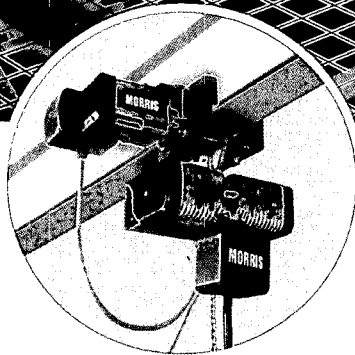
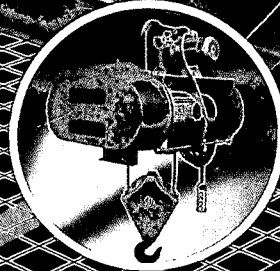
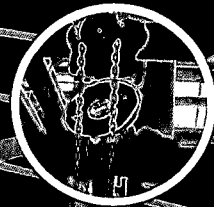
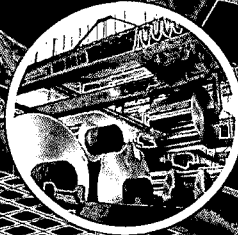




BRADY & MORRIS ENGINEERING COMPANY LIMITED

63rd ANNUAL REPORT 2008-09



BRADY & MORRIS ENGG. CO. LTD.

BOARD OF DIRECTORS

- MR. PAVAN G. MORARKA** Chairman
MR. KAUSHIK D. SHAH
MR. GAUTAM DIVAN
MR. M. K. SHAH

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 400001.

WORKS

1. GIDC Industrial Estate
Vatva, Ahmedabad - 382 445
2. Bareja, Sarsa Patia Village, Dist 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 Sixty-third **ANNUAL GENERAL MEETING of the Members of BRADY & MORRIS ENGINEERING CO. LTD.**, will be held on Saturday, 19th September, 2009 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 business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit & Loss Account for the year ended on that date together with Directors' and Auditors' Report thereon.
2. To declare a Dividend.
3. To elect a Director in place of Mr. Gautam Divan, who retires by rotation, and, being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

FOR & ON BEHALF OF THE BOARD

PAVAN G. MORARKA
CHAIRMAN**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) 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).
- (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, 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.
- (e) 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.,

- (f) 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.
- (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) Consequent upon amendment of Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999 the amount of dividend for the subsequent years remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund set up by the Government of India.
- (i) Members who have not encashed their dividend warrant(s) for the financial year ended 31.03.2002 and thereafter may approach the Registered Office for revalidation of the Dividend Warrants as the amount of dividend remaining unpaid for a period of seven years shall be transferred to Investor Education & Protection Fund as per the provisions of Section 205A of the Companies Act, 1956. It may be noted that once the unclaimed dividend is transferred to the Central Government as above, no claim shall lie in respect thereof.
- (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.

FOR & ON BEHALF OF THE BOARD

PAVAN G. MORARKA
CHAIRMAN

Registered Office:
'Brady House'
12-14, Veer Nariman Road
Fort, Mumbai-400 001.
Mumbai : 27th July, 2009

DIRECTORS' REPORT 2008-2009
TO THE MEMBERS OF BRADY & MORRIS ENGINEERING CO. LTD.

Your Directors take pleasure in presenting the Sixty-third Annual Report and Audited Accounts for the year ended 31st March, 2009. Your Company continues to maintain its growth and the results are :

1. FINANCIAL RESULTS:

	2008-2009	2007-2008
	(Rs. in Lacs)	(Rs. in Lacs)
a) Gross Sales	2759.98	2195.78
b) Operating Profit before interest and Depreciation	292.95	266.93
c) Less : Interest	100.29	63.96
d) Profit Before Depreciation	192.66	202.97
e) Less : Depreciation	75.18	56.72
f) Profit for the year before Taxation	117.48	146.25
g) Less Provision for Taxation		
(i) Current	36.00	55.60
(ii) Deferred	9.65	(6.45)
(iii) Fringe Benefit Tax	3.07	2.75
Sub – total	48.72	51.90
h) Profit after Taxation	68.76	94.35
i) Add : Prior Year's adjustment	(4.79)	(2.82)
j) Net Profit	63.97	91.53
k) Add: Profit Brought Forward	115.94	71.90
l) Amount available for appropriations	179.91	163.43
m) Less : Appropriations -		
Proposed Dividend	33.75	33.75
Tax on Dividend	5.74	5.74
Transfer to General Reserve	6.00	8.00
Sub – total	45.49	47.49
n) Balance Profit carried to Balance Sheet	134.42	115.94

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 Gross Sales of the Company increased from Rs.2195.78 Lacs to Rs.2759.98 Lacs recording a growth of 26%. The Order Booking for the year was higher by 30%. The Profit Before Tax is lower than last year due to higher Interest Cost, Depreciation and volatility in prices of Metals in the 1st half of the Financial Year.

4. FUTURE OUTLOOK:

The Company has initiated steps to improve its cost of production and increase productivity thereby improving profit margins. The pending order position is healthy and the Company is expected to do better in the coming years. The Company is also strengthening its R&D Dept. which would help in improvising the existing designs and products, thereby increasing our market share.

The Company has also acquired land at Chowdwar – Cuttack, Orissa and is exploring the possibility of setting up an Engineering Unit in a joint venture.

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. Gautam Divan 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 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.

7. PERSONNEL & PARTICULARS OF EMPLOYEES :

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

8. 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.

9. 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.

10. 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.

11. INSURANCE

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

12. Information about the Company and its Directors are furnished in Annexure B to this Report.

13. ACKNOWLEDGEMENT :

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

FOR & ON BEHALF OF THE BOARD

PAVAN G. MORARKA
Chairman

Mumbai : 27th July, 2009

ANNEXURE 'A' TO THE DIRECTORS' REPORT

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.

A) CONSERVATION OF ENERGY :

- a) Company's operations involve low energy consumption. Wherever possible, energy conservation measures have already been implemented and there are no major areas where further energy conservation measures can be taken. However, efforts to conserve and optimise the use of energy through improved operational methods and other means will continue.
- b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy : NIL
- c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

Efforts made by us to economise consumption of power had a marginal impact on cost of production.
- d) Total energy consumption per unit of production as per Form-A of the Annexure in respect of industries specified in the Schedule thereto: NOT APPLICABLE

B) TECHNOLOGY ABSORPTION:

Efforts made in Technology Absorption as per Form-B.

FORM - B

1. Research & Development (R & D)

- | | | |
|---|---|------|
| <ul style="list-style-type: none"> a) Specified areas in which R & D carried out by the Company b) Benefit derived as a result of above R & D c) Future plan of action d) Expenditure on R & D <ul style="list-style-type: none"> i. Capital ii. Recurring iii. Total iv. Total R & D Expenditure as a percentage of total turnover. | } | NONE |
|---|---|------|

2. Technology Absorption, Adaptation and innovation :

- | | | |
|--|---|------|
| <ul style="list-style-type: none"> a) Efforts in brief made towards technology Absorption, Adaptation and innovation b) Benefit derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc. | } | NONE |
|--|---|------|

3. Imported Technology :

During the last five years no technology has been imported hence this is not applicable.

C. Foreign Exchange Earnings and Outgoings

Please refer Notes No.16 to 18 of the Notes on Accounts.

For & On Behalf Of the Board

PAVAN G. MORARKA
Chairman

Mumbai : 27th July, 2009

Annexure B to the Directors' Report for the year ended 31.03.2009

1. Composition of the Board:

Sl. No	Name	Date of appointment
a	Mr. Pavan G Morarka	27.02.1985
b	Mr. Kaushik D Shah	19.05.1994
c	Mr. M. K. Shah	29.06.2007
d	Mr. Gautam R. Divan	28.07.2007

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 & Director	5	Y	W. H. Brady & Co. Ltd. Brady Air Ltd. Shirt Company India Ltd. Global Tradecracker Ltd.
B.	Mr. Kaushik D Shah	Director	5	Y	W. H. Brady & Co. Ltd. Arman Lease & Finance Ltd. Amol Decalite Ltd. Global Tradecracker Ltd.
C.	Mr. M. K. Shah	Director	5	Y	NIL
D.	Mr. Gautam R. Divan	Director	5	Y	HDFC Standard Life Insurance Co. Ltd. HDFC Bank 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
- Assets purchase and disposal.

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	Rs.28,500/-	—	—	Rs.28,500/-
2	Mr.Kaushik D. Shah	Nil	Rs.27,500/-	—	—	Rs.27,500/-
3.	Mr. M. K. Shah	Ni.	Rs.28,500/-	—	—	Rs.28,500/-
4.	Mr. Gautam R. Divan	Nil	Rs.27,500/-	—	—	Rs.27,500/-

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 and was attended by Mr. Pavan G. Morarka and Mr. M. K. Shah.

