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Directors

Mr. P. Punnaiah
Mr. M. Uttam Reddi
Mr. P.C.D. Nambiar
Mr. V. Thirumal Rao
Mr. R. Gowri Shanker
Mr. A. Bharat
Mr. A.V. Ramalingan- Executive Director

Auditors

M/s. Deloitte Haskins & Sells

Bankers

Bank of India
Andhra Bank

Registered Office

47, Graemes Road,
Chennai - 600 006.
Phone : 044-2829 3296 / 2829 0381
Fax : 044-2829 0391
E-mail : ho@beardsell.co.in
Website : www.beardsell.co.in



BEARDELL LIMITED



BEARDELL LIMITED

Notice to the Shareholders

NOTICE IS HEREBY GIVEN that the Seventieth Annual General Meeting of the Company will be held on Monday, the 27th August, 2007 at 10.00 A.M. at "Mini Hall", Satguru Gnanananda Hall, Narada Gana Sabha, 314, T. T. K. Road, Chennai – 600 018 to transact the following business.

AS ORDINARY BUSINESS

1. ADOPTION OF ACCOUNTS

To consider and if thought fit, to pass with or without modification, following resolution as an Ordinary Resolution:

"RESOLVED THAT the Balance Sheet as at 31st March 2007, the Profit and Loss Account of the Company for the year ended on that date, together with the Schedules, Balance Sheet Abstract and Company's General Business Profile and Cash Flow Statement for the Year ended 31st March, 2007 together with the Directors Report and the Auditors' Report thereon, be and are hereby approved and adopted."

2. TO DECLARE DIVIDEND

To consider, and if thought fit, to pass with or without modification, following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the recommendation of the Board of Directors, Dividend at the rate of Re. 1.00 (10 percent) per share be paid as Dividend for the year ended 31.03.2007 to those shareholders whose name appears in the register of members on 17th August, 2007."

"RESOLVED FURTHER THAT the dividend warrants be posted to the respective shareholders within 30 days of declaration."

3. APPOINTMENT OF DIRECTORS

To consider, and if thought fit, to pass with or without modification, following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. V. Thirumal Rao, who retires by rotation and being eligible for reappointment be and is hereby appointed as a Director of the Company."

4. APPOINTMENT OF AUDITORS

To consider, and if thought fit, to pass with or without modification, following resolution as an Ordinary Resolution:

"RESOLVED THAT the Auditors of the Company, Messrs. Deloitte Haskins & Sells (DHS), Chartered Accountants, Chennai who retire at this meeting, being

eligible and willing to act as Auditors of the Company, be and are hereby appointed Auditors of the Company to hold office till the conclusion of the next Annual General Meeting of the Company on a remuneration as the Board of Directors of the Company may determine, in addition to travelling and out of Pocket Expenses".

AS SPECIAL BUSINESS

ORDINARY RESOLUTION

5. APPOINTMENT OF DIRECTORS

a) To consider, and if thought fit, to pass with or without modification, following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr.R. Gowri Shanker be and is hereby appointed as Director of the Company whose period of office will be liable to retire by rotation."

b) To consider, and if thought fit, to pass with or without modification, following resolution as an ordinary Resolution :

"RESOLVED THAT Mr.A Bharat be and is hereby appointed as Director of the Company whose period of office will be liable to retire by rotation."

By order of the Board

Hyderabad

30th June, 2007

A.V. Ramalingan

Executive Director & Secretary

Notes :

1. In terms of Clause 49 of the listing agreement with the Stock Exchanges, brief details regarding the Director's reappointment is given below :

The profile of Mr.V.Thirumal Rao who retires by rotation and being eligible for reappointment as a Director are as under :

Mr. Thirumal Rao completed Bachelor of Commerce from Osmania University in the year 1965 and Bachelor of Law in 1969. He started practicing in Criminal and Civil side in Kurnool. After practicing for about 5 years, he shifted to Chennai. He was a partner of Uttam Reddi & Co., a lawyer's firm, from 1972 to 1979. During this period, he appeared before various High Courts, Supreme Court and Tribunal



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on matters pertaining to Direct / Indirect taxes, Company Law, Import and Export policy matters, Trade Marks, Patents, etc. He has vast experience and knowledge in the above areas. He has been associated with Corporate Sector from 1979. He has worked in various Companies. At present he is looking after Excise, Custom and Service tax matter, Company Law and other areas of operations in MRF Limited. His experience, knowledge in the legal profession and in Corporate Sector has been of immense help to the Company. He was first elected to the Board in the year 1986.

As a member of Expert Committee of Madras Chamber of Commerce & Industry, he was actively involved in Chamber's activities including representing to the Government in various issues. Mr. Thirumal Rao's experience in liaison work of interacting with Government officials and close association with senior most Lawyers in Supreme Court and Various High Courts has also been very helpful to the Company.

Mr.V. Thirumal Rao is interested in this resolution. Mr.M. Uttam Reddi-Director, relative of Mr.Thirumal Rao is also interested in the resolution. None of the other Directors are interested.

2. The Explanatory Statement pursuant Section 173 (2) of the Companies Act, 1956 in respect of the Special Business set out in item No 5 is annexed hereto.

3. A member entitled to attend and vote at the Meeting is entitled to appoint a Proxy or Proxies to attend and vote instead of himself and such Proxy or Proxies need not be a member or members of the Company. The Proxy Form, duly signed, must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting.
4. A Proxy can be in any of the forms set out in Schedule IX of the Companies Act, 1956.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 18th August, 2007 to 27th August, 2007 (both days inclusive).
6. Members are requested to intimate change, if any, in their addresses immediately.
7. The Company has already transferred the amount of all unclaimed dividends declared upto the period ended 31st March 1998 to the Investor Education and Protection Fund of the Central Government (as per Section 205 C of the Companies Act, 1956). It may also be noted that once the unclaimed dividend is transferred to the Central Government, as above, no claim shall lie in respect thereof.
8. Members are requested to bring their copy of the Annual Report with them to the Annual General Meeting.

EXPLANATORY STATEMENT : Pursuant to Section 173(2) of the Companies Act, 1956.

Item No. 5 (a) :

Appointment of Mr. R. Gowri Shanker as Director.

As per Article 121 of the Articles of Association of the Company, the Board of Directors in their meeting held on 27/09/2006 appointed Mr.R. Gowri Shanker as Additional Director of the Company and he vacates his office as Director in the forthcoming Annual General Meeting. Notice in writing has been received from a member signifying his intention to propose the name of Mr.R. Gowri Shanker for appointment as Director of the Company u/s 257 of the Companies Act, 1956.

Mr.Gowri Shanker is a well-qualified technical and

entrepreneurial professional with a distinguished management career leading the technology and operations of multi-million dollar organisations. He holds M.S. Degree in e- commerce from Carnegie Mellon University, M.S. in Industrial Engineering from University of Texas, M.B.A. from University of Chicago and B.Tech in Chemical Engineering from IIT, Madras. He has over 25 years experience with Multinational Companies such as AT & T, Fedex & Holiday Inns in the US and has had leadership roles in several entrepreneurial ventures. He is presently the CEO

and founder of Ablanding Business Solutions,
Chennai.

None of the Directors, except Mr.R. Gowri Shanker, is interested in the said resolution.

Item No. 5 (b) :

Appointment of Mr.A. Bharat as Director.

As per Article 121 of the Articles of Association of the Company, the Board of Directors in their meeting held on 25/04/2007 appointed Mr. A.Bharat as Additional Director of the Company and he vacates his office as Director in the forthcoming Annual General Meeting. Notice in writing has been received from a member signifying his intention to propose the name of Mr.A. Bharat for appointment as Director of the Company u/s 257 of the Companies Act, 1956.

Mr. Bharat is a graduate of the Indian Institute of Technology, Madras and has a Masters Degree in

Industrial and Systems Engineering, Virginia Tech, Blacksburg, USA. He is currently Vice President, Information Technology at Merrill Lynch Bank, New York, USA managing a team of Software Engineers with responsibility for information systems critical to trading and other business functions in the Bank. Prior to working at Merrill Lynch, Mr. Bharat worked in a consulting role for major Corporations such as Deutsche Bank, Credit Suisse, Philips De Pury Anchors and Innovate LOC.

Mr. Bharat is interested in this resolution. Mr.P. Punnaiah-Director, relative of Mr.Bharat is also interested in the resolution. None of the other Directors are interested.

**REPORT OF BOARD OF DIRECTORS**

Your Directors present the 70th Annual Report of the Company together with the Audited Accounts for the financial year ended 31.03.2007.

PERFORMANCE / OPERATIONS**FINANCIAL RESULTS**

(Rs. in Lakhs)

	Year ended 31.03.2007	Year ended 31.03.2006
Gross Revenue	5448.02	4191.38
Profit before interest & Depreciation	458.54	270.08
Interest	21.16	20.34
Profit before Depreciation	437.38	249.74
Depreciation	63.85	68.26
Profit before tax	373.53	181.48
Profit after taxation	254.66	136.42
Balance of Profit & Loss Account from Last year	286.10	149.68

Appropriations :

Transfer to General Reserve	25.46	-
Proposed Dividend on Equity Shares	38.33	-
Tax on Dividend	6.51	-
Balance Profit carried to Balance Sheet	470.46	286.10

DIVIDEND

The Board of Directors has recommended, subject to the approval of share holders, a Dividend of Re.1.00 (10 percent) per Equity share of Rs.10 /- each.

