



**BRADY & MORRIS ENGINEERING COMPANY LIMITED**

## BRADY & MORRIS ENGG. CO. LTD.

### BOARD OF DIRECTORS

**MR. PAVAN G. MORARKA** Chairman

**MR. KAUSHIK D. SHAH**

**MR. VAIBHAV MORARKA** Executive Director

**MR. RAJENDER K. SHARMA**

**MR. CYRUS VACHHA**

**MR. SUMIT BANERJEE**

**MS. URVASHI SHAH**

### COMPANY SECRETARY & COMPLIANCE OFFICER

MS. KHUSHBU DESAI

Company Secretary of Holding Co. (M/s W. H. Brady & Co. Ltd.)

### 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 400 001.

Tel : 22048361-5 | Fax : 22041855

Email : bradys@mtnl.net.in

Website: www.bradymorris.in

CIN : L29150MH1946PLC004729

### WORKS

1. GIDC Industrial Estate  
Vatva, Ahmedabad - 382 445
2. Bareja, Sarsa Patia Village, District Kheda

### REGISTRAR & SHARE TRANSFER AGENTS

BIGSHARE SERVICES PVT. LTD.

E-2/3, Ansa Industrial Estate,

Sakivihar Road, Saki Naka, Andheri (E),

Mumbai - 400 072.

Tel: 2847 0652 / 4043 0200

Email: info@bigshareonline.com

| CONTENTS                        | PAGE |
|---------------------------------|------|
| Notice                          | 2    |
| Directors' Report & Annexures   | 9    |
| Auditors' Report                | 34   |
| Balance Sheet                   | 40   |
| Profit & Loss Account           | 41   |
| Cash Flow Statement             | 42   |
| Significant Accounting Policies | 44   |
| Notes 1 to 30                   | 46   |
| Attendance Slip / Proxy Form    | 61   |

**NOTICE**

**NOTICE** is hereby given that the 70th Annual General Meeting (AGM) of the Members of Brady & Morris Engineering Company Limited will be held on Friday, 12th August, 2016 at 11.00 a.m. at Maharashtra Chambers of Commerce Trust, Babasaheb Dhanukar Sabhagriha, Oricon House, 6th Floor, 12, K Dubash Marg, Fort, Mumbai 400 001 to transact, with or without modification(s) the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statement for the Financial Year ended March 31, 2016 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Ms. Urvashi Shah who retires from office by rotation and being eligible offers herself for re-appointment.
3. To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**.

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and all other relevant provisions of the Companies Act, 2013 and the Rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of M/s. C. L. Dalal & Co., Chartered Accountants, Mumbai (Firm Registration Number 102026W with the Institute of Chartered Accountants of India), as Auditors of the Company, by resolution passed at the 68th AGM until the conclusion of 71st AGM, be and is hereby ratified for Financial Year 2016-17 and accordingly they continue to hold office from the conclusion of the 70th AGM until the conclusion of the 71st AGM on such remuneration as may be agreed upon by the Audit Committee/ Board of Directors in consultation with the Auditors.”

**SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Cyrus Vachha (DIN: 06722644), be and is hereby reappointed as an Independent Director of the Company for a period of five years with effect from 1st April, 2016 till 31st March, 2021 & who is not liable to retire by rotation.”

5. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Sumit Banerjee (DIN: 00213826), be and is hereby reappointed as an Independent Director of the Company for a period of five years with effect from 1st April, 2016 till 31st March, 2021 & who is not liable to retire by rotation.”

6. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and in terms of applicable provisions of SEBI (LODR) Regulations, 2015, (including any statutory modification(s) or enactment thereof for the time being in force), and also pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed in their respective meetings, the approval of the Company be and is hereby accorded to the Material Related Party Transactions as entered by the company for the Financial Year 2016-17 for a value of ₹ 50 Crores as per details as set out under Item no. 6 of the Explanatory Statement annexed to this Notice and that the Board of Directors be and are hereby authorized to perform and execute all such deeds, matters and things including delegation of such authority as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto.”

**Registered Office:**

Brady House,  
12-14, Veer Nariman Road,  
Fort, Mumbai - 400 001.  
May 20, 2016.

For and on behalf of the Board  
**Brady & Morris Engg. Co. Ltd.**

**PAVAN G. MORARKA**  
(DIN : 00174796)  
Chairperson

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY 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 FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The business set out in the Notice may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No.19.
3. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
4. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
7. The Register of Members and the Share Transfer Books of the Company will remain closed from **8th August, 2016 till 12th August, 2016** (both days inclusive).
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar /Company
9. Pursuant to the provision of Section 205(A) of the Companies Act, 1956 (which is still applicable as the relevant Sections under the Companies Act, 2013 are yet to be notified), 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 are as below:

| Sr. No. | Year ended | Date of Declaration | Due date of transfer to IEPF |
|---------|------------|---------------------|------------------------------|
| 1.      | 31.03.2009 | 19.09.2009          | 18.10.2016                   |
| 2.      | 31.03.2010 | 18.09.2010          | 17.10.2017                   |
| 3.      | 31.03.2011 | 12.08.2011          | 11.09.2018                   |
| 4.      | 31.03.2012 | 29.09.2012          | 28.10.2019                   |

10. 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.
11. 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.
12. The Shares of the Company are listed on BSE Limited, Mumbai.

13. 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 Registrar & Share Transfer Agent for early disposal at the address as given below.
  - b. Members holding Shares in physical form and or in dematerialised 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 their office situated at E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri [East], MUMBAI - 400 072 Tel: 022 2847 0652 / 4043 0200 e-mail : info@bigshareonline.com or to their Depository Participants.
14. Relevant documents referred to in the Notice and in the Explanatory Statements 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. upto the date of the Annual General Meeting.
15. 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.
16. 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.
17. 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.
18. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

**19. SHAREHOLDER INSTRUCTIONS FOR E-VOTING**

- (i) Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI Listing Regulations, the Company will be providing members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Securities Limited (CDSL). The detailed procedure to be followed in this regard has been given below. The members are requested to go through procedure carefully.
- (ii) The Board of Directors of the Company has appointed Mr. Mahesh Soni, Partner, GMJ & Associates, Company Secretaries, Mumbai as Scrutinizer to scrutinise the e-voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- (iii) The members who have not casted their votes through e-voting shall be able to vote through Ballot Papers at the Meeting.
- (iv) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- (v) The Company has engaged the services of Central Depository Services Limited (CDSL) as the Agency to provide e voting facility.
- (vi) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. **5th August, 2016**.
- (vii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. **5th August, 2016** only shall be entitled to avail the facility of e-voting / remote e voting.
- (viii) The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairperson. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company ([www.bradymorris.in](http://www.bradymorris.in)) and on the website of CDSL <https://www.evotingindia.com> and shall simultaneously be communicated to the Stock Exchange.
- (ix) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, held on **August 12, 2016**.
- (x) The instructions for shareholders voting electronically are as under:

The voting period begins 9.00 a.m. (IST) on 9th August, 2016 and ends at 5.00 p.m. (IST) on 11th August, 2016. During

this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut off date (record date) of **5th August, 2016** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- (ii) Click on “Shareholders” tab
- (iii) Now, select the “**BRADY AND MORRIS ENGINEERING COMPANY LIMITED**” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any other Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:
- (viii) After entering these details appropriately, click on “**SUBMIT**” tab.

|                       | For Members holding shares in Demat Form and Physical Form  |
|-----------------------|---|
| PAN*                  | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>• In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul> |
| DOB#                  | Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.   |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.<br>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.  |

- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for **BRADY AND MORRIS ENGINEERING COMPANY LIMITED**.
- (xii) On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “YES/NO” for voting. Select the option **YES** or **NO** as desired. The option **YES** implies that you assent to the Resolution and option **NO** implies that you dissent to the Resolution.
- (xiii) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.

- (xiv) After selecting the resolution you have decided to vote on, click on “**SUBMIT**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “**OK**”, else to change your vote, click on “**CANCEL**” and accordingly modify your vote.
- (xv) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “**Click here to print**” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non Individual Shareholders and Custodians
- Non Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help Section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**Registered Office:**

Brady House,  
12-14, Veer Nariman Road,  
Fort, Mumbai - 400 001.  
May 20, 2016.

For and on behalf of the Board  
**Brady & Morris Engg. Co. Ltd.**

**PAVAN G. MORARKA**  
(DIN : 00174796)  
Chairperson

## ANNEXURE TO THE NOTICE

### Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013.

#### Item No. 4:

The Board of Directors at their meeting held on February 03, 2016 on the recommendation of the Nomination and Remuneration Committee re-appointed Mr. Cyrus Vachha (DIN: 06722644) as an Independent Director in terms of Section 149 , 152 and other applicable provisions, if any, of the Companies Act, 2013 to renew the term of appointment to five years.

Mr. Cyrus Vachha fulfils the conditions specified in the Act and the rules there under and he is independent of the management. Mr. Cyrus Vachha is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

The Board of Directors propose the appointment of Mr. Cyrus Vachha as an Independent Director of the Company and recommend the Special Resolution as set out in Item No. 4 of the Notice for the approval of the members at the ensuing AGM.

#### Item No. 5:

The Board of Directors at their meeting held on February 03, 2016 on the recommendation of the Nomination and Remuneration Committee re-appointed Mr. Sumit Banerjee (DIN: 00213826) as an Independent Director in terms of Section 149 , 152 and other applicable provisions, if any, of the Companies Act, 2013 to renew the term of appointment to five years.

Mr. Sumit Banerjee fulfils the conditions specified in the Act and the rules there under and he is independent of the management. Mr. Sumit Banerjee is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

The Board of Directors propose the appointment of Mr. Sumit Banerjee as an Independent Director of the Company and recommend the Special Resolution as set out in Item No. 5 of the Notice for the approval of the members at the ensuing AGM.

A brief profile of Mr. Sumit Banerjee & Mr. Cyrus Vachha, Independent Directors, including nature of their expertise, is provided hereunder.

#### Directors Profile:

| Name of the Director  | Mr. Sumit Banerjee   | Mr. Cyrus Vachha   |
|---|--|--|
| Date of Appointment   | 10/05/2014   | 10/05/2014   |
| Expertise in Specific Functional Area   | General Management & Corporate Governance  | Banking and Internal Audit Professional  |
| Qualification   | Post Graduate F.I.E  | Bachelor of Arts in Economics  |
| Director in Other Private/Public Limited Companies/Firms                            | Nil  | Tata Trustee Company Limited   |
| Membership of Committees in other Private/Public Limited Companies                  | 1. Member, Board of Governors, IIM-Lucknow<br>2. Invited Member, Managing Committee of Bombay Chamber of Commerce & Industries | 1.Tata Trustee Company Limited - Audit Committee<br>2. Advisory Board, Motilal Oswal Private Equity Fund |
| No. of Shares Held in the Company as on 31.03.2016 (Face Value of ₹ 10/- per share) | Nil  | Nil  |

**Item No. 6 :**

As per Regulation 23 of Listing Regulations (effective from December 1, 2015) transactions with a related party shall be considered material if the transaction/transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds 10 (ten) percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company and shall require approval of the shareholders through resolution in General Meeting. Accordingly transactions with M/s W. H. Brady & Company Limited (a 'Related Party' as defined under Section 2 (76) of Companies Act, 2013 and Regulation 2 (zb) of the Listing Regulations) has been placed before the Members for their approval by way of Ordinary Resolution.

The particulars of the contracts / arrangements / transactions are as under:

|  |  |
|--|--|
| <b>Name of the Related Party</b>   | W. H. Brady & Co. Ltd.   |
| <b>Nature of Relationship</b>  | Holding  |
| <b>Name of Director(s) or Key Managerial</b>   | Mr. Pavan G. Morarka & Mr. Vaibhav Morarka   |
| <b>Nature and Particulars of transactions</b>  | Sale of goods & materials.   |
| <b>Material terms of the Contracts/Arrangement/Transactions</b>                        | The transactions are in the ordinary course of business and on arm's length basis. |
| <b>Duration of these Related Party Transactions</b>                                    | These transactions are on-going depending upon the needs of business.              |
| <b>Value of Related Party Transaction for the financial year 2016-17</b>               | Aggregate amount of ₹ 50 Crores annually.  |
| <b>Any other information relevant or important for the Members to make a decision.</b> | None   |

**Registered Office:**

Brady House,  
 12-14, Veer Nariman Road,  
 Fort, Mumbai - 400 001.  
 May 20, 2016.

For and on behalf of the Board  
**Brady & Morris Engg. Co. Ltd.**

**PAVAN G. MORARKA**  
 (DIN : 00174796)  
 Chairperson

## DIRECTORS' REPORT

TO,  
THE MEMBERS

Your Directors take pleasure in presenting the 70th Annual Report on the business and operations of your Company together with the Audited Accounts for the year ended 31st March, 2016.

### 1. FINANCIAL RESULTS:

#### HIGHLIGHTS :

|  | <b>2015-2016</b>   | 2014-2015            |
|--|--------------------|----------------------|
|  | (₹ in Lacs)        | (₹ in Lacs)          |
| a) Gross Turnover  | <u>3,616.26</u>    | <u>3,266.74</u>      |
| b) Operating Profit /(Loss) before interest and Depreciation | <u>247.29</u>      | 224.63               |
| c) Less: Interest  | <u>124.92</u>      | <u>119.40</u>        |
| d) Profit / (Loss) before Depreciation                       | <u>122.37</u>      | 105.23               |
| e) Less: Depreciation  | <u>107.88</u>      | <u>119.72</u>        |
| f) Profit / (Loss) before exceptional item                   | <u>14.49</u>       | (14.49)              |
| g) Less : exceptional item                                   | -                  | -                    |
| Profit /(Loss) before tax                                    | <u>14.49</u>       | (14.49)              |
| Less: Tax for the Year                                       |                    |                      |
| (i) Deferred   | -                  | -                    |
| (ii) Excess Provision of Taxes Earlier Years                 | <u>(5.86)</u>      | -                    |
| Sub - total  | <u>(5.86)</u>      | -                    |
| h) Profit / (Loss) after tax                                 | <u>20.35</u>       | (14.49)              |
| i) Add / (Less): Prior Year's adjustment                     | -                  | -                    |
| j) Profit / (Loss) for the year                              | <u>20.35</u>       | (14.49)              |
| k) Add: Balance brought forward from the previous year       | <u>(288.59)</u>    | (254.12)             |
| l) Add: Transfer from General Reserve                        | -                  | -                    |
| m) Less: Adjustment due to change in depreciation            | -                  | <u>(19.98)</u>       |
| n) Profit /(Loss) available for Appropriations               | <u>(268.24)</u>    | <u>(288.59)</u>      |
| Balance carried to Balance Sheet                             | <u>(268.24)</u>    | <u>(288.59)</u>      |
| <b>EPS</b>   | <u><u>0.90</u></u> | <u><u>(0.64)</u></u> |

**HIGHLIGHTS FOR LAST THREE YEARS :**

(₹ in Lacs)

| Particulars                                 | 2015-16  | 2014-15  | 2013-14  |
|---|----------|----------|----------|
| Total revenue                               | 3,616.26 | 3,266.74 | 3,491.05 |
| Profit before depreciation and amortization | 122.37   | 105.23   | 363.04   |
| Depreciation and amortization               | 107.88   | 119.72   | 105.16   |
| Profit before exceptional items & tax       | 14.49    | (14.49)  | 257.88   |
| Exceptional items                           | -        | -        | 160.52   |
| Profit before tax                           | 14.49    | (14.49)  | 97.36    |
| Tax expense                                 | (5.86)   | -        | -        |
| Net profit after tax                        | 20.35    | (14.49)  | 97.36    |
| Equity shares                               | 2250000  | 2250000  | 2250000  |
| EPS   | 0.90     | (0.64)   | 4.33     |

**2. DIVIDEND:**

In view of the carried forward losses, your Directors express their inability to recommend any dividend for the year ended 31st March, 2016.

