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Directors

Mr. P. Punnaiah - Executive Chairman
Mr. M. Uttam Reddi
Mr. P.C.D. Nambiar
Mr. V. Thirumal Rao
Mr. A.V. Ramalingan- Executive Director

Auditors

M/s. Fraser & Ross

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



NOTICE IS HEREBY GIVEN that the Sixty-ninth Annual General Meeting of the Company will be held on Wednesday, the 27th September, 2006 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 the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Balance Sheet as at 31st March 2006, 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, 2006 together with the Directors Report and the Auditors Report thereon, be and are hereby approved and adopted."

2. Appointment of Directors

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

"RESOLVED THAT Mr. P.C. D. Nambiar, Director, who retires by rotation and being eligible for re-appointment be and is hereby reappointed as a Director of the Company."

3. Appointment of Auditors

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

"RESOLVED THAT pursuant to Sec 224 of the Companies Act, 1956, M/s. Deloitte Haskins & Sells (DHS), Chartered Accountants, Chennai, be and are hereby appointed as Statutory Auditors of the Company in place of the retiring Auditors M/s. Fraser & Ross, Chartered Accountants, to hold Office until 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

4. Appointment of Director

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

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

5. Appointment of Executive Director

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

"RESOLVED THAT subject to the provisions of Sections 198, 309, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, Mr. A. V. Ramalingan be reappointed as Executive Director and Secretary for a period of five years with effect from 01.02.2006 on the following terms and conditions and payment of remuneration and other perquisites/ benefits with authority to the Board of Directors of the Company to alter and vary such remuneration, perquisites and benefits provided that the same are in accordance with the provisions of the Companies Act, 1956".

A draft agreement as approved by the Board is submitted to this meeting.

- a) Salary : Rs.40,000/- per month
- b) Commission : 1% of the Net Profit
- c) Perquisites : Perquisites are classified into Three Categories A,B and C as follows:

CATEGORY "A"

Housing

- a) The expenditure incurred by the Company on hiring unfurnished residential accommodation will be subject to a ceiling of 60% of the salary;
- b) Where accommodation in the Company owned house is provided, Company shall deduct 20% salary of the Executive Director & Secretary. Wherever the Company does not provide accommodation, House Rent Allowance shall be paid in accordance with (a) above:

Gas, Electricity and Water

Reimbursement of Expenditure incurred on gas, electricity and water.

Medical Reimbursement

Expenses incurred for the Executive Director and Secretary and his family, subject to a ceiling of one month's Salary in a year or three month's salary over a period of three years.

Leave Travel Concession

For the Executive Director and Secretary and his family, once in a year incurred in accordance with the Company Rules.

Club Fees

Fees for clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

Personal Accident Insurance

Premium not to exceed Rs.1000/- per annum.

CATEGORY "B"

Contribution to Provident Fund, Superannuation Fund and Gratuity as per the Company's Rules.

CATEGORY "C"

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Executive Director.

The remuneration aforesaid including the benefits and amenities but with the exception of the commission payable on Net Profits be paid and allowed as minimum remuneration for any year in the event of loss or inadequacy of profits though it exceeds the ceiling limit prescribed in Sections 198 and 309 of the Companies Act, 1956.

The Executive Director and Secretary shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committee.

The Executive Director and Secretary shall not be liable to retire by rotation as a Director.

During the Continuance of this Agreement either party shall have the right to terminate this agreement, at any time, by giving six months notice in writing, to the other party.

By order of the Board

Hyderabad
28th June 2006

A.V. Ramalingan
Executive Director & Secretary

NOTES

1. In terms of Clause 49 of the Listing Agreement with Stock Exchange brief details regarding Director's reappointment is given below

The profile of Mr. P. C. D. Nambiar who retires by rotation and being eligible for reappointment as a Director are as under

Mr. P. C. D. Nambiar is a former Chairman of State Bank of India and its Seven Associate Banks for a tenure of over 5½ years. Vastly experienced in National and International Banking and Finance, he served the Imperial Bank of India and its Successor, State Bank of India for over 38 years with postings in London and New York and was elected Chairman of the Indian Bank's Association. As Chairman of State Bank of India, he put through a successful programme of rapid internationalisation of that Bank.