REVIEW OF OPERATIONS

For the year under review continued buoyancy in the economy and steps taken to improve the efficiency of operation helped your Company to post a profit after tax of Rs. 254.66 Lakhs on a total income of Rs. 5448.02 Lakhs.

INSULATION DIVISION**a. EPS :**

Performance of this Division improved due to more projects and increased packaging demand from Consumer Durable Industry.

b. ISOBUILD PREFAB PANELS

During the year under review continued demand from Pharmaceuticals and Roofing Applications and the growth in Cold Storage & Food Processing Industries helped to improve the performance. The Division sold / installed 79398 RMT as against 55529 RMT during the previous year, thus constituting an increase of 43%.

c. CONTRACTING

The Division made satisfactory progress with the focus on changed business mixes by discontinuing AC & R Contracts in some locations and concentrating more on direct contracts with end user customers.

TRADING DIVISION

Trading Division's performance is satisfactory. Steps are taken for further improvement.

LISTING WITH STOCK EXCHANGE

The Company's securities are listed at:
Madras Stock Exchange Ltd., 11, Second Line Beach,
Chennai - 600 001.

The Listing fee to the Exchange has been paid upto date.

FIXED DEPOSITS

Fixed Deposits amounting to Rs. 0.91 Lakhs matured but were not claimed till 31st March, 2007. Subsequently, Fixed Deposits totaling to Rs.0.18 Lakhs have been renewed/repaid. Reminders have been sent to the other deposit holders for their instructions.

All Deposits / Interest accrued thereon remaining unclaimed for a period of seven years from the date they became due for payment have been credited to the Investor Education and Protection Fund under section 205C of the Companies Act.

INSURANCE

All the properties of the Company including Buildings, Plant and Machinery and Stocks have been adequately insured.

DIRECTORS

Mr. V. Thirumal Rao, Director, retires by rotation at this Annual General Meeting and being eligible, offer himself for reappointment.

Mr.R. Gowri Shanker was appointed by the Board, as an Additional Director on 27.09.06 Mr.Gowri Shanker vacates his office as a Director at the forthcoming Annual General Meeting. A Notice has been received from a member under section 257 of the Companies Act, 1956 proposing the name of Mr.R. Gowri Shanker for appointment as a Director.

Mr.A. Bharat was appointed by the Board, as an Additional Director on 25.04.07. Mr.Bharat vacates his office as a Director at the forthcoming Annual General Meeting. A Notice has been received from a member under section 257 of the Companies Act, 1956 proposing the name of Mr.A. Bharat for appointment as a Director.

AUDITORS' REPORT

As regards observations of the Auditors in their report for the year under review, the Notes appended to the Accounts are self-explanatory.

AUDITORS

The Auditors, M/s. Deloitte Haskins & Sells (DHS), retire and are eligible for reappointment. A written certificate

has been received by the Company from them that the re-appointment, if made, will be in accordance with the limits specified in Sec.224 (1B) of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

As required by Section 217(2AA) of the Companies Act, 1956, your Directors further report that:

- I. In preparation of the annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures;
- II. The Directors have selected accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2007 and of the Profit and Loss of the Company for financial year ended 31st March, 2007;
- III. The Directors have 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;
- IV. The Directors have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

Your Directors report that your Company has been fully compliant with the SEBI Guidelines on Corporate Governance, which have been incorporated in Clause 49 of the Listing Agreement. A detailed report on this forms part of Annexure.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information under section 217 (1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, and forming part of Directors Report for the year ended 31st March 2007.

RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND CONSERVATION OF ENERGY

The Main focus of the Company's Research and Development effort is on Energy Conservation, process up gradation and environmental preservation.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, Foreign Exchange Earnings amounted to Rs. 302.45 Lakhs as against Rs. 132.89 Lakhs during previous year.

The total Foreign Exchange Outgo during the year under review was Rs. 44.85 Lakhs as against Rs. 91.10 Lakhs during previous year.

EMPLOYEE RELATIONS

The relations between the employees and the management continued to be cordial during the year.

PARTICULARS OF EMPLOYEES

None of the employees come under purview of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

ACKNOWLEDGEMENT

Your Directors gratefully acknowledge the continued support received from the Bankers, Principals/Suppliers, Customers and Employees.

For and on behalf of the Board

P. PUNNAIAH
Director.

Hyderabad
30th June, 2007

M. UTTAM REDDI
Director.



MANAGEMENT DISCUSSIONS & ANALYSIS

Industry Structure & Development

The Prefab building elements manufactured by your Company finds applications in Cold Storages, Food Processing Plants, Pharmaceuticals and Roofing Applications. There was increased demand from these sectors during the year under review and the same trend is likely to continue in the current year.

Improved demand from consumer durable and construction industry for Expanded Polystyrene is likely to continue in the current year.

Outlook on Opportunities and Threats

With increased Industrial and retail business activities and Government of India’s thrust and encouraging policies on cold storages with latest technologies for improving post harvest infrastructure, there is likely to be increase in demand for your Company’s products.

Fluctuating raw material prices can have negative impact on operations. Strengthening of rupee is likely to affect export earnings.

Segment wise Performance

Insulation division which comprises manufacture of EPS products / Prefab Panels and related Contracting activities earned a revenue of Rs. 4447.98 lakhs - 85.95% of the total revenue.

Trading and others Segment which comprises Chemical, Motors, Exports and others earned a revenue of Rs. 727.19 Lakhs - 14.05 % of total revenue.

Internal Control System

Your Company has an effective Internal Control System and this is periodically reviewed for effectiveness. The Board of Directors have constituted an Audit Committee. The Audit Committee reviews the Internal Audit reports and their observations at regular intervals.

Material Development in Human Resources

Your Company believes that human resources are the main assets of the Company and the Company’s Policy is framed in this direction.

ANNEXURE

REPORT ON CORPORATE GOVERNANCE

1. COMPANY’S PHILOSOPHY

The Company strives towards ensuring transparency and professionalism in all decisions and spheres of operation, achieving excellence in Corporate Governance by conforming to the prevalent mandatory guidelines on Corporate Governance and to enhance shareholder value through sound business decisions driving the Organisation forward without undue restraints along with prudent framework of accountability and financial management.

2. BOARD OF DIRECTORS

Company’s Board currently comprises of seven Directors of which one is a Whole-time Director. Non-Executive Directors bring wide-ranging experience and independent judgement to the Board’s deliberations and decisions. Board of Directors of the Company meets at regular intervals for planning, assessing and evaluating all important business.

a) Composition

The information on composition of the Board, Directors Attendance at the Board Meetings held during the year and at the last Annual General Meeting, Directorships and Committee position held in other Companies are as under:

Name of Director	Category	Attendance in Previous AGM held on 27-9-06	Attendance in Board Meetings	No. of Directorships held in Other Public Limited Companies		Committee position held in other Companies	
				Director	Chairman	Member	Chairman
Mr.P. Punnaiah	Non Executive Promoter	Not Present	2	2	Nil	Nil	1
Mr.M. Uttam Reddi	Non-executive Independent	Present	4	1	-	1	-
Mr.P.C.D.. Nambiar	Non-executive Independent	Present	6	4	1	1	2
Mr.V. Thirumal Rao	Non-executive Independent	Present	6	Nil	Nil	Nil	Nil
Mr.R. Gowri Shanker *	Non-executive Independent	-	2	3	Nil	1	Nil
Mr. A. Bharat#	Non-executive Promoter	-	-	Nil	Nil	Nil	Nil
Mr.A.V. Ramalingan	Executive Director	Present	6	1	Nil	Nil	Nil

* Appointed as Additional Director in the Board Meeting held on 27/09/2006 (After AGM)

Appointed as Additional Director in the Board Meeting held on 25/04/2007 (After AGM)

b) No. of Board Meetings held during the year and dates of Meeting:

During the Financial Year 2006-2007, Six Board meetings were held on 26/04/2006, 28/06/2006, 29/07/2006, 27/09/2006, 31/10/2006 & 31/01/2007.

c) There are no pecuniary relationship or transactions with Non-Executive Directors vis-a-vis the Company.

d) Disclosures regarding appointment and reappointment.

i) Reappointment of Mr. V. Thirumal Rao

At the ensuing Annual General Meeting Mr.V. Thirumal Rao, Non-Executive Director, retire by rotation and is eligible for reappointment.

Mr. Thirumal Rao completed Bachelor Commerce from Osmania University in the year 1965 and Bachelor of Law in 1969. He started practicing in Criminal and Civil side in Kurnool. After practicing for about 5 years, he shifted to Chennai.

