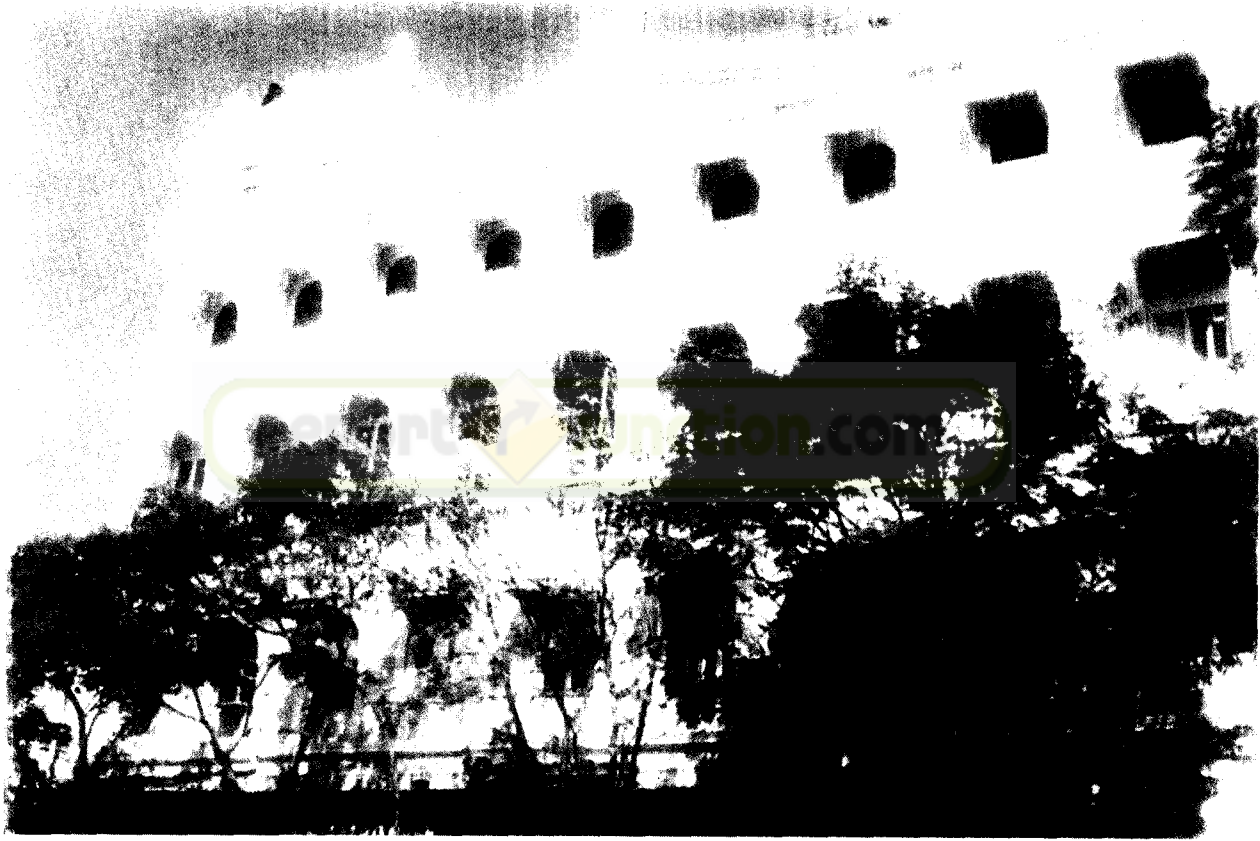


92 Annual Report

2004-05



BRADY HOUSE



W.H. BRADY & CO. LIMITED

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

Chairman & Managing Director

MR. KAUSHIK D. SHAH**MR. PINAKI MISRA****MR. PRAKASH MEHTA****CHIEF EXECUTIVE****MR. K.K. KRISHNAN****COMPANY SECRETARY****MR. M.K. SHAH****CHIEF OPERATING OFFICER****MR. GANESH R. IYER****AUDITORS****C. L. Dalal & Co.**