**3. SHARE CAPITAL OF THE COMPANY:**

The Paid up Equity Share Capital, as at 31st March, 2016 was ₹ 22,25,00,000/- divided into 22,50,000 Equity shares, having face value of ₹ 10/- each fully paid up and 2,00,00,000, 7% Redeemable Non Cumulative Non Convertible Preference Shares having face value of ₹ 10/- each fully paid up.

The Company has issued 1,25,00,000, 7% Redeemable Non Cumulative Non Convertible Preference Shares of ₹ 10/- each during the FY 2015-16.

During the year under review, the Company has not issued any shares with differential voting rights nor granted any stock options or sweat equity.

**4. WORKING RESULTS:**

Despite the Infrastructure Industry still going through difficult times, your Company has managed to improve the gross turnover as compared to the previous year and has made a small profit before tax of ₹ 14.49 Lakhs against losses in the previous year.

**5. FUTURE OUTLOOK:**

As informed in the previous year, the Company is continuously taking steps to improve the design of its existing products, introduce new products and expand the dealership network. The company has been successful in bringing down the costs and improving its margin.

The Company hopes to do better in the current year.

**6. SUBSIDIARIES, ASSOCIATE COMPANIES & JOINT VENTURES:**

The Company does not have any Subsidiary, Associate Companies or Joint Ventures.

**7. BOARD OF DIRECTORS:**

In accordance with the provisions of Section 152 of the Companies Act 2013 and the Articles of Association of the Company, Ms. Urvashi Shah, Director of the Company, retires by rotation at the forthcoming AGM and being eligible offers herself for re-appointment.

Mr. Cyrus Vachha & Mr. Sumit Banerjee Independent Directors of the Company are being re-appointed for a term of 5 (five) years.

8. **DECLARATION BY INDEPENDENT DIRECTOR (S)**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

9. **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors Confirm;

- (a) that in the preparation of the Annual Accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures, if any;
- (b) that 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 and loss of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act 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;
- (e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. **KEY MANAGERIAL PERSONNEL:**

The Company has the following Key Managerial Personnel:

| Sr. No. | Name of the KMP           | Designation  |
|---------|---------------------------|--|
| 1       | Vaibhav Morarka           | Executive / Whole Time Director  |
| *2.     | Mr. Rajender Kumar Sharma | Chief Financial Officer  |
| **3.    | Ms. Khushbu Desai         | Company Secretary & Compliance Officer of the Holding Company, M/s. W. H. Brady & Co. Ltd. |

\* \*Appointed from 5th December, 2015.

\* Appointed from 6th November, 2015.

Mr. Rajendra Kumar Pandey, CFO Resigned from 1st August, 2015

11. **BOARD EVALUATION:**

The Company's Board of Directors are dedicated to act in good faith; in the best interest of the company and its stakeholders. With an aim to maintain a proactive and effective Board, the Board is committed to a continuing process of recommending and laying down the criteria to evaluate the performance of the entire Board of the Company.

Some of the specific issues on which performance of the Board, Individual Directors & its Committees as per their policies & parameters were discussed at the meeting held on February 03, 2016:

| Sr.No. | Assessment Criteria  |
|--------|--|
| 1      | Attendance, participations in the Meetings and timely inputs on the minutes of the meetings  |
| 2      | Contribution towards growth of the Company including actual vis-a-vis budgeted performance.  |
| 3      | Leadership initiative, like new ideas and planning towards growth of the Company and steps initiated towards Branding of the Products of the Company |
| 4      | Adherence to ethical standards & code of conduct of Company  |
| 5      | Team work attributes and supervising & training of staff members   |
| 6      | Compliance with policies, Reporting of frauds, violation etc. and disclosure of interest   |
| 7      | Safeguarding of interest of whistle blowers under vigil mechanism and Safeguard of confidential information  |

12. **NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:**

The details of the number of meetings of the Board held during the Financial Year 2015-2016 forms a part of the Voluntary Corporate Governance Report.

13. **AUDIT COMMITTEE:**

The Audit Committee as on March 31, 2016 comprises of the following Independent and Executive Directors:

Mr. Kaushik D. Shah, Mr. Cyrus Vachha & Mr. Vaibhav Morarka as members.

Further, all recommendations of Audit Committee were accepted by the Board of Directors. Other details about the Audit Committee and other Committees of the Board are provided in the Voluntary Corporate Governance Report forming part of this Annual Report.

14. **REMUNERATION & NOMINATION POLICY:**

The Company has been following well laid down policy on appointment and remuneration of Directors, KMP and Senior Management personnel. The appointment of Directors is made pursuant to the recommendation of Nomination and Remuneration Committee (NRC).

The remuneration of Executive Directors comprises of Basic Salary and Perquisites & follows applicable requirements of the Companies Act, 2013. Approval of shareholders for payment of remuneration to Executive Directors is sought, from time to time. The remuneration of Non-Executive Directors comprises of sitting fees in accordance with the provisions of Companies Act, 2013 and reimbursement of expenses incurred in connection with attending the Board meetings, Committee meetings, General Meetings and in relation to the business of the Company.

15. **VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Company has a Vigil Mechanism / Whistle Blower policy to report genuine concerns, grievances, frauds and mismanagements, if any. The Vigil Mechanism /Whistle Blower policy has been posted on the website of the Company ([www.bradyandmorris.in](http://www.bradyandmorris.in)).

16. **PREVENTION OF SEXUAL HARASSMENT:**

The Company has constituted an Internal Complaint Committee as required under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. During the year under review, no complaints were reported.

17. **FIXED DEPOSITS:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The Company has not granted Loans or given any guarantees during the financial year 2015-16 but the investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

**19. EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in form MGT-9, as required under Section 92 of the Companies Act, 2013, is included in this Report as **Annexure 'A'** and forms an integral part of this Report.

**20. RELATED PARTY TRANSACTIONS :**

All Related Party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. All the Related Party Transactions are placed before the Audit Committee and also to the Board for their approval in accordance with the Related Party Transactions Policy of the Company. The disclosure in Form **AOC-2** is given as per **Annexure 'B'**.

**21. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The provisions of Section 135 of the Companies Act, 2013 read with the Rules made thereunder, in respect of Corporate Social Responsibility Policy were not applicable to the Company for the Financial Year 2015-16.

**22. CODE OF CONDUCT:**

Your Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and highest standards of business ethics. In recognition thereof, the Board of Directors has implemented a Code of Conduct for adherence by the Directors, Senior Management Personnel and Employees of the Company. This will help in dealing with ethical issues and also foster a culture of accountability and integrity. The Code has been posted on the Company's website [www.bradymorris.in](http://www.bradymorris.in). All the Board Members and Senior Management Personnel have confirmed compliance with the Code.

**23. APPOINTMENT OF AUDITORS:**

M/s. C. L. Dalal & Co., Chartered Accountants, were appointed as the Statutory Auditors of the Company at the AGM held on 27th September, 2014 to hold office until the conclusion of the 71st AGM, are recommended for ratification of appointment for the Financial Year 2016-17. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from M/s. C. L. Dalal & Co., Chartered Accountants that their appointment, if made, would be in conformity with the limits specified in the said Section.

**24. SECRETARIAL AUDIT:**

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, the Company has appointed M/s. GMJ & Associates, Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as **Annexure 'C'** and forms an integral part to this Report.

**25. AUDITOR'S REPORT/ SECRETARIAL AUDIT REPORT:**

The Auditors Report & the Secretarial Audit Report for the year ended 31/03/2016 do not contain any qualification, reservation or adverse remark.

**26. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined by the Audit Committee. To maintain its objectivity and independence, the Internal Audit function reports to the Chairperson of the Audit Committee of the Board of Directors. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the report of internal audit function, the Company undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

**27. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in **Annexure 'D'** to this Report.

28. **ENVIRONMENT HEALTH AND SAFETY:**

The Company is aware of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances, environmental regulations and preservation of natural resources at its Factory.

29. **RISK MANAGEMENT POLICY:**

The Company has a Risk Management Policy with the Objective to formalize the process of Identification of Potential risk and adopt appropriate risk mitigation measures through a risk management structure. The Policy is a step by the Company towards strengthening the existing internal controls and updating the same as may be required from time to time.

30. **PARTICULARS OF EMPLOYEES:**

The information required pursuant to Section 197 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure 'E'** to this Report.

None of the employees of the Company fall within the purview of the information required under Section 197 read with rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the financial year.

31. **DEPOSITORY SERVICES:**

The Company's Equity Shares have been admitted to the depository mechanism of the National Securities Depository Limited (NSDL) and also the Central Depository Services Limited (CDSL). As a result the investors have an option to hold the shares of the Company in a dematerialized form in either of the two Depositories. The Company has been allotted ISIN No. INE856A01017.

Shareholders' therefore are requested to take full benefit of the same and lodge their holdings with Depository Participants [DPs] with whom they have their Demat Accounts for getting their holdings in electronic form.

32. **CORPORATE GOVERNANCE:**

The Regulation 34(3) of SEBI (LODR) Regulation, 2015 is not applicable to the Company for the Financial Year 2015-16, but your 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 voluntarily is attached as **Annexure 'F'** to the Directors' Report.

33. **LISTING:**

The Shares of the Company are listed on BSE Limited, Mumbai and the Company has paid Listing Fees for the year 2015-2016.

34. **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant / material orders passed by the Regulators or courts or Tribunals impacting the going concern status of your Company and its operations in future.

35. **INSURANCE:**

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

36. **ACKNOWLEDGEMENT:**

The Directors wish to convey their appreciation to the Company's shareholders, customers, suppliers, bankers and distributors for the support they have given to the Company and the confidence, which they have reposed in its management and the employees for the commitment and dedication shown by them.

**Registered Office:**

Brady House,  
12-14, Veer Nariman Road,  
Fort, Mumbai - 400 001.  
May 20, 2016.

For and on behalf of the Board  
**Brady & Morris Engg. Co. Ltd.**

**PAVAN G. MORARKA**  
(DIN : 00174796)  
Chairperson

**ANNEXURE 'A' TO BOARD REPORT**  
**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED 31.03.2016**

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

|  |  |
|--|--|
| i) CIN:-   | L29150MH1946PLC004729  |
| ii) Registration Date:-  | 7th January, 1946  |
| iii) Name of the Company:-   | BRADY AND MORRIS ENGINEERING COMPANY LIMITED   |
| iv) Category / Sub-Category of the Company:-                                   | COMPANY LIMITED BY SHARES AND INDIAN NON GOVERNMENT COMPANY  |
| v) Address of the Registered office and contact details:-                      | BRADY HOUSE 12-14 VEER NARIMAN ROAD, FORT, MUMBAI :- 400 001 Tel No. 022-22048361; Fax no. 022-22041855  |
| vi) Whether listed company   | YES  |
| vii) Name, Address and Contact details of Registrar and Transfer Agent, if any | M/S. BIGSHARE SERVICES PRIVATE LIMITED<br>E- 2/3, Ansa Industrial Estate,<br>Saki Vihar Road, Saki Naka, Andheri [East],<br>MUMBAI - 400 072<br>Tel: 022 2847 0652 / 4043 0200<br>Email: info@bigshareonline.com |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1       | MANUFACTURING OF MATERIAL HANDLING EQUIPMENTS    | 28162                            | 99.53                              |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

| Sr. No. | NAME AND ADDRESS OF THE COMPANY  | CIN/GLN               | HOLDING/ SUBSIDIARY/ ASSOCIATE | % of shares held | Applicable Section |
|---------|--|-----------------------|--------------------------------|------------------|--------------------|
| 1       | W H BRADY AND COMPANY LIMITED<br>ADDRESS : BRADY HOUSE, 12-14 VEER NARIMAN ROAD, FORT, MUMBAI :- 400 001 | L17110MH1913PLC000367 | HOLDING                        | 72.50%           | 2 (46)             |

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**A) Category-wise Share Holding**

| Category of Shareholders           | No. of Shares held at the beginning of the year |          |           |                   | No. of Shares held at the end of the year |          |           |                   | % Change during the year |
|------------------------------------|---|----------|-----------|-------------------|---|----------|-----------|-------------------|--------------------------|
|                                    | Demat   | Physical | Total     | Total % of Shares | Demat                                     | Physical | Total     | % of Total Shares |                          |
| <b>A. Promoter's</b>               |   |          |           |                   |   |          |           |                   |                          |
| <b>(1) Indian</b>                  |   |          |           |                   |   |          |           |                   |                          |
| a) Individual/ HUF                 | 23,700  | -        | 23,700    | 1.05              | 23,700                                    | -        | 23,700    | 1.05              | -                        |
| b) Central/State Govt              | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| c) Bodies Corp.                    | 1,635,651                                       | -        | 1,635,651 | 72.70             | 1,635,651                                 | -        | 1,635,651 | 72.70             | -                        |
| d) Banks / FI                      | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| e) Any Other                       | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| i) Directors Relatives             |   |          |           |                   |   |          |           |                   |                          |
| ii) Group Companies                |   |          |           |                   |   |          |           |                   |                          |
| iii) Trusts                        |   |          |           |                   |   |          |           |                   |                          |
| Sub-total (A) (1):-                | 1,659,351                                       | -        | 1,659,351 | 73.75             | 1,659,351                                 | -        | 1,659,351 | 73.75             | -                        |
|                                    |   |          |           |                   |   |          |           |                   |                          |
| <b>(2) Foreign</b>                 |   |          |           |                   |   |          |           |                   |                          |
| a) NRIs - Individuals              | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| b) Other – Individuals             | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| c) Bodies Corp.                    | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| d) Banks / FI                      | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| e) Qualified Foreign Investor      |   |          |           |                   |   |          |           |                   |                          |
| f) Any Other                       | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| Sub-total (A) (2):-                | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
|                                    |   |          |           |                   |   |          |           |                   |                          |
| Total shareholding of Promoter     |   |          |           |                   |   |          |           |                   |                          |
| (A) = (A)(1)+(A)(2)                | 1,659,351                                       | -        | 1,659,351 | 73.75             | 1,659,351                                 | -        | 1,659,351 | 73.75             | -                        |
|                                    |   |          |           |                   |   |          |           |                   |                          |
| <b>B. Public Shareholding</b>      |   |          |           |                   |   |          |           |                   |                          |
| <b>1. Institutions</b>             |   |          |           |                   |   |          |           |                   |                          |
| a) Mutual Funds                    | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| b) Banks / FI                      | 900   | -        | 900       | 0.04              | 900                                       | -        | 900       | 0.04              | -                        |
| c) Central/ State Govt             | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| d) Venture Capital Funds           | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| e) Insurance Companies             | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| f) FIs                             | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| g) Foreign Venture Capital Funds   | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| h) Qualified Foreign Investor      |   |          |           |                   |   |          |           |                   |                          |
| i) Others (specify)                | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| Sub-total (B)(1):-                 | 900   | -        | 900       | 0.04              | 900                                       | -        | 900       | 0.04              | -                        |
|                                    |   |          |           |                   |   |          |           |                   |                          |
| <b>2. Non- Institutions</b>        |   |          |           |                   |   |          |           |                   |                          |
| a) Bodies Corp.                    | 178,377   | 450      | 178,827   | 7.95              | 178,012                                   | 450      | 178,462   | 7.93              | (0.02)                   |
| i) Indian                          | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| ii) Overseas                       | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| b) Individual shareholders holding |   |          |           |                   |   |          |           |                   |                          |
| i) upto ₹ 1 lakh                   | 147,422   | 78,583   | 226,005   | 10.04             | 148,657                                   | 77,763   | 226,420   | 10.06             | 0.02                     |
| ii) excess of ₹ 1 lakh             | 42,077  | -        | 42,077    | 1.87              | 41,573                                    | -        | 41,573    | 1.85              | (0.02)                   |
| c) Qualified Foreign Investor      |   |          |           | -                 |   |          |           | -                 | -                        |
| d) Any Other (Specify)             |   |          |           |                   |   |          |           |                   | -                        |