Mr. P. C. D. Nambiar is interested in this resolution. None of the other Directors are interested in the above Resolution.

2. M/s. Fraser & Ross, Chartered Accountants, Chennai, retiring Auditors have informed the Board that owing to administrative reasons they do not propose to offer themselves as Statutory Auditors of the Company for the year 2006-2007. A Special notice in terms of Section 190 of the Companies Act 1956, has been received from a member proposing the appointment of M/s. Deloitte Haskins & Sells (DHS), Chennai as Auditors in place of M/s. Fraser & Ross.

M/s. Deloitte Haskins & Sells (DHS), Chennai have expressed consent for their appointment as Statutory Auditors of the Company for the financial year 2006-2007 and have confirmed the appointment, if made, will be in accordance with the limits specified under Section 224 (1B) of the Companies Act, 1956.

3. The Explanatory Statement pursuant Section 173(2) of the Companies Act, 1956 in respect of the Special Business set out in Item No 4 is annexed hereto
4. 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.



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5. A Proxy can be in any of the forms set out in Schedule IX of the Companies Act, 1956.
 6. The Register of Members and Share Transfer Books of the Company will remain closed from 1st August, 2006 to 7th August, 2006 (both days inclusive).
 7. Members are requested to intimate change, if any, in their addresses immediately.
 8. 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.
 9. Members are requested to bring their copy of the Annual Report with them to the Annual General Meeting.
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EXPLANATORY STATEMENT : Pursuant to Section 173(2) of the Companies Act, 1956

Item No. 4 :

Appointment of Mr. P. Punnaiah as Director.

Mr. P. Punnaiah is an experienced industrialist with over 60 years of management and industrial experience and knowledge. Mr. Punnaiah is associated with the Company as a Director since 1985 on acquisition of the Company's shares by Navabharat Ferro Alloys Limited, from M/s. Tootals Limited, U.K. He was the Managing Director of the Company from 02.01.1989, Chairman and Managing Director from 20.08.1997 and Executive Chairman from 20.08.2002. Mr. Punnaiah has expressed his inability to continue as Executive Chairman on completion of his present tenure which ends on 19.08.2006.

In the meeting held on 28.06.2006, Board of Directors appointed Mr. Punnaiah as Additional Director of the Company with effect from 20th August, 2006 according to Article 121 of the Articles of Association of the Company.

None of the Directors, except Mr. Punnaiah, is interested in the above resolution.

Item No. 5 :

Reappointment of Mr. A.V. Ramalingan as Executive Director and Secretary

Mr. A. V. Ramalingan is a Post Graduate in Commerce, Associate member of The Institute of Company Secretaries of India and The Institute of Cost and Works Accountants of India and has 27 years varied professional experience and was the Chief Executive & Secretary of the Company prior to his appointment as Executive Director from 1st February, 2001 for a period of 5 years.

Considering his contribution to the Company, in the meeting held on 28th January, 2006 Board of Directors reappointed Mr. A. V. Ramalingan as Executive Director and Secretary for a further period of five years with effect from 01.02.2006 subject to the provisions of Sections 198, 309, Schedule XIII and other applicable provisions if any of the Companies Act, 1956 and subject to the approval of the Shareholders.

Mr. A. V. Ramalingan is interested in this resolution. None of the other Directors are interested in the above Resolution.

REPORT OF BOARD OF DIRECTORS

Your Directors present the 69th Annual Report of the Company together with the Audited Accounts for the financial year ended 31.03.2006.

PERFORMANCE / OPERATIONS

FINANCIAL RESULTS

(Rs. in Lakhs)

	Year ended 31.03.2006	Year ended 31.03.2005
Gross Revenue	4191.38	4589.88
Profit before Interest & Depreciation	270.08	412.93
Interest	20.34	135.24
Profit before Depreciation	249.74	277.69
Depreciation	68.26	80.56
Profit before tax	181.48	197.13
Profit after taxation	136.42	240.75
Balance of Profit & Loss Account from Last year	149.68	(91.07)
Balance in Profit & Loss Account	286.10	149.68

DIVIDEND

Considering the resources required for new activities no dividend is recommended for the year under review.