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. Gautam Divan is liable for retirement by rotation this year and has offered himself for reappointment.

Mr. Gautam Divan is a practicing Chartered Accountant and holds Directorship in several companies including HDFC Bank Limited.

8. General Body Meetings: Details of last three AGMs

Financial Year Ended	Date	Time	Venue
31st March, 2006	September 23, 2006	11.30 a.m.	Alexandra Girls' English Institution 31, Hazarimal Somani Marg Mumbai-400 001.
31st March, 2007	September 27, 2007	11.30 a.m.	Maharashtra Chamber of Commerce Trust Oricon House, 6th Floor 12, K. Dubhash Marg, Fort Mumbai-400 001.
31st March, 2008	August 30, 2008	11.30 a.m.	Maharashtra Chamber of Commerce Trust Oricon House, 6th Floor 12, K. Dubhash Marg, Fort Mumbai-400 001.

9. ADDITIONAL INFORMATION TO SHAREHOLDERS:
a. Annual General Meeting

Date	:	19th September 2009.
Venue	:	Maharashtra Chamber of Commerce Trust Babasaheb Dahanukar Sabhagriha Oricon House, 6th Floor 12 K. Dubhash Marg, Fort Mumbai-400 023.
Time	:	11.30 a.m.

b. Financial Calendar:

Financial Year : 1st April to 31st March

Results for each quarter and year ended 31.03.2009 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 details:

Name of the Exchange	Stock Code
Bombay Stock Exchange Limited, Mumbai	505690

The ISIN number of your company is INE 856A01017

f. Address for correspondence:

BRADY & MORRIS ENGINEERING COMPANY LIMITED
BRADY HOUSE
12/14, VEER NARIMAN ROAD
FORT,
MUMBAI – 400 001.
Tel : 22048361-5 • Fax : 22041855
Email: bradys@mtnl.net.in
Website: <http://www.bradys.in>

SECRETARIAL COMPLIANCE CERTIFICATE

COMPANY NO. 11-004729.

AUTHORISED SHARE CAPITAL : RS. 5,00,00,000/-.

PAID UP SHARE CAPITAL : RS. 2,25,00,000/-.

The Members,

M/s. BRADY & MORRIS ENGINEERING COMPANY LIMITED

Brady House,

12/14, Veer Nariman Road,

MUMBAI - 400 001.

I have examined the registers, records, books and papers of **M/s. BRADY & MORRIS ENGINEERING COMPANY LIMITED** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the year ended on **MARCH 31, 2009**. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company and its officers, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **ANNEXURE - 'A'** to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as required with the Registrar of Companies or other authorities as prescribed under the Act and the rules made thereunder wherever applicable As per **ANNEXURE - 'B'**.
3. The Company being a Public Limited Company, Comments not required.
4. The Board of Directors duly met 5 [Five] times during the aforesaid Financial Year i.e. on 30.06.2008, 30.07.2008, 30.08.2008, 08.11.2008 and 07.02.2009 and in respect of each meeting proper notices were given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members during the financial year.
6. The Company held its Annual General Meeting during the year in time i.e. on 30th August, 2008 and in respect of which proper notice was given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not given or advanced any amount as defined in Section 295 of the Companies Act, 1956.
9. The Company has entered into contracts falling within the purview of Section 297 of the Act and necessary compliances of the Act have been made.
10. The Company has made necessary entries in the register maintained under Section 301 of the Companies Act, 1956.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approval from the Board of Directors, Members or Central Government.
12. The Company has issued duplicate share certificates during the financial year and complied with the provisions of the Law.
13. The Company has:
 - i. delivered all the certificates on allotment of Shares in accordance with the provisions of the Companies Act, 1956.
 - ii. transferred the dividend to a separate account within the stipulated period of five days
 - iii. duly complied with the requirements of Section 217 of the Act.
 - iv. other clauses are not applicable.
14. The Board of Directors of the Company is duly constituted.
15. There was no appointment of Managing Director / Whole Time Director / Manager during the financial year.

16. The company has not appointed any Sole Selling Agents during the financial year.
17. The company was not required to obtain any approvals of the Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued Equity Shares during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any preference shares/debentures and hence the question of redemption of preference shares/debentures does not arise during the financial year under review.
22. There were no transactions necessitating the Company to keep in abeyance the rights of dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has complied with the provisions of 293(1)(d) of the Act.
25. The Company has complied with the provisions of 372A of the Act.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from the one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the Object of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to Name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the year.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment has been imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company is regular in payment of Provident Fund Dues.

Sd/-

CS MANSI DAMANIA

ACS: 22670, COP: 8120

Place: Mumbai

Date: 27.07.2009

ANNEXURE - 'A' TO THE SECRETARIAL COMPLIANCE CERTIFICATE

Name of the Company : M/s. BRADY & MORRIS ENGINEERING COMPANY LIMITED.

DETAILS OF REGISTERS MAINTAINED :

Sr. No.	Section Number	Name of Register
1.	108	Share Transfer Register
2.	150	Register of Members
3.	193	Minutes of all meetings of Board of Directors
4.	193(1)	Minutes of General Meetings
5.	301	Register of Contracts
6.	303	Register of Directors
7.	125	Register of Charges
8.	307	Register of Directors' Shareholding

ANNEXURE - 'B' TO THE SECRETARIAL COMPLIANCE CERTIFICATE

Name of the Company : M/s. BRADY & MORRIS ENGINEERING COMPANY LIMITED.

DETAILS OF FORMS FILED WITH THE REGISTRAR OF COMPANIES :

Sr. No.	Document/ Under Section	Filed on	Whether filed in time	Whether additional fee paid
1.	Annual Return. U/s. 159.	24.09.2008	Yes.	No.
2.	Balance Sheet U/s. 210.	16.09.2008	Yes.	No.
3.	Secretarial Compliance Certificate U/s. 383A.	16.09.2008	Yes.	No.
4.	Form 8 u/s. 125	12.02.2009	Yes	No
5.	Form 8 u/s. 125	10.02.2009	Yes	No
6.	Form 8 u/s. 125	10.02.2009	Yes	No
7.	Form 8 u/s. 125	10.02.2009	Yes	No
8.	Form 8 u/s. 125	24.02.2009	Yes	No

Sd/-

CS MANSI DAMANIA

ACS: 22670, COP: 8120

Place: Mumbai

Date: 27.07.2009

AUDITORS' REPORT

To the members of Brady & Morris Engineering Co. Ltd.

- (1) We have audited the attached Balance Sheet of Brady & Morris Engineering Company Limited as at 31st March 2009, the Profit & Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these Financial Statements based on our audit.
- (2) We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- (3) As required by the Companies (Auditor's Report) Order 2003 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956 as amended upto date we enclose in the annexure a statement on matters specified therein.
- (4) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit.
- (5) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of such books.
- (6) The Balance Sheet and Profit & Loss Account dealt with by this Report are in agreement with the books of accounts.
- (7) In our opinion the Profit & Loss Account and Balance Sheet dealt with by this report comply with the Accounting Standards as required under Section 211 (3C) of the Companies Act, 1956.
- (8) On the basis of the written representations received from the Directors, and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on March 31, 2009 from being appointed as Directors in terms of Clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.
- (9) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read with notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009,
 - (ii) in the case of the Profit & Loss Account, of the profit for the year ended on that date; and
 - (iii) in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For and on behalf of
C. L. DALAL & CO.
Chartered Accountants
R. C. JAIN
Partner
Membership No.5180

MUMBAI : 27th July, 2009

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 3 of the Auditors' Report to the members of Brady & Morris Engg. Co. Ltd. on the accounts for the year ended 31st March, 2009.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- (b) The company has physically verified all its fixed assets during the year. No material discrepancies were noticed on such verification.
- (c) During the year, the Company has not disposed off any major part of Plant & Machinery that would affect the going concern status of the Company.
- (ii) (a) The Inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventories. The discrepancies noticed on verification between physical stock and book stock were not material.
- (iii) (a) The Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the Register maintained under Section 301 of the Act, and therefore, the provisions of clauses (iii) (b), (iii) (c) & (iii) (d) of the Order are not applicable to the Company.
- (b) The Company has not taken any loans secured or unsecured from companies, firms, or other parties covered in the Register maintained under Section 301 of the Act, except interest bearing unsecured loan from its holding company of Rs.237.60 lacs, for which there is no stipulation as to repayment of principal and interest.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the Register required to be maintained under that Section, and
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements in respect of its Holding Company during the year have been made at prices based on the policy laid down and mutually agreed upon for marketing of company's products as in past based on list prices fixed from time to time. However, the reasonableness of such prices cannot be evaluated having regard to prevailing market rates at the relevant time. Regarding the transactions for reimbursement of expenses, receipt for infrastructural services with its Holding Company and for service and maintenance charges with a private limited company, the reasonableness of the prices cannot be evaluated having regard to prevailing market rate as no such transactions have been entered with other parties.
- (vi) According to the information and explanations given to us, the Company has not accepted deposits from the public and hence, the directives issued by the Reserve Bank of India and the provisions of Sections 58A and 58AA or any other relevant provisions of the Act, and the rules framed thereunder, are not applicable to the Company.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- (viii) Maintenance of cost record under Section 209(1)(d) of the Companies Act, 1956 is not applicable to the Company.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth tax, Service tax, Custom duty, Excise duty, Cess and any other statutory dues applicable to it.