## 70<sup>th</sup> Annual Report 2015-2016

| Category of Shareholders                               | No. of Shares held at the beginning of the year |          |           |                   | No. of Shares held at the end of the year |          |           |                   | % Change during the year |
|--|---|----------|-----------|-------------------|---|----------|-----------|-------------------|--------------------------|
|  | Demat   | Physical | Total     | Total % of Shares | Demat                                     | Physical | Total     | % of Total Shares |                          |
| i) Trusts  | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| ii) Clearing Member                                    | 145   | -        | 145       | 0.01              | 792                                       | -        | 792       | 0.04              | 0.03                     |
| iii) Directive Relatives                               | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| iv) Employee   | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| v) Non Resident Indian (NRI)                           | 1,545   | 1,950    | 3,495     | 0.16              | 2,852                                     | 450      | 3,302     | 0.15              | -                        |
| vi) Overseas Bodies Corporates                         | 139,200   | -        | 139,200   | 6.19              | 139,200                                   | -        | 139,200   | 6.19              | -                        |
| vii) Unclaimed Suspence Account                        | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
| Sub-total (B)(2):-                                     | 508,766   | 80,983   | 589,749   | 26.00             | 511,086                                   | 78,663   | 589,749   | 26.21             | -                        |
|  |   |          |           |                   |   |          |           |                   |                          |
|  |   |          |           |                   |   |          |           |                   |                          |
| Total shareholding of Public Shareholding              |   |          |           |                   |   |          |           |                   |                          |
| (B) = (B)(1) + (B)(2)                                  | 509,666   | 80,983   | 590,649   | 26.25             | 511,986                                   | 78,663   | 590,649   | 26.25             | -                        |
|  |   |          |           |                   |   |          |           |                   |                          |
|  |   |          |           |                   |   |          |           |                   |                          |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b> | -   | -        | -         | -                 | -   | -        | -         | -                 | -                        |
|  |   |          |           |                   |   |          |           |                   |                          |
| Grand Total (A + B + C)                                | 2,169,017                                       | 80,983   | 2,250,000 | 100.00            | 2,171,337                                 | 78,663   | 2,250,000 | 100.00            | -                        |

**B) Shareholding of Promoters**

| Sr. No. | Shareholder's Name     | Shareholding at the beginning of the year |                                  |  | Share holding at the end of the year |                                  |  | % change in share holding during the year |
|---------|------------------------|---|----------------------------------|--|--------------------------------------|----------------------------------|--|---|
|         |                        | No. of Shares                             | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares                        | % of total Shares of the company | % of Shares Pledged / encumbered to total shares |   |
| 1       | W H BRADY & CO LTD     | 1,631,151                                 | 72.50                            | -  | 1,631,151                            | 72.50                            | -  | -   |
| 2       | PAVAN G MORARKA        | 22,500                                    | 1.00                             | -  | 22,500                               | 1.00                             | -  | -   |
| 3       | SHIVUM HOLDING PVT LTD | 4,500                                     | 0.20                             | -  | 4,500                                | 0.20                             | -  | -   |
| 4       | VAIBHAV MORARKA        | 600                                       | 0.03                             | -  | 600                                  | 0.03                             | -  | -   |
| 5       | RACHNA MORARKA         | 600                                       | 0.03                             | -  | 600                                  | 0.03                             | -  | -   |
|         | Total                  | 1,659,351                                 | 73.75                            |  | 1,659,351                            | 73.75                            |  |   |

**C) Change in Promoters Shareholding**

| Sr. No. |  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|--|---|----------------------------------|---|----------------------------------|
|         |  | No. of Shares                             | % of total Shares of the company | No. of Shares                           | % of total Shares of the company |
|         | At the beginning of the year   | 1,659,351                                 | 73.75                            | 1,659,351                               | 73.75                            |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc. | -   | -                                | -                                       | -                                |
|         | At the End of the year   | 1,659,351                                 | 73.75                            | 1,659,351                               | 73.75                            |

## D) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| Sr. No. | Name                             | Shareholding   |                                  | Date      | Increasing / Decreasing in shareholding | Reason   | Cumulative Shareholding during the year (01-04-15 to 31-03-16) |                                  |
|---------|----------------------------------|--|----------------------------------|-----------|---|----------|--|----------------------------------|
|         |                                  | No. of Shares at the beginning (01-04-2015) / end of the year (31-03-2016) | % of total Shares of the company |           |   |          | No. of Shares  | % of total Shares of the company |
| 1       | TRANSPARENT AGRO PRIVATE LIMITED | 157,500  | 7.00                             | 31-Mar-15 | 0                                       |          | 157,500  | 7.00                             |
|         |                                  | 157,500  | 7.00                             | 31-Mar-16 | 0                                       |          | 157,500  | 7.00                             |
| 2       | MORRIS MATERIAL HANDLING LIMITED | 139,200  | 6.19                             | 31-Mar-15 | 0                                       |          | 139,200  | 6.19                             |
|         |                                  | 139,200  | 6.19                             | 31-Mar-16 | 0                                       |          | 139,200  | 6.19                             |
| 3       | HIMATLAL LAXMICHAND PVT LTD      | 16,320   | 0.73                             | 31-Mar-15 | 0                                       |          | 16,320   | 0.73                             |
|         |                                  | 16,320   | 0.73                             | 31-Mar-16 | 0                                       |          | 16,320   | 0.73                             |
| 4       | JIGNA KANAYALAL SHAH             | 15,504   | 0.69                             | 31-Mar-15 | 0                                       |          | 15,504   | 0.69                             |
|         |                                  | 15,000   | 0.67                             | 31-Mar-16 | 0                                       |          | 15,000   | 0.67                             |
| 5       | LINCOLN P COELHO                 | 15,000   | 0.67                             | 31-Mar-15 | 0                                       |          | 15,000   | 0.67                             |
|         |                                  | 15,000   | 0.67                             | 31-Mar-16 | 0                                       |          | 15,000   | 0.67                             |
| 6       | VINAY R SOMANI                   | 4,519  | 0.20                             | 31-Mar-15 | 0                                       |          | 4,519  | 0.20                             |
|         |                                  |  | 0.21                             | 10-Apr-15 | 100                                     | Purchase | 4,619  | 0.21                             |
|         |                                  |  | 0.20                             | 17-Apr-15 | -190                                    | Sell     | 4,429  | 0.20                             |
|         |                                  |  | 0.18                             | 24-Apr-15 | -400                                    | Sell     | 4,029  | 0.18                             |
|         |                                  |  | 0.17                             | 1-May-15  | -100                                    | Sell     | 3,929  | 0.17                             |
|         |                                  |  | 0.18                             | 22-May-15 | 150                                     | Purchase | 4,079  | 0.18                             |
|         |                                  |  | 0.19                             | 29-May-15 | 150                                     | Purchase | 4,229  | 0.19                             |
|         |                                  |  | 0.21                             | 5-Jun-15  | 409                                     | Purchase | 4,638  | 0.21                             |
|         |                                  |  | 0.26                             | 12-Jun-15 | 1289                                    | Purchase | 5,927  | 0.26                             |
|         |                                  |  | 0.26                             | 19-Jun-15 | 25                                      | Purchase | 5,952  | 0.26                             |
|         |                                  |  | 0.28                             | 26-Jun-15 | 360                                     | Purchase | 6,312  | 0.28                             |
|         |                                  |  | 0.29                             | 3-Jul-15  | 269                                     | Purchase | 6,581  | 0.29                             |
|         |                                  |  | 0.29                             | 10-Jul-15 | 45                                      | Purchase | 6,626  | 0.29                             |
|         |                                  |  | 0.31                             | 17-Jul-15 | 304                                     | Purchase | 6,930  | 0.31                             |
|         |                                  |  | 0.31                             | 24-Jul-15 | 100                                     | Purchase | 7,030  | 0.31                             |
|         |                                  |  | 0.32                             | 31-Jul-15 | 120                                     | Purchase | 7,150  | 0.32                             |
|         |                                  |  | 0.32                             | 7-Aug-15  | 2                                       | Purchase | 7,152  | 0.32                             |
|         |                                  |  | 0.33                             | 21-Aug-15 | 350                                     | Purchase | 7,502  | 0.33                             |
|         |                                  |  | 0.35                             | 28-Aug-15 | 356                                     | Purchase | 7,858  | 0.35                             |
|         |                                  |  | 0.35                             | 4-Sep-15  | 100                                     | Purchase | 7,958  | 0.35                             |
|         |                                  |  | 0.39                             | 11-Sep-15 | 743                                     | Purchase | 8,701  | 0.39                             |
|         |                                  |  | 0.38                             | 18-Sep-15 | -148                                    | Sell     | 8,553  | 0.38                             |
|         |                                  |  | 0.38                             | 21-Sep-15 | -30                                     | Sell     | 8,523  | 0.38                             |
|         |                                  |  | 0.36                             | 25-Sep-15 | -370                                    | Sell     | 8,153  | 0.36                             |
|         |                                  |  | 0.36                             | 23-Oct-15 | 1                                       | Purchase | 8,154  | 0.36                             |
|         |                                  |  | 0.39                             | 31-Dec-15 | 600                                     | Purchase | 8,754  | 0.39                             |
|         |                                  |  | 0.39                             | 8-Jan-16  | 100                                     | Purchase | 8,854  | 0.39                             |
|         | 0.41                             | 15-Jan-16  | 414                              | Purchase  | 9,268                                   | 0.41     |  |                                  |
|         | 0.43                             | 22-Jan-16  | 300                              | Purchase  | 9,568                                   | 0.43     |  |                                  |
|         | 0.44                             | 29-Jan-16  | 300                              | Purchase  | 9,868                                   | 0.44     |  |                                  |
|         | 0.45                             | 5-Feb-16   | 200                              | Purchase  | 10,068                                  | 0.45     |  |                                  |
|         | 0.45                             | 12-Feb-16  | 15                               | Purchase  | 10,083                                  | 0.45     |  |                                  |
|         | 0.54                             | 19-Feb-16  | 1970                             | Purchase  | 12,053                                  | 0.54     |  |                                  |
|         | 0.55                             | 4-Mar-16   | 347                              | Purchase  | 12,400                                  | 0.55     |  |                                  |
|         | 0.56                             | 11-Mar-16  | 254                              | Purchase  | 12,654                                  | 0.56     |  |                                  |
|         | 0.60                             | 18-Mar-16  | 746                              | Purchase  | 13,400                                  | 0.60     |  |                                  |
|         | 0.60                             | 25-Mar-16  | 153                              | Purchase  | 13,553                                  | 0.60     |  |                                  |
|         | 0.60                             | 31-Mar-16  | 50                               | Purchase  | 13,603                                  | 0.60     |  |                                  |
|         |                                  | 13,603   | 0.60                             | 31-Mar-16 | 0                                       |          | 13,603   | 0.60                             |
| 7       | PUSHPA SUBHASH CHANDWANI         | 11,573   | 0.51                             | 31-Mar-15 | 0                                       |          | 11,573   | 0.51                             |
|         |                                  | 11,573   | 0.51                             | 31-Mar-16 | 0                                       |          | 11,573   | 0.51                             |
| 8       | ROSHNAK MARZBAN DHANBHOORA       | 7,350  | 0.33                             | 31-Mar-15 | 0                                       |          | 7,350  | 0.33                             |
|         |                                  | 7,350  | 0.33                             | 31-Mar-16 | 0                                       |          | 7,350  | 0.33                             |
| 9       | KOKILA RAJNIKANT MANIAR          | 5,490  | 0.24                             | 31-Mar-15 | 0                                       |          | 5,490  | 0.24                             |
|         |                                  | 5,490  | 0.24                             | 31-Mar-16 | 0                                       |          | 5,490  | 0.24                             |
| 10      | HITESH RAMJI JAVERI              | 4,000  | 0.18                             | 31-Mar-15 | 0                                       |          | 4,000  | 0.18                             |
|         |                                  | 4,000  | 0.18                             | 31-Mar-16 | 0                                       |          | 4,000  | 0.18                             |

**E) Shareholding of Directors and Key Managerial Personnel:**

| Sr. No. | Name                                 | Shareholding   |                                  | Date   | Increasing / Decreasing in shareholding | Reason | Cumulative Shareholding during the year (01-04-15 to 31-03-16) |                                  |
|---------|--------------------------------------|--|----------------------------------|--------|---|--------|--|----------------------------------|
|         |                                      | No. of Shares at the beginning (01-04-2015) / end of the year (31-03-2016) | % of total Shares of the company |        |   |        | No. of Shares  | % of total Shares of the company |
| 1       | PAVAN MORARKA (Chairperson)          | 22,500<br>22,500   | 1.00<br>1.00                     | -<br>- | -<br>-                                  | -<br>- | 22,500<br>22,500   | 1.00<br>1.00                     |
| 2       | VAIBHAV MORARKA (Executive Director) | 600<br>600   | 0.03<br>0.03                     | -<br>- | -<br>-                                  | -<br>- | 600<br>600   | 0.03<br>0.03                     |
| 3       | R K SHARMA (Director)                | 600<br>600   | 0.03<br>0.03                     | -<br>- | -<br>-                                  | -<br>- | 600<br>600   | 0.03<br>0.03                     |

**V. INDEBTEDNESS**
**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

|  | Secured Loans excluding deposits | Unsecured Loans  | Deposits         | Total Indebtedness   |
|--|----------------------------------|------------------|------------------|----------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                  |                  |                      |
| i) Principal Amount  | 230,950,997                      | 6,800,000        | 1,986,450        | 239,737,447          |
| ii) Interest due but not paid                              | -                                | -                | -                | -                    |
| iii) Interest accrued but not due                          | -                                | -                | -                | -                    |
| <b>Total (i+ii+iii)</b>                                    | <b>230,950,997</b>               | <b>6,800,000</b> | <b>1,986,450</b> | <b>239,737,447</b>   |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                  |                  |                      |
| • Addition   | 647,189,986                      | 2,200,000        | 145,000          | 649,534,986          |
| • Reduction  | 778,905,789                      | 400,000          | 40,000           | 779,345,789          |
| <b>Net Change</b>  | <b>(131,715,803)</b>             | <b>1,800,000</b> | <b>105,000</b>   | <b>(129,810,803)</b> |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                  |                  |                      |
| i) Principal Amount  | 99,235,195                       | 8,600,000        | 2,091,450        | 109,926,645          |
| ii) Interest due but not paid                              | -                                | -                | -                | -                    |
| iii) Interest accrued but not due                          | -                                | -                | -                | -                    |
| <b>Total (i+ii+iii)</b>                                    | <b>99,235,195</b>                | <b>8,600,000</b> | <b>2,091,450</b> | <b>109,926,645</b>   |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| Sr. No. | Particulars of Remuneration   | Name of MD/WTD/ Manager<br>VAIBHAV MORARKA (Executive Director) | Total Amount |
|---------|---|---|--------------|
| 1       | Gross salary  |   |              |
|         | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 2,850,000   | 2,850,000    |
|         | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -   | -            |
|         | (c) Profits in lieu of salary under   | -   | -            |
| 2       | Stock Option  | -   | -            |
| 3       | Sweat Equity  | -   | -            |
| 4       | Commission as % of profit others, specify...  | -<br>-<br>-   | -<br>-<br>-  |
| 5       | Others, please specify  | -   | -            |
|         | Total (A)   | 2,850,000   | 2,850,000    |
|         | Ceiling as per the Act  | As per Schedule V of Companies Act, 2013                        |              |

**B. Remuneration to other directors:**

| Sr. No | Particulars of Remuneration                  | Name of the Director |                |              |               |              |              | Total     |
|--------|--|----------------------|----------------|--------------|---------------|--------------|--------------|-----------|
|        |  | K D SHAH             | SUMIT BANERJEE | CYRUS VACHHA | PAVAN MORARKA | R. K. SHARMA | URVASHI SHAH |           |
| 1      | Independent Directors                        |                      |                |              |               |              |              |           |
|        | • Fee for attending board committee meetings | 60,000               | 35,000         | 50,000       |               |              |              | 145,000   |
|        | • Commission                                 | -                    | -              | -            |               |              |              | -         |
|        | • Others, please specify                     | -                    | -              | -            |               |              |              | -         |
|        | Total (1)                                    | 60,000               | 35,000         | 50,000       |               |              |              | 145,000   |
| 2      | Other Non-Executive Directors                |                      |                |              |               |              |              |           |
|        | • Fee for attending board committee meetings |                      |                |              | 40,000        | 37,500       | 32,500       | 110,000   |
|        | • Commission                                 |                      |                |              | -             | -            | -            | -         |
|        | • Others, please specify                     |                      |                |              | -             | -            | -            | -         |
|        | Total (2)                                    |                      |                |              | 40,000        | 37,500       | 32,500       | 110,000   |
|        | Total (B) = (1 + 2)                          |                      |                |              |               |              |              | 255,000   |
|        | Total Managerial Remuneration (A + B)        |                      |                |              |               |              |              | 3,105,000 |
|        | Overall Ceiling as per the Act               | Not Applicable       |                |              |               |              |              |           |

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD : Not Applicable**

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There are no penalties/punishment/compounding of offences against Brady and Morris Engineering Company Limited and its Directors and officers for the year ended on 31st March, 2016

**ANNEXURE 'B' TO BOARD REPORT**
**Form No. AOC - 2**

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: Not Applicable

2. Details of contracts or arrangements or transactions at Arm's length basis:

| Sl No | Name (s) of the related party & nature of relationship | Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any (Values in Lacs) | Date of approval by the Board/ Shareholders                              | Amount paid as advances, if any (Values in Lacs) |
|-------|--|--|--|--|--|--|
| 1.    | M/s. W.H. Brady & Co. Ltd.<br><br>Holding Company      | Sale of goods & materials                      | Ongoing  | ₹ 949.49   | Board Meeting dated 13th August, 2015 and AGM dated 26th September ,2015 | NA   |

For and on behalf of the Board  
**Brady & Morris Engg. Co. Ltd.**

Place : Mumbai  
Date : May 20, 2016.