REVIEW OF OPERATIONS

For the year under review overall improvement in the Economy and in business segments engaged by your Company helped in improving sales and margins. Efforts to reduce cost, particularly interest, also helped your Company to post a profit after tax of Rs. 136.42 Lakhs on a total income of Rs. 4191.38 Lakhs.

INSULATION DIVISION

a. EPS : This Division mainly caters to Projects, Cold Storages, Consumer Durable / Packaging Market where the demand increased. The price of main raw material i.e Expandable Polystyrene was almost stable through out the year which helped to achieve sales volume of 963 tons against 716 tons in the previous year.

b. PREFAB PANELS

During the year, concentration on Cold Storages, Food Processing Industries, Pharmaceuticals and Roofing Applications helped the Division to increase volumes and gross earnings. The division sold / installed 55529 RMT as against 46827 RMT in the previous year - growth of 18%.

c. CONTRACTING

This Division made satisfactory progress with re-orientation of the business mix by discontinuing AC & R Contracts in

some locations and also by focusing on direct contracts with the end user customers.

TRADING DIVISION

Performance of Engineering Products Division is satisfactory. Chemicals Division's performance was affected due to imports.

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. 3.62 Lakhs matured but were not claimed till 31st March, 2006. Subsequently, Fixed Deposits totalling to Rs.0.60 Lakhs have been renewed/repaid. Reminders have been sent to the other deposit holders for their instructions.

INSURANCE

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

FLOOD LOSS AT THANE (MUMBAI) FACTORY AND INSURANCE CLAIM

There was damage to certain stocks and part of the machineries & building owing to heavy flood caused by rain on 26th July, 2005 at Thane factory. Insurance Claim made is under process.

DIRECTORS

Mr. P. C. D. Nambiar, Director, retires by rotation at this Annual General Meeting, and being eligible, offer himself for reappointment.

Board of Directors in their meeting held on 28.01.2006, subject to approval of shareholders reappointed Mr. A. V. Ramalingan, as Executive Director and Secretary for a further period of five years with effect from 01.02.2006.

Mr. P. Punnaiah is the Executive Chairman of the Company and his tenure expires on 19.08.2006. Mr. Punnaiah expressed his inability to continue as Executive Chairman, thereafter.

Taking the above into consideration, Mr. Punnaiah was appointed by the Board of Directors as an Additional Director with effect from 20th August, 2006 at its meeting held on 28th June, 2006. Pursuant to Section 260 of the Companies Act, 1956, Mr. Punnaiah will hold office as Additional Director upto the date of ensuing Annual General Meeting. Company has received a Notice in writing under Section 257 of the Act from a member proposing Mr. Punnaiah's candidature. Your Directors place this resolution for approval.



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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

M/s. Fraser & Ross, Chartered Accountants, Chennai, retiring Auditors have informed the Board that owing to administrative reasons they do not propose to offer themselves as Statutory Auditors of the Company for the year 2006-2007.

A Special notice in terms of Section 190 of the Companies Act, 1956, has been received from a member proposing the appointment of M/s. Deloitte Haskins & Sells (DHS), Chennai as Auditors in place of M/s. Fraser & Ross.

M/s. Deloitte Haskins & Sells (DHS), Chennai have expressed consent for their appointment as Statutory Auditors of the Company for the Financial Year 2006-2007 and have confirmed, the appointment if made, will be in accordance with the limits specified under Section 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, 2006 and of the Profit and Loss of the Company for financial year ended 31st March, 2006;
- 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-B.

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

As required under Section 217 (1)(e) of the Companies Act, 1956, read with Rule 2 of The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo wherever applicable are furnished in Annexure-A which forms part of this report.

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 Bankers, Principals/Suppliers, Customers and Employees.

