



W. H. BRADY & COMPANY LIMITED

99th ANNUAL REPORT 2011-12

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

SR. GENERAL MANAGERS

MR. RAJENDER K. SHARMA

MR. S. S. SHAHI

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 - 14/15F, Connaught Place

AUDITORS

C. L. Dalal & Co.

Chartered Accountants

BANKERS

BANK OF BARODA, MUMBAI

AXIS BANK, MUMBAI

THE ROYAL BANK OF SCOTLAND, N.V., MUMBAI

PUNJAB NATIONAL BANK, MUMBAI

REGISTERED OFFICE

"Brady House"

12/14, Veer Nariman Road,
Fort, Mumbai 400001.

Tel: 2204 8361-5

Email: bradys@mtnl.net.in

Website: www.bradys.in

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 99th Annual General Meeting of the Members of **W. H. Brady & Company Limited** will be held on September 29, 2012 at 12.15 p.m. or immediately after conclusion of the Annual General Meeting of Subsidiary M/s. Brady & Morris Engineering Company Limited at Alexandra Girls' English Institution, 31, Hazarimal Somani Marg, Mumbai 400 001 to transact the following businesses:

1. To Consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit & Loss Account for the year ended on that date and the Report of Directors' and Auditors' thereon.
2. To Declare Dividend on Equity Shares for the year ended 31st March, 2012.
3. To appoint Director in place of Mr. Prakash Mehta, 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."

Registered Office:

Brady House,
12-14, Veer Nariman Road,
Fort, Mumbai - 400 001.
August 4, 2012.

For and on behalf of the Board

Sd/-

PAVAN G. MORARKA

Chairman & Managing Director

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 26/09/2012 to 29/09/2012 (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 01/10/2012 to those members whose names appear on the Register of Members of the Company as at the close of the business hours on 25/09/2012. In respect of shares held in demat mode, dividend will be paid on the basis of beneficial ownership as on 25/09/2012 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, 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.	31.03.2005	27.08.2005	26.09.2012
2.	31.03.2006	23.09.2006	22.10.2013
3.	31.03.2007	27.09.2007	26.10.2014
4.	31.03.2008	30.08.2008	29.09.2015
5.	31.03.2009	19.09.2009	18.10.2016
6.	31.03.2010	18.09.2010	17.10.2017
7.	31.03.2011	12.08.2011	11.09.2018

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.

Members are requested to visit the website of the Company 'www.bradys.in' for viewing the quarterly & annual financial results and for more information on the Company.

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 & Share Transfer Agent of the Company for physical as well as demat mode of transfers. Members are therefore requested to send their grievances to them 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: [W. H. BRADY & 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 Share 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 Share 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. up to the date of the Annual General Meeting.
11. 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.

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, 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.
14. 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.

Registered Office:

Brady House,
12-14, Veer Nariman Road,
Fort, Mumbai - 400 001.
August 4, 2012.

For and on behalf of the Board

Sd/-

PAVAN G. MORARKA
Chairman & Managing Director

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present their 99th Annual Report on the business and operations of your Company together with the audited accounts for the financial year ended 31st March, 2012.

1. FINANCIAL HIGHLIGHTS:

	2011-2012 (₹ in Lacs)	2010-2011 (₹ in Lacs)
a) Gross Turnover	1,957.81	1,914.27
b) Operating Profit before Interest and Depreciation	565.68	319.61
c) Less : Interest	127.08	87.52
d) Profit Before Depreciation	438.60	232.09
e) Less : Depreciation	82.83	53.16
f) Profit before exceptional items	355.77	178.93
g) Less : Exceptional items	92.21	-
h) Profit before Tax	263.56	178.93
i) Less: Tax for the year		
i) Current	52.35	32.85
ii) Deferred	(6.03)	2.74
iii) Wealth tax	0.13	0.36
Sub-total	46.45	35.95
j) Profit after Tax	217.11	142.98
k) Add/(Less) Prior year adjustments	3.74	5.86
l) Profit for the year	213.37	137.12
m) Add: Balance brought forward from the previous year	581.72	492.58
n) Profit available for appropriations	795.09	629.70
o) Less: Appropriations		
i) Proposed Dividend	38.25	38.25
ii) Tax on proposed Dividend	7.65	1.73
iii) Transfer to General Reserve	11.00	8.00
Sub-total	56.90	47.98
p) Balance carried to Balance Sheet	738.19	581.72
EPS	8.51	5.61

2. DIVIDEND:

Your Directors are pleased to recommend for the approval of the shareholders dividend @ 15% i.e. ₹1.50/- per share for the year ended 31st March, 2012.

3. WORKING RESULTS:

Although, the Company's turnover is marginally higher than the previous year, profit before depreciation has almost doubled. This was possible due to better strategies and cost control measures adopted by the Company.

4. FUTURE OUTLOOK:

A new joint venture Company has been formed called:

BRADY IKUSI SYSTEMS PRIVATE LIMITED

This Company is equally owned by the Company and, M/s. Angel Iglesias, S.A. (IKUSI). The new JV Company would offer services to the Aviation Sector in the areas of security system, IT, ITES, System Integration.