**PAVAN G. MORARKA**  
(DIN : 00174796)  
Chairperson

**ANNEXURE 'C' TO BOARD REPORT  
Form No. MR - 3**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**

**Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014)**

To,  
The Members,  
M/s. BRADY AND MORRIS ENGINEERING COMPANY LIMITED  
Brady House,  
12-14 Veer Nariman Road,  
Fort, Mumbai: - 400 001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. BRADY AND MORRIS ENGINEERING COMPANY LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 complied with the statutory provisions of the applicable Acts listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder and the applicable provisions of the Companies Act, 1956.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable.
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBIAct') viz.:
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15th May, 2015);
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **[Not applicable during the period of audit]**
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not applicable during the period of audit]**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not applicable during the period of audit]**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **[Not applicable during the period of audit]**
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: **[Not applicable during the period of audit]**

- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [**Not applicable during the period of audit**]

We further report that the Company has a compliance system in place and we have examined the relevant documents and records with respect to other Acts applicable to the Company, which are as under:

- i. The Factories Act, 1948.
- ii. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- iii. The Employees State Insurance Act, 1948.
- iv. The Payment of Bonus Act, 1965.
- v. The Payment of Gratuity Act, 1972.
- vi. The Air (Prevention and Control of Pollution) Act, 1981.
- vii. Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008.
- viii. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- ix. The Income Tax Act, 1961.
- x. The Sales Tax & VAT Act.
- xi. The Central Excise Act 1944.
- xii. Chapter V of the Finance Act, 1994.

We have also examined compliance with the applicable clauses of the Following:

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS 2) issued by The Institute of Company Secretaries of India and made effective 1st July, 2015.
- ii. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 made effective 1st December, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the Financial Year under review.

Adequate notices are given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting.

Majority decision is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **GMJ & ASSOCIATES**  
**Company Secretaries**

Sd/-

[SONIA CHETTIAR]

PARTNER

ACS: 27582 COP: 10130

PLACE: MUMBAI

DATE: MAY 20, 2016.

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

**ANNEXURE I**

**Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014)**

To,  
The Members,  
M/s. BRADY AND MORRIS ENGINEERING COMPANY LIMITED  
Brady House,  
12-14 Veer Nariman Road,  
Fort, Mumbai: - 400 001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **GMJ & ASSOCIATES**  
**Company Secretaries**  
Sd/-  
[SONIA CHETTIAR]  
PARTNER  
ACS: 27582 COP: 10130  
PLACE: MUMBAI  
DATE: MAY 20, 2016.

**ANNEXURE 'D' TO BOARD REPORT****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

Information as per **Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014** and forming part of the Directors' Report for the year 2015-2016.

**A. CONSERVATION OF ENERGY:**

- (i) The steps taken or impact on conservation of energy;  
During the year all possible measures were taken to ensure optimum conservation of electricity and fuel at the plants of the company. The company has been generating units by using DG sets, but the quantum is considerably low.
- (ii) The steps taken by the Company for utilising alternate sources of energy;  
Plans are being implemented for utilising alternate sources of energy.
- (iii) The capital investment on energy conservation equipment's;  
During the year the company has not made capital investment on energy conservation equipment's.

**B. TECHNOLOGY ABSORPTION:**

- (i) The efforts made towards technology absorption during the year under review are: NA
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution:- NA
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year- Nil
- (iv) During the year Company has incurred Nil R&D Expenditure.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

|                         |     |
|-------------------------|-----|
| Foreign Exchange outgo  | NIL |
| Foreign Exchange earned | NIL |

For and on behalf of the Board  
**Brady & Morris Engg. Co. Ltd.**

Place : Mumbai  
Date : May 20, 2016.

**PAVAN G. MORARKA**  
(DIN : 00174796)  
Chairperson

**ANNEXURE 'E' TO BOARD REPORT**

**Disclosure in the Board's Report under Rule 5 of Companies (Appointment & Remuneration) Rules, 2014**

1. The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2015-16.

| Director's Name | Ratio to median remuneration |
|-----------------|------------------------------|
| VAIBHAV MORARKA | 16.85 : 1                    |
| PAVAN MORARKA   | 0.24 : 1                     |
| K D SHAH        | 0.35 : 1                     |
| R K SHARMA      | 0.22 : 1                     |
| SUMIT BANERJEE  | 0.21 : 1                     |
| CYRUS VACHHA    | 0.30 : 1                     |
| URVASHI SHAH    | 0.19 : 1                     |

2. The Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any in the financial year 2015-16 compared to 2014-15 means part of the year.

| Director's/CFO/CEO/CS/MGR name | % age increase in remuneration |
|--------------------------------|--------------------------------|
| VAIBHAV MORARKA                | 64%                            |
| PAVAN MORARKA                  | 7%                             |
| K D SHAH                       | 41%                            |
| R K SHARMA                     | 0%                             |
| SUMIT BANERJEE                 | 27%                            |
| CYRUS VACHHA                   | 18%                            |
| URVASHI SHAH                   | 86%                            |
| R K SHARMA *                   | NA                             |
| KHUSHBU DESAI *                | NA                             |

3. Percentage increase in the median remuneration of employees in the financial year 2015-16 compared to 2014-15 :- 15.94%
4. Number of permanent employees on the rolls of the company :- 110 Employees as on 31-03-2016
5. Explanation on the relationship between average increase in remuneration and the company performance :-  
The Profitability of the co has increased during the year and the employees & Executive Director have been given annual increment.
6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company :-  
The Net Profit after tax is increased by ₹ 34.84 Lacs i.e. 240.44 % over previous year. The total remuneration of Key Managerial Personnel increased by 63.79% from ₹ 17.40 Lacs in 2014-15 to ₹ 28.50 Lacs in 2015-16.
7. Variation in

| Details   | 31.03.2016 | 31.03.2015 |
|---|------------|------------|
| Market Capitalization (51.30/48.40) (₹ in Lacs)   | 1,154.25   | 1,089.00   |
| Price Earning Ratio                               | 57.00      | (74.46)    |
| Percentage Increase/decrease of market quotations | 5.99       |            |
| Net worth of the Company (₹ in Lacs)              | (43.24)    | (63.59)    |

8. Average percentile increase in salaries of Employees other than managerial personnel : - 13.37%
9. Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company :-

| Name            | Remuneration for the years ended |            |              | Reason against performance of the Company |
|-----------------|----------------------------------|------------|--------------|---|
|                 | 31.03.2016                       | 31.03.2015 | % age Change |   |
| VAIBHAV MORARKA | 2,850,000                        | 1,740,000  | 64%          |   |
| R K SHARMA      | -                                |            |              |   |
| KHUSHBU DESAI   | -                                |            |              |   |

10. Key parameter for any variable component of remuneration availed by the Directors :- NA
11. Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year :- NA

**Note**

- 1) \* Remuneration to Mr. R K Sharma & Ms Khushbu Desai was paid from the Holding Company (W H Brady & Co Ltd)

For and on behalf of the Board  
**Brady & Morris Engg. Co. Ltd.**

Place : Mumbai  
Date : May 20, 2016

**PAVAN G. MORARKA**  
(DIN : 00174796)  
Chairperson

## ANNEXURE 'F' TO BOARD REPORT FOR THE YEAR ENDED MARCH 31, 2016 VOLUNTARY REPORT ON CORPORATE GOVERNANCE

Corporate Governance is the system by which Companies are directed and controlled by the management in the best interest of the Shareholders and others; ensuring greater transparency and better and timely financial reporting. Corporate Governance therefore generates long term economic value for its Shareholders.

Your Company believes that the implementation of Corporate Governance principles generates public confidence in the corporate system. With this belief, your Company has initiated significant measures for compliance with Corporate Governance.

### ➤ COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Brady & Morris Engineering Company Limited ("the Company") is committed to adhere to the corporate governance code as prescribed by the SEBI and Stock Exchange and has accordingly implemented various aspects of the code.

To implement the Corporate Governance practice, the Company has a well defined policy consisting of the following:

- Ensure that the Quality and frequency of Financial and Managerial Information's, which the Management shares with the Board, fully placed before the Board Members in control of the Company's affairs.
- Ensure that the Board exercises its Fiduciary responsibilities towards Shareowners and Creditors, thereby ensuring high accountability.
- Ensure that the extent to which the information is disclosed to present and potential investors is maximized.
- Ensure that the decision-making is transparent and documentary evidence is traceable through the minutes of the meetings of the Board/Committees thereof.
- Ensure that the Board, the Management, the Employees and all the other stakeholders are fully committed to maximizing long-term value to the shareowners and to the Company.
- Ensure that the core values of the Company are protected.

### ➤ BOARD OF DIRECTORS:

The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the shareholders are being served.

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 Meeting attended | Attendance at last AGM |
|------------------------|--------------------|---------------------|-------------------------------|------------------------|
| Mr. Pavan G. Morarka   | Chairperson        | 27/02/1985          | 5                             | YES                    |
| Mr. Vaibhav P. Morarka | Executive Director | 04/08/2012          | 5                             | YES                    |
| Mr. Kaushik D. Shah    | Director           | 19/05/1994          | 5                             | YES                    |
| Mr. Rajender Sharma    | Director           | 26/07/2013          | 5                             | YES                    |
| Mr. Sumit Banerjee     | Director           | 10/05/2014          | 4                             | YES                    |
| Mr. Cyrus Vachha       | Director           | 10/05/2014          | 4                             | YES                    |
| Ms. Urvashi D Shah     | Director           | 08/11/2014          | 4                             | YES                    |

During the financial year ended March 31, 2016, 5 [Five] Board Meetings were held on 09.05.2015, 13.08.2015, 26.09.2015, 06.11.2015 and 03.02.2016.

### INFORMATION SUPPLIED TO THE BOARD

The Board has complete access to all information available with the Company. The Board is provided with all information on the important matters affecting the working of the Company.

Among others, this includes:

- Annual operating plans and budgets and any updates.
- Quarterly results for the listed entity and its operating divisions or business segments.
- Minutes of meetings of Audit Committee and other Committees of the Board of Directors.
- The information on recruitment and remuneration of senior officers just below the level of Board of Directors, including

- appointment or removal of Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the listed entity, or substantial non-payment for goods sold by the listed entity.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the listed entity.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

#### **I. Board material distributed in advance**

The agenda and notes on agenda are circulated to the Directors, in advance, in the defined agenda format. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda.

#### **II. Recording Minutes of proceedings at Board and Committee meetings**

The draft minutes are circulated to all the members of the Board/ Board Committee for their comments. The minutes are entered in the Minutes Book within 30 days from conclusion of the meeting.

##### **➤ FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

Familiarization programme was conducted on February 03, 2016 for Independent Directors on the Board to enlighten them about, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc.

A presentation was given to the Independent Directors on the business strategy, performance and risks involved in the business of the Company, enabling them to have a good understanding of the Company & its various operations. The duties & responsibilities of the Independent Directors were explained to them, in order to have their views pertaining to the Company's affairs.

##### **➤ COMMITTEES OF BOARD:**

To focus effectively on the issues and ensure expedient resolution of the diverse matters, the Board has constituted a set of Committees of Independent Directors with specific terms of reference / scope. The committee operates as empowered agents of the Board. The inputs and details required for the decision is provided by the operating managers.

The Minutes of the Meeting of all Committees of the Board are placed before the Board for discussions / noting.

Details of the Committees of the Board and other related information are as follows:

##### **(a) AUDIT COMMITTEE:**

The Company has a qualified and independent Audit Committee comprising of three Directors. The broad terms of reference of the Audit Committee are in consonance with the provisions of Section 177 of the Companies Act, 2013. All the members have financial and accounting knowledge.

The Committee acts as a link between the Management, the Statutory Auditors and the Board of Directors of the Company. The Committee focuses its attention on monitoring the financial reporting system within the Company, considering Quarterly & Annual Financial Results of the Company and submitting its observations to the Board of Directors before its adoption by the Board, review of the internal audit report & internal control system, audit methodology and process, major accounting policies and practice, compliance with accounting standards. Committee also reviews the legal compliance reporting system.

Representative of the statutory auditors is always invited to attend these meetings.

The Committee met 4 times during the year on 09/05/2015, 13/08/2015, 06/11/2015 and 03/02/2016.

Attendance record at the meetings of the Audit Committee of Directors during Financial Year 2015-16:

The names of members of committee and their attendance are as follows:

| Name of the Members | Status      | No. of Meetings Attended |
|---------------------|-------------|--------------------------|
| Kaushik D. Shah     | Chairperson | 4                        |
| Vaibhav Morarka     | Member      | 4                        |
| Cyrus Vachha        | Member      | 4                        |

The Chairperson of the Committee was present at the Annual General Meeting held on 26/09/2015 to answer the shareholder's queries.

### (b) NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee currently comprises of Mr. Kaushik D. Shah, Independent Director as Chairperson of the Committee, Mr. Sumit Banerjee and Mr. Cyrus Vachha, Independent Directors of the Company as the members of the Committee.

All matters relating to review and approval of compensation payable to the executive and non-executive directors are considered by the Nomination and Remuneration Committee and necessary recommendations are made by the Committee to the Board for the approval within the overall limits approved by the Members and as per Schedule V to the Companies Act, 2013.

During the period under review, none of the Directors were paid any performance linked incentive. The Committee met on February 03, 2016 to review the performance of the Directors, both Non-Executive and Executive Directors, Senior Managerial Personnel including Key Managerial Personnel and adopted the Nomination and Remuneration Policy.

### (c) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Committee has been constituted to strengthen the investor relations and to inter-alia, resolve the grievances of security holders pertaining to transfer of shares, non- receipt of declared dividends, non-receipt of Annual Report, issues concerning dematerialization etc.

The Stakeholders Relationship Committee of the Company comprises of Mr. Kaushik D. Shah, Independent Director as Chairperson of the Committee, Mr. Pavan G. Morarka , Executive Chairman of the Board and Mr. Cyrus Vachha, Independent Director of the Company as the members of the Committee.

The Committee had met once during the year on 03/02/2016.