He was a Partner of Uttam Reddi & Co., a lawyer's firm, from 1972 to 1979. During this period, he appeared before various High Courts, Supreme Court and Tribunal on matters pertaining to Direct / Indirect taxes, Company Law, Import and Export policy matters, Trade marks, Patents, etc. He has a vast experience and knowledge in the above areas.

He has been associated with Corporate Sector from 1979. He has worked in various Companies. At present he is looking after Excise, Custom and Service tax matters, Company Law and other areas of operations in MRF Limited. His experience, knowledge in the legal profession and in Corporate Sector has been of immense help to the Company. He was first elected to the Board in the year 1986.

As a member of Expert Committee of Madras Chamber of Commerce & Industry, he was actively involved in Chamber's activities including representing to the Government in various issues. Mr. Thirumal Rao's experience in liaison work of interacting with Government Officials and close association with senior most Lawyers in Supreme Court and various High Courts has also been very helpful to the Company.

Mr.V. Thirumal Rao is related to Mr.M. Uttam Reddi, Director.

ii) Appointment of Mr.R.Gowri Shanker

In the Meeting held on 27/09/2006, Board of Directors appointed Mr.R. Gowri Shanker as Additional Director of the Company.

Mr. Gowri Shanker is a well-qualified technical and entrepreneurial professional with a distinguished management career leading the technology and operations of multi-million dollar organizations. He holds M.S. Degree in e-commerce from Carnegie Mellon University, M.S. in Industrial Engineering from University of Texas, M.B.A. from University of Chicago and B.Tech in Chemical Engineering from IIT, Madras. He has over 25 years experience with Multinational Companies such as AT & T, Fedex & Holiday Inns in the US and has had leadership roles in several entrepreneurial ventures. He is presently the CEO and founder of Ablanding Business Solutions, Chennai.

iii) Appointment of Mr.A. Bharat

In the Meeting held on 25/04/2007, Board of Directors appointed Mr.A. Bharat as Additional Director of the Company. Mr. Bharat is a graduate of the Indian Institute of Technology, Madras and has a Masters Degree in Industrial and Systems Engineering, Virginia Tech, Blacksburg, USA. He is currently Vice President, Information Technology at Merrill Lynch Bank, New York, USA managing a team of Software Engineers with responsibility for information systems critical to trading and other business functions in the Bank. Prior to working at Merrill Lynch, Mr. Bharat worked in a consulting role for major Corporations such as Deutsche Bank, Credit Suisse, Philips De Pury Anchors and Innovatix LLC.

Mr. A. Bharat is related to Mr. P. Punnaiah, Director.

3. AUDIT COMMITTEE

1) Terms of Reference

The role, terms of reference and authority and powers of this Committee are in conformity with the Listing Agreement. The essential functions of the Committee include review of systems and procedures, overseeing the functioning of internal audit, the effectiveness of controls and regulatory compliances. It also reviews with management, Company's financial statements, financial reporting process, disclosure of financial information and observations of Auditors before submission to the Board. It recommends the appointment of Statutory Auditors and their fees.



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II) Composition and Attendance

During the Financial Year 2006-2007, five Audit Committee Meetings were held on 26/04/2006, 28/06/2006, 29/07/2006, 31/10/2006 and 31/01/2007.

Composition and Attendance record of the members of the Committee is as under:

Sl. No	Member	Designation	No. of meetings attended
1	Mr. M. Uttam Reddi - Chairman	Independent	3
2	Mr. P. C. D. Nambiar	Independent	5
3	Mr. V. Thirumal Rao	Independent	5
4	Mr. A. V. Ramalingan	Executive Director	5

4. REMUNERATION COMMITTEE

Company does not have a Remuneration Committee for the purposes of determination and payment of managerial remuneration. The Board fixes the remuneration payable.

REMUNERATION PAID TO DIRECTORS FOR THE FINANCIAL YEAR 2006-2007

							(Rs. In Lakhs)
Sl.No	Directors	Salary	Money Value of Perquisites	Contribution to Provident Fund and Other Fund	Commission	Sitting Fees	Total
1.	Mr. P. Punnaiah	-	0.08	-	-	0.06	0.14
2.	Mr. M. Uttam Reddi	-	-	-	-	0.21	0.21
3.	Mr. P. C. D. Nambiar	-	-	-	-	0.33	0.33
4.	Mr. V. Thirumal Rao	-	-	-	-	0.33	0.33
5.	Mr. R. Gowri Shanker	-	-	-	-	0.06	0.06
6.	Mr. A. V. Ramalingan	5.10	4.71	1.38	-	-	11.19
	TOTAL	5.10	4.79	1.38	-	0.99	12.26

5. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

Company is having a Share holders & Investors Grievance Committee in line with the amended Listing Agreement, which is responsible for all matters concerning the share transfers, transmissions, issue of duplicate share certificates and redressal of Investor's Grievances. The Committee comprises of Mr. P. Punnaiah, Mr. M. Uttam Reddi, Mr. V. Thirumal Rao and Mr. A. V. Ramalingan.

Mr. V. V. Sridharan, DGM-Corporate Affairs, is the Compliance Officer.

6. GENERAL BODY MEETINGS

Details of the last three Annual General Meetings of the Company are given below :

Financial Year	AGM	Location	Date	Time
2005-06	69th	Narada Gana Sabha, 314, T.T.K. Salai, Chennai - 600 018	27.09.06	10.00 A.M.
2004-05	68th	Narada Gana Sabha, 314, T.T.K. Salai, Chennai - 600 018	05.08.05	10.00 A.M.
2003-04	67th	Narada Gana Sabha, 314, T.T.K. Salai, Chennai - 600 018	30.07.04	10.00 A.M.

No Postal ballots were used / invited during the year 2006-07.

7. DISCLOSURE

- a) There were no materially significant related party transactions during the year having conflict with the interest of the Company.
- b) Company has complied with all requirements of the Listing Agreement with Stock Exchange as well as regulations and guidelines of SEBI. No penalties or strictures have been imposed by SEBI, Stock Exchange or any Statutory Authority on matters relating to Capital Markets during the last three years.
- c) *Accounting Treatment.*
In the preparation of financial statements, Generally Accepted Accounting Principles and Policies were followed. Mandatory Accounting Standards announced by The Institute of Chartered Accountants of India were followed in the preparation of financial statements.
- d) *Board Disclosures - Risk Management*
The main objective of Risk Management is risk reduction and avoidance. It also helps the Company to identify the risks faced by the business and optimize Risk Management Strategies. The Company has a defined Risk Management framework.
- e) *Code of Conduct*
The Company adopted a code of Conduct for members of the Board and Senior Management personnel who have all affirmed in writing their adherence to the Code and has also been posted on the website of the Company www.beardsell.co.in.
The Declaration to this effect signed by the Executive Director is given at the end of this report.
- f) *Proceeds from public issues, right issues, preferential issues etc.,*
No Money has been raised through public / right / preferential issues during the year.
- g) *Management Disclosures*
Management Discussion and Analysis report is forming part of the Annual Report.

8. CEO / CFO CERTIFICATION

The Board has received certificate from Executive Director and Deputy General Manager - Finance that they have discharged the obligations under the Corporate Governance Guideline prescribed by SEBI.

9. MEANS OF COMMUNICATION

In compliance with the requirements of Listing Agreements, Company regularly submits un-audited as well as audited financial results to the Stock Exchange. These financial results are normally published in Trinity Mirror – English and Makkal Kural – Tamil.

10. GENERAL SHARE HOLDERS INFORMATIONS

a) General Body Meeting

The 70th Annual General Meeting of the Company will be held on Monday, the 27th August, 2007 at 10.00 A.M. at "Mini Hall" Satguru Gnanananda Hall, Narada Gana Sabha, 314, T. T. K. Road, Chennai– 600 018.

b) Financial Calendar

The Next Financial Year covers the period from 1st April, 2007 to 31st March, 2008

Results for the Period	Expected date of Completion
First Quarter	July 2007
Second Quarter & Half-Yearly	Oct 2007
Third Quarter	Jan 2008
Audited Financial Results	June 2008

c) Date of Book Closure

18th August, 2007 to 27th August, 2007 (both days inclusive).

