



W. H. BRADY & COMPANY LIMITED

96th ANNUAL REPORT 2008-09



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****SR. GENERAL MANAGERS****MR. RAJENDER K. SHARMA****MR. S. S. SHAHI****AUDITORS**C. L. Dalal & Co.
Chartered Accountants**BANKERS**BANK OF BARODA, MUMBAI
AXIS BANK, MUMBAI
ABN-AMRO BANK N.V., MUMBAI
PUNJAB 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-sixth ANNUAL GENERAL MEETING of the Members of W. H. BRADY & CO. LTD.**, will be held on Saturday, 19th September, 2009 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, 2009, 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. Prakash Mehta, 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 consider and if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution :

"RESOLVED that pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule-XIII thereto as amended up to date and all guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of Mr. Pavan G. Morarka as Chairman and Managing Director of the Company for a further period of five years w.e.f. 1st January 2009 on the remunerations and upon the terms and conditions as set out in the explanatory statement".

"FURTHER RESOLVED that where in any financial year, the Company has no profits or its profits are inadequate during the term of office of Mr. Pavan G. Morarka, the remuneration aforesaid shall be the minimum remuneration."

"FURTHER RESOLVED that Mr. Pavan G. Morarka, as Chairman and Managing Director, shall look after the day to day management of the Company and its affairs and shall exercise all powers exercisable by the Chairman and Managing Director as per Articles of Association of the Company and under the provisions of the Companies Act, 1956".

"FURTHER RESOLVED that the Board of Directors 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 Resolutions."

"FURTHER RESOLVED that the Board of Directors be and is hereby authorised to alter and vary remuneration when it deems fit as per provisions of the law within the overall ceiling as prescribed under Schedule XIII of the Companies Act, 1956."

BY ORDER OF THE BOARD OF DIRECTORS

**M. K. SHAH
COMPANY SECRETARY**

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) 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 12.09.2009 to 19.09.2009 (both days inclusive).
- (d) 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.
- (e) 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.
- (f) 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.,
- (g) 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.
- (h) 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.
- (i) Members who have not encashed their Dividend Warrants for the Financial Years ended 31.03.2005, 31.03.2006, 31.03.2007 & 31.03.2008 may approach the Registered Office for revalidation of Dividend Warrants.
- (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
OF THE COMPANIES ACT, 1956 IN RESPECT OF ITEMS NO. 5**

ITEM NO. 5 -

At the meeting of the Board of Directors of the Company held on 07.02.2009, Mr. Pavan G. Morarka was re-appointed as Chairman & Managing Director of the Company for a period of five years with effect from 1st January 2009 to 31st December 2013 subject to the approval of the members at the ensuing Annual General Meeting.

In that meeting it was also resolved by the Board that remuneration so approved as under shall be effective from 01.01.2009 to 31.12.2013 and that the Board was also authorised to alter and vary the Remuneration when it deems fit as per provisions of the law within the overall ceiling as prescribed under Schedule XIII of the Companies Act, 1956.



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Accordingly, the Board of Directors commend passing of the resolution as setout in Item No.5 of the Notice for reappointment and remuneration as under from 01.01.2009 to 31.12.2013.

Salary :-

- (i) Rs.80,000/- per month including D.A.

Allowance:-

- (ii) House Rent Allowance of Rs.20,000/- per month from 01.01.2009 to 31.12.2013.

In addition to above salary and allowance he will be also entitled to the following perquisites w.e.f. 01.01.2009 to 31.12.2013.

- (iii) Gratuity as per rules of the Company but should not exceed half a month's salary for each completed year of service.
- (iv) Company's contribution towards Provident Fund and Superannuation Pension Fund as per Rules of the Company, but the same shall not exceed 25% of the salary, subject to the condition that the contribution to Provident Fund and Superannuation Pension Fund to the extent that these, either singly or put together are not taxable under the Income Tax Act, 1961.
- (v) Leave unavailed of will be allowed to be encashed at the end of the tenure as per Company's rules.
- (vi) Medical Reimbursement for self and family, subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.
- (vii) Leave Travel Concession for self and family, once a year incurred in accordance with the rules of the company.
- (viii) Club Fees subject to a maximum of two clubs excluding admission and life membership fees.
- (ix) Personal Accident Insurance premium for the period 01.01.2009 to 31.12.2013 maximum to the extent of Rs.9,000/- per annum.
- (x) Car & Telephone - Car for use on Company's business and telephone at residence. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company.
- (xi) Termination - The appointment can be terminated by three months' notice on either side.