### GENERAL SHAREHOLDERS INFORMATION:

|                        |   |  |
|------------------------|---|--|
| ANNUAL GENERAL MEETING | : | 70th Annual General Meeting.   |
| DAY & DATE             | : | Friday, 12th August, 2016.   |
| TIME                   | : | 11.00 a.m.   |
| VENUE                  | : | Maharashtra Chamber of Commerce Trust,<br>Oricon House, 6th Floor, 12,<br>K. Dubhash Marg, Fort, Mumbai 400 001. |
| DATE OF BOOK CLOSURE   | : | 09/08/2016 to 12/08/2016 [Both days inclusive].  |

### SHARE TRANSFER SYSTEM:

Share Transfer Requests are received at the registered office of the Company as well as directly at RTAs office. RTA does the verification and processing of documents. In order to comply with the requirements of SEBI Circular Nos. CIR/MIRSD/8/2012 dated July 5, 2012 to effect transfer of shares within 15 days, 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 15 days.

**REGISTRAR AND SHARE TRANSFER AGENT:**
**M/S. BIGSHARE SERVICES PRIVATE LIMITED**

Unit : [ BRADY &amp; MORRIS ENGINEERING 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:**

BSE Limited, Mumbai.

|                                     |   |  |
|-------------------------------------|---|--|
| Scrip Name                          | : | BRADY & MORRIS ENGINEERING COMPANY LIMITED |
| Scrip Code                          | : | 505690.                                    |
| Electronic Mode                     | : | INE856A01017.                              |
| DEPOSITORY CONNECTIVITY             | : | NSDL and CDSL.                             |
| ISIN NO. FOR THE COMPANY'S SECURITY | : | INE856A01017.                              |

**DEMATERIALISATION OF SHARES:**

2169017 Shares representing 96.50% of total Equity Shares were held in dematerialised form with NSDL and CDSL as on March 31, 2016.

Members can hold shares in electronic forms 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  |
|----------------------|------------|------------|--|
| 31.03.2013           | 28.09.2013 | 11.30A.M   | Maharashtra Chamber of Commerce Trust, Oricon House, 6th Floor, 12, K. Dubhash Marg, Fort, Mumbai 400 001. |
| 31.03.2014           | 27.09.2014 | 11.00 A.M. | Maharashtra Chamber of Commerce Trust, Oricon House, 6th Floor, 12, K. Dubhash Marg, Fort, Mumbai 400 001. |
| 31.03.2015           | 26.09.2015 | 10.30 A.M. | Maharashtra Chamber of Commerce Trust, Oricon House, 6th Floor, 12, K. Dubhash Marg, Fort, Mumbai 400 001. |

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 website. Address of the website is [www.bradymorris.in](http://www.bradymorris.in)

**SHAREHOLDING PATTERN AS ON MARCH 31, 2016:**

| Category                       | No. Of shares held | % of shareholding |
|--------------------------------|--------------------|-------------------|
| Promoters                      | 1,659,351          | 73.75             |
| Financial Institutions / Banks | 900                | 0.04              |
| Private Bodies Corporate       | 178,462            | 7.93              |
| Indian Public                  | 268,785            | 11.95             |
| NRI/OCBs                       | 142,502            | 6.33              |
| <b>Total</b>                   | <b>2,250,000</b>   | <b>100</b>        |

**DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2016:**

| No. of Equity Shares held | No. of Shareholders | No. of Shares    | % of Equity Capital |
|---------------------------|---------------------|------------------|---------------------|
| Upto 500                  | 982                 | 113,526          | 5.05                |
| 501-1000                  | 48                  | 33,994           | 1.51                |
| 1001-5000                 | 37                  | 69,143           | 3.07                |
| 5001 to 10000             | 4                   | 25,093           | 1.11                |
| 10001 to above            | 8                   | 2,008,244        | 89.26               |
| <b>Total</b>              | <b>1,079</b>        | <b>2,250,000</b> | <b>100</b>          |

**ADDRESS FOR CORRESPONDENCE :**

**Ms. Khushbu Jayesh Desai**  
Company Secretary & Compliance Officer

**BRADY & MORRIS ENGINEERING COMPANY LIMITED**

Brady House,  
12-14, Veer Nariman Road,  
Fort, Mumbai - 400 001  
E-mail: [cs@bradys.in](mailto:cs@bradys.in)  
Telephone No. 022 - 22048361-5

**Registered Office:**

Brady House,  
12-14, Veer Nariman Road,  
Fort, Mumbai - 400 001.  
May 20, 2016.

For and on behalf of the Board  
**Brady & Morris Engg. Co. Ltd.**

**PAVAN G. MORARKA**  
(DIN : 00174796)  
Chairperson

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRADY & MORRIS ENGINEERING CO LTD

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Brady & Morris Engineering Company Limited ('the Company'), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements Refer Note 28 to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR AND ON BEHALF OF  
**C. L. DALAL & CO.,**  
Chartered Accountants  
Firm Regn. No. : 102026W

**R. C. JAIN**  
PARTNER  
Membership No.5180

May 20, 2016.  
Place : Mumbai

### **Annexure - A to the Auditors' Report**

**The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets. In accordance with this program, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory has been physically verified at reasonable intervals. No material discrepancies were noticed on such verification.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'), and therefore, the provisions of clauses (iii)(a), (iii)(b) & (iii)(c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, sales tax, duty of excise, service tax and value added tax have not been deposited by the Company on account of disputes:

| <b>Financial period to which it relates</b> | <b>Act</b>                 | <b>Nature of Dues</b> | <b>Forum where dispute is pending</b> | <b>Amount (₹ in lacs)</b> |
|---|----------------------------|-----------------------|---------------------------------------|---------------------------|
| F.Y. 2004-05                                | Central Sales Tax Act 1956 | Central Sales Tax     | Tribunal Ahmadabad                    | 4.50                      |
| F.Y. 2010-11                                | Central Sales Tax Act 1956 | Central Sales Tax     | Commissioner of Sales Tax Ahmadabad   | 9.34                      |

- (viii) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to a financial institution, government, bank or debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

FOR AND ON BEHALF OF  
**C. L. DALAL & CO.,**  
Chartered Accountants  
Firm Regn. No. : 102026W

**R. C. JAIN**  
PARTNER  
Membership No.5180

May 20, 2016.  
Place : Mumbai

## **Annexure - B to the Auditors' Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Brady & Morris Engineering Company Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable

detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR AND ON BEHALF OF  
**C. L. DALAL & CO.,**  
Chartered Accountants  
Firm Regn. No. : 102026W

**R. C. JAIN**  
PARTNER  
Membership No.5180

May 20, 2016.  
Place : Mumbai

**BALANCE SHEET AS AT 31ST MARCH, 2016**

(₹ in Lacs)

|                                | Note | As at 31st<br>March, 2016 |                 | As at 31st<br>March, 2015 |                 |
|--------------------------------|------|---------------------------|-----------------|---------------------------|-----------------|
| <b>EQUITY AND LIABILITIES</b>  |      |                           |                 |                           |                 |
| <b>Shareholders' funds</b>     |      |                           |                 |                           |                 |
| Share Capital                  | 1    | 2,225.00                  |                 | 975.00                    |                 |
| Reserves and Surplus           | 2    | (152.04)                  | 2,072.96        | (172.39)                  | 802.61          |
| <b>Non-Current Liabilities</b> |      |                           |                 |                           |                 |
| Long-term borrowings           | 3    | 134.17                    |                 | 92.67                     |                 |
| Other Long Term Liabilities    | 4    | 34.79                     |                 | 118.12                    |                 |
| Long Term Provisions           | 5    | 33.52                     | 202.48          | 28.54                     | 239.33          |
| <b>Current Liabilities</b>     |      |                           |                 |                           |                 |
| Short term borrowings          | 6    | 965.09                    |                 | 2,304.70                  |                 |
| Trade Payables                 | 7    | 917.00                    |                 | 912.13                    |                 |
| Other Current Liabilities      | 8    | 147.53                    |                 | 99.92                     |                 |
| Short Term Provisions          | 9    | 55.75                     | 2,085.37        | 53.29                     | 3,370.04        |
| <b>TOTAL</b>                   |      |                           | <b>4,360.81</b> |                           | <b>4,411.98</b> |
| <b>ASSETS</b>                  |      |                           |                 |                           |                 |
| <b>Non-Current Assets</b>      |      |                           |                 |                           |                 |
| Fixed assets                   | 10   |                           |                 |                           |                 |
| Tangible assets                |      | 1,116.26                  |                 | 1,144.08                  |                 |
| Intangible assets              |      | 1.84                      |                 | 2.17                      |                 |
| Capital work-in-progress       |      | 156.10                    | 1,274.20        | 105.90                    | 1,252.15        |
| Non-current investments        | 11   | 6.28                      |                 | 6.28                      |                 |
| Deferred tax Assets            | 12   | -                         |                 | -                         |                 |
| Long term loans and advances   | 13   | 58.39                     | 64.67           | 52.41                     | 58.69           |
| <b>Current assets</b>          |      |                           |                 |                           |                 |
| Inventories                    | 14   | 1,072.77                  |                 | 1,411.57                  |                 |
| Trade Receivables              | 15   | 1,678.75                  |                 | 1,342.28                  |                 |
| Cash and Bank balances         | 16   | 87.25                     |                 | 136.69                    |                 |
| Short Term Loans and Advances  | 17   | 177.02                    |                 | 204.83                    |                 |
| Other Current Assets           | 18   | 6.15                      | 3,021.94        | 5.77                      | 3,101.14        |
| <b>TOTAL</b>                   |      |                           | <b>4,360.81</b> |                           | <b>4,411.98</b> |

The significant accounting policies and notes form an integral part of these financial statements 1 to 30

As per our Attached Report of even date  
 For and on behalf of  
**C.L.DALAL & CO**  
 Chartered Accountants  
 Firm Regn. No. 102026W

The above Balance Sheet & Relevant  
 notes are authenticated by us  
 For and on behalf of the Board of Directors

**PAVAN G. MORARKA**  
 CHAIRMAN

**VAIBHAV MORARKA**  
 EXECUTIVE DIRECTOR

**K.D. SHAH**  
 DIRECTOR

**R.C.JAIN**  
 Partner  
 Membership No. 5180  
 Mumbai : May 20, 2016.

**R. K. SHARMA**  
 DIRECTOR / CHIEF FINANCIAL OFFICER

**KHUSHBU DESAI**  
 COMPANY SECRETARY

Mumbai : May 20, 2016.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lacs)

|   | Note | 2015-16         | 2014-15  |
|---|------|-----------------|----------|
| <b>REVENUE</b>  |      |                 |          |
| Revenue from Operations   | 19   | 3,599.23        | 3,235.06 |
| Other Income  | 20   | 17.03           | 31.68    |
| <b>Total Revenue</b>  |      | <b>3,616.26</b> | 3,266.74 |
| <b>Expenses:</b>  |      |                 |          |
| Cost of Materials Consumed  | 21   | 1,770.31        | 2,009.61 |
| Purchases of Stock-in-Trade   |      | 0.43            | 12.44    |
| Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade | 22   | 411.12          | (156.57) |
| Employee Benefits Expense   | 23   | 575.39          | 494.23   |
| Finance Costs   | 24   | 124.92          | 119.40   |
| Depreciation and Amortization Expense   | 10   | 107.88          | 119.72   |
| Other Expenses  | 25   | 611.72          | 682.40   |
| <b>Total Expenses</b>   |      | <b>3,601.77</b> | 3,281.23 |
| <b>Profit/ (Loss) before exceptional items and tax</b>                        |      | <b>14.49</b>    | (14.49)  |
| <b>Exceptional items</b>  |      | -               | -        |
| <b>Profit/(Loss) before tax</b>   |      | <b>14.49</b>    | (14.49)  |
| <b>Tax expense:</b>   |      |                 |          |
| Deferred tax  |      | -               | -        |
| Excess/Short Provision of Taxes for earlier year                              |      | (5.86)          | -        |
| <b>Profit/ (Loss) for the year</b>  |      | <b>20.35</b>    | (14.49)  |
| <b>Earnings per equity share of ₹ 10 each</b>                                 |      |                 |          |
| Basic   | 26   | 0.90            | (0.64)   |
| Diluted   |      | 0.90            | (0.64)   |

The significant accounting policies and notes form an integral part of these financial statements 1 to 30

As per our Attached Report of even date  
For and on behalf of  
**C.L.DALAL & CO**  
Chartered Accountants  
Firm Regn. No. 102026W

The above Profit & Loss Account & Relevant notes are authenticated by us  
For and on behalf of the Board of Directors

**PAVAN G. MORARKA**  
CHAIRMAN

**VAIBHAV MORARKA**  
EXECUTIVE DIRECTOR

**K.D. SHAH**  
DIRECTOR

**R.C.JAIN**  
Partner  
Membership No. 5180  
Mumbai : May 20, 2016.

**R. K. SHARMA**      **KHUSHBU DESAI**  
DIRECTOR / CHIEF FINANCIAL OFFICER      COMPANY SECRETARY

Mumbai : May 20, 2016.

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2016**

(₹ in Lacs)

|  |          | As at 31-03-2016 | As at 31-03-2015  |
|--|----------|------------------|-------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>          |          |                  |                   |
| Net Profit before Tax & Extraordinary items            |          | <u>20.35</u>     | <u>(14.72)</u>    |
| Add/(Less)Adjustments for:                             |          |                  |                   |
| Depreciation   | 107.88   |                  | 119.73            |
| Interest/Dividend Received                             | (14.68)  |                  | (21.47)           |
| (Profit)/Loss on sale of Fixed Assets                  | -        |                  | -                 |
| Interest paid  | 96.03    |                  | 91.12             |
| Sundry balances written back                           | (5.77)   |                  | (42.28)           |
|  |          | <u>183.46</u>    | <u>147.10</u>     |
| Operating Profit before Working Capital changes        | a        | <u>203.81</u>    | <u>132.38</u>     |
| Trade Receivables                                      | (336.48) |                  | (243.39)          |
| Inventories  | 338.80   |                  | (392.62)          |
| Loans & Advances & Other Current Assets                | 21.44    |                  | 7.24              |
| Trade Payables   | (0.89)   |                  | 314.47            |
| Other Current Liabilities and Provisions               | 95.78    |                  | <u>(1,271.59)</u> |
| <b>CASH GENERATED FROM OPERATIONS</b>                  | b        | <u>118.65</u>    | <u>(1,585.89)</u> |
| Interest Paid  | (96.03)  |                  | (91.12)           |
| Direct taxes Paid                                      | -        |                  | -                 |
|  | c        | <u>(96.03)</u>   | <u>(91.12)</u>    |
| Cash flow before Extra ordinary items (a+b+c)          |          | <u>226.43</u>    | <u>(1,544.63)</u> |
| Net Cash generated from/(used) in operating activities | A        | <u>226.43</u>    | <u>(1,544.63)</u> |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>          |          |                  |                   |
| Purchase of Fixed Assets                               |          | (242.46)         | (60.70)           |
| Interest/Dividend received                             |          | 14.68            | 21.47             |
| Net Cash generated from/(used) in Investing activities | B        | <u>(227.78)</u>  | <u>(39.23)</u>    |

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2016 (Contd.)**

(₹ in Lacs)

|   | As at 31-03-2016 | As at 31-03-2015 |
|---|------------------|------------------|
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>             |                  |                  |
| Proceeds from/Repayment long term borrowings              | (1,298.10)       | 1,626.45         |
| Increase in share capital                                 | 1,250.00         | -                |
| Dividend Paid (including Dividend tax)                    | -                | -                |
| Net Cash generated from/(used in) Financing activities    | (48.10)          | 1,626.45         |
| Net (decrease)/increase in cash & cash equivalents(A+B+C) | <u>(49.45)</u>   | <u>42.59</u>     |
| <b>Cash &amp; Cash equivalent</b>                         |                  |                  |
| At the beginning  |                  |                  |
| Cash & Bank balances                                      | <u>136.69</u>    | <u>94.10</u>     |
|   | <u>136.69</u>    | <u>94.10</u>     |
| At the end of the year                                    |                  |                  |
| Cash & Bank balances                                      | <u>87.24</u>     | <u>136.69</u>    |
|   | <u>87.24</u>     | <u>136.69</u>    |
| <b>Increase (decrease) in Cash &amp; Cash equivalent</b>  | <u>(49.45)</u>   | <u>42.59</u>     |

Cash and Cash equivalent represents Cash and Bank Balances and Overdrafts.