For and on behalf of the Board

Hyderabad
28th June 2006

P. Punnaiah
Executive Chairman

MANAGEMENT DISCUSSIONS & ANALYSIS

Industry Structure & Development

Your Company manufacture Expanded Polystyrene products (EPS) and elements of Prefab building made from EPS panels. These products are used for industrial packaging, cold storage, hot & cold insulation etc. Demand for the end use of our products was good during last year and same trend is likely to continue in the current year.

During the current year your Company has started exporting Knitwear to USA & Canada.

Outlook on Opportunities and Threats

Government of India's thrust on Cold storage with modern technology for improving post harvest management of horticulture, fruits and vegetables is likely to increase the demand for your Company's products. Further new retail chains coming up is also likely to increase the demand. Significant fluctuations in price of Expandable Polystyrene (a petroleum product) and steel can have adverse impact on your Company.

Segment wise Performance

Insulation division which comprises manufacture of EPS products / Prefab Panels and related Contracting activities earned a revenue of Rs. 3703.54 lakhs - 88.90% of the total revenue,

Trading Segment which comprises Chemical, Motors and Exports earned a revenue of Rs. 462.51 Lakhs -11.10% of the 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.

Financial Performance and Material Development in Human Resources

Financial performance and Material development in human resources has been given separately in the Directors Report.

ANNEXURE - A TO DIRECTORS REPORT

Information Under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of Directors Report for the year ended 31st March 2006

RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND CONSERVATION OF ENERGY

Improved the efficiency of the coal fired boiler by making some alterations in the boiler and used briquettes and imported coal.

The above resulted in the reduction of electricity & coal consumption and increase in steam coal ratio. Usage of imported coal reduced the ash content which helped to keep the environment clean.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, Foreign Exchange Earnings amounted to Rs.132.89 Lakhs as against Rs.189.25 Lakhs during previous year.

The total Foreign Exchange Outgo during the year under review was Rs.91.10 Lakhs as against Rs.96.85 Lakhs during previous year.



BEARDELL LIMITED

ANNEXURE-B

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY

Company's objective on Corporate Governance throws light on the goal of achieving transparency, accountability and fair disclosure in all spheres of operation of the Company's business to satisfy its objectives to Share holders and Stakeholders. Your Company is compliant with the requirements of the new Corporate Governance Code.

BOARD OF DIRECTORS

Company's Board currently comprises of five Directors of which two are Whole-time Directors.

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 5-8-05	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	Executive Chairman	Not Present	1	2	Nil	Nil	1
Mr. M. Uttam Reddi	Independent	Present	5	1	Nil	1	Nil
Mr. P. C .D. Nambiar	Independent	Present	5	4	1	1	3
Mr. V. Thirumal Rao	Independent	Present	5	Nil	Nil	Nil	Nil
Mr. A. V. Ramalingan	Executive Director	Present	5	1	Nil	Nil	Nil

b) During the Financial Year 2005-2006, five Board Meetings were held on 29th June, 2005, 28th July, 2005, 5th August, 2005, 31st October, 2005 and 28th January, 2006.

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

d) Code of Conduct

The Code of Conduct for all the Board Members and the Senior Management Personnel of the Company was laid down by the Board and all Board Members and Senior Management Personnel have affirmed compliance with the code. The said Code of Conduct has also been posted on the website of the Company www.beardsell.co.in

The declaration to this effect signed by the Executive Chairman is given at the end of this report.