- d) Dividend on Equity Shares - @Re.1.00 (10 per cent) per share
Payment date - Payable on or before 25.09.2007



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e) (i) Shareholding Pattern as on 31st March, 2007

Category		No. of Shares held	Percentage of Shareholding
A.	Promoter's Holdings		
1.	Promoters		
	- Indian Promoters	1862060	48.57
	- Foreign Promoters	Nil	Nil
2.	Persons acting in Concert	Nil	Nil
	Sub Total	1862060	48.57
B.	Non Promoter's Holdings		
3.	Institutional Investors		
	a. Mutual Funds and UTI	Nil	Nil
	b. Bank, Financial Institutions, Insurance Companies (Central / State Govt. Institutions)	817160	21.32
	c. Foreign Institutional Investors	Nil	Nil
	Sub Total	817160	21.32
4.	Others		
	a. Private Corporate bodies	114158	2.98
	b. Indian Public	1034130	26.98
	c. NRIs / OCBs	5660	0.15
	d. Any other	Nil	Nil
	Sub Total	1153948	30.11
	Grand Total	3833168	100.00

(ii) DISTRIBUTION OF HOLDINGS AS ON 31st MARCH, 2007

NO. OF SHARES	SHAREHOLDERS		SHARES AMOUNT	
	Numbers	%	Amount	% to total
Upto 5000	3197	98.92	6075080	15.85
5001 to 10000	6	0.19	413800	1.08
10001 to 20000	7	0.22	1364500	3.56
20001 to 30000	1	0.03	250000	0.65
30001 to 40000	2	0.06	374500	0.98
40001 to 50000	6	0.19	2882500	7.52
50001 to 100000	9	0.27	4497300	11.73
100001 & above	4	0.12	22474000	58.63
TOTAL	3232	100.00	38331680	100.00

f. Share Transfer Systems

The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialisation of the Company's shares. The ISIN No., allotted is INE520H01014 and has been made live in the NSDL system w.e.f. 15th April 2006 and in CDSL system w.e.f. 25th May, 2006.

Members now have the option to hold their shares in demat form either through the NSDL or CDSL.

g. Dematerialisation of Shares

As on 31st March 2007, 1919125 Shares (50.07%) have been dematerialised.

h. Registrar and Share Transfer Agents

Cameo Corporate Services Limited, Chennai is the Registrar and Share Transfer Agent of the Company.

Address of the Share Transfer Agent:

The General Manager
M/s. Cameo Corporate Services Limited
Subramanian Building,
No. 1, Club House Road,
Chennai – 600 002.

Tel: (044) 28460390-91

E-mail: cameo@cameoindia.com

i. Listing On Stock Exchange

The shares of the Company are listed on the Madras Stock Exchange. Listing fees for the year 2006 –2007 has been duly paid.

J. Market Price Data

Shares of the Company were last traded on the Stock Exchange on 29.05.2006 at a price of Rs.20/- per share.

K. Address for Correspondence

Registered office :

Secretarial Department

BEARDELL LTD

47, Graemes Road,

Chennai-600 006

Tel : (044) 28293296

E-mail : ho@beardsell.co.in

l) E-mail ID for redressal of investor complaints

An e-mail id has been created for Redressal grievance division / Compliance officer exclusively for the purpose of registering the complaints of the investors. Investors may send their complaints to igrc.beardsell@rediffmail.com

Compliance :

Company has obtained a certificate from Auditors regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, which is attached to this report.

For and on behalf of the Board

P. PUNNAIAH

Director

M. UTTAMREDDI

Director

Hyderabad

30th June, 2007



BEARDELL LIMITED

Declaration on Code of Conduct

As required by Clause 49 (1D) of the Listing Agreement, it is hereby affirmed that all the Board Members and Senior Management Personnel have complied with the Code of Conduct of the Company. It is also confirmed that the Code of Conduct has already been posted on the website of the Company.

Hyderabad
30th June 2007

A.V. RAMALINGAN
Executive Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the members of Beardsell Limited

We have examined the compliance of conditions of Corporate Governance of Beardsell Limited for the period ended 31st March 2007, as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that no investor grievance is pending against the Company as at 31st March, 2007 as per the records maintained by the Shareholders / Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Deloitte Haskins & Sells
Chartered Accountants

BHAVANI BALASUBRAMANIAN
Partner
Membership No. 22156

Place : Hyderabad
Date : 30th June, 2007

(Rs. in Lakhs)

	Year Ended 31 st March				
	2003	2004	2005	2006	2007
Income	3557.30	3261.48	4589.88	4191.38	5448.02
Profit before Depreciation	44.83	(51.95)	277.69	249.74	437.38
Depreciation	80.62	80.85	80.56	68.26	63.85
Taxation - Current	–	–	25.29	30.47	105.00
- Deferred	(14.28)	(19.58)	(68.91)	5.71	5.67
- Fringe Benefit Tax	–	–	–	8.88	8.20
Profit after Tax	(21.51)	(113.22)	240.75	136.42	254.66
Dividend	–	–	–	–	38.33
Tax on Dividend	–	–	–	–	6.51
Retained Funds	(21.51)	(113.22)	240.75	136.42	209.82
Share Capital	383.32	383.32	383.32	383.32	383.32
Earnings per Share (Rs.)	(0.56)	(2.95)	6.28	3.56	6.64
Net Worth	1146.17	1032.95	1108.90	1245.32	1455.14
Book Value Per Share (Rs.)	29.90	26.95	28.93	32.49	37.96



BEARDELL LIMITED

We have audited the attached Balance Sheet of Beardsell Limited (the "Company") as at 31st March 2007, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose, in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that :

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) In our opinion, proper books of account as required by Law have been kept by the Company, so far as appears from our examination of those books;
- iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

- iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- v) On the basis of the written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2007 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 on the said date;
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2007;
 - b) in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
 - c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For Deloitte Haskins & Sells
Chartered Accountants

BHAVANI BALASUBRAMANIAN
Partner
Membership No. 22156

Hyderabad
30th June 2007

-
1. In respect of its Fixed Assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) Some of the fixed assets were physically verified during the year by the management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
 - c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
 2. In respect of its inventories
 - a) As explained to us, inventories were physically verified during the year by the management at reasonable intervals.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
 3.
 - a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
 - b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
 4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services and we have not observed any continuing failure to correct major weaknesses in such internal controls.
 5. Based on audit procedures applied by us, and according to the information and explanations provided by the management, we are of the opinion that there are no transactions that are needed to be entered in the register maintained under section 301 of the Companies Act, 1956.
 6. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58 and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from public.
 7. In our opinion, the Company has an adequate internal audit system commensurate with the size of the Company and nature of its business.
 8. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed for the maintenance of cost accounting records under Section 209 (1) (d) of the Companies Act, 1956, for the products manufactured by the Company.
 9. In respect of Statutory dues
 - a) According to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth tax, Service tax, Custom Duty, Excise duty, Cess and any other material statutory dues with the appropriate authorities during the year.
 - b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other material statutory dues as at 31st March 2007, for a period of more than six months from the date they became payable.
 - c) According to the information and explanations given to us, there are no dues of Sales tax, Income tax, Custom Duty, Wealth tax, Service tax, Excise duty and Cess which have not been deposited as on 31st March 2007, with the appropriate authorities on account of disputes, except for the dues referred to in Note. No.II. 1. (iv) of Schedule 15 to the Financial Statements.
 10. The Company has no accumulated losses as at 31st March, 2007 and has not incurred any cash losses either during the financial year covered by our audit or the immediately preceding financial year.
 11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the payment of dues to banks. There are no loans from financial institutions and debenture holders.
 12. Based on our examination of documents and records, and according to the information and explanations given to us, we are of the opinion that the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures or other securities.
 13. The Company is not a chit fund or nidhi/ mutual benefit fund/ society.
 14. In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities and debentures and other investments.
 15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions during the year.
 16. The Company has not raised any term loans during the year.
 17. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, funds raised on short-term basis have *prima facie*, not been used during the year for long-term investment.
 18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
 19. The Company has not issued any debentures during the year.
 20. The Company has not raised money through public issues during the year.
 21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.
- For DELOITTE HASKINS & SELLS
Chartered Accountants
- BHAVANI BALASUBRAMANIAN
Partner
Membership No. 22156
- Hyderabad
30th June, 2007



BEARDELL LIMITED

		As at 31st March 2007	(Rs. in Lakhs)	As at 31st March 2006	
	Schedule				
SOURCES OF FUNDS					
Shareholder's Funds					
Share Capital	1	383.32		383.32	
Reserves and Surplus	2	<u>1071.82</u>	1455.14	<u>1071.82</u>	1245.32
Loan Funds	3				
Secured Loans		100.63		16.28	
Unsecured Loans		<u>104.64</u>	205.27	<u>149.80</u>	166.08
Deferred Tax Liability (Net)			<u>58.59</u>		52.92
			<u>1719.00</u>		<u>1464.32</u>
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	4	954.22		1052.34	
Less : Depreciation		<u>568.71</u>		<u>592.82</u>	
Net Block		<u>385.51</u>		459.52	
Capital Work in Progress including advances		<u>14.09</u>		<u>9.54</u>	
Net Block			399.60		469.06
Investments	5		10.73		3.23
Current Assets, Loans and Advances					
Current Assets					
Inventories	6	352.83		279.05	
Sundry Debtors	7	1272.52		1065.37	
Cash and Bank Balances	8	286.04		270.58	
Loans and Advances	9	<u>730.06</u>		<u>517.34</u>	
		<u>2641.45</u>		2132.34	
Less : Current Liabilities and Provisions					
(a) Current Liabilities	10	1039.98		1003.66	
(b) Provisions		<u>292.80</u>		<u>136.65</u>	
Net Current Assets		<u>1332.78</u>	1308.67	<u>1140.31</u>	992.03
			<u>1719.00</u>		<u>1464.32</u>
NOTES ON ACCOUNTS	15				

This is the Balance Sheet referred to in our Report of even date.

