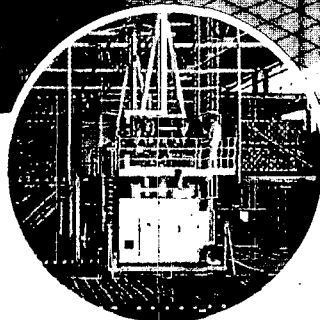
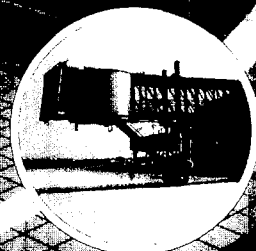
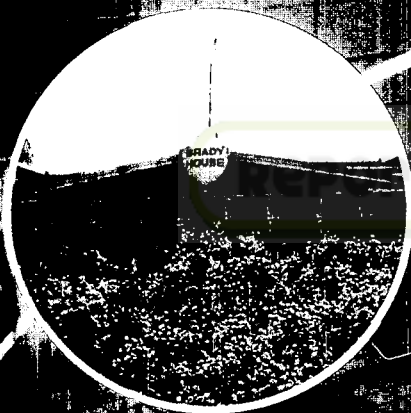




# W. H. BRADY & COMPANY LIMITED

## 95<sup>th</sup> ANNUAL REPORT 2007-08





# 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 OFFICER

**MR. GANESH R. IYER**

## COMPANY SECRETARY

**MR. M.K. SHAH**

## AUDITORS

**C. L. Dalal & Co.**  
Chartered Accountants

## SOLICITORS

**Hariani & Co., Mumbai.**

## BANKERS

**BANK OF BARODA, MUMBAI**  
**AXIS BANK MUMBAI**  
**ABN-AMRO BANK N.V., MUMBAI**  
**PANJAB NATIONAL BANK, 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.

## BRANCH AND SALES OFFICES

**AHMEDABAD** - Aditya 10th Floor, Navrangpura  
**KOLKATA** - Commercial Point, 79, Lenin Sarani  
**COIMBATORE** - 221, Satyamoorti Road, Ramnagar  
**CHENNAI** - Swati Complex, Nandanam  
**NEW DELHI** - 14/15 F, Connaught Place

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# W.H.BRADY & CO. LIMITED

## NOTICE

NOTICE is hereby given that the Ninety -Fifth **Annual General Meeting of the Members of W. H. BRADY & CO. LTD.**, will be held on Saturday, 30<sup>th</sup> August, 2008 at 12.15 p.m. or immediately after the conclusion of Annual General Meeting of Subsidiary M/s. Brady & Morris Engineering Company Limited 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 Profit & Loss Account of the Company for the year ended 31st March, 2008, the Balance Sheet as on that date and Directors' and Auditors' Reports 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.

BY ORDER OF THE BOARD OF DIRECTORS

Place : Mumbai  
Dated : 30th June, 2008

**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) The Register of Members and the Share Transfer Books of the Company will remain closed from 23.08.2008 to 30.08.2008 (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, 2008, 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 22.08.2008. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as on 22.08.2008 as per details furnished by National Security Depository Ltd. and Central Depository Service (India) Ltd. for the purpose.
- (e) The Company proposes to disburse dividend now recommended through ECS, wherever said facility is available. Hence, members holding shares in electronic mode are requested to initiate requisite steps with their respective depository Participant (DP), to update their bank account details and also to intimate all changes with respect to their nomination, power of attorney, change of address, etc. to their respective DP only.
- (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 who have not encashed their Dividend Warrants for the Financial Years ended 31.03.2005, 31.03.2006 and 31.03.2007 may approach the Registered Office for revalidation of Dividend Warrants.
- (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.
- (l) 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.

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

BY ORDER OF THE BOARD OF DIRECTORS

**M. K. SHAH**  
COMPANY SECRETARY

Dated : 30th June, 2008



# W.H.BRADY & CO. LIMITED

## DIRECTORS' REPORT

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

Your Directors have pleasure in presenting the Ninety Fifth Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2008.

### 1. FINANCIAL HIGHLIGHTS :

	2007-2008 (Rs.in Lacs)	2006-2007 (Rs.inLacs)
<b>Gross Turnover</b>		
a) Operating Profit before Interest and Depreciation	1500.50	1241.48
b) Less : Interest	308.31	272.61
c) Profit Before Depreciation	<u>43.94</u>	<u>26.09</u>
	264.37	246.52
d) Less : Depreciation	50.38	30.36
e) Less: Bad Debts & Sundry Balances written off	14.15	4.01
f) Less: Loss on sale of Fixed Assets/discarded	3.28	0.45
g) Add : Credit balances written back	<u>16.64</u>	<u>2.95</u>
h) Profit before Tax	213.20	214.65
j) Less : Tax for the year - Current	51.00	45.00
- Deferred	(8.06)	(6.57)
- Fringe Benefit Tax	5.25	7.00
- Wealth Tax	<u>0.21</u>	<u>0.35</u>
j) Profit after Tax	164.80	168.87
k) Prior year adjustments	(0.13)	(24.24)
l) Profit for the year	164.67	144.63
m) Balance brought forward from the previous year	180.37	471.25
n) Profit available for appropriations	345.04	615.88
o) Appropriations:-		
i) Proposed Dividend on Equity Shares	38.25	25.50
ii) Tax on proposed Dividend	6.50	4.33
iii) Transfer to General Reserve	11.00	9.75
iv) Utilization for issue of Bonus Shares	85.00	-
v) Transfer to Revaluation Reserve	-	395.93
p) Balance carried to Balance Sheet	204.29	180.37

### 2. DIVIDEND :

Your Directors are pleased to recommend enhanced dividend @ 15% on the paid up equity capital of the Company.