As per our Attached Report of even date  
For and on behalf of  
**C.L.DALAL & CO**  
Chartered Accountants  
Firm Regn. No. 102026W

The above Balance Sheet & Relevant  
notes are authenticated by us  
For and on behalf of the Board of Directors

**PAVAN G. MORARKA**  
CHAIRMAN

**VAIBHAV MORARKA**  
EXECUTIVE DIRECTOR

**K.D. SHAH**  
DIRECTOR

**R.C.JAIN**  
Partner  
Membership No. 5180  
Mumbai : May 20, 2016.

**R. K. SHARMA**  
DIRECTOR / CHIEF FINANCIAL OFFICER

**KHUSHBU DESAI**  
COMPANY SECRETARY

Mumbai : May 20, 2016.

**SIGNIFICANT ACCOUNTING POLICIES 31.03.2016****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 referred to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014.

**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 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) Depreciation is provided on the basis of useful lives as prescribed in Schedule II of Companies Act, 2013. Depreciation on additions during the year is provided on pro-rata basis. Depreciation is provided on deduction from assets in the year up to the date of deduction only.
- (c) Intangible assets are written off over a period of 10 years in ten equal installments.
- (d) 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 realizable, are stated at token value of ₹ 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. EMPLOYEE BENEFITS :**

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

**9. CONTINGENT LIABILITES :**

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

**10. 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.

**11. 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 or 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 or 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.

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**
**1 SHARE CAPITAL**

(₹ in Lacs)

|  | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|---------------------------|---------------------------|
| <b>Authorised</b>  |                           |                           |
| 50,00,000 Equity share of ₹ 10/- each  | 500.00                    | 500.00                    |
| 2,00,00,000 (1,00,00,000 Pref. Share Prev.Year)<br>7 % Redeemable Non-cumulative<br>non convertible Preference share of ₹ 10/- each              | 2,000.00                  | 1,000.00                  |
|  | <b>2,500.00</b>           | 1,500.00                  |
| <b>Issued, Subscribed &amp; Paid up</b>  |                           |                           |
| <b>Equity Share Capital</b>  |                           |                           |
| 22,50,000 Equity Shares of ₹ 10/- each fully paid up   | 225.00                    | 225.00                    |
| <b>Preference shares</b>   |                           |                           |
| 2,00,00,000 (75,00,000 Pref. Share in Prev. Year) 7%<br>Redeemable Non-cumulative non convertible<br>Preference Shares of ₹ 10/- each fully paid | 2,000.00                  | 750.00                    |
| <b>Total</b>   | <b>2,225.00</b>           | 975.00                    |

- 1.1 The reconciliation of the number of shares outstanding.
- 1.2 The Company has not issued any Equity Shares during the year.
- 1.3 The Company has issued 1,25,00,000 7% Redeemable Non-Cumulative non convertible pref. share of ₹ 10/- each during the year.
- 1.4 The details of Shareholders holding more than 5% shares:

| Name of the Shareholder      | As at 31st March, 2016 |              | As at 31st March, 2015 |              |
|------------------------------|------------------------|--------------|------------------------|--------------|
|                              | No. of Shares held     | % of Holding | No. of Shares held     | % of Holding |
| <b>Equity Share</b>          |                        |              |                        |              |
| W.H.Brady & Co Ltd           | 1,631,151              | 72.50        | 1,631,151              | 72.50        |
| Morris Material Handling Ltd | 139,200                | 6.19         | 139,200                | 6.19         |
| Transparent Agro Private Ltd | 157,500                | 7.00         | 157,500                | 7.00         |
| <b>Preference Share</b>      |                        |              |                        |              |
| W.H.Brady & Co Ltd           | 20,000,000             | 100.00       | 7,500,000              | 100.00       |

- 1.5 The Company has only one class of equity and preference shares having a par value of ₹10 per share. Each Equity Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

2 RESERVES & SURPLUS

(₹ in Lacs)

**Revaluation Reserve**

Opening Balance  
Add Current Year Transfer  
Less Transfer to Profit & Loss A/c  
Closing Balance

|  | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|---------------------------|---------------------------|
| Opening Balance  | 116.20                    | 116.20                    |
| Add Current Year Transfer  | -                         | -                         |
| Less Transfer to Profit & Loss A/c   | -                         | -                         |
| <b>Closing Balance</b>   | <b>116.20</b>             | <b>116.20</b>             |
| <b>Profit &amp; Loss Account</b>   |                           |                           |
| Opening balance  | (288.59)                  | (254.12)                  |
| Add: Net Profit/(Net Loss) For the current year  | 20.35                     | (14.49)                   |
| Less: Adjustment due to change in Depreciation as per Schedule II of Companies Act, 2013 | -                         | (19.98)                   |
| <b>Closing Balance</b>   | <b>(268.24)</b>           | <b>(288.59)</b>           |
| <b>Total</b>   | <b>(152.04)</b>           | <b>(172.39)</b>           |

3 LONG TERM BORROWINGS

(₹ in Lacs)

**Secured:**

Long term maturities of finance lease obligations  
(Vehicles Loans from Financial Institutions. Secured By Motor Vehicles)

Term Loan  
(Term Loan from Bank. Secured by Hyp.  
Of Asset created out of Term Loan).

**Unsecured:**

Inter Company Deposit  
From Related Parties  
From a Director

Other Deposite  
From a Director  
From Dealers

|   | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---|---------------------------|---------------------------|
| Long term maturities of finance lease obligations (Vehicles Loans from Financial Institutions. Secured By Motor Vehicles) | 1.66                      | 4.81                      |
| Term Loan (Term Loan from Bank. Secured by Hyp. Of Asset created out of Term Loan).                                       | 25.60                     | -                         |
| Inter Company Deposit From Related Parties  | 56.00                     | 36.00                     |
| Inter Company Deposit From a Director   | 30.00                     | 30.00                     |
| Other Deposite From a Director  | -                         | 2.00                      |
| Other Deposite From Dealers   | 20.91                     | 19.86                     |
| <b>Total</b>  | <b>134.17</b>             | <b>92.67</b>              |

3.1 Terms of Repayment of finance lease obligations

| Name of Institutions      | Instruments  | Repayment schedule |                        |                       |
|---------------------------|--------------|--------------------|------------------------|-----------------------|
|                           |              | Frequency          | Number of Installments | First installment due |
| Kotak Mahindra Prime Ltd- | Vehicle Loan | Monthly            | 36                     | 01/09/2014            |

3.2 Terms of Repayment of Term Loan

| Name of Institutions | Instruments | Repayment schedule |                        |                       |
|----------------------|-------------|--------------------|------------------------|-----------------------|
|                      |             | Frequency          | Number of Installments | First installment due |
| Union Bank of India  | Term Loan   | Monthly            | 60                     | 23/02/2017            |

3.3 The above Term Loan is secured by extention of first charge against commercial building at 414-senapati Bapat Marg, Lower Parel, Mumbai-400 013.

**4 OTHER LONG TERM LIABILITIES**

(₹ in Lacs)

|                                     | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|-------------------------------------|---------------------------|---------------------------|
| Trade Payables                      | -                         | -                         |
| Micro, Small and Medium Entreprises | -                         | -                         |
| Others                              | 33.32                     | 67.41                     |
| Trade Advances from Holding Company | -                         | 48.66                     |
| Unclaim Dividends                   | 1.47                      | 2.05                      |
| <b>Total</b>                        | <b>34.79</b>              | <b>118.12</b>             |

- 4.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under:

| Particulars  | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|---------------------------|---------------------------|
| Principal amount due and remaining unpaid                                | -                         | -                         |
| Interest due on above and the unpaid interest                            | -                         | -                         |
| Interest paid  | -                         | -                         |
| Payment made beyond the appointed day during the year                    | -                         | -                         |
| Interest due and payable for the period of delay                         | -                         | -                         |
| Interest accrued and remaining unpaid                                    | -                         | -                         |
| Amount of further interest remaining due and payable in succeeding years | -                         | -                         |

- 4.2 There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31st March, 2016

**5 LONG TERM PROVISIONS**

(₹ in Lacs)

|                                  | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|----------------------------------|---------------------------|---------------------------|
| Provision for employee benefits: |                           |                           |
| Leave Encashment                 | 7.33                      | 5.40                      |
| Gratuity                         | 26.19                     | 23.14                     |
| <b>Total</b>                     | <b>33.52</b>              | <b>28.54</b>              |

**6 SHORT TERM BORROWINGS**

(₹ in Lacs)

|  | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|---------------------------|---------------------------|
| <b>Secured</b>   |                           |                           |
| Cash Credit  | 961.09                    | 2,299.17                  |
| (Cash credit from Bank, against hypothecation of Raw materials, Stores, Spare parts, Finished goods and Work-in-progress)  |                           |                           |
| The above Cash Credit alongwith the other facilities of inland / foreign letter of credit, Guarantees, bill discounting and Term Loan aggregating to ₹ 2,438 lacs (Previous year ₹ 1,950 lacs) |                           |                           |
| Short term maturities of finance lease obligations   | 4.00                      | 5.53                      |
| <b>Total</b>   | <b>965.09</b>             | <b>2,304.70</b>           |

- 6.1 The above facilities are further collaterally secured against commercial building at 414, Senapati Bapat Marg, Lower Parel, Mumbai-400 013 by way of first charge on the prime and collateral security as mentioned above.

7 TRADE PAYABLES

(₹ in Lacs)

|                                     | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|-------------------------------------|---------------------------|---------------------------|
| Micro, Small and Medium Entreprises | -                         | -                         |
| Others                              | 917.00                    | 912.13                    |
| <b>Total</b>                        | <b>917.00</b>             | <b>912.13</b>             |

7.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under:

| Particulars  | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|---------------------------|---------------------------|
| Principal amount due and remaining unpaid                                | -                         | -                         |
| Interest due on above and the unpaid interest                            | -                         | -                         |
| Interest paid  | -                         | -                         |
| Payment made beyond the appointed day during the year                    | -                         | -                         |
| Interest due and payable for the period of delay                         | -                         | -                         |
| Interest accrued and remaining unpaid                                    | -                         | -                         |
| Amount of further interest remaining due and payable in succeeding years | -                         | -                         |

8 OTHER CURRENT LIABILITIES

(₹ in Lacs)

|                        | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|------------------------|---------------------------|---------------------------|
| Other Payables :       |                           |                           |
| Advance from Customers | 139.20                    | 95.29                     |
| Statutory dues         | 8.33                      | 4.63                      |
| <b>Total</b>           | <b>147.53</b>             | <b>99.92</b>              |

9 SHORT TERM PROVISIONS

(₹ in Lacs)

|                                 | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---------------------------------|---------------------------|---------------------------|
| Provision for employee benefits |                           |                           |
| Bonus Payable                   | 9.57                      | 8.66                      |
| Ex-gratia Payable               | 6.51                      | 4.70                      |
| Salary Payable                  | 6.07                      | 1.49                      |
| Leave Encashment                | 0.70                      | 0.50                      |
| Other operating expenses        | 32.90                     | 37.94                     |
| <b>Total</b>                    | <b>55.75</b>              | <b>53.29</b>              |

(₹ in Lacs)

| 10 FIXED ASSETS                       | Gross Block           |           |           |                        | Accumulated Depreciation |                        |                 |                        | Net Block              |                        |
|---------------------------------------|-----------------------|-----------|-----------|------------------------|--------------------------|------------------------|-----------------|------------------------|------------------------|------------------------|
|                                       | As at<br>1 April 2015 | Additions | Disposals | As at<br>31 March 2016 | As at<br>1 April 2015    | Depreciation<br>charge | On<br>Disposals | As at<br>31 March 2016 | As at<br>31 March 2016 | As at<br>31 March 2015 |
|                                       |                       |           |           |                        |                          |                        |                 |                        |                        |                        |
| <b>(a) Tangible Assets :</b>          |                       |           |           |                        |                          |                        |                 |                        |                        |                        |
| FREEHOLD LAND                         | 312.23                | -         | -         | 312.23                 | -                        | -                      | -               | -                      | 312.23                 | 312.23                 |
| LEASEHOLD LAND                        | 68.55                 | -         | -         | 68.55                  | -                        | -                      | -               | -                      | 68.55                  | 68.55                  |
| FACTORY BUILDING                      | 632.36                | 33.92     | -         | 666.28                 | 287.99                   | 33.91                  | -               | 321.90                 | 344.38                 | 344.37                 |
| OFFICE BUILDINGS                      | 360.81                | 9.49      | -         | 370.30                 | 172.52                   | 9.65                   | -               | 182.17                 | 188.13                 | 188.29                 |
| PLANT & MACHINERY                     | 347.29                | 16.29     | -         | 363.58                 | 215.18                   | 26.42                  | -               | 241.60                 | 121.98                 | 132.11                 |
| TOOLS & IMPLEMENTS                    | 12.83                 | 0.69      | -         | 13.52                  | 10.59                    | 0.60                   | -               | 11.19                  | 2.33                   | 2.24                   |
| DIES                                  | 11.58                 | -         | -         | 11.58                  | 4.13                     | 1.35                   | -               | 5.48                   | 6.10                   | 7.45                   |
| PATTERNS                              | 24.22                 | 5.63      | -         | 29.85                  | 9.70                     | 3.78                   | -               | 13.48                  | 16.37                  | 14.52                  |
| ELECTRIC CABLE & INSTALLATION         | 48.11                 | 2.63      | -         | 50.74                  | 35.00                    | 5.00                   | -               | 40.00                  | 10.74                  | 13.11                  |
| AIR CONDITIONING                      | 24.88                 | 3.35      | -         | 28.23                  | 22.75                    | 1.72                   | -               | 24.47                  | 3.76                   | 2.13                   |
| FURNITURE & FITTINGS                  | 109.72                | 0.70      | -         | 110.42                 | 85.11                    | 7.80                   | -               | 92.91                  | 17.51                  | 24.61                  |
| OFFICE EQUIPMENTS                     | 29.17                 | 0.34      | -         | 29.51                  | 26.71                    | 0.66                   | -               | 27.37                  | 2.14                   | 2.46                   |
| WATER COOLERS                         | 3.75                  | 2.13      | -         | 5.88                   | 3.46                     | 0.68                   | -               | 4.14                   | 1.74                   | 0.29                   |
| AIR COOLER                            | 0.08                  | -         | -         | 0.08                   | 0.05                     | 0.01                   | -               | 0.06                   | 0.02                   | 0.03                   |
| REFRIGERATOR                          | 0.27                  | -         | -         | 0.27                   | 0.25                     | -                      | -               | 0.25                   | 0.02                   | 0.02                   |
| COMPUTER                              | 86.59                 | 4.55      | -         | 91.14                  | 74.49                    | 7.26                   | -               | 81.75                  | 9.39                   | 12.10                  |
| VEHICLE                               | 37.42                 | -         | -         | 37.42                  | 19.04                    | 7.51                   | -               | 26.55                  | 10.87                  | 18.38                  |
| <b>TOTAL-A</b>                        | 2,109.86              | 79.72     | -         | 2,189.58               | 966.97                   | 106.35                 | -               | 1,073.32               | 1,116.26               | 1,142.88               |
| <b>(b) Intangible Assets :</b>        |                       |           |           |                        |                          |                        |                 |                        |                        |                        |
| INTANGIBLE ASSETS                     | 4.78                  | -         | -         | 4.78                   | 2.61                     | 0.92                   | -               | 3.53                   | 1.25                   | 2.17                   |
| DESIGN DRAWING                        | 3.05                  | -         | -         | 3.05                   | 1.85                     | 0.61                   | -               | 2.46                   | 0.59                   | 1.20                   |
| WEB SITE DEVELOPMENT                  | 0.15                  | -         | -         | 0.15                   | 0.15                     | -                      | -               | 0.15                   | 0.00                   | -                      |
| <b>TOTAL-B</b>                        | 7.98                  | -         | -         | 7.98                   | 4.61                     | 1.53                   | -               | 6.14                   | 1.84                   | 3.37                   |
| <b>(c) Capital Work In Progress :</b> |                       |           |           |                        |                          |                        |                 |                        |                        |                        |
| ORISSA PROJECT A/C                    | 105.90                | -         | -         | 105.90                 | -                        | -                      | -               | -                      | 105.90                 | 105.90                 |
| BUILDING (WIP)                        | -                     | 18.42     | -         | 18.42                  | -                        | -                      | -               | -                      | 18.42                  | -                      |
| COMPUTER UNDER INSTALLATION           | -                     | 31.78     | -         | 31.78                  | -                        | -                      | -               | -                      | 31.78                  | -                      |
| <b>TOTAL-C</b>                        | 105.90                | 50.20     | -         | 156.10                 | -                        | -                      | -               | -                      | 156.10                 | 105.90                 |
| <b>GRAND TOTAL</b>                    | 2,223.74              | 129.92    | -         | 2,353.66               | 971.58                   | 107.88                 | -               | 1,079.46               | 1,274.20               | 1,252.15               |
| Previous Year                         | 2,162.79              | 60.94     | -         | 2,223.73               | 831.88                   | 139.72                 | -               | 971.57                 | 1,252.15               | -                      |

10.1 In respect of plot of land taken on lease ( Capital Work In Progress) by the company from Industrial Development Corporation Limited of Orissa (IDCO) during the last year the lease was terminated for non-compliance of the terms of the said lease, which is unlawful and the company has adopted appropriate legal proceedings in the matter and against such cancellation as an add interim major it has been directed by Orissa high court that the letter dated 25.2.2013 issued for cancellation of lease shall not be given effect to till the next date which direction is still in force.