For DELOITTE HASKINS & SELLS
Chartered Accountants

A.V. RAMALINGAN
Executive Director & Secretary

P. PUNNAIAH
Director

M. UTTAM REDDI
Director

BHAVANI BALASUBRAMANIAN
Partner

Y. MUKTHAR BASHA
Deputy General Manager - Finance

Hyderabad
30th June, 2007

**Profit and Loss Account
for the year ended
31st March 2007**

		For the year ended 31st March 2007		For the year ended 31st March 2006
Schedule		(Rs. in Lakhs)		
INCOME				
Gross Sales		5298.21		4248.33
Less : Excise Duty		257.90		250.25
Net Sales		5040.31		3998.08
Commission & Rental Income	11	134.86		167.97
Others	12	272.85		25.33
		5448.02		4191.38
EXPENDITURE				
Manufacturing and Other expenses	13	4989.48		3921.30
Interest	14	21.16		20.34
Depreciation		63.85		68.26
		5074.49		4009.90
Profit for the year before tax		373.53		181.48
Less : Provision for Taxation				
- Current		105.00	30.47	
- Deferred		5.67	5.71	
- Fringe Benefit Tax		8.20	8.88	
		118.87		45.06
Profit for the year after tax		254.66		136.42
Add : Balance brought forward from Previous year		286.10		149.68
Profit available for Appropriations		540.76		286.10
APPROPRIATIONS:				
Transfer to General Reserve		25.46	-	
Proposed Dividend @ 10 %		38.33	-	
Tax on Dividend		6.51	-	
		70.30		-
Surplus carried to Balance Sheet		470.46		286.10
286.10				
NOTES ON ACCOUNTS				
	15			
Basic and diluted earnings per share of face value of Rs.10/- each (in Rupees)		6.64		3.56

This is the Profit and Loss Account referred to in our Report of even date.

For DELOITTE HASKINS & SELLS
Chartered Accountants

A.V. RAMALINGAN
Executive Director & Secretary

P. PUNNAIAH
Director

M. UTTAM REDDI
Director

BHAVANI BALASUBRAMANIAN
Partner

Y. MUKTHAR BASHA
Deputy General Manager - Finance

Hyderabad
30th, June 2007

**BEARDELL LIMITED****CASH FLOW STATEMENT FOR THE
YEAR ENDED 31st MARCH 2007**

	31st March 2007 (Rs. in Lakhs)	31st March 2006
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year before tax	373.53	181.48
Adjustments for :		
Depreciation	63.85	68.26
Foreign Exchange Variation (Net)	0.48	(0.35)
Interest Paid	21.16	20.34
Provision for Diminution in value of Investments (written back) / written off	-	(0.49)
Dividend Income	(0.79)	(0.36)
Interest Income	(10.29)	(6.98)
Profit on Sale of Assets (Net)	(239.32)	(1.92)
Provision for doubtful debts	17.60	-
	<u>(147.31)</u>	<u>78.50</u>
Operating Profit before Working Capital Changes	226.22	259.98
Adjustment for :		
(Increase) in Trade & Other Receivables	(368.77)	(166.51)
(Increase) / Decrease in Inventories	(73.78)	56.48
Increase / (Decrease) in Trade Payables	36.78	(94.63)
	<u>(405.77)</u>	<u>(204.66)</u>
Cash Generated from Operations	(179.55)	55.32
Taxes paid (Net of Refunds), including Fringe Benefit Tax	(70.71)	(36.63)
NET CASH USED IN OPERATING ACTIVITIES (A)	<u>(250.26)</u>	<u>18.69</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(78.25)	(28.36)
Proceeds from Sale of Fixed Assets	323.18	12.71
Purchase of Investments	(7.50)	(0.54)
Proceeds from Sale of Investments	-	18.70
Dividend Received	0.79	0.36
Interest Received	9.48	7.15
NET CASH GENERATED FROM INVESTING ACTIVITIES (B)	<u>247.70</u>	<u>10.02</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long term borrowings	0.91	3.63
Repayment of Long term borrowings	(26.57)	(7.83)
Short Term Borrowings (Net)	64.84	(2.10)
Interest on Borrowings	(21.16)	(20.34)
Unclaimed Dividend Paid / Remitted	-	(1.36)
NET CASH GENERATED FROM / (USED) IN FINANCING ACTIVITIES (C)	<u>18.02</u>	<u>(28.00)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS (A)+(B)+(C)	<u>15.46</u>	<u>0.71</u>
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	270.58	269.87
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	286.04	270.58

This is the Cash Flow Statement referred to in our Report of even date.

For DELOITTE HASKINS & SELLS
Chartered Accountants

A.V. RAMALINGAN
Executive Director & Secretary

P. PUNNAIAH
Director

M. UTTAM REDDI
Director

BHAVANI BALASUBRAMANIAN
Partner

Y. MUKTHAR BASHA
Deputy General Manager - Finance

Hyderabad
30th June 2007

**Schedules forming part of the
Balance Sheet and
Profit and Loss Account**

	As at 31st March 2007 (Rs. in Lakhs)	As at 31st March 2006
SCHEDULE 1		
SHARE CAPITAL		
Authorised		
5000000 Equity Shares of Rs. 10/- each	<u>500.00</u>	<u>500.00</u>
Issued, Subscribed and paid up		
3833168 Equity Shares of Rs.10/- each Fully paid up	<u>383.32</u>	<u>383.32</u>

Of the above Shares

678700 Equity Shares of Rs. 10/- each are issued as fully paid-up by way of Bonus Shares through the capitalisation of Reserves and from Share Premium Account.

157400 Equity Shares of Rs. 10/- each are issued as fully paid-up pursuant to a contract without payments being received in cash.

**SCHEDULE 2
RESERVES AND SURPLUS**

	As at 1st April 2006	Additions	Deductions	As at 31st March 2007
Capital Subsidy #	-	-	-	-
Share Premium	241.31	-	-	241.31
General Reserve	334.59	25.46	-	360.05
Surplus as shown in Profit and Loss Account	286.10	184.36	-	470.46
	<u>862.00</u>	<u>209.82</u>	<u>-</u>	<u>1071.82</u>

Includes Rs.2/- being the value of Plant and Machinery received as grant under United Nations Development Programme taken at a nominal value.



BEARDELL LIMITED

As at
31st March 2007

As at
31st March 2006

(Rs. in Lakhs)

SCHEDULE 3

LOANS SECURED

Working Capital Facilities from Banks

Packing Credit	100.63	16.28
	<u>100.63</u>	<u>16.28</u>
 UNSECURED		
Fixed Deposits	104.64	149.80
	<u>104.64</u>	<u>149.80</u>
	<u>205.27</u>	<u>166.08</u>

SCHEDULE 4 FIXED ASSETS

Description	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As at 01.4.06	Addi- tions	Deduc- tions	As at 31.3.07	As at 01.4.06	For the year	Deduc- tions	As at 31.3.07	As at 31.3.07	As at 31.3.06
Freehold Land	8.67	–	1.75	6.92	–	–	–	–	6.92	8.67
Leasehold Land	4.21	–	2.31	1.90	1.24	0.03	0.70	0.57	1.33	2.97
Buildings	302.53	9.06	85.92	225.67	88.07	7.77	32.19	63.65	162.02	214.46
Plant and Machinery	585.66	26.38	62.68	549.36*	422.66	44.64	42.29	425.01	124.35	163.00
Electrical Installation	26.33	0.28	5.79	20.82	15.74	1.82	2.85	14.71	6.11	10.59
Furniture, Fittings and Office Equipments	80.48	6.83	2.15	85.16	45.42	4.17	1.44	48.15	37.01	35.06
Vehicles	44.46	31.15	11.22	64.39	19.69	5.42	8.49	16.62	47.77	24.77
	1052.34	73.70	171.82	954.22	592.82	63.85	87.96	568.71	385.51	459.52
Capital Work in Progress including advances									14.09	9.54
									399.60	469.06
Previous year	1270.52	18.82	237.00	1052.34	702.48	68.26	177.92	592.82	459.52	568.04

* Include value of Plant & Machinery given as grant under United Nations Development Programme (UNDP) taken at nominal value of Rs.2/- (2006 : Rs.2/-)