**3. WORKING RESULTS :**

The turnover of the Company increased to Rs.1500.50 Lacs recording an increase of 21% over the previous year. The profit before tax remains at the same level as last year due to higher Interest Cost and Depreciation which have been necessitated by investments which shall bear fruits in the future. During the year the Order Booking of the Company was Rs.34.51 Crores as compared to Rs.10.22 Crores which is nearly three times that of the previous year. The major chunk of these Orders has come from Aviation Support Services Division of our Company which began its operations two years ago.

**4. FUTURE OUTLOOK :**

The Pending Order position at the year end is large and all our business activities continue to grow as per expectations.

While we continue to grow in the existing core business of Engineering Equipments, the new business opportunity in Aviation Support Services and Equipments has started to give the Company momentum towards higher growth.

All out effort is made by the team to enhance both turnovers and profitability and it is expected that the growth pattern will be higher and much better operational results are expected in the coming years.

**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 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 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.



# W.H. BRADY & CO. LIMITED

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## 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 2008 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 I 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 Practicing Company Secretary, Ms. Lalita Lath is attached herewith.

## 11. APPOINTMENT OF AUDITORS :

M/s. C. L. Dalal & Co., Chartered Accountants, hold office till the conclusion of the ensuing Annual General Meeting. Pursuant to Section 224(l) 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. Directors 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.

## 12. Members are informed that information about the Company and its Directors are furnished in Annexure II to this Report.

## 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

**PAVAN G. MORARKA**

Chairman & Managing Director

Mumbai : 30th June, 2008

**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, 2008.

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

FOR AND ON BEHALF OF THE BOARD

**PAVAN G. MORARKA**

Chairman & Managing Director

Mumbai : 30th June, 2008





# W.H. BRADY & CO. LIMITED

## Annexure II to the Directors' Report for the year ended 31.3.2008

### 1. Composition of the Board:

Sl. No	Name	Date of appointment
a	Mr. Pavan G Morarka	14.01.1982
b	Mr. Kaushik D Shah	23.06.1984
c	Mr. Pinaki Misra	23.06.1984
d	Mr. Prakash Mehta	19.05.1994

### 2. Board Meetings held :

Sl.No	Date
a	29.06.2007
b	28.07.2007
c	27.09.2007
d	31.10.2007
e	12.12.2007
f	19.01.2008

### 3. Directors' attendance record and Directorships held:

No. of Board Meetings held during the year - 6

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 & Mg. Director	6	Y	Brady & Morris Engg. Co. Ltd. Brady Air Ltd. Shirt Company India Ltd. Global Tradecracker Ltd
B	Mr. Kaushik D. Shah	Director	3	N	Brady & Morris Engg. Co. Ltd. Arman Lease & Finance Ltd. Amol Decalite Ltd. Global Tradecracker Ltd.
C	Mr. Pinaki Misra	Director	2	N	---
D	Mr. Prakash Mehta	Director	5	Y	Advani Hotels & Resorts (I) Ltd. Bharat Bijlee Ltd Ciba India Ltd. India Safety Vaults Ltd. JBF Industries Ltd. Kristeel Shinwa Industries Ltd. Mukand Ltd. Mukand Engineers Ltd. Omega Management Services Ltd. PCS Technology 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

**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	---	11,00,000	105,600	12,05,600
2	Mr. Kaushik D. Shah	Nil	16,000	---	---	16,000
3	Mr. Pinaki Misra	Nil	10,000	---	---	10,000
4	Mr. Prakash Mehta	Nil	25,000	---	---	25,000

**6. Shareholder / Investor grievances committee:**

This committee comprises of Mr. Pavan G. Morarka Mr. K. D. Shah, Mr. Pinaki Misra and Mr. Prakash Mehta. The committee met 3 times during the year. The details are as follows:

Sl.No	Date of meeting	Attended by
1	13.04.2007	Mr. Pavan G. Morarka and Mr. Prakash Mehta
2	07.01.2008	Mr. Pavan G. Morarka and Mr. Kaushik D Shah
3	19.03.2008	Mr. Pavan G. Morarka and Mr. Prakash Mehta

**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. Pinaki Misra is liable for retirement by rotation this year and has offered himself for reappointment.

Mr. Pinaki Misra is senior Counsel in Uttaranchal High Court and has been associated with our Company for a long period.