#### 10.2 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 amounts 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 impairment loss and debited to the profit and loss account. If at the balance sheet date there is a 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 NON CURRENT INVESTMENTS

(₹ in Lacs)

Investment in Equity instruments:

Unquoted:

50,000 Equity Share of ₹ 10/- each of Brady Estate Pvt Ltd (Formely known as Brady Futures Pvt Ltd)

5.00

5.00

40,000 Equity Shares( Including 30000 Bonus shares) of ₹ 10/- each of Brady Services Pvt Ltd.

1.00

1.00

50 Equity Share ₹ 10/-each of Brady Air Pvt Ltd (Formely Known as Brady Satlink Ltd)

-

-

2,500 Equity share of ₹ 10/- each of Brady Telesoft Pvt Ltd

0.25

0.25

78,964 Equity share of ₹ 12.50/- each of Ganesh Flour Mills Ltd (Investment of ₹ 1/- appearing in the books)

0.00

0.00

Others:

25 shares of ₹ 100/- each of The Manekchawk Co-Op Bank Ltd

0.03

0.03

PREFERENCE SHARE

520 7% First Cumulative preference shares of ₹ 12.50/- each of Ganesh Flour Mills Co Ltd. (Cost ₹ 6,645/-)

(Investment of ₹ 1/- appearing in the books)

-

-

Total

6.28

6.28

Aggregated Unquoted :-

At Cost

6.28

6.28

At Market Value

-

-

11.1 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 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.

12 DEFERRED TAX ASSETS

The company has carried forward losses as per books and also as per Income Tax Act. Deferred Tax Assets for the current year are not accounted for in the absence of prudence and virtual certainty for sufficient future income as required by Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.

13 LONG TERM LOANS & ADVANCES

(₹ in Lacs)

(Unsecured, considered good)

Security Deposits

14.37

13.31

Advance Tax, TDS, FBT, etc. ( Net of Provision)

34.96

25.54

Advance against Sales Tax, PF etc.

9.06

13.56

Total

58.39

52.41

**14 INVENTORIES**

(₹ in Lacs)

|                            | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|----------------------------|---------------------------|---------------------------|
| Raw Materials & Components | 707.76                    | 630.86                    |
| Goods-in transit           | 6.42                      | 21.84                     |
|                            | <b>714.18</b>             | <b>652.70</b>             |
| Work-in-progress           | 311.19                    | 722.31                    |
| Stores and spares          | 47.40                     | 36.56                     |
| <b>Total</b>               | <b>1,072.77</b>           | <b>1,411.57</b>           |

## 14.1 Details of raw materials

(₹ in Lacs)

|   | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---|---------------------------|---------------------------|
| <b>Indigeneous:</b>                         |                           |                           |
| Chairs                                      | -                         | -                         |
| Round Bar & Square Bar                      | 19.17                     | 34.66                     |
| M.S.Paltes & Profiles                       | 0.22                      | 0.05                      |
| Angles                                      | 4.46                      | 11.16                     |
| Channel                                     | 6.53                      | 7.63                      |
| Beam  | 8.38                      | 7.07                      |
| Pipes                                       | 10.09                     | 3.46                      |
| M.S.Plates                                  | 16.29                     | 20.96                     |
| Chain                                       | 38.19                     | 32.04                     |
| Electrical Items                            | 238.61                    | 170.03                    |
| Bearings                                    | 18.18                     | 20.36                     |
| Castings and Forgings                       | 9.00                      | 10.00                     |
| Components ( CPB,TT,EHB,Non Standard Items) | 345.06                    | 335.28                    |
| <b>Total</b>                                | <b>714.18</b>             | <b>652.70</b>             |

## 14.2 Details of Work-in-progress

(₹ in Lacs)

|                      | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|----------------------|---------------------------|---------------------------|
| Chairs               | -                         | -                         |
| Components           | 34.13                     | 107.98                    |
| Chain Pully Blocks   | 42.41                     | 116.91                    |
| Electric Chain Hoist | 97.50                     | 274.53                    |
| Cranes               | 137.15                    | 240.34                    |
| Miscellaneous        | -                         | 4.38                      |
| <b>Total</b>         | <b>311.19</b>             | <b>744.14</b>             |

## 14.3 Details of Stores and Tools

(₹ in Lacs)

|                      | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|----------------------|---------------------------|---------------------------|
| Loose Tools          | 14.63                     | 11.01                     |
| Stores & Consumables | 29.87                     | 16.24                     |
| wooden Boxes         | 2.90                      | 9.31                      |
| <b>Total</b>         | <b>47.40</b>              | <b>36.56</b>              |

15 TRADE RECEIVABLES

(₹ in Lacs)

(Unsecured and considered good)

Over Six months

Others

**Total**

| As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---------------------------|---------------------------|
| 388.72                    | 330.68                    |
| 1,290.03                  | 1,011.60                  |
| <b>1,678.75</b>           | <b>1,342.28</b>           |

15.1 Trade Receivables includes ₹ 184.30 Lacs (Prev. Year ₹ Nil) from Holding Company.

16 CASH AND BANK BALANCES

(₹ in Lacs)

Bank Balances: \*\*

In Current Account

Fixed Deposit with Bank #

Cheque In Transit

Cash on hand

**Total**

| As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---------------------------|---------------------------|
| 2.07                      | 51.09                     |
| 85.00                     | 85.38                     |
| -                         | -                         |
| <b>87.07</b>              | <b>136.47</b>             |
| 0.18                      | 0.22                      |
| <b>87.25</b>              | <b>136.69</b>             |

\*\* Balance with Banks includes Dividend of ₹ 1.47 Lacs (Previous Year ₹ 2.05 Lacs)

# Fixed deposits with banks include deposits of ₹ Nil (Previous Year ₹ 60.32 lacs) with maturity of more than 12 months. The bank is having lien on Fixed Deposits as security against the guarantees issued on behalf of the company to its constituents.

17 SHORT-TERM LOANS AND ADVANCES

(₹ in Lacs)

(Unsecured, considered good)

Advances to related parties

Advance Tax, TDS etc.

Statutory dues

Advances to Suppliers

Other Advances

**Total**

| As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---------------------------|---------------------------|
| 68.14                     | 102.89                    |
| 5.44                      | 4.43                      |
| 57.50                     | 75.29                     |
| 44.59                     | 21.38                     |
| 1.35                      | 0.84                      |
| <b>177.02</b>             | <b>204.83</b>             |

18 OTHER CURRENT ASSETS

(₹ in Lacs)

Accrued Interest

Prepaid Expenses

**Total**

| As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---------------------------|---------------------------|
| 0.78                      | 0.21                      |
| 5.37                      | 5.56                      |
| <b>6.15</b>               | <b>5.77</b>               |

**19 REVENUE FROM OPERATIONS**

(₹ in Lacs)

|                         | 2015-16         | 2014-15         |
|-------------------------|-----------------|-----------------|
| Sale of products        | 4,185.98        | 3,684.78        |
| Sale of Services        | 83.51           | 88.75           |
| Other Operating Revenue | 7.26            | 7.85            |
| Less:                   |                 |                 |
| Excise duty             | 677.52          | 546.32          |
| <b>Total</b>            | <b>3,599.23</b> | <b>3,235.06</b> |

**20 OTHER INCOME**

(₹ in Lacs)

|                      | 2015-16      | 2014-15      |
|----------------------|--------------|--------------|
| Interest Income      | 11.08        | 18.10        |
| Dividend Income      | 3.60         | 3.60         |
| Miscellaneous Income | 2.35         | 9.98         |
| <b>Total</b>         | <b>17.03</b> | <b>31.68</b> |

**21 COST OF MATERIALS CONSUMED**

(₹ in Lacs)

|              | 2015-16         | 2014-15         |
|--------------|-----------------|-----------------|
| Steel        | 437.53          | 516.53          |
| Others       | 1,333.21        | 1,505.52        |
| <b>Total</b> | <b>1,770.74</b> | <b>2,022.05</b> |

| Imported & Indigenous<br>Raw material consumed | 2015-16           |               | 2014-15           |               |
|--|-------------------|---------------|-------------------|---------------|
|  | VALUE (₹ in Lacs) | %             | VALUE (₹ in Lacs) | %             |
| Imported                                       | -                 | -             | -                 | -             |
| Indigenous                                     | 1,770.74          | 100.00        | 2,022.05          | 100.00        |
| <b>Total</b>                                   | <b>1,770.74</b>   | <b>100.00</b> | <b>2,022.05</b>   | <b>100.00</b> |

**22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**

(₹ in Lacs)

|                                | 2015-16       | 2014-15         |
|--------------------------------|---------------|-----------------|
| Inventories (at close):        |               |                 |
| Work -in- Process              | 311.19        | 722.31          |
| Inventories (at commencement): |               |                 |
| Work -in- Process              | 722.31        | 565.74          |
| <b>Total</b>                   | <b>411.12</b> | <b>(156.57)</b> |

23 EMPLOYEE BENEFIT EXPENSES

(₹ in Lacs)

|   | 2015-16       | 2014-15       |
|---|---------------|---------------|
| Salaries and Wages  | 544.38        | 459.54        |
| Contributions to -<br>Provident fund, Superannuation scheme & Other funds | 16.04         | 13.95         |
| Employees' State Insurance Scheme   | 1.61          | 1.64          |
| Staff welfare expenses  | 13.36         | 19.10         |
| <b>Total</b>  | <b>575.39</b> | <b>494.23</b> |

23.1 As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below:

(₹ in Lacs)

|  | 2015-16 | 2014-15 |
|--|---------|---------|
| <b>Defined Benefit Gratuity Plan:</b>  |         |         |
| <b>(I) Changes in present value of obligations</b>                                     |         |         |
| Present value of Obligations as at the beginning of the year                           | 23.14   | 11.67   |
| Current Service Cost   | -       | -       |
| Interest Cost  | 1.83    | 1.09    |
| Benefit Paid   | (3.41)  | (1.12)  |
| Actuarial Losses / (Gains) on obligations  | 1.95    | 9.08    |
| Present value of Obligations as at the end of the year                                 | 23.51   | 20.72   |
| <b>(II) Changes in Fair Value of plan assets</b>                                       |         |         |
| Fair value of plan assets as at the beginning of the year                              | 23.14   | 11.67   |
| Expected return on Plan Assets   | 1.84    | 1.02    |
| Contributions  | 6.25    | 12.37   |
| Benefits Paid  | (3.42)  | (1.12)  |
| Actuarial Losses / (Gains) on Plan Assets  | (1.63)  | (0.81)  |
| Fair value of plan assets as at the end of the year                                    | 26.18   | 23.14   |
| <b>(III) Amounts to be recognised in the Balance Sheet and Profit and Loss Account</b> |         |         |
| Present value of obligation as at end of the year                                      | 23.14   | 11.67   |
| Fair Value of Plan assets as at the end of the year                                    | 26.18   | 23.14   |
| Funded Status  | -       | -       |
| Net Asset / (Liability) recognised in the Balance Sheet                                | 26.18   | 23.14   |
| <b>(IV) Expenses recognized in the Profit and Loss Account</b>                         |         |         |
| Service Cost   | 2.67    | 2.42    |
| Interest Cost  | -       | 0.07    |
| Expected return on Plan Assets   | 0.00    | 0.00    |
| Net Actuarial Losses / (Gains) on Plan Assets for the period                           | 3.58    | 9.88    |
| Expenses recognised in Profit and Loss account   | 6.25    | 12.37   |

**(V) Assumptions**

|  | 2015-16           | 2014-15           | 2013-14           |
|--|-------------------|-------------------|-------------------|
| Mortality                                | LIC (1994-96) Ult | LIC (1994-96) Ult | LIC (1994-96) Ult |
| Discount rate (per annum)                | 7.94%             | 7.94%             | 8.50%             |
| Rate of increase in compensation         | 3%                | 3%                | 3%                |
| Rate of return (expected) on plan assets | 7.94%             | 7.94%             | 8.60%             |
| Present value of obligation              | 23.14             | 14.40             | 13.39             |
| Fair value of plan assets                | 26.18             | 23.14             | 13.39             |
| Surplus or (Deficit) in the plan         | -                 | -                 | -                 |

**24 FINANCE COST**

(₹ in Lacs)

|                                 | 2015-16       | 2014-15       |
|---------------------------------|---------------|---------------|
| <b>Interest expense</b>         |               |               |
| Term Loan                       | -             | -             |
| Working Capital                 | 93.79         | 86.86         |
| Hire Purchase                   | 0.04          | 0.41          |
| Others                          | 2.15          | 3.70          |
| Interest on Late payment of TDS | 0.04          | 0.16          |
| <b>Other borrowing costs</b>    |               |               |
| Bank charges & Commission       | 28.90         | 28.27         |
| <b>Total</b>                    | <b>124.92</b> | <b>119.40</b> |

**25 OTHER EXPENSES**

(₹ in Lacs)

|                                 | 2015-16       | 2014-15       |
|---------------------------------|---------------|---------------|
| Stores, Spares & Tools Consumed | 109.47        | 121.60        |
| Payment to Auditors             | 1.30          | 1.23          |
| Labour charges                  | 139.37        | 167.01        |
| Electricity, Power and Fuels    | 32.52         | 34.41         |
| Repairs to Building             | 0.67          | 2.86          |
| Repairs to Machinery            | 4.11          | 3.71          |
| Repairs to Others               | 5.59          | 4.49          |
| Insurance                       | 4.57          | 4.14          |
| Erection and Commissioning      | 27.82         | 12.53         |
| Freight and Cartage             | 56.64         | 57.08         |
| Rates and Taxes                 | 14.39         | 14.19         |
| Sales Tax Expenses              | 16.33         | 36.98         |
| Travelling and Conveyance       | 38.99         | 34.23         |
| Commission/Discount             | 17.06         | 16.66         |
| Brokerage                       | 0.00          | 0.00          |
| Rent                            | 8.80          | 7.97          |
| Advertisement and Publicity     | 5.95          | 3.05          |
| Legal & professional fees       | 38.35         | 36.39         |
| Share issue Expenses            | 11.93         | -             |
| Miscellaneous expense           | 77.86         | 123.87        |
| <b>Total</b>                    | <b>611.72</b> | <b>682.40</b> |