**Schedules forming part of the
Balance Sheet and
Profit and Loss Account**

SCHEDULE 5 Investments (Long Term) In Fully Paid Equity Shares Trade - Unquoted :	As at 31st March 2007		As at 31st March 2006	
	Face Value	Cost	Face Value	Cost
	(Rs. in Lakhs)			
Diana Garments (Private) Limited 15000 Equity shares of Rs.10/- each	1.50	-	1.50	-
Sri Balaji Insulation (P) Limited 3400 Equity Shares of Rs. 100/- each	3.40	-	3.40	-
Hyderabad EPS Products (P) Limited 18000 Equity Shares of Rs. 10/- each	1.80	1.80	1.80	1.80
Arpejay Investments (P) Limited 900 Equity Shares of Rs.100/- each	0.90	-	0.90	-
Pondy EPS Products (P) Limited 180 Equity Shares of Rs.100/- each	0.18	-	0.18	-
Pink Packaging & Moulding Pvt.Ltd 5300 (Nil) Shares @ Rs.141.50 each	5.30	7.50	-	-
In partly paid Equity Shares Trade - Unquoted :				
Royal Insulation (P) Limited 3618 Equity Shares of Rs.10/- each Rs.5/- per share paid up	0.18	-	0.18	-
Sarovar Insulation (P) Limited 3618 Equity Shares of Rs.10/- each Rs.5/- per share paid up	0.18	-	0.18	-
		<u>9.30</u>		<u>1.80</u>
In Fully Paid Shares Non-Trade-Quoted:				
Nava Bharat Ventures Limited 1565 Equity Shares of Rs. 2/- each	0.03	0.08	0.03	0.08
ICICI Bank Limited 233 shares of Rs.10/- each	0.01	0.12	0.01	0.12
Taurus Mutual Fund - Boinanza Exclusive Growth Scheme 13333 Units of Rs.10/- each	1.00	1.00	1.00	1.00
Andhra bank 2300 Shares of Rs.10/- each	0.23	0.23	0.23	0.23
		<u>1.43</u>		<u>1.43</u>
		<u>10.73</u>		<u>3.23</u>
Market Value of Quoted Investments		<u>9.56</u>		<u>9.22</u>



BEARDELL LIMITED

	As at 31st March 2007	As at 31st March 2006
(Rs. in Lakhs)		
SCHEDULE 6		
INVENTORIES		
Stores & Spare Parts	1.90	2.80
Loose Tools	5.46	6.81
Raw Materials	78.48	47.29
Trading and Finished Goods	102.77	58.51
Process Stock	14.90	10.38
Jobs in Progress	149.32	153.26
	<u>352.83</u>	<u>279.05</u>
SCHEDULE 7		
SUNDRY DEBTORS - UNSECURED		
Debts outstanding for a period exceeding six months		
Considered Good	34.51	159.22
Considered Doubtful	<u>50.78</u>	<u>58.41</u>
	85.29	217.63
Less : Provision	<u>50.78</u>	<u>58.41</u>
	34.51	159.22
Other Debts		
Considered Good	1238.01	906.15
Considered Doubtful	<u>31.34</u>	<u>13.26</u>
	1269.35	919.41
Less : Provision	<u>31.34</u>	<u>13.26</u>
	1238.01	906.15
	<u>1272.52</u>	<u>1065.37</u>
SCHEDULE 8		
CASH AND BANK BALANCES		
Cash, Cheques and Stamps on hand	31.09	51.56
Balances with scheduled Banks on		
Current Account	141.80	46.64
Margin Money Deposits*	44.25	53.22
Fixed Deposits	68.90	119.16
	<u>254.95</u>	<u>219.02</u>
	<u>286.04</u>	<u>270.58</u>

* for Bank Guarantees and Letter of Credit

**Schedules forming part of the
Balance Sheet and
Profit and Loss Account**

	As at 31st March 2007	As at 31st March 2006
	(Rs. in Lakhs)	
SCHEDULE 9		
LOANS AND ADVANCES		
Advances recoverable in Cash or in kind or for value to be received Considered Good		
Secured #	190.38	8.43
Unsecured	159.70	242.22
Advance payment of Income Tax	312.17	212.60
Advance payment of Fringe Benefit Tax	<u>20.64</u>	<u>8.62</u>
	682.89	471.87
Deposits - Unsecured and Considered Good	43.59*	43.74*
Balance with Excise Authorities	<u>3.58</u>	<u>1.73</u>
	47.17	45.47
	730.06	517.34
	2.19	8.35

* Includes with Government Departments

Includes Rs. 180.00 lakhs secured by deposit of title deeds relating to property

SCHEDULE 10
CURRENT LIABILITIES AND PROVISIONS
Current Liabilities

Acceptances	22.54	20.06
Sundry Creditors - Others	754.68	670.56
- SSI & Micro Small & Medium Enterprises	-	-
Advance received from Customers	262.76	311.49
Amount to be credited to		
Investor Education & Protection Fund**	-	-
Due to Directors	-	1.55
Provisions	1039.98	1003.66
For Taxation	225.20	124.12
Fringe Benefit Tax	18.86	8.88
Leave Encashment	3.90	3.65
Proposed Dividend	38.33	-
Tax on Dividend	<u>6.51</u>	<u>-</u>
	292.80	136.65
	1332.78	1140.31

** There are no amounts due and outstanding as on 31.03.2007 and 31.3.2006 to be credited to Investor Education & Protection Fund

	For the year ended 31st March 2007	For the year ended 31st March 2006
	(Rs. in Lakhs)	
SCHEDULE 11		
COMMISSION AND RENTAL INCOME		
Commission	99.82	116.17
Rental Income	<u>35.04</u>	<u>51.80</u>
	134.86	167.97



BEARDELL LIMITED

For the
year ended
31st March 2007
(Rs. in Lakhs)

For the
year ended
31st March 2006

SCHEDULE 12

OTHER INCOME

Interest from Banks & Others [Tax deducted at Source Rs. 0.84 Lakhs (2006 : 0.68 lakhs)]	10.29	6.98
Dividends	0.79	0.36
Foreign Exchange Variation (Net)	-	0.35
Provision for diminution written back on sale of Investments	-	0.49
Profit on Sale of Assets (Net)	239.32	1.92
Duty Drawback	13.51	1.67
Bad Debts written off in earlier years recovered	0.55	3.43
Other Receipts	8.39	10.13
	<u>272.85</u>	<u>25.33</u>

SCHEDULE 13

MANUFACTURING AND OTHER EXPENSES

I. MATERIALS

1) Consumption of Raw Materials

Opening Stock	47.29	54.98
Add : Purchases	1247.76	931.43
	<u>1295.05</u>	<u>986.41</u>
Less : Closing Stock	78.48	47.29
	<u>1216.57</u>	<u>939.12</u>

2) Purchases

Trading / Finished Goods	1482.51	1289.57
Bought out items for jobs	1601.90	1038.81
	<u>3084.41</u>	<u>2328.38</u>

3) (Increase) / Decrease in process stock, jobs in progress and Trading / Finished Goods

Opening Stock

Trading / Finished Goods	58.51	167.11
Process Stock	10.38	15.32
Jobs in progress	153.26	85.99
	<u>222.15</u>	<u>268.42</u>

Closing Stock

Trading / Finished Goods	102.77	58.51
Process Stock	14.90	10.38
Jobs in progress	149.32	153.26
	<u>266.99</u>	<u>222.15</u>
	<u>(44.84)</u>	<u>46.27</u>

4) Excise Duty

	<u>(1.58)</u>	<u>3.08</u>
	<u>4254.56</u>	<u>3316.85</u>

**Schedules forming part of the
Balance Sheet and
Profit and Loss Account**

	For the year ended 31st March 2007	For the year ended 31st March 2006
	(Rs. in Lakhs)	
II. Payments to and Provision for Employees		
Salaries, Wages and Bonus	234.40	226.77
Contribution to Provident Fund and Other Funds	29.62	15.03
Contribution to Employees State Insurance Scheme	2.68	2.35
Workmen and Staff Welfare Expenses	33.68	29.00
Contribution to Gratuity Funds	12.33	16.17
	<u>312.71</u>	<u>289.32</u>
III. Other Expenses		
Consumption of Stores and Spare Parts	13.62	9.20
Power and Fuel	30.40	27.63
Rent	27.01	24.88
Rates and Taxes	3.86	6.42
Insurance	14.95	11.34
Repairs and Maintenance to		
– Buildings	2.72	4.02
– Machinery	3.79	5.52
– Furniture and Equipment	6.83	5.94
Directors' Sitting Fees	0.99	0.77
Foreign Exchange Variation (Net)	2.37	-
Bad Debts Written off	91.85	9.50
Less : Transfer from Provision for Doubtful debts	<u>7.15</u>	<u>9.50</u>
	84.70	-
Provision for Doubtful Debts	17.60	-
Travelling and Conveyance	56.97	59.53
Communication Expenses	27.36	30.79
Printing and Stationery	9.24	9.10
Professional Charges	19.80	25.41
Miscellaneous	100.00	94.58
	<u>422.21</u>	<u>315.13</u>
	<u>4989.48</u>	<u>3921.30</u>
SCHEDULE 14		
INTEREST ON		
I. Loans from Banks	5.10	2.31
II. Fixed Deposits	13.71	15.89
III. Others	2.35	2.14
	<u>21.16</u>	<u>20.34</u>



SCHEDULE 15

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

I. Significant Accounting Policies

1. BASIS OF ACCOUNTING

The financial statements have been prepared based on historical cost convention and accrual basis of accounting in conformity with the applicable Accounting Standards issued by The Institute of Chartered Accountants of India and referred to in Sub-section (3C) of Sec 211 of the Companies Act, 1956.

2. USE OF ESTIMATES

The preparation of the financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates.