Except Mr. Pavan G. Morarka who being interested in this Resolution did not participate in the discussion and abstained from voting, none of the Directors are interested in this Resolution.

Board of Directors recommend passing of this Resolution.

BY ORDER OF THE BOARD OF DIRECTORS

**M. K. SHAH
COMPANY SECRETARY**

Registered Office:

'Brady House'

12-14, Veer Nariman Road

Fort, Mumbai-400 001.

Mumbai : 27th July, 2009.

DIRECTORS' REPORT**TO THE MEMBERS OF W. H. BRADY & CO. LTD.**

Your Directors have pleasure in presenting the Ninety-sixth Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2009.

1. FINANCIAL HIGHLIGHTS :

	2008-2009 (Rs.in Lacs)	2007-2008 (Rs.in Lacs)
a) Gross Turnover	<u>2248.02</u>	<u>1500.50</u>
b) Operating Profit before Interest and depreciation	<u>295.64</u>	<u>307.52</u>
c) Less : Interest	<u>49.03</u>	<u>43.94</u>
d) Profit Before Depreciation	<u>246.61</u>	<u>263.58</u>
e) Less : Depreciation	<u>50.39</u>	<u>50.38</u>
f) Profit before Tax	<u>196.22</u>	<u>213.20</u>
g) Less : Tax for the year :		
(i) Current	25.00	51.00
(ii) Deferred	2.32	(8.06)
(iii) Fringe Benefit Tax	7.50	5.25
(iv) Wealth tax	<u>0.28</u>	<u>0.21</u>
	Sub-total	<u>48.40</u>
h) Profit after Tax	<u>161.12</u>	<u>164.80</u>
i) Add / (Less) Prior year adjustments	<u>(0.51)</u>	<u>(0.13)</u>
j) Profit for the year	<u>160.61</u>	<u>164.67</u>
k) Add: Balance brought forward from the previous year	<u>204.29</u>	<u>180.37</u>
l) Profit available for appropriations	<u>364.90</u>	<u>345.04</u>
m) Less: Appropriations:-		
i) Proposed Dividend	38.25	38.25
ii) Tax on proposed Dividend	1.87	6.50
iii) Transfer to General Reserve	12.00	11.00
iv) Utilization for issue of Bonus Shares	—	85.00
v) Excess provision of Dividend Tax of last year written back	<u>(4.63)</u>	<u>—</u>
	Sub-total	<u>140.75</u>
n) Balance carried to Balance Sheet	<u>317.41</u>	<u>204.29</u>

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 turnover of the Company increased to Rs.2248.02 Lacs recording a growth of nearly 50% over the previous year. The Aviation Support Services and Equipment Division of the Company has made good contribution and is expected to do well in the coming years. Although the turnover has increased, the profit before tax has been slightly lower, due to pressure on margins.

4. FUTURE OUTLOOK :

The Pending Order position being healthy, the Company expects to do better in the current year. Both, the Engineering and the Aviation Division is expected to do well. However, the Textile Machinery Division is under pressure, due to market conditions.

The Company is making all out efforts to enhance both the turnover and the profitability 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. Prakash Mehta retires by rotation and being eligible offers himself for re-appointment.

Further, Mr. Kaushik D. Shah and Mr. Pinaki Misra joined the Board of Directors of your Company on 23rd June 1984 and have completed 25 years of proactive participation in the affairs of the Company. Their contribution has been valuable and the Company is fortunate to have had their continuing participation in the affairs of the Company. The Company shall continue to look forward to their expertise and guidance in the future as well.

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.

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.

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 2009 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, the Company has obtained a Compliance Certificate from Practicing Company Secretary, Ms. Mansi Damania. The same is attached herewith.