In terms of clause 49 of the Listing Agreement, brief details regarding Directors seeking appointment / reappointment is given below

Name	Mr. P. Punnaiah Director	Mr. P. C. D. Nambiar Director	Mr. A.V. Ramalingan Executive Director
a) Brief Resume			
Age	87 Years	83 Years	51 Years
Qualification	B.A.	M.A. (Economics)	M.Com., AICWAI, ACS
Date of appointment on the Board of the Company	13.12.1985	29.04.1983	01.02.2001
b) Expertise in Specific functional areas	In all facets of management functions	In all facets of management functions	In all facets of management functions
c) Names of other Companies in which Directorship(s) & Committee memberships held	Nava Bharat Ferro Alloys Ltd.,* Prakasam Sugar Complex Ltd.,	Carrier Aircon Ltd., Hotel Leela Venture Ltd., Peirce Leslie India Ltd., Reliance Chemotex Industries Ltd., Western India Plywood Ltd.,**	Prakasam Sugar Complex Ltd.,
No. of Shares of Rs.10/- each held by Director	85950	NIL	1000
By his relatives	655640	NIL	NIL
Total	741590	NIL	1000

* Member in Shareholders' / Investors Grievances Committee

** Chairman in Audit Committee and Member in Remuneration Committee.

AUDIT COMMITTEE

I) 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.

II) Composition and Attendance

During the Financial Year 2005-2006, four Audit Committee Meetings were held on 29th June, 2005, 28th July, 2005, 31st October, 2005 and 28th January, 2006.

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	Independant	4
2	Mr. P. C. D. Nambiar	Independant	4
3	Mr. V. Thirumal Rao	Independant	4
4	Mr. A. V. Ramalingan	Executive Director	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 2005-2006

							(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	-	0.13	-	-	0.02	0.15
2.	Mr. M. Uttam Reddi	-	-	-	-	0.25	0.25
3.	Mr. P. C. D. Nambiar	-	-	-	-	0.25	0.25
4.	Mr. V. Thirumal Rao	-	-	-	-	0.25	0.25
5.	Mr. A. V. Ramalingan	4.50	3.39	0.77	1.93	-	10.59
		4.50	3.52	0.77	1.93	0.77	11.49

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.

COMPLIANCE OFFICER

Mr. V. V. Sridharan, DGM-Corporate Affairs, was appointed as the Compliance Officer to deal with and respond to correspondence and complaints from all categories of Investors viz. Shareholders and Fixed Deposit holders. All the queries from investors have been satisfactorily replied.



BEARDELL LIMITED

GENERAL BODY MEETINGS

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

Financial Year	AGM	Location	Date	Time
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.
2002-03	66th	Narada Gana Sabha, 314, T.T.K. Salai, Chennai - 600 018	06.08.03	10.00 A.M.

No Postal ballots were used / invited during the year 2005-06.

DISCLOSURE

- There were no materially significant related party transactions during the year having conflict with the interest of the Company.
- 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.
- 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.

- 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.

- Proceeds from public issues, rights issues, preferential issues etc.,*

No Money has been raised through public / right / preferential issues during the year.

- Management Disclosures.*

Management Discussion and Analysis report is forming part of the Directors Report.

CEO / CFO CERTIFICATION

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

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.

GENERAL SHARE HOLDERS INFORMATIONS

a) Annual General Meeting

The 69th Annual General Meeting of the Company will be held on Wednesday, the 27th September, 2006 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, 2006 to 31st March, 2007

Results for the Period	Expected date of Completion
First Quarter	July 2006
Second Quarter & Half-Yearly	Oct 2006
Third Quarter	Jan 2007
Audited Financial Results	June 2007

c) Date of Book Closure

1st August, 2006 to 7th August, 2006 (both days inclusive)

d) (i) Shareholding Pattern as on 31st March, 2006

Category	No. of Shares held	Percentage of Shareholding
A. Promoter's Holdings		
1. Promoters		
- Indian Promoters	1844560	48.12
- Foreign Promoters	Nil	Nil
2. Persons acting in Concert	Nil	Nil
Sub Total	1844560	48.12
B. Non Promoter's Holdings		
3. Institutional Investors		
a. Mutual Funds and UTI	51000	1.33
b. Bank, Financial Institutions, Insurance Companies (Central / State Govt. Institutions/ Non-Government Institutions)	817160	21.32
c. Foreign Institutional Investors	Nil	Nil
Sub Total	868160	22.65
4. Others		
a. Private Corporate bodies	113358	2.95
b. Indian Public	1001430	26.13
c. NRIs / OCBs	5660	0.15
d. Any other	Nil	Nil
Sub Total	1120448	29.23
Grand Total	3833168	100.00