- (b) On the basis of our examination of documents and records the disputed statutory dues outstanding of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess which have not been deposited with the appropriate authorities are as under:

Name of the Statute	Rs. In Lacs	Forum where dispute is pending
Excise Duty under Central Excise Act 1944	0.21	Asst. Com of Central Excise, Ahmedabad

- (x) In our opinion the Company has no accumulated losses and the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year also.
- (xi) In our opinion, and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (xii) In our opinion the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Hence, maintenance of records is not applicable.
- (xiii) In our opinion the Company is not a chit fund or nidhi mutual benefit fund/ society and therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other Securities and accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) In our opinion and according to the information and explanation furnished to us, the Term Loan raised during the year has been generally applied for the purpose for which the same was obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under Section 301 of the Act and therefore, the provisions of clause 4(xviii) of the Order are not applicable to the Company.
- (xix) According to the information and explanations given to us, the Company has not issued any debenture and therefore, the provisions of clause 4(xix) of the Order are not applicable to the Company.
- (xx) According to the information and explanations given to us, the provisions of clause 4(xx) of the Order with regard to end use of money raised on public issues are not applicable to the Company.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under review.

For and on behalf of
C. L. DALAL & CO.
Chartered Accountants

R. C. JAIN
Partner
Membership No.5180

MUMBAI : 27th July, 2009

BALANCE SHEET AS AT 31ST MARCH 2009

	Schedule	As at 31/3/2009 Rupees	As at 31/3/2009 Rupees	As at 31/3/2008 Rupees
I. SOURCES OF FUNDS				
1. SHAREHOLDERS' FUNDS				
(a) Capital	A	2,25,00,000		2,25,00,000
(b) Reserves & Surplus	B	2,77,62,178		2,53,13,162
			5,02,62,178	4,78,13,162
2. DEFERRED TAX LIABILITY (NET)				
			5,07,518	--
3. LOAN FUNDS				
(a) Secured Loans	C	7,47,73,438		6,52,22,131
(b) Unsecured Loans	D	2,90,81,450		2,89,46,450
			10,38,54,888	9,41,68,581
TOTAL			15,46,24,584	14,19,81,743
II. APPLICATION OF FUNDS :				
1. FIXED ASSETS				
(a) Gross Block	E	14,87,12,284		7,31,58,897
(b) Less : Depreciation		3,80,15,195		3,05,91,233
(c) Net Block		11,06,97,089		4,25,67,664
(d) Capital Work in Progress		12,95,944		2,93,20,149
			11,19,93,033	7,18,87,813
2. INVESTMENTS				
	F		6,28,002	6,28,002
3. CURRENT ASSETS, LOANS AND ADVANCES				
(a) Inventories	G	11,33,42,797		6,49,58,415
(b) Sundry Debtors		9,59,45,876		4,52,24,725
(c) Cash & Bank Balances		48,36,599		51,50,478
(d) Deposits		5,92,591		6,56,474
(e) Loans & Advances		2,45,16,543		3,04,47,343
		23,92,34,406		14,64,37,435
LESS : CURRENT LIABILITIES AND PROVISIONS				
Net Current Assets	H	19,73,76,229		7,76,24,328
			4,18,58,177	6,88,13,107
III. DEFERRED TAX ASSET				
MISCELLANEOUS EXPENDITURE AND LOSSES				
Expenditure for increase in Authorised Share Capital net of write off Rs.50,275/- previous year Rs.50,275/-)				
			1,45,372	1,95,647
TOTAL			15,46,24,584	14,19,81,743
NOTES FORMING PART OF ACCOUNTS				
	P			

The above Balance Sheet, Schedules and the relevant notes are authenticated by us.

As per our attached report of even date
For and on behalf of
C.L.DALAL & CO.
Chartered Accountants

For and on behalf of the Board

Pavan G.Morarka Chairman

R.C.JAIN
Partner
Membership No.5180
Mumbai : 27th July, 2009

K.D.Shah Director

Mumbai : 27th July, 2009

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Schedule	2008-2009 Rupees	2007-2008 Rupees
INCOME			
Sales	I	25,11,21,393	1,97,9,81,208
Other Income	J	1,39,59,747	1,04,95,372
Increase / (Decrease) in Stock	K	3,45,15,351	2,02,32,457
TOTAL		<u>29,95,96,491</u>	<u>22,87,09,037</u>
EXPENDITURE :			
Raw materials and Bought out			
Components Consumed	L	12,12,82,938	8,10,64,290
Trading Purchase		7,46,68,558	5,83,19,917
Payments to and Provisions for Employees	M	2,20,60,394	1,81,98,536
Manufacturing and other expenses	N	5,22,39,321	4,43,31,723
Interest on cash Credit / Term Loan etc.		1,00,29,268	63,96,288
Depreciation/ Amortisation		75,18,143	56,72,189
Differential Expenses for increase in Authorised Share Capital written off.		50,275	50,275
Expenses Related to Bonus Issue written off		—	50,670
TOTAL		<u>28,78,48,897</u>	<u>21,40,83,888</u>
Profit before Taxation		1,17,47,594	1,46,25,149
Less : Provision for Taxation			
Current Tax		36,00,000	55,60,000
Deferred Tax		9,64,692	(6,44,443)
Fringe Benefit Tax		3,07,000	2,75,000
Profit after Taxation		68,75,902	94,34,592
Add / (Less) : Prior Period Adjustment (Net)	O	(4,78,305)	(2,82,246)
Add : Profit Brought Forward		1,15,93,444	1,46,89,679
Less : Utilised for issue of Bonus Shares		—	(75,00,000)
		<u>1,15,93,444</u>	71,89,679
Amount Available for Appropriation		<u>1,79,91,041</u>	1,63,42,025
APPROPRIATIONS :			
Proposed Dividend		33,75,000	33,75,000
Tax on Proposed Dividend		5,73,581	5,73,581
Transferred to General Reserve		6,00,000	8,00,000
Balance Carried to Balance Sheet		<u>1,34,42,460</u>	<u>1,15,93,444</u>
Earning per share (Refer Note 9 of Schedule P)			
BASIC & DILUTED		3.06	4.19
Nominal Value per equity share		10.00	10.00
NOTES FORMING PART OF ACCOUNTS	P		

The above Profit & Loss Account, Schedules
and the relevant notes are authenticated by us.

As per our attached report of even date
For and on behalf of
C.L.DALAL & CO.
Chartered Accountants

For and on behalf of the Board
Pavan G.Morarka Chairman

R.C.JAIN
Partner
Membership No. 5180
Mumbai : 27th July, 2009

K.D.Shah Director
Mumbai : 27th July, 2009

**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 2009 AND PROFIT AND LOSS ACCOUNT
FOR THE TEAR ENDED 31ST MARCH, 2009**