The Company is also exploring new areas to increase the business of the Company.

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 from his office 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.

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 read with (Particulars of Employees) Rules, 1975 as amended and hence no information is furnished thereto.

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 2012 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 are not applicable to the company as there was no manufacturing activity during the year.

FOREIGN EXCHANGE EARNINGS AND OUTGOINGS:

Please refer Notes No. 30.2, 34 and 35.

10. COMPLIANCE CERTIFICATE:

Pursuant to provisions of Section 383A of the Companies Act, 1956 and the rules made thereunder, the Company has obtained a Compliance Certificate from GMJ & Associates, Company Secretaries. 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. 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 voluntary is attached as Annexure I to the Directors Report.

13. ACKNOWLEDGEMENT:

The Directors take this opportunity to express their appreciation for the cooperation received from the Company's Bankers, valuable Customers and others concerned with the Company. Your involvement as shareholders is greatly valued and your board looks forward to your continued support.

Registered Office:

Brady House,
12-14, Veer Nariman Road,
Fort, Mumbai - 400 001.
August 4, 2012.

For and on behalf of the Board

Sd/-
PAVAN G. MORARKA
Chairman & Managing Director

ANNEXURE I TO DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2012

VOLUNTARY REPORT ON CORPORATE GOVERNANCE:

Corporate Governance and Statement On Company's philosophy on Code of Governance:

Corporate Governance is a set of systems and practices to ensure that the affairs of the company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet its stake holder's aspirations and social expectations. Good Corporate Governance practices stem from the culture and mindset of the organization and at WHB we are committed to meet the aspirations of all our stakeholders.

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 Meetings attended	Attendance at last AGM
Mr. Pavan G. Morarka	CMD	14.01.1982	4	YES
Mr. Kaushik D. Shah	Director	23.06.1984	4	YES
Mr. Pinaki Misra	Director	23.06.1984	2	NO
Mr. Prakash Mehta	Director	19.05.1994	3	YES

CMD stands for Chairman and Managing Director.

During the financial year ended March 31, 2012, 4 [FOUR] Board meetings were held on 24.06.2011, 12.08.2011, 11.11.2011 and 23.01.2012

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 : 99th Annual General Meeting.
 DAY & DATE : 29.09.2012.
 TIME : 12:15 P.M.
 VENUE : Alexandra Girls' English Institution, 31, Hazarimal Somani Marg, Mumbai 400 001
 DATE OF BOOK CLOSURE : 26.09.2012 to 29.09.2012 [Both days inclusive].

SHARE TRANSFER SYSTEM:

Share Transfer Requests are received at the registered office of the Company as well as directly at RTA's 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 AND SHARE TRANSFER AGENT:
M/S. BIGSHARE SERVICES PRIVATE LIMITED

Unit : [W. H. BRADY & 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: W. H. BRADY & COMPANY LIMITED
 Scrip Code: 501391.
 Electronic Mode: INE855A01019.
 DEPOSITORY CONNECTIVITY: NSDL and CDSL.
 ISIN NO. FOR THE COMPANY'S SECURITY: INE855A01019.

DEMATERIALISATION OF SHARES:

As on March 31, 2012, 24,48,102 Shares representing 96% of total Equity Shares were held in dematerialised form with NSDL and CDSL.

Member can hold shares in electronic form 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
31.03.2009	19.09.2009	12.15 P.M.	Maharashtra Chamber of Commerce Trust, Oricon House, 6 th Floor, 12, K. Dubhash Marg, Fort, Mumbai 400 001.
31.03.2010	18.09.2010	11.45 A.M.	- As above -
31.03.2011	12.08.2011	12.15 P.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.bradys.in

SHAREHOLDING PATTERN AS ON MARCH 31, 2012:

Category	No. of shares held	% of shareholding
Promoters	20,78,540	81.51
Private Bodies Corporate	58,115	2.28
Indian Public	3,77,750	14.81
NRI/OCBs	35,595	1.40
Total	25,50,000	100.00

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2012:

No. of Equity Shares held	No. of Shareholders	No. of Shares	% of Equity Capital
Upto 5000	1177	1,13,502	4.45
5001-10000	71	52,484	2.06
10001-20000	34	50,151	1.97
20001-30000	11	26,517	1.03
30001-40000	9	32,032	1.26
40001-50000	2	9,307	0.37
50001-100000	10	83,124	3.26
100001 & above	8	21,82,883	85.60
Total	1,322	25,50,000	100.00

ADDRESS FOR CORRESPONDENCE:

Mr. Rajender K. Sharma

Compliance Officer

W. H. BRADY & COMPANY LIMITED

Brady House,

12-14, Veer Nariman Road,

Fort, Mumbai - 400 001

E-mail: rksharma@bradys.in

Telephone No. 22048361-5

Registered Office:

Brady House,

12-14, Veer Nariman Road,

Fort, Mumbai - 400 001.

August 4, 2012.

For and on behalf of the Board

Sd/-

PAVAN G. MORARKA

Chairman & Managing Director