11. 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.

12. 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 : 27th July, 2009

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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, 2009.

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	Not Applicable
(b) Research & Development	
(c) Technology absorption, adaptation and innovation	
C. Foreign Exchange Earnings and Outgoings	Please refer to Notes 12 to 15 of the Notes on Accounts.

FOR AND ON BEHALF OF THE BOARD

PAVAN G. MORARKA

Chairman & Managing Director

Mumbai : 27th July, 2009

Annexure II to the Directors' Report for the year ended 31.3.2009

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	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 & Mg. Director	5	Y	Brady & Morris Engg. Co. Ltd, Brady Air Ltd Shirt Company India Ltd., Global Tradecracker Ltd.
B	Mr. Kaushik D Shah	Director	5	Y	Brady & Morris Engg. Co. Ltd, Arman Lease & Finance Ltd, Amol Decalite Ltd., Global Tradecracker Ltd.
C	Mr. Pinaki Misra	Director	3	Y	—
D	Mr. Prakash Mehta	Director	1	N	Advani Hotels & Resorts (I) Ltd., Bharat Bijlee Ltd., Ciba India Ltd., Hikal Ltd., India Safety Vaults Ltd., JBF Industries Ltd., Mukand Ltd, Mukand Engineers Ltd., Omega Management Services Ltd., PCS Technology Ltd.

BRADYS W.H.BRADY & CO. LIMITED

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 Rs.	Salary p.a. Rs. (Including H. R. A.)	Contribution to PF/ Reimbursement of medical expenses Rs.	Total Rs.
1	Mr. Pavan G Morarka	Nil	—	12,00,000/-	1,32,081/-	13,32,081/-
2	Mr.Kaushik D Shah	Nil	30,000/-	—	—	30,000/-
3	Mr.Pinaki Misra	Nil	20,000/-	—	—	20,000/-
4	Mr.Prakash Mehta	Nil	11,000/-	—	—	11,000/-

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 which was attended by Mr. Pavan G. Morarka and Mr. Prakash Mehta.

7. Remuneration Committee :

The Remuneration Committee comprises of M/s. K. D. Shah, Pinaki Misra and Prakash Mehta. The Committee met once during the year on 07.02.2009, which was attended by all the 3 Members.

8. 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. Prakash Mehta is liable for retirement by rotation this year and has offered himself for reappointment.

Mr. Prakash Mehta is senior partner of M/s Malvi Ranchhodas & Co., Solicitor firm of repute based in Mumbai. He holds Directorship in many reputed Companies.

9. General Body Meetings: Details of last three AGMs.

Financial year ended	Date	Time	Venue
31st March 2006	September 23, 2006	12.15 pm	Alexandra Girls English Institution, 31 Hazarimal, Somani Marg, Mumbai – 400 001.
31st March, 2007	September 27, 2007	12.15 p.m.	Maharashtra Chamber of Commerce Trust, Babasaheb Dahanukar Sabhagriha, Oricon House, 6th Floor, 12, K. Dubhash Marg, Fort, Mumbai-400001.
31st March 2008	30th August, 2008	12.15 p.m.	Maharashtra Chamber of Commerce Trust, Babasaheb Dahanukar Sabhagriha, Oricon House, 6th Floor, 12, K. Dubhash Marg, Fort, Mumbai-400001.

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9. ADDITIONAL INFORMATION TO SHAREHOLDERS:

a. Annual General Meeting :

Date : 19.09.2009
 Venue : Maharashtra Chamber of Commerce Trust
 Babasaheb Dahanukar Sabhagriha
 Oricon House,6th Floor
 12 K. Dubhash Marg, Fort
 Mumbai-400 023.

Time : 12.15 p.m.

b. Financial Calendar:

Financial Year : 1st April to 31st March

Results for each quarter and year ended 31.03.2009, results 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 Listing and Stock Code:

Name of the Exchange	Stock Code
Bombay Stock Exchange Limited, Mumbai	501391

The ISIN number of your Company 's share is INE855A01019

f. Address for correspondence:

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