	As at 31.03.2009 Rupees	As at 31.03.2009 Rupees	As at 31.03.2008 Rupees
SCHEDULE 'A'			
SHARE CAPITAL			
Authorised :			
50,00,000 Shares of Rs. 10/- each		<u>5,00,00,000</u>	<u>5,00,00,000</u>
Issued & Subscribed :			
22,50,000 (Previous Year 22,50,000) Equity Shares of Rs. 10/- each fully paid up.		<u>2,25,00,000</u>	<u>2,25,00,000</u>
Of the above shares			
(i) 84,290 Equity Shares are allotted as fully paid up pursuant to contracts, without payments being received in cash.			
(ii) 15,00,000 (Previous Year 15,00,000) Equity Shares are allotted as Bonus Shares by capitalisation of profits			
(iii) 18,15,690 (Previous Year 18,15,690) Equity shares are held by the holding company W.H.BRADY & CO. LTD.			
TOTAL		<u><u>2,25,00,000</u></u>	<u><u>2,25,00,000</u></u>
SCHEDULE 'B'			
RESERVES & SURPLUS :			
REVALUATION RESERVE :			
Balance as per last Balance Sheet		<u>1,16,19,718</u>	<u>1,16,19,718</u>
GENERAL RESERVE :			
Balance as per last Balance Sheet		<u>21,00,000</u>	<u>13,00,000</u>
Add : Set aside during the year		<u>6,00,000</u>	<u>8,00,000</u>
		<u>27,00,000</u>	<u>21,00,000</u>
Profit & Loss Account		<u>1,34,42,460</u>	<u>1,15,93,444</u>
TOTAL		<u><u>2,77,62,178</u></u>	<u><u>2,53,13,162</u></u>
SCHEDULE 'C'			
SECURED LOANS FROM :			
Bank :			
Cash Credit Account	3,57,97,095		2,86,71,049
Term Loan Account	<u>3,75,56,637</u>		<u>3,46,05,863</u>
Others :		<u>7,33,53,732</u>	<u>6,32,76,912</u>
Hypothecation of Vehicles from			
(i) Banks	12,97,465		17,18,601
(ii) Others	<u>1,22,241</u>		<u>2,26,618</u>
		<u>14,19,706</u>	<u>19,45,219</u>
TOTAL		<u><u>7,47,73,438</u></u>	<u><u>6,52,22,131</u></u>
SCHEDULE 'D'			
UNSECURED LOANS FROM:			
Holding Company		<u>2,37,60,000</u>	<u>2,37,60,000</u>
Deposits from Others :			
Private Ltd Company	37,00,000		37,00,000
Dealers	<u>16,21,450</u>		<u>14,86,450</u>
		<u>53,21,450</u>	<u>51,86,450</u>
TOTAL		<u><u>2,90,81,450</u></u>	<u><u>2,89,46,450</u></u>

SCHEDULE 'E'
FIXED ASSETS

Amount in Rupees

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 1.4.2008	ADDITION/ RE- VALUATION	DEDUCTIONS	AS AT 31.3.2009	UPTO 31.3.2008	FOR THE YEAR	DEDUCTIONS	TOTAL AS AT 31.3.2009	AS AT 31.3.2009	AS AT 31.3.2008
Freehold Land	1,16,25,600	90,00,046	—	2,06,25,646	—	—	—	—	206,25,646	1,16,25,600
Leasehold Land	13,76,653	54,77,853	—	68,54,506	—	—	—	—	68,54,506	13,76,653
Buildings	2,80,56,650	4,32,47,135	—	7,13,03,785	1,65,51,388	21,30,264	—	1,86,81,652	5,26,22,133	1,15,05,262
Plant & Machinery	1,82,83,234	12,27,111	4,03,269	1,91,07,076	65,72,166	25,33,576	62,635	90,43,107	1,00,63,969	1,17,11,068
Tools & Implements	10,42,504	11,230	—	10,53,734	8,60,274	25,948	—	8,86,222	1,67,512	1,82,230
Electric Cable & Installation	12,97,961	26,75,072	—	39,73,033	7,15,422	1,78,454	—	8,93,876	30,79,157	5,82,539
Air Conditioning Equipment	1,75,785	21,13,536	—	22,89,321	75,178	83,264	—	1,58,442	21,30,879	1,00,607
Furniture & Fittings	12,09,348	92,87,129	12,520	1,04,83,957	9,72,458	5,59,855	7,351	15,24,962	89,58,995	2,36,889
Office Equipments	15,00,121	11,00,326	60,302	25,40,145	3,78,277	2,35,122	24,195	5,89,204	19,50,941	11,21,844
Water Coolers	55,184	2,21,560	—	2,76,744	33,458	13,839	—	47,297	2,29,447	21,726
Refrigerator	13,650	—	—	13,650	11,741	266	—	12,007	1,643	1,909
Computers	42,95,707	10,48,999	—	53,44,706	29,68,696	10,25,783	—	39,94,479	13,50,227	13,27,011
Vehicles	41,50,497	6,19,482	—	47,69,979	14,21,775	7,24,172	—	21,45,947	26,24,032	27,28,724
Total	7,30,82,894	7,60,29,479	4,76,091	14,86,36,282	3,05,60,833	75,10,543	94,181	3,79,77,195	11,06,59,087	4,25,22,062
Intangible Assets										
Web Site Development	76,002	—	—	76,002	30,400	7,600	—	38,000	38,002	45,602
Total	76,002	—	—	76,002	30,400	7,600	—	38,000	38,002	45,602
TOTAL ASSETS	7,31,58,896	7,60,29,479	4,76,091	14,87,12,284	3,05,91,233	75,18,143	94,181	3,80,15,195	11,06,97,089	4,25,67,664
Capital Work In Progress										
Plant & Machinery Under Installation**	7,67,020	4,29,694	7,67,020	4,29,694	—	—	—	—	4,29,694	7,67,020
Computer under Installation**	—	12,20,290	3,54,040	8,66,250	—	—	—	—	8,66,250	—
Building Under Constuction**	2,85,53,129	—	2,85,53,129	—	—	—	—	—	—	2,85,53,129
Total	2,93,20,149	16,49,984	2,96,74,189	12,95,944	—	—	—	—	12,95,944	2,93,20,149
Grand Total	10,24,79,045	7,76,79,463	3,01,50,280	15,00,08,228	3,05,91,233	75,18,143	94,181	3,80,15,195	11,19,93,033	7,18,87,813
Prevoius Year	7,77,32,898	2,51,59,897	4,13,749	10,24,79,046	2,52,96,678	56,72,189	3,77,634	3,05,91,233	7,18,87,813	—

**Deductions from Capital Work in Progress represents transfer to relative Fixed Assets on Completion / Installation.

	As at 31.03.2009 Rupees	As at 31.03.2009 Rupees	As at 31.03.2008 Rupees
SCHEDULE 'F'			
INVESTMENTS (NON TRADE - LONG TERM)			
Unquoted Investments :			
(A) IN SHARES OF JOINT STOCK COMPANY (FULLY PAID UP)			
(a) Equity Shares :			
(1) 78,964 Shares of Rs. 12.50 each of Ganesh Flour Mills Company Ltd. (cost Rs.4,00,037)	1		1
(2) 20,000 Shares (including 10000 Bonus Shares) of Rs.10 each of Brady Services Pvt. Ltd.	1,00,000		1,00,000
(3) 50 shares of Rs.10 each of Brady Air Ltd. (Previously known as Brady Satlink Ltd.)	500		500
(4) 2,500 shares of Rs. 10 each of Brady Telesoft Pvt. Ltd.	25,000		25,000
(5) 50,000 shares of Rs. 10 each of Brady Futures Pvt. Ltd.	5,00,000		5,00,000
(b) Preference Shares : fully paid 520, 7 % First Cumulative Preference Shares of Rs. 12.50 each of Ganesh Flour Mills Co. Ltd. (Cost Rs. 6,645)	1		1
		6,25,502	6,25,502
(B) OTHERS The Manekchowk Co-Op. Bank Ltd. (25 Shares of Rs. 100/- each fully paid)		2,500	2,500
TOTAL		6,28,002	6,28,002
SCHEDULE 'G'			
CURRENT ASSETS, LOANS AND ADVANCES			
(A) INVENTORIES :			
(As valued and certified by a Director)			
(1) Stores	12,46,593		1,79,701
(2) Loose Tools	10,00,817		13,62,870
		22,47,410	15,42,571
(3) Stock in Trade and in Transit			
Bought out Components	2,89,22,916		1,60,74,038
Raw Materials	34,58,676		25,28,806
Semi Finished Goods	7,83,84,119		4,38,68,768
Stock in Transit	3,29,676		9,44,232
		11,10,95,387	6,34,15,844
		11,33,42,797	6,49,58,415
(B) SUNDRY DEBTORS : (Unsecured, Considered good unless otherwise stated)			
1. Over six Months : (Include due by Holding Company Rs. Nil previous year Rs. Nil/-)	1,17,57,541		43,94,530
2. Others : (Include Rs. Nil due by Holding Company previous year Rs.752,242/-)	8,41,88,335		4,08,30,195
		9,59,45,876	4,52,24,725

