### BOARD OF DIRECTORS

**MR. PAVAN G. MORARKA** Chairman

**MR. KAUSHIK D. SHAH**

**MR. GAUTAM DIVAN**

**MR. MAHENDRA K. SHAH**

**MR. VAIBHAV MORARKA**

**MR. RAJENDER K. SHARMA** (Appointed w.e.f. 26-07-2013)

### 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 400 001.

Tel : 22048361-5 • Fax : 22041855

Email : bradys@mtnl.net.in

Website: www.bradys.in

### WORKS

1. GIDC Industrial Estate  
Vatva, Ahmedabad - 382 445
2. Bareja, Sarsa Patia Village, District 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 the 67th Annual General Meeting of the Members of **Brady & Morris Engineering Company Limited** will be held on Saturday, September 28, 2013, 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 businesses:

### ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Statement of Profit & Loss for the year ended on that date along with the Report of Directors and Auditors thereon.
2. To appoint Director in place of Mr. Kaushik D. Shah who retires from office by rotation and being eligible offers himself for re-appointment.
3. To appoint Director in place of Mr. Mahendra K. Shah who retires from office by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT M/s. C. L. Dalal & Co.,** Chartered Accountants, Mumbai, having firm registration no. 102026W, be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company.”

### SPECIAL BUSINESS :

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

#### 5. AS AN ORDINARY RESOLUTION:

**“RESOLVED THAT** Mr. Rajender K. Sharma, who was appointed as an Additional Director of the Company w.e.f. 26/07/2013 pursuant to Section 260 of the Companies Act, 1956 and who holds office upto the date of the Annual General Meeting and being eligible offers himself for appointment and in respect of whom the Company has received a notice in writing from a member Under Section 257 and other applicable provisions, if any, of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company.”

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.  
July 26, 2013.

**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 FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. The Register of Members and the Share Transfer Books of the Company will remain closed from 24/09/2013 to 27/09/2013 (both days inclusive).
3. Pursuant to the provision of Section 205(A) of the Companies Act, 1956, 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 its 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.	31.03.2006	23.09.2006	22.10.2013
2.	31.03.2007	27.09.2007	26.10.2014
3.	31.03.2008	30.08.2008	29.09.2015
4.	31.03.2009	19.09.2009	18.10.2016
5.	31.03.2010	18.09.2010	17.10.2017
6.	31.03.2011	12.08.2011	11.09.2018

4. 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.

Members are requested to visit the website of the Company '[www.bradys.in](http://www.bradys.in)' for viewing the quarterly & annual financial results and for more information on the Company.

5. 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.
6. The Company has listed its shares on BSE Limited, Mumbai.
7. a. The Company has appointed M/s. BIGSHARE SERVICES PRIVATE LIMITED as Common Registrar & Share Transfer Agent of the Company for physical as well as demat mode of transfers. Members are therefore requested to send their grievances to Registrar & Share Transfer Agent for early disposal at the address as 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 Share 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](mailto:info@bigshareonline.com)

8. 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.
9. Members/Proxies 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.
10. 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.
11. In all correspondence with the Company, Registrar and Share Transfer Agent, 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.
12. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/updating their e-mail addresses, in respect of shares held in dematerialised form with their respective Depository Participants and in respect of shares held in physical form with M/S. BIGSHARE SERVICES PRIVATE LIMITED.
13. Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 is attached herewith.

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.  
July 26, 2013.

**ANNEXURE TO THE NOTICE**

**Explanatory Statement pursuant to the provisions of Section 173 (2) of the Companies Act, 1956.**

**Item 5:**

The Board of Directors have appointed Mr. Rajender K. Sharma as an Additional Director on the Board of the Company w.e.f. 26/07/2013 pursuant to Section 260 of the Companies Act, 1956. He holds office only upto the date of the forthcoming Annual General Meeting of the Company.

Mr. Sharma has been actively associated with the affairs of the Company alongwith Mr. Vaibhav Morarka, Executive Director. The Directors are well aware that the Company has turned around and has shown profits in the last quarter of the financial year 2012-13 and has also made profits in the first quarter of 2013-14. Mr. Sharma has been associated with Bradys for the past 28 years and has contributed in the overall growth of Bradys.