**25.1 Details of Stores, Spares Consumed**

|              | 2015-16       | 2014-15       |
|--------------|---------------|---------------|
| Imported     | -             | -             |
| Indigenous   |               |               |
| Steel        | -             | -             |
| Chair        | -             | -             |
| Others       | 109.47        | 121.60        |
| <b>Total</b> | <b>109.47</b> | <b>121.60</b> |

**25.2 Payment to Auditors as :**

|                                  | 2015-16 | 2014-15 |
|----------------------------------|---------|---------|
| Statutory Audit Fees             | 0.75    | 0.75    |
| Tax Audit Fees                   | 0.07    | 0.07    |
| In other capacity - certificates | 0.48    | 0.41    |
| For out-of-pocket expenses       | -       | -       |

**25.3 C.I.F. Value of imports, expenditure and earnings in Foreign Currency**

|   | 2015-16 | 2014-15 |
|---|---------|---------|
| <b>(A) C.I.F. Value of imports :</b>          | -       | -       |
| <b>(B) Expenditure in Foreign currencies:</b> |         |         |
| Travelling expenses                           | -       | -       |
| <b>(C) Earnings in Foreign currencies:</b>    | -       | -       |

**26 EARNINGS PER SHARE (EPS)**

|  | 2015-16 | 2014-15 |
|--|---------|---------|
| Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ In Lacs) | 20.35   | (14.49) |
| Weighted Average number of equity shares used as denominator for calculating EPS                         | 22.50   | 22.50   |
| Basic and Diluted Earnings per share (₹)   | 0.90    | (0.64)  |
| Face Value per equity share (₹)  | 10.00   | 10.00   |

27 Estimated amount of Contracts remaining to be executed on capital account and not provided for in accounts aggregate to ₹ NIL ( P.Y. ₹ NIL)

**28 CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF**

(₹ in Lacs)

|   | 2015-16 | 2014-15 |
|---|---------|---------|
| Bank Gurantees given to Clients   | 537.29  | 543.89  |
| Income tax Demands (including interest) - matter under rectification. A.Y. 2009-10  | 4.61    | 4.61    |
| Income tax Demands (including interest) - matter under rectification. A.Y. 2010-11  | 1.99    | 7.23    |
| Dividend tax Demands (including interest) - matter under rectification. A.Y. 2011-12  | 10.82   | 6.13    |
| Income tax Demands (including interest) - matter under rectification. A.Y. 2012-13  | 0.09    | 3.64    |
| Dividend tax Demands (including interest) - matter under rectification. A.Y. 2012-13  | 0.71    | -       |
| CST under Appeal F.Y.2010-11  | 3.22    | 9.34    |
| <br>  |         |         |
| The Company is contingently liable in respect of differential liability of bonus under The Payment of Bonus(Amendment) Act, 2015 which has come into force from 1st April, 2014. For the year 2014-15 the liability where of is estimated which is not provided in view of the matter is subjudice before various High Courts in the country. | 3.06    | -       |
| Claim of warranty expenses made by dealer   | -       | -       |

Claims made by the ex-employees of the company and pending before the appropriate authorities in respect of dues, reinstatement, premanency etc, which are contested by the company the liability whereof is indeterminate.

**29 RELATED PARTY INFORMATION**

| (A) Name of related party and nature of relationship | Description of relationship |
|--|-----------------------------|
|--|-----------------------------|

**Name of related party**

|  |  |
|--|--|
| 1. Where significant influence exists:<br>W.H.Brady & Co Ltd   | Holding Company  |
| 2. <b>Key Management Personnel :</b><br>Mr.Pavan G. Morarka<br>Mr. Vaibhav Morarka<br>Mr.R.K.Sharma<br>Ms Khushbu Desai  | Chairman<br>Executive Director<br>CFO<br>Company Secretary   |
| 3. <b>Other Related Parties</b><br>Brady Estates Pvt Ltd ( Formerly Known as Brady Futures Pvt.Ltd.)<br>Brady Services Pvt Ltd<br>Brady Telesoft Pvt Ltd<br>Brady Air Pvt Ltd<br>Global Trade Crackers Pvt.Ltd<br>Shivam Holding Pvt. Ltd.<br>Zoeflig Bradys | Associate<br>Associate<br>Associate<br>Associate<br>Associate<br>Associate<br>Association of Persons (AOP) |

(B) Transactions with related party

(₹ in Lacs)

| Name of Related Party  | Relationship             | Nature of Transaction                                    | Amount  |         | Outstanding Balance |         |
|------------------------|--------------------------|--|---------|---------|---------------------|---------|
|                        |                          |  | 2015-16 | 2014-15 | 2015-16             | 2014-15 |
| W.H.Brady & Co Ltd     | Holding Co.              | Sale of Products   |         |         | 184.30              | (48.66) |
|                        |                          | Exclusive of taxes etc                                   | 939.97  | 596.04  |                     |         |
|                        |                          | Purchase of Products                                     | -       | 2.04    |                     |         |
|                        |                          | Other expenses including reimbursements (BME)            | 0.04    | 2.86    |                     |         |
|                        |                          | Other expenses including reimbursements (WHB)            | 4.02    | 1.21    |                     |         |
|                        |                          | Commission paid  | 7.23    | 2.66    |                     |         |
|                        |                          | Commission Received                                      | 19.58   | 11.04   |                     |         |
| Zoetig Bradys          | AOP                      | Sale of Products   |         |         | 190.38              | 225.33  |
|                        |                          | Inclusive of taxes etc                                   | -       | -       |                     |         |
|                        |                          | Reimbursement of Expenses received                       | -       | -       |                     |         |
|                        |                          | Advances Recoverable                                     | -       | -       |                     |         |
|                        |                          | Debtors Outstanding                                      | 122.24  | 122.24  |                     |         |
| Brady Services Pvt Ltd | Associates               | Reimbursement of Expenses received                       | -       | -       | 1.83                | -       |
|                        |                          | Dividend received during the year                        | 1.60    | 1.60    |                     |         |
|                        |                          | Maintenance/Commitment/ charges received during the year | -       | -       |                     |         |
|                        |                          | Deposite Balance   | -       | -       |                     |         |
| Brady Estates Pvt Ltd  | Associates               | Reimbursement of Expenses received                       | -       | -       | (2.77)              | (21.23) |
|                        |                          | Dividend received during the year                        | 2.00    | 2.00    |                     |         |
|                        |                          | Maintenance/Commitment/ charges received during the year | 18.00   | 18.00   |                     |         |
|                        |                          | Loan recd  | 36.00   | 36.00   |                     |         |
| Mr.Pavan G. Morarka    | Key Management Personnel | Dividend paid during the year                            | -       | -       |                     |         |
|                        |                          | Loan recd  | 30.00   | 30.00   |                     |         |
|                        |                          | Sitting fees paid  | 0.40    | 0.38    |                     |         |
| Mr.Vaibhav Morarka     | Executive Director       | Remuneration (Incl. HRA,PF)                              | 28.50   | 17.40   |                     |         |

(C) Related party relationship is as identified by the Company on the basis of information available with them and relied upon by the Auditors

30 Previous year's figures have been regrouped wherever necessary to make them comparable with current year.

As per our Attached Report of even date  
For and on behalf of  
**C.L.DALAL & CO**  
Chartered Accountants  
Firm Regn. No. 102026W

The above Balance Sheet & Relevant  
notes are authenticated by us  
For and on behalf of the Board of Directors

**PAVAN G. MORARKA**  
CHAIRMAN

**VAIBHAV MORARKA**  
EXECUTIVE DIRECTOR

**K.D. SHAH**  
DIRECTOR

**R.C.JAIN**  
Partner  
Membership No. 5180  
Mumbai : May 20, 2016.

**R. K. SHARMA**  
DIRECTOR / CHIEF FINANCIAL OFFICER

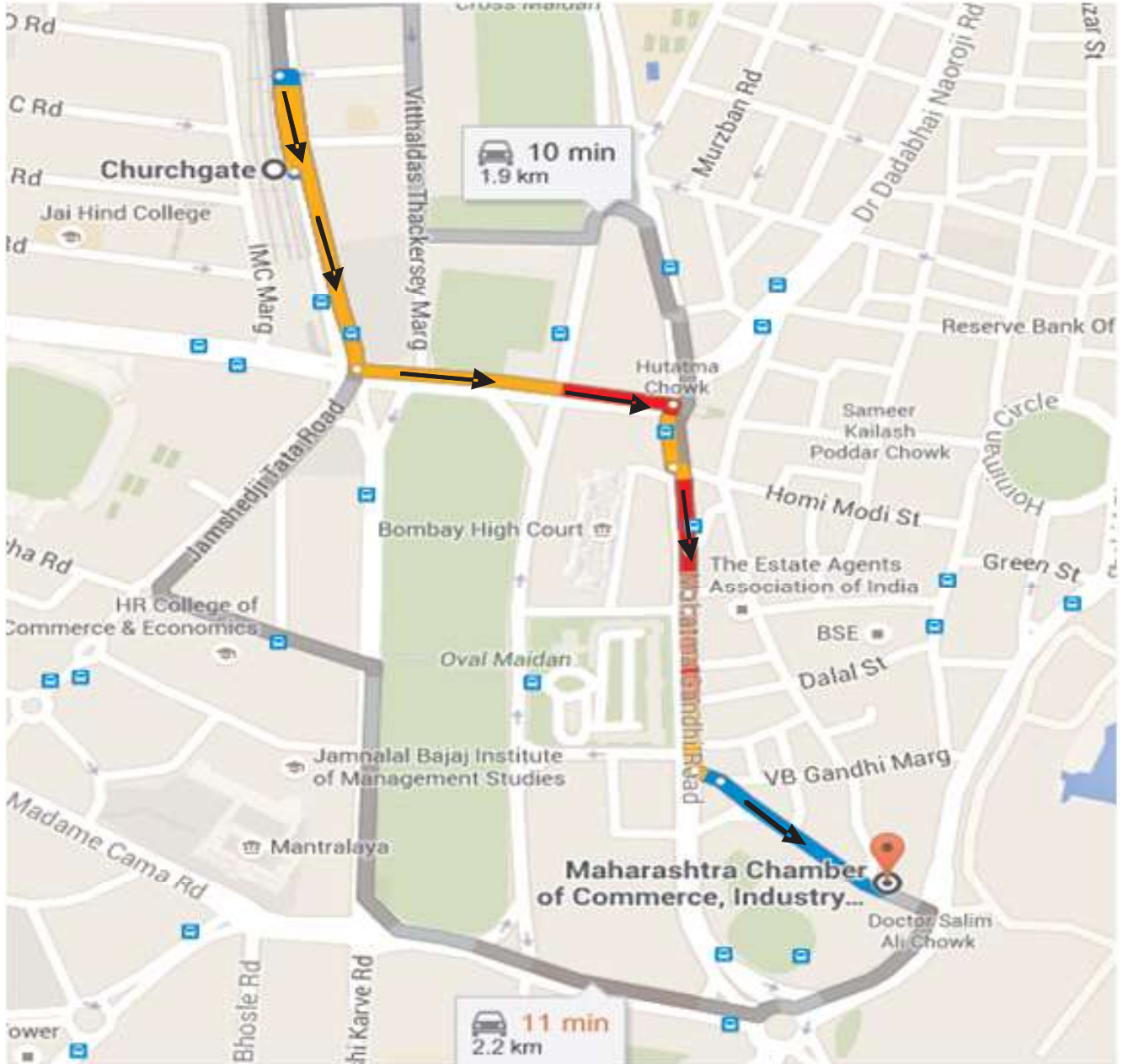
**KHUSHBU DESAI**  
COMPANY SECRETARY

Mumbai : May 20, 2016.



### ROUTE MAP TO ANNUAL GENERAL MEETING VENUE

Location: Maharashtra Chambers of Commerce Trust,  
Babasaheb Dhanukar Sabhagriha, Oricon House, 6th Floor, 12, K Dubash Marg, Fort, Mumbai 400 001





# BRADY & MORRIS ENGINEERING COMPANY LIMITED

CIN : L29150MH1946PLC004729

Regd. Office : "Brady House", 12-14 Veer Nariman Road, Fort, Mumbai - 400001.

Tel.: (022) 22048361-65 Fax : (022) 22041855

E-mail : bradys@mtnl.net.in • Website : www.bradymorris.in

70th Annual General Meeting to be held on 12th August, 2016 at 11.00 a.m.  
at Maharashtra Chambers of Commerce Trust, Babasaheb Dhanukar Sabhagriha, Oricon House,  
6th Floor, 12, K Dubash Marg, Fort, Mumbai 400 001.

## ATTENDANCE SLIP

|        |  |
|--------|--|
| DP ID* |  |
|--------|--|

|                      |  |
|----------------------|--|
| Registered Folio No. |  |
|----------------------|--|

|            |  |
|------------|--|
| Client ID* |  |
|------------|--|

|                 |  |
|-----------------|--|
| No. of Share(s) |  |
|-----------------|--|

Name & Address of Shareholder .....

I/We hereby record my / our presence at the 70th Annual General Meeting at Maharashtra Chambers of Commerce Trust, Babasaheb Dhanukar Sabhagriha, Oricon House, 6th Floor, 12, K Dubash Marg, Fort, Mumbai 400 001 on Friday, the 12th August, 2016 at 11:00 A.M.

Signature of Shareholder / Proxy

\*Applicable for investors holdings shares in electronic form.



## FORM NO. MGT-11

### PROXY FORM

[Pursuant to the section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014.

CIN : L29150MH1946PLC004729  
Name of the Company : BRADY & MORRIS ENGINEERING COMPANY LIMITED  
Registered Office : "Brady House", 12-14 Veer Nariman Road, Fort, Mumbai - 400001  
E-mail : bradys@mtnl.net.in • Website : www.bradymorris.in

|                           |   |       |
|---------------------------|---|-------|
| Name of the Member(s)     | : | _____ |
| Registered address        | : | _____ |
| E-Mail Id                 | : | _____ |
| Folio No./Client Id/DP Id | : | _____ |

I/We being the member(s) of ..... shares of Brady & Morris Engineering Company Limited, hereby appoint:

1. Name: ..... E-mail Id: .....  
Address: ..... or failing him
2. Name: ..... E-mail Id: .....  
Address: ..... or failing him
3. Name: ..... E-mail Id: .....  
Address: ..... or failing him

and whose signature (s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 70th Annual General Meeting of the Company, to be held on Friday, 12th August, 2016 at 11:00 A.M. Maharashtra Chambers of Commerce Trust, Babasaheb Dhanukar Sabhagriha, Oricon House, 6th Floor, 12, K Dubash Marg, Fort, Mumbai 400 001 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:



\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

| Resolution No.           | Description   | Optional * |         |
|--------------------------|---|------------|---------|
|                          |   | For        | Against |
| <b>Ordinary Business</b> |   |            |         |
| 1                        | To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2016 together with the Reports of the Board of Directors and Auditors thereon. |            |         |
| 2                        | Re-appointment of Ms. Urvashi D. Shah, who retires by rotation  |            |         |
| 3                        | Ratification of Appointment of M/s. C. L. Dalal & Co., Chartered Accountants as the Auditors and fixing their remuneration.   |            |         |
| <b>Special Business</b>  |   |            |         |
| 4                        | To re-appoint Mr. Cyrus Vachha as an Independent Director of the Company.   |            |         |
| 5                        | To re-appoint Mr. Sumit Banerjee as an Independent Director of the Company.   |            |         |
| 6                        | Approval of Related Party Transactions under Section 188 of the Companies Act 2013.   |            |         |

Signed this..... day of .....2016.

Signature of Shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Affix  
Revenue  
Stamp of  
₹ 1

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- (2) For the Resolution, Explanatory Statement and Notes, please refer to Notice of the 70th Annual General Meeting.
- \* (3) It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (4) Please complete all details including details of Members (S) in above box before Submission.

BOOK POST



If undelivered please return to :

**BRADY & MORRIS ENGINEERING COMPANY LIMITED**

Brady House

12/14 Veer Narinam Road,

Fort, Mumbai - 400 001.

[www.bradymorris.in](http://www.bradymorris.in)