	As at 31.03.2009 Rupees	As at 31.03.2009 Rupees	As at 31.03.2008 Rupees
SCHEDULE 'G' (CONTD.)			
(C) CASH AND BANK BALANCES :			
(I) Cash on Hand	34,108		41,873
(II) Bank Balance with Scheduled Banks			
(a) Current Account (Including Dividend Account Rs.174398/- Previous Year Rs.129,262/-)	2,59,837		18,26,857
(b) Fixed Deposits Pledged with a bank against issue of Guarantees	45,42,654		32,81,748
		48,36,599	51,50,478
(D) OTHER CURRENT ASSETS :			
(Unsecured, Considered good) Security & other Deposits		5,92,591	6,56,474
(E) LOANS AND ADVANCES : :			
(Unsecured, considered good)			
(i) Advances recoverable in cash or in kind or value to be received	1,15,64,269		1,32,14,454
(ii) Advance against Capital Expenditure	---		73,76,644
(iii) Advance payment of Income Tax etc.	1,22,31,274		92,11,245
(iv) Advance payment of Fringe Benefit Tax	7,21,000		6,45,000
		2,45,16,543	3,04,47,343
TOTAL		23,92,34,406	14,64,37,435
SCHEDULE 'H'			
CURRENT LIABILITIES AND PROVISIONS :			
(A) CURRENT LIABILITIES :			
(i) Sundry Creditors (including interest payable Rs. 50072/- previous year Rs.21,719/-).See note no. B 11 of Schedule P	12,45,54,769		5,38,99,612
(ii) Advances received (including Rs.35444253/- from Holding Company Previous Year Nil)	5,44,02,230		90,75,150
(iii) Unclaimed Dividends	1,74,398		1,29,262
		17,91,31,397	6,31,04,024
(B) PROVISIONS :			
(i) Provision for Accrued Privilege Leave	3,07,279		3,11,223
(ii) Provision for Taxation	1,32,41,972		96,00,000
(iii) Provision for Fringe Benefit Tax	7,47,000		6,60,500
(iv) Proposed Dividend	33,75,000		33,75,000
(v) Tax on Proposed Dividend	5,73,581		5,73,581
		1,82,44,832	1,45,20,304
TOTAL		19,73,76,229	7,76,24,328

	Rupees	2008-2009 Rupees	2007-2008 Rupees
SCHEDULE 'I'			
SALES :			
Manufacturing Sales	19,97,93,010		15,68,41,893
Less : Excise Duty	<u>(2,48,77,481)</u>		<u>(2,15,96,775)</u>
		17,49,15,529	13,52,45,118
Trading Sales		<u>7,62,05,864</u>	<u>6,27,36,090</u>
TOTAL		<u>25,11,21,393</u>	<u>19,79,81,208</u>
SCHEDULE 'J'			
OTHER INCOME			
Interest Received (Gross)			
Tax Deducted at Source Rs.63275/- (Previous Year Rs.44098/-)			
a) from Bank on F.D.		3,07,157	1,51,647
b) from Income Tax		—	34,155
c) from Others		<u>2,744</u>	<u>28,600</u>
		3,09,901	2,14,402
Dividend Income		<u>70,000</u>	<u>35,000</u>
Commission Received (Gross) (Tax Deducted Rs.576211/- Previous year Rs.542,012/-)		66,14,485	52,25,216
Service & Maint. Charges (Gross) (Tax Deducted at Source Rs.367908/- Previous Year Rs.374910/-)		15,00,000	15,00,000
Insurance claim recd.		—	3,95,410
Notice Pay received		—	17,644
Sundry Balance written back (net)		1,25,906	—
Profit on sale of /discarded Fixed Asstes (net)		—	24,237
Service Income(Gross) (TDS Rs.Nil Previous Year Rs.15035/-)		20,11,350	23,78,871
Misc.Income (see Note below)		33,28,105	7,04,592
(Including sale of Scrap Rs.164328/- Previous Year Rs.429439/- and difference in fluctuation of foreign exchange Rs. Nil previous year Rs.193717/-)			
TOTAL		<u>1,39,59,747</u>	<u>1,04,95,372</u>
SCHEDULE 'K'			
INCREASE / (DECREASE) IN STOCKS			
Opening Stock as on 01.04.2008			
(1) Finished Goods	—		—
(2) Semi Finished Goods	4,38,68,768		2,36,36,311
(3) Scrap	—		—
		4,38,68,768	2,36,36,311
Less : Closing Stock as on 31.3.2009			
(1) Finished Goods	—		—
(2) Semi Finished Goods	7,83,84,119		4,38,68,768
(3) Scrap	—		—
		7,83,84,119	4,38,68,768
TOTAL		<u>3,45,15,351</u>	<u>2,02,32,457</u>
Note:			
Miscellaneous Income includes:			
a) Sale of Scrap		1,64,328	4,29,349.00
b) Business Infrastructure Services (from Holding Co.) (Tax deducted at Source Rs.69439/-)		30,00,000	—

	Rupees	2008-2009 Rupees	2007-2008 Rupees
SCHEDULE 'L'			
CONSUMPTION OF RAW MATERIALS AND BOUGHT OUT COMPONENTS			
Opening Stock as on 01.04.2008			
(I) Raw Materials	25,28,806		29,23,013
(II) Bought out Components	1,60,74,038		1,17,61,681
		1,86,02,844	1,46,84,694
Add : Purchases during the year inclusive of incidental expenses			
(I) Raw Materials	2,88,45,713		1,56,23,108
(II) Bought out Components	10,62,15,973		6,93,59,332
		13,50,61,686	8,49,82,440
		15,36,64,530	9,96,67,134
Less : Closing Stock as on 31.03.2009			
(I) Raw Materials	34,58,676		25,28,806
(II) Bought out Components	2,89,22,916		1,60,74,038
(III) Stock in Transit	—		—
		3,23,81,592	1,86,02,844
TOTAL		12,12,82,938	8,10,64,290
SCHEDULE 'M'			
PAYMENTS TO AND PROVISIONS FOR EMPLOYEES			
(I) Salaries, Wages, Bonus, Allowances Etc.	1,98,87,890		1,63,93,809
(II) Contribution to Provident and other Funds / Schemes (Includes contribution to Approved Gratuity Fund Rs. 201456/- Previous year Rs.180461/-)	16,32,233		12,54,496
(III) Workmen & Staff Welfare Expenses	5,40,271	2,20,60,394	5,50,231
TOTAL		2,20,60,394	1,81,98,536
Salaries, Wages, Bonus etc., include:			
a. Bonus - additional for the previous year		—	41,953
b. Provision for accrued privilege leave		—	3,11,223
c. Provision for Ex gratia in lieu of bonus for the year		2,51,840	1,88,057
d. Reinstatement allowance per Court's order		1,72,553	36,530

	Rupees	2008-2009 Rupees	2007-2008 Rupees
SCHEDULE 'N'			
MANUFACTURING AND OTHER EXPENSES			
Stores / Loose Tools consumed		1,23,67,766	89,96,839
Sub Contractors' Charges		98,91,131	77,18,658
Power & Fuel (Net of recovery)		13,56,425	10,47,227
Repairs to Building		1,83,991	237
Repairs to Machinery		4,57,650	6,81,733
Other Repairs		3,75,661	3,37,052
Rent (includes Rs.396000/- to Holding Co. Previous year Rs396000/-)		13,83,519	14,01,094
Reimbursement of Administration & Other Expenses to Holding Co.		16,99,680	16,99,681
Rates & Taxes (Net of recovery)		77,781	49,155
Bad Debts & other irrecoverable amounts written off net		1,58,426	19,381
Insurance		2,78,201	1,64,861
Commission / Discount (Including Rs.739077/- to Holding Co.Previous Year Rs.2130507/-)		40,11,559	42,67,154
Directors' Fees		1,12,000	96,000
Directors' Travelling Expenses		9,42,925	6,05,448
Travelling Exp. - Others		20,07,188	17,60,053
Legal & Professional Charges		18,63,916	13,93,424
Service Tax		—	65,044
Auditors' Remuneration			
A) Audit Fees	50,000		50,000
B) For other Services	9,000		26,000
		59,000	76,000
Bank Charges		19,96,365	12,96,173
Miscellaneous Expenses (Net of Recovery) (Including Rs.44324/- for Auditors Travelling Previous Year Rs.17179/-)		1,29,94,278	1,26,41,157
Loss on Sale of Fixed Assets		21,859	15,352
TOTAL		5,22,39,321	4,43,31,723
NOTES:			
1. Auditors' Remuneration for Other Services comprises of:			
Taxation Matters		—	—
Tax Audit Fees		5,000	5,000
Certification Work & Other Services		4,000	21,000
TOTAL		9,000	26,000
2. Miscellaneous Expenses include Erection & Commissioning Expenses		21,62,705	31,81,184
SCHEDULE 'O'			
Prior Period Adjustment (NET)			
Credit :			
Provision for Accrued Privilege Leave written back	3,944	3,944	—
Debit :			
Short Provision of Expenses in earlier year	4,36,777		2,77,436
Short provision of Income Tax & FBT for earlier years	45,472		4,810
TOTAL		4,82,249	2,82,246
		4,78,305	2,82,246

SCHEDULE 'P'

A. SIGNIFICANT ACCOUNTING POLICIES – 31.03.2009

1. ACCOUNTING CONCEPTS :

The accounts have been prepared on historical cost convention. The company follows the accrual basis of accounting. The Financial Statements are prepared in accordance with the accounting standards specified in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government in terms of section 21 (3C) of the Companies Act, 1956.