The Company has received a notice from a member under section 257 of the Companies Act, 1956 along with required deposit signifying her intention to propose his candidature for the office of Director.

Your Directors propose the resolution for your approval.

Mr. Rajender K. Sharma is interested in the Resolution as the resolution is for his own appointment.

None other Director is /are interested in the resolution.

For and on behalf of the Board

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

**Registered Office:**

Brady House,  
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July 26, 2013.

## DIRECTORS' REPORT

TO,

THE MEMBERS

The Directors have pleasure in presenting the 67th Annual Report on the business and operations of the Company together with the Audited Accounts for the year ended 31st March, 2013.

### 1. FINANCIAL RESULTS:

	2012-2013 (₹ in Lacs)	2011-2012 (₹ in Lacs)
a) Gross Turnover	<u>3,146.97</u>	3,448.82
b) Operating Profit/(Loss) before interest and Depreciation	<u>310.81</u>	(147.70)
c) Less: Interest	<u>114.80</u>	234.23
d) Profit/(Loss) before Depreciation	<u>196.01</u>	(381.93)
e) Less: Depreciation	<u>107.68</u>	94.89
f) Profit/(Loss) before exceptional item	<u>88.33</u>	(476.82)
Add : exceptional item	<u>(12.58)</u>	176.41
Profit/(Loss) before tax	<u>75.75</u>	(300.41)
g) Less: Tax for the Year		
(i) Current	-	-
(ii) Deferred	-	(16.73)
(iii) Fringe Benefit Tax	-	-
	<u>-</u>	<u>(16.73)</u>
h) Profit/(Loss) after tax	<u>75.75</u>	(283.68)
i) Add/(Less): Prior Year's adjustment	<u>-</u>	-
j) Profit/(Loss) for the year	<u>75.75</u>	(283.68)
k) Add: Balance brought forward from the previous year	<u>(427.23)</u>	(143.55)
l) Add: Transfer from General Reserve	<u>-</u>	-
m) Profit/(Loss) available for Appropriations	<u>(351.48)</u>	(427.23)
Balance carried to Balance Sheet	<u>(351.48)</u>	(427.23)
<b>EPS</b>	<b>3.37</b>	(12.61)

### 2. DIVIDEND :

In view of the carry forward losses, the Directors are unable to recommend any dividend for the year ended 31<sup>st</sup> March, 2013.

### 3. WORKING RESULTS:

The Company made a profit of ₹ 75.75 lacs as against a net loss of ₹ 283.68 lacs in the previous year. The profit is a result of an increase in sales of material handling equipment and streamlining the operations of various departments.

**4. FUTURE OUTLOOK :**

The Company is hopeful to substantially improve its performance in the year 2013-2014 based on a healthy pending order position of ₹ 2049 lacs as on June 30, 2013. Already, the sales of Material Handling Equipment for the first quarter of 2013-2014 has been ₹ 1077 lacs as compared to ₹ 699 lacs in the corresponding period of the previous year. In addition, the company hopes to achieve better profit margins through strict procurement policies and by implementing cost control measures. These positive trends are indicative of better working results in the current year.

**5. REMUNERATION COMMITTEE :**

In compliance with the provisions of the Companies Act, 1956, the Board has constituted Remuneration Committee comprising Mr. Kaushik D. Shah, Mr. Gautam Divan and Mr. Mahendra K. Shah as members.

**6. 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. Kaushik D. Shah and Mr. Mahendra K. Shah, Directors of the Company retire from their office by rotation and being eligible offer themselves for re-appointment.

Your Board has appointed Mr. Rajender K. Sharma as an Additional Director of the Company; necessary resolution for his regular appointment is placed for member's approval.

**7. 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.

**8. APPOINTMENT OF AUDITORS :**

M/s. C. L. Dalal & Co., Chartered Accountants, Auditor of the Company are retiring at the ensuing Annual General Meeting. They are eligible for re-appointment and have expressed their willingness to act as Auditors, if re-appointed. The Company has received a Certificate from the Auditors that they are qualified under section 224 (1) of the Companies Act, 1956, for appointment as Auditors of the Company. Members are requested to consider their appointment at a remuneration to be decided by the Board of Directors for the financial year ending March 31, 2014 as set out in the Notice convening the Meeting.