BEARDELL LIMITED

(ii) DISTRIBUTION OF HOLDINGS AS ON 31st MARCH, 2006

NO. OF SHARES	SHAREHOLDERS		SHARES AMOUNT	
	Number	%	Amount	% to total
Upto 5000	3195	98.97	6105080	15.93
5001 to 10000	6	0.19	413800	1.08
10001 to 20000	7	0.22	989500	2.58
20001 to 30000	1	0.03	250000	0.65
30001 to 40000	2	0.06	749500	1.96
40001 to 50000	6	0.19	2882500	7.52
50001 to 100000	7	0.22	4467300	11.65
100001 & above	4	0.12	22474000	58.63
TOTAL	3228	100.00	38331680	100.00

e. 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.

f. Registrar and Share Transfer Agents

Company appointed Cameo Corporate Services Limited as the Registrar and Share Transfer Agent.

All Share Transfer work that was done in-house earlier will be taken up by the Company's Registrar and Share Transfer Agent. Request for Demat and Remat should be sent directly to the said Transfer Agent through an authorised Depository Participant with whom the member has a demat account.

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

g. Listing On Stock Exchange

The shares of the Company are listed on the Madras Stock Exchange. Listing fees for the year 2005 –2006 has been duly paid.

h. Market Price Data

Shares of the Company were last traded on the Stock Exchange in 1999 at a price of Rs.19/- per share.

i Address for Correspondence

Registered office

BEARDSELL LTD

47, Greams Road,

Chennai-600 006

Tel: 044 - 28293296

e-mail : ho@beardsell.co.in

Compliance:

Company has obtained a certificate from its 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

Hyderabad
28th June 2006

P. PUNNAIAH
Executive Chairman

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
28th June 2006

P. PUNNAIAH
Executive Chairman



BEARDELL LIMITED

CERTIFICATE

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 2006, 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, 2006 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.

Hyderabad
28th June 2006

For FRASER & ROSS
Chartered Accountants

BHAVANI BALASUBRAMANIAN
Partner
Membership No. 22156

FIVE YEAR RECORD

(Rs. in Lakhs)

	Year Ended 31 st March				
	2002	2003	2004	2005	2006
Income	3398.88	3557.30	3261.48	4589.88	4191.38
Profit before Depreciation	143.92	44.83	(51.95)	277.69	249.74
Depreciation	82.01	80.62	80.85	80.56	68.26
Taxation - Current	3.50	-	-	25.29	30.47
- Deferred	19.26	(14.28)	(19.58)	(68.91)	5.71
- Fringe Benefit Tax	-	-	-	-	8.88
Profit after Tax	39.15	(21.51)	(113.22)	240.75	136.42
Dividend	-	-	-	-	-
Tax on Dividend	-	-	-	-	-
Retained Funds	39.15	(21.51)	(113.22)	240.75	136.42
Share Capital	383.32	383.32	383.32	383.32	383.32
Earnings per Share (Rs.)	1.02	(0.56)	(2.95)	6.28	3.56
Net Worth	1167.68	1146.17	1032.95	1108.90	1245.32
Book Value Per Share (Rs.)	27.23	29.90	26.95	28.93	32.49



We have audited the attached Balance Sheet of Beardsell Limited (the "Company") as at 31st March 2006, and also the Profit and Loss Account and 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, 2006 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, 2006;
 - 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 FRASER & ROSS
Chartered Accountants

BHAVANI BALASUBRAMANIAN

Hyderabad
28th June 2006

Partner
Membership No. 22156

Annexure to the Auditors' Report to the Members

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) 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 the above statutory dues as at 31st March, 2006, 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, Customs duty, Wealth tax, Service tax, Excise duty and Cess which have not been deposited as on 31st March, 2006, with the appropriate authorities on account of disputes, except for the dues referred to in Note. No.II. 2. (iv) of Schedule 15 to the Financial Statements.
10. The Company has no accumulated losses as at 31st March, 2006 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, 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 FRASER & ROSS
Chartered Accountants