2. USE OF ESTIMATES :

The presentation of financial statements requires certain estimates and assumptions. These estimates and assumptions affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known /materialized

3. REVENUE RECOGNITION :

Revenue (income) is recognized when no significant uncertainty as to the measurability or collectibility ability exists

4. FIXED ASSETS AND DEPRECIATION :

(a) Fixed Assets, other than unsold portion of land at Mumbai, are stated at their original cost including the expenditure incurred in connection with the shifting of the factory by apportioning the same as under :

- (i) direct expenditure to the respective fixed assets;
- (ii) indirect expenditure on pro-rata basis to the related fixed assets;

(b) Unsold portion of Land at Mumbai is stated at Revalued amount as per Valuation Report in the year 1993-94 at Rs.1,16,25,600/- against the cost of Rs.32,630/-.

(c) Depreciation is charged on fixed assets at the written down value method as per the rates prescribed under Schedule XIV of the Companies Act, 1956 as amended. Depreciation on additions during the year is provided on pro-rata basis. No depreciation is provided on deduction from assets in the year.

(d) Intangible assets are written off over a period of 10 years in ten equal installments.

(e) Interest paid on Term Loan for acquisition of fixed assets is capitalized up to the date of installation / ready to use.

5. FOREIGN CURRENCY TRANSACTIONS :

All monetary assets and liabilities remaining unsettled at the year end are translated at the closing exchange rate. Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the relevant head of the Profit & Loss Account except in case where they relate to acquisition of Fixed Assets in which case they are adjusted in the carrying cost of such assets / capital work in progress and the relevant loan account.

6. INVESTMENTS :

(a) Quoted investments are stated at cost or market value whichever is less.

(b) Unquoted investments are stated at cost and other unquoted investments which are not realisable, are stated at token value of Re.1/- each by writing down the value of investments.

(c) Investments in Govt. Securities are stated at cost.

7. INVENTORIES :

These are valued as under:

Stores; Loose Tools; Spare parts; Bought out components, Raw materials and Work-in-progress, Trading goods, and Finished Goods at lower of cost or at net realizable value, and Scrap at realizable value.

8. GRATUITY / RETIREMENT BENEFITS :

- (a) Incremental liability for Gratuity is accounted based on actuarial valuation certificate received from an Actuary as per Accounting Standard 15 issued by the Institute of Chartered Accountants of India
- (b) Liability for unavailed Privilege leave is accounted on the basis of actuarial certificate received from an Actuary as per Accounting Standard 15 issued by the Institute of Chartered Accountants of India

9. CONTINGENT LIABILITIES :

Contingent Liabilities are not provided for and are disclosed by way of notes.

10. DEFERRED REVENUE EXPENDITURE :

- (a) Compensation payable on closure of unit / voluntary block retirement is accounted by spreading the total expenditure over a period of five years in equal instalments.
- (b) Expenses incurred due to increase in Authorized Share Capital is equally spread over for a period of five years.
- (c) Expenditure incurred in connection with issue of Bonus Shares is charged to Profit & Loss Account in the year in which it is incurred.

11. TAXES ON INCOME :

Income taxes / expenses comprise both, current & deferred tax. Current tax is measured at the amount expected to be paid/recovered from the tax authorities using the applicable tax rates. Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using enacted tax rates.

12. PROVISIONS & CONTINGENT LIABILITIES :

Provisions are recognized for present obligation of uncertain timing or amount as a result of a past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Where it is not possible that an outflow of resources embodying economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as contingent liability, unless the probability of outflow of resources embodying economic benefits is remote.

Possible obligations whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain events are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefit is remote.

B NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2009**1. CONTINGENT LIABILITIES IN RESPECT OF :**

- (a) Excise Duty demanded by the various Orders and Show Cause Notices received from Excise Authorities aggregating to Rs.21,433/- (Previous year Rs. 17,09,477/-) on Company.
 - (c) Sales Tax demanded of Rs.NIL/- (previous year Rs.2,83,522/-) in terms of orders received.
 - (c) Claims made by the ex-employees of the Company and pending before the appropriate authorities in respect of dues, reinstatement, permanency etc. which are contested by the Company the liability whereof is indeterminate.
 - (d) In respect of Guarantees aggregating to Rs.3,18,74,044/- (Previous Year Rs. 2,38,77,770/-) given to clients by the Company's bankers for Performance / Advance Guarantees against counter guarantees given by the Company to the said bankers.
 - (e) Estimated amount of contracts remaining to be executed on capital account and not provided for in accounts aggregate to Rs.12,95,944/- (Previous Year 1,06,21,550/-) against which advances of Rs.7,75,944/- (Previous Year Rs.95,38,101/-) have been paid.
2. As reported earlier, the Company had filed appeal with the Company Law Board against the dismissal of the Company's application by the said Board in 1982 in connection with the transfer of 54000 Equity Shares of the Ganesh Flour Mills Co. Ltd. to its name. The appeal is pending for final hearing and disposal. However, by way of abundant caution, the Company during the year ended 31st March, 1994, stated the value of the said investment at a token figure of Re.1 each by writing off the investment.

- 3 (a) The Company has been granted Working Capital Facilities aggregating to Rs.1150 lacs. (previous year Rs.630 lacs) by the Bankers which is inclusive of the facilities for Letter of Guarantee, Letter of Credit, etc. of Rs.650 lacs (previous year Rs.350 lacs) which are secured by hypothecation of raw material, stock-in-process, finished goods and book debts.
- (b) The Company has been granted Term Loans I & II of Rs.586 Lacs (previous year Rs.586 Lacs). The Term Loan I of Rs.250 Lacs is secured by equitable mortgage of existing factory land & building and hypothecation of entire plant & machinery at Vatva. The term Loan II of Rs.336 Lacs is secured by equitable mortgage of factory land & building at Plot No.326-B, Sarsa Kanera Road, Sarsa Patia, Village Kanera, Dist. Kanera, Gujarat and Extension of Factory Land and Building at Vatva.
- (c) The above facilities are further collaterally secured against commercial building at 414, Senapati Bapat Marg, Lower Parel, Mumbai-4000 013, Factory land & building at 505, GIDC, Phase IV, Vatva, Ahmedabad and factory land & Bldg. at Plot No.326-B, Sarsa Kanera Road, Sarsa Patia, Village Kanera, Dist. Kanera, Gujarat, by way of first charge on the prime and collateral security as mentioned above.
- (d) The Term Loan I of Rs.250 Lacs is repayable in 40 equal monthly installments after 12 months moratorium period from the date of 1st disbursement on 29.03.07 and the Term Loan II of Rs.336 Lacs is repayable in 60 equal monthly installments after 3 months moratorium period from the date of 1st disbursement on 08.10.07.

4. (i) Interest on Cash Credit etc. of Rs.1,00,29,268/- (Previous Year Rs.6396288/-) is inclusive of following:-

	Current Year	Previous Year
	Rupees	Rupees
(a) Against Hypothecation of Vehicles	1,55,446	236806
(b) On Term Loans	12,66,054	1452327
(c) Others	4,60,435	64393
(d) On Dealership Deposits	1,25,655	116443
(e) Interest to Holding Company	29,40,212	772039
(f) Interest under Income Tax Act	1,846	—
Total	49,49,648	26,42,008
(ii) a) Interest on Term Loan capitalized	44,44,569	26,04,878
b) Interest on Loan from Holding Co. capitalised	4,01,184	4,98,591
Total	48,45,753	31,03,469
(iii) Miscellaneous Expense include for Donation	1,001	2100

5. Retirement Benefits to Employees (AS 15):

- a. In accordance with provisions of Accounting Standard (AS-15), as at 31.03.2009 the Company is not required to make provision for unavailed Privilege Leave for the year in respect of present liability for future payment based on certificate issued by Actuarial valuer of Rs.307279/- (Previous year Rs.3,11,223/- up to 31.03.08). Accordingly, excess provision of Rs.3,944/- has been credited to Profit & Loss Account.
- b. Details of Employee Benefits as required by the Accounting Standard -15 " Employee Benefits" are as follows:

(I) Defined Contribution Plans

During the year ended 31st March 2009, the company has recognized the following amounts in the profit loss account:

	<u>Rs.in lacs</u>	
	Current Year	Previous Year
— Contribution to Provident Fund and Family Pension Fund	8.97	7.66

The above amounts are included in 'Contribution to Provident Fund' and other funds' under 'Payment to and provisions for employees in Schedule M

(II) Defined Benefit Plan (Funded)

a) A general description of the Employees Benefit Plan:

The company has an obligation towards gratuity, a funded benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement/death while in employment or on termination of the employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

b) Details of defined benefit Plan – As per Actuarial Valuation as on 31st March, 2009.