3. FIXED ASSETS & DEPRECIATION

Fixed Assets are recorded at cost less accumulated depreciation. The Company capitalises all costs relating to acquisition and installation of fixed assets. Capital work in progress is recorded at cost.

Assets given on operating lease are capitalised and depreciation has been provided on such assets on straight line method at the rates specified in the Schedule XIV of the Companies Act, 1956.

Fixed assets are depreciated pro rata to the period of use, based on straight line method at the rates prescribed under Schedule XIV of the Companies Act, 1956. Assets costing less than Rs.5000/- are fully depreciated in the year of addition.

4. IMPAIRMENT OF ASSETS

As at each Balance Sheet date, the Company determines whether there is any indication of impairment of the carrying amount of its assets. The recoverable amount of such assets are estimated, if any indication exists and impairment loss is recognised wherever the carrying amount of the assets exceeds its recoverable amount.

5. FOREIGN EXCHANGE TRANSACTIONS

Transactions in foreign currencies are accounted at the exchange rates prevailing on the date of the transactions and the realised exchange loss / gain are dealt with in the Profit & Loss Account.

Monetary assets and liabilities denominated in foreign currency are restated at the rates of exchange as on the Balance Sheet date and the exchange / gain loss is suitably dealt with in the Profit & Loss Account.

6. INVESTMENTS

Investments are recorded at cost of acquisition. Unquoted Investments are written off, where they are not realisable in the opinion of Management. The Diminution, if any, in the value of Long-term investments stated at cost, is recognised when such diminution is other than temporary in nature.

7. INVENTORIES

Inventories are valued at lower of cost (net of centvat where applicable) and net realisable value. Cost includes cost of purchase, cost of conversion, and other costs incurred in bringing the inventories to their present location and condition. The method of determination of cost of various categories of inventory are as follows :

- a) Raw Materials and Stores & Spares - on weighted average basis.
- b) Finished Goods, Process Stock and contracting material at lower of cost which includes appropriate production overheads and net realisable value, the cost being determined on weighted average basis.
- c) Trading Stocks are valued at purchase cost, inclusive of all duties and taxes on FIFO basis.

Schedules forming part of the Balance Sheet and Profit and Loss Account

- d) Loose tools are valued at cost less estimated reduction in value for use.

8. REVENUE RECOGNITION

- a) Revenues from Contract Jobs are recognised on the percentage of completion method taking into consideration the estimated expenditure to be incurred for completion of the jobs.
- b) Sales are recognised when goods are despatched and recorded net of Trade Discounts, Sales Tax. Export Incentives are recognised on accrual basis.
- c) Lease rentals and commission income are recognised on accrual basis.

9. RETIREMENT BENEFITS

- a) Fixed contribution to Provident Fund are being remitted to Employees Provident Fund Organisation with the Government and charged to revenue.
- b) Contribution to Superannuation is funded through Trust by payments to Life Insurance Corporation of India and charged to revenue.
- c) Contribution to Gratuity is funded through Trust by payments to Life Insurance Corporation of India and annual contribution determined by actuarial valuation as at balance sheet date has been paid and charged to revenue.
- d) Provision for leave encashment is made, based on actuarial valuation as at balance sheet date.

10. SEGMENT REPORTING

- a) The accounting policies adopted for segment reporting are in line with the accounting policies of the company.
- b) Revenue and expenses have identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise a whole and are not allocable to segments on a reasonable basis, have been included under unallocated corporate expenses.
- c) There are no inter segment revenues and therefore their basis of measurement does not arise.

11. EARNINGS PER SHARE

The earnings considered in ascertaining the Company's earning per share comprise the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares, if any, which would have been issued on the conversion of all dilutive potential equity shares.

12. TAXES ON INCOME

- a) Current tax is determined on the profit for the year in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred tax is calculated at the rates and laws that have been enacted or substantively enacted as of the Balance Sheet date and is recognised on timing difference that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognised and carried forward only to the extent that they can be realised.
- c) Fringe Benefit tax is calculated in accordance with the provisions of the Income Tax Act, 1961.

13. PROVISIONS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

II. Notes



BEARDELL LIMITED

Name of the statute	Nature of Dues	Amount (Rs.in lakhs)	Payment made (Rs.in lakhs)	Period to which the Amt. Relates	Forum where dispute is pending
Sales Tax Act of various States	Sales Tax	18.94 (18.73)	4.11 (1.39)	1982-83 to 1985 -86 1989-90 to 1995-96 1997 -98 1998-99 2000-01 2001-02 2003-04	Dy. Commissioner & Asst. Commissioner & Other Appellate Authorities
Central Sales Tax Act	Sales Tax	11.03 (7.27)	2.64 (5.05)	1993-94 to 1995-96 1997-98 2000-01 2001-02 2003-04	Dy. Commissioner & CTO of various states.

2. Excise Duty

Excise Duty on sales for the year has been disclosed as reduction from turnover. Excise Duty related to the difference between the closing stock and opening stock has been included in Schedule 13.

3. Value Added Tax (VAT)

Consequent to introduction of VAT in certain states, adjustments of eligible VAT credit pertaining to inventories on hand as on the date of implementation by the respective states have been done in accordance with the guidelines prescribed by the Institute of Chartered Accountants of India.

4. a) Working Capital facilities of the Company are secured by First Charge on Current Assets and Fixed Assets of the Company, on pari passu basis.

b) Fixed Deposits maturing within one year is Rs.48.30 lakhs (2006: Rs.67.81 lakhs).

5. Sundry Debtors Includes :

a) Outstanding for more than six months and considered good is Rs. NIL (2006: Rs.78.37 lakhs) due from parties against whom legal cases have been filed for recovery.

b) Retention Money Rs.29.83 lakhs (2006: Rs.24.87 lakhs)

c) Contracts Receivables Rs.378.96 lakhs (2006: Rs.362.70 lakhs)

6. Fixed deposits under cash and bank balances includes an amount of Rs.11.62 lakhs (2006: Rs.13.65 lakhs) deposited in pursuance of Rule 3A of the Companies (Acceptance of Deposits) Rules 1975.

7. Loans and Advances Includes:

a) Advance for purchase of Land Rs.35.51 lakhs (2006: Rs.35.53 lakhs)

b) Insurance Claim receivable of Rs.22.02 lakhs (2006: Rs.63.24 lakhs) against damage to Inventory in Thane Factory.

8. Sundry Creditors Includes:

a) There are no dues to Small Scale Industrial Undertakings and micro, small and medium enterprises as at 31.03.2007 based on information provided by the management and relied upon by auditors.

b) Advance from Contract Customers Rs.142.40 lakhs (2006:Rs.94.79 lakhs)

**Schedules forming part of the
Balance Sheet and
Profit and Loss Account**

9. **Information relating to Deferred Tax**

Break-up of Deferred Tax Assets and Deferred Tax Liabilities arising on account of timing differences:

	31st March 2007	31st March 2006
	(Rs. in Lakhs)	
a. Deferred Tax Assets		
Provision for doubtful debts	27.91	24.13
VRS Payment	10.60	15.75
Others	2.24	2.13
	40.75	42.01
b. Deferred Tax Liabilities		
Depreciation	95.36	90.58
Others	3.98	4.35
	99.34	94.93
Net Deferred Tax Liability	58.59	52.92
10. Professional Charges Includes		
Auditors' Remuneration		
For Audit	3.50	3.00
For Tax Audit/Representation	1.35	1.22
For Certification of statements	1.43	1.43
For Expenses	0.36	0.35
	6.64	6.00
11. Directors' Remuneration		
(a) Executive Chairman - Mr. P. Punnaiah*		
Sitting Fees	0.03	0.02
Money Value of Perquisites	0.08	0.13
	0.11	0.15
* Ceased to be the Executive Chairman and continues as Director with effect from 19.08.2006.		
(b) Executive Director - Mr. A.V. Ramalingan		
Salary	5.10	4.50
Commission	-	1.93
Contribution to Provident and Superannuation Funds	1.38	0.77
Money Value of Perquisites	4.71	3.39
	11.19	10.59
Total	11.30	10.74

Due to inadequacy of Profits no commission is payable to the Executive Director



BEARDELL LIMITED

31st March 2007

31st March 2006

(Rs. in Lakhs)

12. (i) Turnover

Quantity	Quantity		Value	
				Value
Expanded Polystyrene	1122	MT	1818.21	963 MT 1547.26
Prefab Panels	61194	RMT	1054.75	38314 RMT 726.86
Insulation / Prefab Contracts			1672.76	30 MT 1451.42
Chemicals	12	MT	13.40	821 NOS 24.33
Electric Motors	1123	NOS	352.67	260.55
Exports of fabrics / Knitwear			352.97	165.27
Miscellaneous			<u>33.45</u>	<u>72.64</u>
			5298.21	4248.33