**9. RESEARCH & DEVELOPMENT :**

Our future is dependent on continuous innovation. In this dynamic world, it is not enough simply to manufacture good products; hence, the Company has decided to invest in the R&D Department by strengthening it in numbers and by focusing on modifying existing products and introducing new products which are in tune with current market trends.

**10. HEALTH, SAFETY AND ENVIRONMENT :**

The Company, in order to fulfil its commitment towards health, safety and environment, has taken active steps towards Safety Management System. For developing effectiveness of Safety Management System, training of all employees across



the Company is ensured through various training programs. The same is being monitored through internal audit teams and delegation of safety management up to the local level. Further, emergency management plans are reviewed and updated regularly. Regular site visits ensure the enhancement of safety culture which has also ensured the safe commissioning of new projects.

**11. EMPLOYMENT POLICY :**

It is the policy of the Company to create a working environment in which there is no discrimination and all employment decisions are based entirely on merit and the ability of people to perform their intended roles. The Company aims to continue to build a workforce which is recruited from the widest possible talent pool.

**12. PERSONNEL & PARTICULARS OF EMPLOYEES :**

None of the employees of the Company came within the purview of the information required U/s. 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

**13. SECRETARIAL COMPLIANCE CERTIFICATE :**

Pursuant to provisions of Section 383A of the Companies Act, 1956 and the rules made thereunder, the Company has obtained a Secretarial Compliance Certificate from GMJ & Associates, Company Secretaries and forms part of the Directors Report.

**14. 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 A and forms part of this Report.

**15. CORPORATE GOVERNANCE :**

Though Provisions of Clause 49 of the Listing Agreement of the Stock Exchange do not apply to the Company, the Company has adopted best practices prevailing for internal regulations and for good Corporate Governance. A small note on Corporate Governance Practices adopted by the Company voluntarily is attached as Annexure I to the Directors Report.

**16. INSURANCE :**

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

**17. ACKNOWLEDGEMENT :**

The Directors wish to convey their appreciation to the Company's shareholders, customers, suppliers, bankers and distributors for the support they have given to the Company, and the confidence which they have reposed in its management and the employees for the commitment and dedication shown by them.

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.  
July 26, 2013.

## ANNEXURE 'A' TO THE DIRECTORS' REPORT

Information as per section 217(1)(e) read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year 2012-2013.

### I. CONSERVATION OF ENERGY :

- a) Measures taken: During the year all possible measures were taken to ensure optimum conservation of electricity and fuel at the plants of the Company.
- b) Improvements: Plans for further improvement are being implemented.
- c) Impact of a) & b) our energy cost per unit of consumption in respect of our products is comparatively lower than other Industries.
- d) Consumption of Power:

Particulars	2012-2013	2011-2012
Power purchased :		
Total Cost of Power	₹ 21,86,252/-	₹ 19,60,276/-
Total no. of units purchased	3,06,408	3,16,450
Average cost per unit	₹ 7.14/-	₹ 6.19/-

Own Generation

The Company has been generating units by using DG sets, but the quantum is considerably low.

### II. RESEARCH AND DEVELOPMENT :

Though no substantial expenditure was incurred on Research and Development, the company invested in digitalising all material equipment drawings into 3D Models. This investment will help the company in creating cost effective and more efficient products.

### III. TECHNOLOGY ABSORPTION, ADOPTION & INNOVATION :

- a) Efforts in brief made towards Technology Absorption, Adoption and Innovation - N. A.
- b) Benefit derived as a result of above efforts - N. A.
- c) Particulars of Technology imported during the last 5 years - NIL

### IV. FOREIGN EXCHANGE EARNING AND OUTGO :

Please refer Notes No.25.3 of the Notes to Accounts

For and on behalf of the Board

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

#### Registered Office:

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12-14, Veer Nariman Road,  
Fort, Mumbai - 400 001.  
July 26, 2013.