Particulars	Rs.in lacs	
	Current Year	Previous Year
I. Components of employer expenses		
1. Current Service Cost	1.30	0.94
2. Interest Cost	0.73	0.62
3. Expected Return on Plan Assets	(0.19)	(0.69)
4. Actuarial Losses/(Gains)	(1.08)	-(0.94)
5. Total Expense recognized in the profit & loss account (included in 'Contribution to provident fund, and other funds' under 'Payment to and provisions for employees in Schedule M).	2.01	1.80
II. Actual Contribution and Benefit Payments for the year ended 31st March, 2009		
1. Actual Benefit payments	(1.38)	(0.66)
2. Actual Contributions	2.01	1.80
III. Net asset/(liability) recognized in the Balance Sheet as at 31st March, 2009		
1. Present Value of Defined Benefit Obligation	9.62	8.49
2. Fair Value of Plan Assets	9.62	8.49
3. Funded status[Surplus/(Deficit)]	—	—
4. Unrecognized Past service Cost	—	—
5. Net asset/(liability) recognized in the Balance sheet	2.01	1.80
IV. Change in Defined Benefit Obligation during the year ended 31st March, 2009		
1. Present Value of Defined Benefit Obligation as at 1st April, 2008	8.49	7.16
2. Current Service Cost	1.30	0.94
3. Interest Cost	0.73	0.62
4. Curtailment Cost/(Credit)	—	—
5. Settlement Cost/(Credit)	—	—
6. Plan amendments	—	—
7. Acquisitions/ Amalgamations	—	—
8. Actuarial (gain)/losses	0.46	0.43
9. Benefits paid	(1.38)	(0.66)
10. Present Value of Defined Benefit Obligation as at 31st March, 2009	9.62	8.49

		Rs.in lacs	
		Current Year	Previous Year
V. Change in Fair Value of Plan Assets during the year ended 31st March, 2009			
1.	Plan Assets as at 1st April, 2008	8.49	7.16
2.	Acquisitions/ Amalgamations	--	--
3.	Expected Return on Plan Assets	0.19	0.69
4.	Actuarial (Gains)/losses	0.62	0.50
5.	Actual Company Contributions	2.01	1.80
6.	Benefits paid.	(1.38)	(0.66)
7.	Plan Assets as at 31st March 2009	9.62	8.49
VI. Actuarial Assumptions			
1.	Discount Rate	8.00%	8.00%
2.	Expected rate of Return on plan Assets	8.00%	8.00%
3.	Salary Escalation rate	3.00%	3.00%

VII. The expected rate of return on the plan assets is based on the average long term rate of return expected on investment of the Fund during the estimated term of the obligations. The actual return on plan assets is Rs.18,948/- (Previous Year Rs.69,069/-)

VIII. The assumption of the future salary increases, considered in actuarial valuation, takes into account in inflation, seniority, promotion and other relevant factors.

		Rs.in lacs	
		Current Year	Previous Year
IX. The major categories of Plan Assets as a percentage of the total plan assets			
1.	Insurer Managed Funds	--	--
2.	Others	9.62	8.49
3.	Total	9.62	8.49
X. Experience Adjustments			
1.	Present Value of Defined Benefit Obligation as at 31st March, 2009	9.62	8.49
2.	Fair Value of Plan Assets as at 31st March, 2009	9.62	8.49
3.	Fund status [Surplus/(Deficit)]	--	--
4.	Experience adjustment on Plan liabilities	--	--
5.	Experience adjustment on Plan liabilities	--	--

6. SEGMENT INFORMATION (AS-17)

The Company is engaged primarily in manufacture of material handling equipments. Accordingly there are no separate reportable segments as per Accounting Standard – 17 dealing with segment reports.

7. RELATED PARTIES DISCLOSURES: (AS-18)

A) Particulars of parties where control exists

I)	W. H. Brady & Co. Ltd.	Holding Company
II)	Other related parties –	
	Brady Services Pvt. Ltd.	Associate
	Brady Telesoft Pvt. Ltd.	Associate
	Brady Air Ltd.	Associate
	Brady Futures Pvt. Ltd.	Associate
III)	Mr. Pavan G. Morarka (Chairman)	Key Management Personnel

B) Transactions etc. with Related Parties during the year

	Holding Co.	Associates	Key Management Personnel
	Rs.	Rs.	Rs.
I Sale of Products inclusive of taxes etc.	5,51,43,384	—	—
	(3,51,72,553)	(—)	(—)
II Purchase of Products	14,79,349	—	—
	(28,10,289)	(—)	(—)
III Reimbursement of expenses received	(—)	37,66,549	—
	(—)	(32,90,310)	(—)
IV Dividend paid during the year	27,23,535	—	—
	(18,15,690)	(—)	(—)
V Dividend received during the year	—	70,000	—
	(—)	(35,000)	(—)
VI Maintenance/ commitment/ charges received during the year	—	15,00,000	—
	(—)	(15,00,000)	(—)
VII Other expenses including reimbursements paid	16,22,571	—	—
	(4,98,579)	(—)	(—)
VIII Commission paid incl. Service Tax	26,57,671	—	—
	(21,30,507)	(—)	(—)
IX Commission Received incl. Service Tax	7,39,073	—	—
	(8,05,001)	(—)	(—)
X Outstanding receivables on current account	—	—	—
	(7,52,242)	(—)	(—)
XI Deposit Balance	—	37,00,000	—
	(—)	(37,00,000)	(—)
XII Sitting fees paid	—	—	28,500
	(—)	(—)	(33,000)
XIII Interest paid	33,41,396	—	—
	(12,70,630)	—	—
XIV Rent paid incl. Service Tax	4,44,268	—	—
	(4,44,658)	—	—
XV Reimbursement of Infrastructure & other expenses, etc.	19,06,846	—	—
	(19,09,764)	—	—
XVI Long Term Loan received	2,37,60,000	—	—
	(2,37,60,000)	(—)	(—)
XV Service Income incl. Service Tax	33,70,800	—	—
	(—)	(—)	(—)

NOTE: Figures in brackets indicate corresponding figures of previous year.

8. EARNING PER SHARE (AS-20)

	Current Year 2008-09 Rupees	Previous Year 2007-08 Rupees
a) Calculation of weighted average number of equity shares of Rs.10/- each		
Number of shares at the beginning of the year	22,50,000	15,00,000
Bonus Shares issued during the year	—	7,50,000
Total number of equity shares outstanding at the end of the year	22,50,000	22,50,000
b) Net profit after tax available for equity shareholders (Rupees)	68,75,902	94,34,592
c) Basic and Diluted Earning per share (Rupees)	3.06	4.19

9. DEFERRED TAXATION :

Break up of Deferred Tax Liability / Asset (Net) is as follows:-

	31.03.2009 Rs.	31.03.2008 Rs.
Tax on Difference between book depreciation and depreciation under Income Tax Act, 1961	(5,27,521)	2,58,757
Tax on Expenditure under Sec. 43B of the Income Tax Act, 1961	20,003	1,98,417
TOTAL – DEFERRED TAX ASSET / (LIABILITY)	(5,07,518)	457,174

10. IMPAIRMENT OF ASSETS :

At each balance Sheet date the company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets have suffered impairment loss. If any such indication exists the company estimates the recoverable amount of such assets. If recoverable amount of the assets or cash generating unit to which the assets belong is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and debited to the Profit and Loss account. If at the balance sheet date there is an indication of a previously assessed impairment loss no longer existing, then recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to maximum of depreciated historical cost.

11. Micro, Small and Medium Enterprises

The Company has initiated the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006. However based on the information available with the company there are no outstanding dues to such Micro, Small and Medium Enterprises.

12. CAPACITY, PRODUCTION AND SALES (AS CERTIFIED BY A DIRECTOR AND RELIED UPON BY THE AUDITORS)

A. MANUFACTURED GOODS

	Capacity installed (Per Annum)	Production Nos.	Sales	
			Nos.	Rupees
Pulley Blocks incl. EHB	4000	3343 (3380)	3343 (3380)	13,41,98,848 (10,95,90,115)
Elevating Trucks	600	9 (—)	9 (—)	79,530 (—)
Spares & Components for Pulley Blocks, etc.	—	—	—	1,28,07,795 (58,82,542)
Cranes	156	60 (76)	60 (76)	5,27,06,837 (4,13,69,237)
Bread Plants	10	—	—	—
Confectionery Dies	60	—	—	—
Spares & Components For Bread Plant, etc.	—	—	—	—
Bakery / Biscuit Machinery	50	—	—	—
Textile / Sugar Machinery Spares, etc.	Rs.10 lacs	—	—	—
Total Sales of Engineering Products as per Schedule I		3412 (3456)	3412 (3456)	19,97,93,010 (15,68,41,894)

Note: Figures in brackets indicate corresponding figures of previous year.