Chartered Accountants

SOLICITORS**Hariani & Co., Mumbai.****BANKERS****BANK OF BARODA, MUMBAI****ABN-AMRO BANK N.V., MUMBAI****UTI BANK LTD., MUMBAI.****REGISTERED OFFICE****"Brady House"****12/14, Veer Nariman Road****Fort, Mumbai 400001.****REGISTRAR & SHARE TRANSFER AGENT****BIGSHARE SERVICES PVT. LTD.****E-2/3, Ansa Industrial Estate,****Sakivihar Road, Saki Naka, Andheri (E),****Mumbai 400 072.****Tel No. 2858 3474 / 2856 0652****Fax. 2852 5207****CONTENTS****PAGE**

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**NOTICE**

NOTICE is hereby given that the **Ninety Second Annual General Meeting of the Members of W. H. BRADY & CO. LTD.**, will be held on Saturday, 27th August, 2005 at 11.30 a.m. or immediately after the conclusion of Annual General Meeting of Subsidiary M/s. Brady & Morris Engineering Company Limited at Alexandra Girls' English Institution, 31, Hazarimal Somani Marg, Mumbai 400001, to transact the following business:-

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2005, Profit & Loss Account for the year ended on that date and the Director's and Auditors' report thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. Pinaki Misra, 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 Sections 17 and all other applicable provisions, of the Companies Act, 1956 the Objects Clause III of the Memorandum of Association of the Company be amended by inserting after sub-clause 39 the following new sub-clauses:

40. To carry on the business of builders, contractors, erectors of buildings, houses, apartments, structures or residential, office, industrial, institutional or commercial developers of housing schemes, townships, holiday resorts, motels and preparing of building sites, for constructing, reconstructing, erecting, altering, improving, enlarging, developing, decorating, furnishing and maintaining of structures, flats, houses, factories, garages, warehouses, building, works, workshops, hospitals, nursing homes, clinics, godowns and other commercial places and conveniences to purchases for development or for resale lands, houses, buildings, structures and to purchase, sell, lease, hire, exchange or otherwise deal in land and house property in India and abroad.
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


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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, Harbor, 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 set up in India and abroad Assay Centers for Hallmarking, certification and all types of testing of precious metals, precious stones, gems and jewellery.
44. To carry on in India and Abroad the business of Mutual Funds, Consultants, Agents, Fund Managers & Facilitators for investments in Real Estate & infrastructure, also in Equity, Commodities & Debt related products & Instruments.
45. To carry on in India and abroad the business of collection and setting up requisite processes to recover all types of waste by recycling E-waste, Chemical Waste, Organic Waste, Plastic Waste, Metal Waste, etc.

“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 writing as may be required to give effect to the aforesaid Resolution.”

BY ORDER OF THE BOARD OF DIRECTORS

Place : Mumbai
Dated : 24th June, 2005

M. K. SHAH
COMPANY SECRETARY

**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 share 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 Participant 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 31st 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) 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.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) AND 192A OF THE COMPANIES ACT, 1956 IN RESPECT OF ITEM NO. 5

Our Company is presently a Trading, Marketing and Agency Representation Company. The board proposes to widen the business prospects of the company. The proposed Amendments to Object Clause of Memorandum of Association shall lead to growth prospects for the Company in future.

The Board of Directors at its Meeting held on 24th 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 as set out in the aforesaid Notice.

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

BY ORDER OF THE BOARD OF DIRECTORS

Place : Mumbai
Dated : 24th June, 2005

M. K. SHAH
COMPANY SECRETARY



DIRECTORS' REPORT

TO THE MEMBERS OF W.H. BRADY & CO. LTD.

Your Directors present their Ninety second Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2005.