BHAVANI BALASUBRAMANIAN
Partner
Membership No. 22156

Hyderabad
28th June 2006

**BEARDELL LIMITED****Balance Sheet
as at
31st March 2006**

	Schedule	As at 31st March 2006		As at 31st March 2005	
		(Rs. in Lakhs)			
SOURCES OF FUNDS					
Shareholder's Funds					
Share Capital	1	383.32		383.32	
Reserves and Surplus	2	862.00	1245.32	<u>725.58</u>	1108.90
Loan Funds					
Secured Loans	3	16.28		—	
Unsecured Loans		149.80	166.08	<u>172.41</u>	172.41
Deferred Tax Liability (Net)					
			52.92		47.21
			<u>1464.32</u>		<u>1328.52</u>
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	4	1052.34		1270.52	
Less : Depreciation		592.82		<u>702.48</u>	
Net Block		459.52		<u>568.04</u>	
Capital Work in Progress including advances		9.54		—	
Net Block			469.06		568.04
Investments	5		3.23		20.90
Current Assets, Loans and Advances					
Current Assets					
Inventories	6	279.05		335.53	
Sundry Debtors	7	1065.37		952.04	
Cash and Bank Balances	8	270.58		269.87	
Loans and Advances	9	517.34		<u>379.85</u>	
			2132.34		1937.29
Less : Current Liabilities and Provisions					
(a) Current Liabilities	10	1003.66		1100.71	
(b) Provisions		136.65		<u>97.00</u>	
Net Current Assets			992.03	<u>1197.71</u>	739.58
			<u>1464.32</u>		<u>1328.52</u>
NOTES ON ACCOUNTS	15				

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

For FRASER & ROSS
Chartered Accountants

A. V. RAMALINGAN
Executive Director & Secretary

P. PUNNAIAH
Executive Chairman

M. UTTAM REDDI
Director

BHAVANI BALASUBRAMANIAN
Partner

Y. MUKTHAR BASHA
Deputy General Manager - Finance

Hyderabad
28th June 2006

**Profit and Loss Account
for the year ended
31st March 2006**

		For the year ended 31st March 2006		For the year ended 31st March 2005
Schedule		(Rs. in Lakhs)		
INCOME				
Gross Sales		4248.33		3397.08
Less : Excise Duty		250.25		190.42
Net Sales		3998.08		3206.66
Commission & Rental Income	11	167.97		165.19
Others	12	25.33		1218.03
		4191.38		4589.88
EXPENDITURE				
Manufacturing and Other expenses	13	3921.30		4176.95
Interest	14	20.34		135.24
Depreciation		68.26		80.56
		4009.90		4392.75
Profit for the year before tax		181.48		197.13
Less : Provision for Taxation				
- Current		30.47	25.29	
- Deferred		5.71	(68.91)	
- Fringe Benefit Tax		8.88	-	
		45.06		(43.62)
Profit for the year after tax		136.42		240.75
Add : Balance brought forward from Previous year		149.68		(91.07)
Surplus / (Debit Balance) carried to Balance Sheet		286.10		149.68
NOTES ON ACCOUNTS	15			
Basic and diluted earnings per share of face value of Rs.10/- each (in Rupees)		3.56		6.28