B. TRADING GOODS

	ENGINEERING PRODUCTS	
	QUANTITY	VALUE (RS.)
Opening Stock	—	—
	(—)	(—)
Purchases	Diverse Items	7,46,68,558 (5,83,19,917)
Sales	Diverse Items	7,62,05,864 (6,27,36,090)
Closing Stock	—	—
	(—)	(—)

13. (I) Raw Materials Consumed :

	2008-2009		2007-2008	
	QTY.	VALUE	QTY.	VALUE
	M.T.	Rs.	M.T.	Rs.
(a) Steel	631.93	2,79,15,842	381.36	1,60,17,315
(b) Non-Ferrous	—	—	—	—
TOTAL	631.93	2,79,15,842	381.36	1,60,17,315

(ii) Value of imported and indigenous Raw Materials consumed and percentage thereof to total value of consumption.

	IMPORTED		INDIGENOUS		TOTAL VALUE	
	2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Value	--	--	27915842	16017315	27915842	16017315
Percentage	--	--	100	100	100	100

14. SPARE PARTS AND COMPONENTS CONSUMED:

Value of imported and indigenous Spare Parts and Components consumed and percentage thereof to total value of consumption:

	IMPORTED		INDIGENOUS		TOTAL VALUE	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Value	Nil	Nil	93367095	65046976	93367095	65046976
Percentage	Nil	Nil	100	100	100	100

15. STOCKS OF GOODS PRODUCED :

	OPENING		CLOSING	
	QTY.	VALUE	QTY.	VALUE
	Nos	Rs.	Nos.	Rs.
(a) Pulley Blocks	—	—	—	—
(b) Cranes	—	—	—	—
(c) Other Spare Parts & Accessories	—	—	—	—
(d) Scrap	—	—	—	—
TOTAL	—	—	—	—

16. Remittance in foreign currency on account of Dividend Rs.2,08,800/- (Previous Year Rs.1,39,200/-)

	31.03.2009	31.03.2008
	Rs.	Rs.
17. C.I.F. Value of Imports of Trading Goods	—	—
18. Expenditure & Earning in Foreign Exchange:		
(a) Expenditure on Travelling	43,728	—
(b) Earning (FOB) value of Exports	—	46,02,867
19. Previous Year's figures have been regrouped wherever necessary to make them comparable with Current Year.		
20. Balance Sheet Abstract and Company's General Business Profile:		
I. Registration Details :		
Registration No.		4729
State Code No.		11
Balance Sheet Date		31st March, 2009
II. Capital raised during the year (Amount in Thousands of Rupees)		
Public Issue		Nil
Rights Issue		Nil
Bonus Issue		Nil
Private Placement		Nil
III. Position of Mobilisation and Deployment of Funds (Amount in Thousand of Rupees)		
Total Liabilities		154625
Total Assets		154625
SOURCES OF FUNDS :		
Paid-up Capital		22500
Reserves and Surplus		27762
Secured Loans		74773
Unsecured Loans		29082
Deferred Tax Liability		508
Total		154625
APPLICATION OF FUNDS :		
Net Fixed Assets		111993
Investments		628
Net Current Assets		41859
Deferred Tax Asset		---
Miscellaneous Expenditure		145
Accumulated Losses		---
Total		154625
IV. Performance of the Company : (Amount in Thousand of Rupees)		Rs.
Turnover (including other Income)		2,99,596
Total Expenditure		2,87,849
Profit before Tax		11,747
Profit after Tax (including Fringe Benefit Tax)		6,876
Earnings per share in Rs.		3.06
Dividend Rate (%)		15

V. Generic Names of Principal Products / Services of the Company

(a) Item Code No. (ITC Code)		8425.00
Product Description		Pulley Blocks
(b) Item Code No. (ITC Code)		8431.00
Product Description	Spares & Components of Pulley Blocks	
(c) Item Code No. (ITC Code)		8,438.00
Product Description	Bakery / Biscuit Machinery	

Signature to Schedules 'A' to 'P'

As per our attached report of even date

For and on behalf of

C.L.DALAL & CO.

Chartered Accountants

R.C.JAIN

Partner

Membership No.5180

Mumbai : 27th July, 2009

For and on behalf of the Board

Pavan G.Morarka Chairman

K.D.Shah Director

Mumbai : 27th July, 2009

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2009

		Rs. in Lakhs	
		As at 31-03-2009	As at 31-03-2008
A. CASH FLOW FROM OPERATING ACTIVITIES			
		117.48	146.25
	Net Profit before Tax & Extraordinary items (i)		
	Add/(Less)Adjustments for:		
	Depreciation	75.18	56.72
	Dividend / Interest Received	(3.80)	(2.49)
	(Profit)/Loss on sale of Fixed Assets	0.22	(0.09)
	Interest paid	99.02	63.96
	Sub - Total (ii)	170.62	118.10
	Operating Profit before Working Capital changes (i) + (ii)	288.10	264.35
	Trade & Other Receivables	(507.21)	(142.83)
	Inventories	(483.85)	(250.02)
	Other Current Assets	0.64	11.81
	Loans & Advances	59.30	(166.47)
	Trade Payables & other liabilities	1171.25	242.01
	CASH GENERATED FROM OPERATIONS	240.13	(305.50)
	Interest Paid	(99.02)	(63.96)
	Direct taxes Paid	(22.16)	(42.08)
	Decr. In Misc Exp	0.51	(1.74)
	Cash flow before Extra ordinary items (a+b+c)	(120.67)	(107.78)
	Prior Period items(Net)	407.56	(148.93)
	Net Cash generated from/(used) in operating activities	4.78	(2.82)
		412.34	(151.75)
B. CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase of Fixed Assets	(475.29)	(251.60)
	Sale of Fixed Assets	---	0.45
	Purchase of Investments	---	---
	Dividend / Interest Received	3.80	2.49
	Net Cash generated from/(used in) Investing activities	(471.49)	(248.66)
C. CASH FLOW FROM FINANCING ACTIVITIES			
	Proceeds from/Repayment of long term borrowings (Net)	24.25	396.77
	Security & Other Deposits	1.35	---
	Dividend Paid (including Dividend tax)	(39.49)	(26.32)
	Net Cash generated from/(used in) Financing activities	(15.24)	370.45
	Net (decrease)/increase in cash& cash equivalents	(74.39)	(29.96)
	Cash & Cash equivalent		
	At the beginning of the year		
	Cash & Bank balances	51.50	21.23
	Bank Overdraft	(286.71)	(226.48)
		(235.21)	(205.25)
	At the end of the year		
	Cash & Bank balances	48.37	51.50
	Bank Overdraft	(357.97)	(286.71)
		(309.60)	(235.21)
	Increase (decrease) in Cash & Cash equivalent	74.39	29.96
	Cash and Cash equivalent represents Cash and Bank Balances and Overdrafts.		

Signature to Schedules 'A' to 'P'

As per our attached report of even date

For and on behalf of

C.L.DALAL & CO.

Chartered Accountants

R.C.JAIN

Partner

Membership No.5180

Mumbai : 27th July, 2009

For and on behalf of the Board

Pavan G. Morarka Chairman**K.D.Shah** Director

Mumbai : 27th July, 2009

BRADY & MORRIS ENGINEERING CO. LTD.

ATTENDANCE SLIP

Registered Office:

Brady House, 12/14, Veer Nariman Road, Fort, Mumbai-400 001.

I/We hereby record my/our presence at the SIXTY THIRD ANNUAL GENERAL MEETING of the Company on Saturday, 19th September, 2009 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.

(IN BLOCK LETTERS)

NAME OF THE SHAREHOLDER/PROXY :
SIGNATURE OF THE SHAREHOLDER/PROXY :

Ledger Folio No. DP ID No. Client ID No.

No. of shares held

Note : Please complete the attendance slip and hand it over at the Entrance of the Meeting Hall.



BRADY & MORRIS ENGINEERING CO. LTD.

PROXY FORM

Registered Office:

Brady House, 12/14, Veer Nariman Road, Fort, Mumbai-400 001.

Ledger Folio No. DP ID No. Client ID No.

I/We of .

..... being a Member/Members of

BRADY & MORRIS ENGINEERING CO. LTD. hereby appoint

..... (or failing him/her)

..... (or failing him/her)

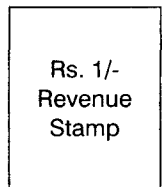
..... as my/our Proxy to attend and vote for me/us and on my behalf at

the SIXTY THIRD ANNUAL GENERAL MEETING of the Company to be held on Saturday, 19th September, 2009 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, and at any adjournment thereof.

Signed this day of 2009.



Signed by the said

NOTE: This Proxy Form in order to be effective should be duly stamped and completed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.



BOOK POST

if undelivered please return to :

Brady & Morris Engineering Co. Ltd.

Brady House

12/14 Veer Nariman Road,

Fort, Mumbai - 400 001

www.bradys.in