1. FINANCIAL HIGHLIGHTS :

| | 2004-2005 (Rs.in Lacs) | 2003-2004 (Rs.in Lacs) |
|--|---------------------------|---------------------------|
| a) Operating Profit before Interest and Depreciation | 209.80 | 188.76 |
| b) Less : Interest | 34.70 | <u>57.51</u> |
| c) Profit Before Depreciation | 175.10 | 131.25 |
| d) Less : Depreciation | 29.48 | 29.40 |
| e) Less: Bad Debts & Sundry Balances written off | 19.73 | 18.77 |
| f) Less: Loss on Fixed Assets discarded, etc. | 0.16 | 0.35 |
| g) Less: Loss on sale of Fixed Assets | 0.62 | 3.58 |
| h) Add : Credit balances written back | 2.50 | <u>1.46</u> |
| i) Profit before Tax | 127.61 | 80.61 |
| j) Less : Tax for the year - Current | 16.36 | 5.60 |
| - Deferred | 4.69 | 20.06 |
| k) Profit after Tax | 106.56 | 54.95 |
| l) Prior year adjustments (Net) | 1.24 | 3.38 |
| m) Profit for the year | 107.80 | 58.33 |
| n) Less: Miscellaneous Expenditure written off | -- | (1.45) |
| o) Profit available for appropriation | 107.80 | 56.88 |
| p) <u>Appropriations:-</u> | | |
| i) Proposed Dividend on Equity Shares | 20.40 | 20.40 |
| ii) Tax on proposed Dividend | 2.86 | 2.61 |
| iii) Transfer to General Reserve | 2.70 | 1.40 |
| q) Balance brought forward from the previous year | 303.57 | 271.10 |
| r) Surplus carried to Balance Sheet | 385.41 | 303.57 |
| | ===== | ===== |

2. DIVIDEND :

Your Directors are pleased to recommend dividend @12% on the paid up equity capital of the Company .

3. WORKING RESULTS :

As informed to you earlier, our Company restructured the marketing activities and continued its process to have effective returns in utilizing its properties. The sales turnover of the Company has increased to Rs.381.84 lacs as compared to Rs.372.33 lacs last year and the profit after tax has substantially increased to Rs.107.81 lacs against Rs.56.88 lacs in the previous year.



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4. FUTURE OUTLOOK :

Operational efficiency being the key word, the company has been working on new trading lines, both in India and abroad and is on a path to improve its working further.

The Company continues to pursue its objective by looking for opportunities in new avenues in marketing, foreign agency representation and properties.

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. Pinaki Misra 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 had 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 had 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 had prepared the annual accounts on a going concern basis.

7. PERSONNEL :

During the year under report, none of the employees of the Company was in receipt of the remuneration in excess of the ceilings prescribed under Section 217 (2A) of the Companies Act, 1956.

The Company's relations with its officers and employees continue to be cordial.

8. SUBSIDIARY OF THE COMPANY :

The Balance Sheet and Profit & Loss Account of Brady & Morris Engineering Co. Ltd. (the subsidiary of the Company) for the year ended 31st March 2005 along with the Directors' Report are annexed for information of the shareholders.

9. 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 and forms part of this Report.

10. COMPLIANCE CERTIFICATE :

Pursuant to provisions of Section 383 A of the Companies Act, 1956 and the rules made thereunder, Compliance Certificate issued by Practising Company Secretary, Ms. Lalita Lath is attached herewith.

11. AUDITORS' REPORT :

With regard to the remark of the Auditors in their Report regarding setting off of accumulated losses against revaluation reserve, the Company has been advised that there is no prohibition in law to do so, as mentioned in our earlier reports.

Rest of the observations made in their report are self explanatory and need no comments.

12. 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(I) of the Companies Act, 1956, 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. Director's recommend to appoint M/s C.L.Dalal & Co. as statutory Auditors of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

13. ACKNOWLEDGEMENT :

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

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PAVAN G. MORARKA
Chairman & Managing Director

Mumbai : 24th June, 2005

**ANNEXURE I**

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.

| Item Particulars | Comments |
|--|---|
| A. Conservation of Energy | |
| (a) Measures taken |) |
| (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy |) |
| (c) Impact of measures at (a) and (b) above and consequent impact on cost of production in Form 'A' |) |
| | Not Applicable |
| B. Technology Absorption | |
| (a) Efforts made in technology absorption |) |
| (b) Research & Development |) |
| (c) Technology absorption, adaptation and innovation |) |
| | Not Applicable |
| C. Foreign Exchange Earnings and Outgoings | |
| | Please refer Notes 11 to 14 of the Notes on Accounts. |

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PAVAN G. MORARKA
Chairman & Managing Director

Mumbai : 24th June, 2005