(ii) Stock Particulars - Finished Goods

Class of Goods	Unit of Measurement	Opening		Closing		Opening		Closing	
		Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
Manufactured									
Expanded Polystyrene	MT	21	19.72	27	27.41	24	35.54	21	19.72
Prefab Panels	RMT	588	8.83	188	3.52	540	9.62	588	8.83
Traded Goods									
Motors	Nos	52	4.84	122	14.04	84	4.45	52	4.84
Fabrics			14.80		33.59		53.96		14.80
Others			10.32		24.21		63.54		10.32
			<u>58.51</u>		<u>102.77</u>		<u>167.11</u>		<u>58.51</u>

**Schedules forming part of the
Balance Sheet and
Profit and Loss Account**

	31st March 2007	31st March 2006
	(Rs. in Lakhs)	
13. Value of Imports on CIF Basis		
Raw Materials	31.68	80.65
Traded Goods	12.17	-
	43.85	80.65
14. Expenditure in Foreign Currency		
Travel	0.81	4.64
Royalty (net of tax)	-	5.59
Interest / Charges	0.19	0.22
	1.00	10.45
15. Earnings in Foreign Currency		
Export of Goods Calculated on F.O.B. Basis	302.45	132.89
16. Consumption of Raw Materials	Quantity Value	Quantity Value
Polystyrene Resin	922 MT 691.34	654 MT 499.83
Precoated Steel	744 MT 398.52	542 MT 302.96
Others	105 MT 126.71	86 MT 136.33
	1216.57	939.12
17. Value of Raw Materials, Stores and Spare Parts and Components consumed	Expressed as a % of Consumption Value	Expressed as a % of Consumption Value
Imported	2 29.23	3 31.69
Indigenous	98 1200.96	97 916.63
	100 1230.19	100 948.32



BEARDELL LIMITED

18. Capacities and Production	31st March 2007		31st March 2006	
	(Rs. in Lakhs)			
Class of goods manufactured	Expanded Polystyrene MT	Prefab Panels RMT	Expanded Polystyrene MT	Prefab Panels RMT
Installed Capacity (Per annum on single shift basis)	384	216000*	384	216000*
Actual Production	898	78998	648	55577
Produced by outside processor out of the above	415	–	278	–
Captive Consumption	252	18204	258	17215

* As per certificate given by the Management on which the Auditors have relied.

19. In respect of Contracts in Progress as on 31.03.2007 the aggregate cost incurred and Profit recognised is Rs.1336.01 lakhs (2006:Rs.558.93 lakhs) and Rs.105.06 lakhs (2006:Rs.63.39 lakhs) respectively.

20. Segment Reporting (Rs. in Lakhs)

				As on 31.03.07				As on 31.03.06
	Insulation	Trading	Others	Total	Insulation	Trading	Others	Total
1. Segment Revenue								
Net Sales / Commission & Rental Income	4447.98	724.79	2.40	5175.17	3703.54	462.51	-	4166.05
2. Segment Results								
Operating Profit	452.45	37.54	1.76	491.75	385.41	16.26	1.79	403.46
Interest	–	–	–	(21.16)	–	–	–	(20.34)
Unallocable Corporate Expenses (Net-off Income)	–	–	–	(97.06)	–	–	–	(201.64)
Income Taxes	–	–	–	(118.87)	–	–	–	(45.06)
Net Profit	–	–	–	254.66	–	–	–	136.42
3. Segment Assets / Liabilities								
Segment Assets	2150.39	665.40	0.93	2816.72	2104.93	255.12	0.52	2360.57
Unallocated Corporate Assets	–	–	235.06	235.06	–	–	244.06	244.06
Total Assets				3051.78				2604.63
Segment Liabilities	900.61	227.20	0.03	1127.84	771.72	158.57	1.73	932.02
Unallocated Corporate Liabilities	–	–	1923.94	1923.94	–	–	1672.61	1672.61
Total Liabilities				3051.78				2604.63

4. Capital Expenditure Addition **73.70** 18.82

5. Depreciation **63.85** 68.26

The Company has considered business segment as the Primary Segment for disclosure.

Insulation Business includes manufacturing of EPS Products / Prefab Panels and related contracting activities.

**Schedules forming part of the
Balance Sheet and
Profit and Loss Account**

Trading includes Chemicals, Motors and Exports, etc.

The above Segments have been identified taking into account the organisation structure as well as the differing risks and returns of these segments.

21. Secondary Segment

As the sales and assets outside India is less than 10% of total sales / assets, reporting of Geographical Segment is not applicable to the Company.

22. Related Party Disclosure

Information relating to related party transactions for the year ended 31st March 2007.

Parties with significant influence	:	Navabharat Ventures Limited
Key Management Personnel	:	Mr. P. Punnaiah - Executive Chairman*
		Mr. A.V. Ramalingan - Executive Director

* Ceased to be Executive Chairman and continues as Director with effect from 19.08.2006

Related Party Transactions	31st March 2007	31st March 2006
	(Rs. in Lakhs)	
Parties with significant influence		
Outstanding Balances (Advance for purchase of land)	35.51	35.53
Remuneration to Key Management Personnel	11.30	10.74

23. Notes Relating to Leases

Operating leases

As at the balance sheet date :

The outstanding commitments by the lessee on account of assets leased out by the Company under non-cancellable leases are as follows:

Within one year	32.64	47.64
Later than one year and not later than five years	Nil	Nil
Later than five years	Nil	Nil

24. Earnings Per Share

The net profit for the year has been used as the numerator and number of equity shares as denominator in calculating basic and diluted earnings per share. There are no potential equity shares and hence basic and diluted EPS are the same.

Description

Numerator-Profit after Tax	254.66	
136.42 Denominator-Weighted Average number of equity shares	3833168	
3833168	10/-	
Face Value per share in Rs.	6.64	
10/-		
Basic and Diluted Earnings per share in Rs.		
3.56		

25. Comparative figures for the previous year have been reclassified wherever necessary to conform to this year's

For DELoitte HASKINS & SELLS	A. V. RAMALINGAN	P. PUNNAIAH	M. UTTAM REDDI
Chartered Accountants	Executive Director & Secretary	Director	Director

BHAVANI BALASUBRAMANIAN
Partner

Y. MUKTHAR BASHA
Deputy General Manager - Finance

Hyderabad
30th June, 2007



BEARDELL LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.

1428

State Code

18

Balance Sheet

31	03	2007
Date	Month	Year

II. Capital Raised During the Year

(Amount in Rs. Lakhs)

Public Issue

NIL

Rights Issue

NIL

Bonus Issue

NIL

Private Placement

NIL

III. Position of Mobilisation and Deployment of Funds

(Amount in Rs. Lakhs)

Total Liabilities

3051.78

Total Assets

3051.78

Sources of Funds**Paid-up-Capital**

383.32

Reserves & Surplus

1071.82

Secured Loans

100.63

Unsecured Loans

163.23

Application of Funds**Net Fixed Assets**

399.60

Investments

10.73

Net Current Assets

1308.67

Misc-Expenditure

NIL

Accumulated Losses

NIL

IV. Performance of Company

(Amount in Rs. Lakhs)

Turn Over

5448.02

Total Expenditure

5074.49

Profit Before Tax

373.53

Profit After Tax

254.66

Earning Per Share in Rs.

6.64

Dividend Per Share Rs.

1.00

V. Generic Names of Three Principal Products / Services of Company (As per monetary terms)

Item Code No.

390311-00

(ITC Code)

Product Description

EXPANDED POLYSTYRENE

Item Code No.

940600-00

(ITC Code)

Product Description

PREFAB PANELS

INSULATION CONTRACTS

AGENCY LINES

A. V. RAMALINGAN
Executive Director & SecretaryP. PUNNAIAH
DirectorM. UTTAM REDDI
DirectorHyderabad
30th June, 2007Y. MUKTHAR BASHA
Deputy General Manager - Finance



BEARDELL LIMITED

Regd. Office : 47, Graemes Road, Chennai - 600 006

ATTENDANCE SLIP

(To be signed and handed over at the entrance of the Meeting Hall)

I/We hereby record my/our presence at the 70th Annual General Meeting of the above named Company at Mini Hall, Satguru Gnanananda Hall, Narada Gana Sabha, 314, T.T.K. Road, Chennai - 600 018 on Monday, the 27th August, 2007, at 10.00 a.m.

Name(s) of the Member(s)	Registered Folio No.
--------------------------	----------------------

Name of the proxy (in block letter)
(to be filled in if the Proxy attends instead of the Member)

Member's/Proxy's Signature



BEARDELL LIMITED

Regd. Office : 47, Graemes Road, Chennai - 600 006

PROXY FORM

Registered Folio No.

I/We

of

..... being a member(s) of the above

named Company hereby appoint

of

or failing him

of

as my/our proxy to attend and vote for me/us and on my/our behalf at the 70th Annual General Meeting of the Company to be held on Monday, the 27th August, 2007, at 10.00 a.m. at Mini Hall, Satguru Gnanananda Hall, Narada Gana Sabha, 314, T.T.K. Road, Chennai - 600 018.

Signed this day of 2006.

Signature



Note : Proxy forms, duly signed must reach the Company's Registered Office not less than 48 hours before the time of holding the Meeting.