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

For FRASER & ROSS
Chartered Accountants

A. V. RAMALINGAN
Executive Director & Secretary

P. PUNNAIAH
Executive Chairman

M. UTTAM REDDI
Director

BHAVANI BALASUBRAMANIAN
Partner

Y. MUKTHAR BASHA
Deputy General Manager - Finance

Hyderabad
28th June 2006

**BEARDELL LIMITED****CASH FLOW STATEMENT FOR THE
YEAR ENDED 31st MARCH 2006**

	31st March 2006 (Rs. in Lakhs)	31st March 2005
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year before tax	181.48	197.13
Adjustments for :		
Depreciation	68.26	80.56
Foreign Exchange Variation (Net)	(0.35)	1.88
Interest Paid	20.34	135.24
Provision for Diminution in value of Investments (written back) / written off	(0.49)	14.01
Dividend Income	(0.36)	(0.28)
Interest Income	(6.98)	(9.03)
Profit on Sale of Assets (Net)	(1.92)	(1127.46)
Provision for doubtful debts	-	81.17
Miscellaneous Expenditure Amortised	-	12.27
	<u>78.50</u>	<u>(811.64)</u>
Operating Profit / (Loss) before Working Capital Changes	259.98	(614.51)
Adjustment for :		
(Increase) / Decrease in Trade & Other Receivables	(166.51)	493.44
Decrease in Inventories	56.48	286.29
(Decrease) / Increase in Trade Payables	<u>(94.63)</u>	<u>122.69</u>
	(204.66)	902.42
Cash Generated from Operations	55.32	287.91
Taxes paid (Net of Refunds), including Fringe Benefit Tax	(36.63)	0.41
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	18.69	288.32
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(28.36)	(83.11)
Proceeds from Sale of Fixed Assets	12.71	1182.26
Purchase of Investments	(0.54)	-
Proceeds from Sale of Investments	18.70	-
Dividend Received	0.36	0.28
Interest Received	7.15	9.03
NET CASH GENERATED FROM INVESTING ACTIVITIES (B)	10.02	1108.46
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long term borrowings	3.63	4.10
Repayment of Long term borrowings	(7.83)	(508.18)
Short Term Borrowings (Net)	(2.10)	(568.15)
Interest on Borrowings	(20.34)	(166.08)
Unclaimed Dividend Paid / Remitted	(1.36)	(1.91)
NET CASH USED IN FINANCING ACTIVITIES (C)	(28.00)	(1240.22)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A)+(B)+(C)	0.71	156.56
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	269.87	113.31
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	270.58	269.87

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

For FRASER & ROSS
Chartered Accountants

A. V. RAMALINGAN
Executive Director & Secretary

P. PUNNAIAH
Executive Chairman

M. UTTAM REDDI
Director

BHAVANI BALASUBRAMANIAN
Partner

Y. MUKTHAR BASHA
Deputy General Manager - Finance

Hyderabad
28th June 2006

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

	As at 31st March 2006 (Rs. in Lakhs)	As at 31st March 2005
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 2005	Additions	Deductions	As at 31st March 2006
Capital Subsidy #	-	-	-	-
Share Premium	241.31	-	-	241.31
Debenture Redemption Reserve	75.00	-	75.00*	-
General Reserve	259.59	75.00	-	334.59
Surplus as shown in Profit and Loss Account	149.68	136.42	-	286.10
	<u>725.58</u>	<u>211.42</u>	<u>75.00</u>	<u>862.00</u>

* The Debenture Redemption Reserve is considered no longer required, as the debentures have been fully redeemed.

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 2006	As at 31st March 2005
	(Rs. in Lakhs)	
SCHEDULE 3		
LOANS		
Secured		
Working Capital Facilities from Banks		
Packing Credit	16.28	–
	16.28	–
Unsecured		
Fixed Deposits	149.80	172.41
	149.80	172.41
	166.08	172.41

SCHEDULE 4 FIXED ASSETS

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 01.4.05	Addi- tions	Deduc- tions	As at 31.3.06	As at 01.4.05	For the year	Deduc- tions	Impair- ment Loss	As at 31.3.06	As at 31.3.06	As at 31.3.05
Freehold Land	8.67	–	–	8.67	–	–	–	–	–	8.67	8.67
Leasehold Land	4.21	–	–	4.21	1.19	0.05	–	–	1.24	2.97	3.02
Water supply	3.55	–	2.12	1.43	1.75	0.17	1.00	–	0.92	0.51	1.80
Buildings	302.53	–	–	302.53 ^(a)	79.25	8.82	–	–	88.07	214.46	223.28
Plant and Machinery	772.84	13.86	202.47	584.23 ^(b)	533.31	49.04	160.61	–	421.74	162.49	239.53
Electrical Installation	53.86	–	27.53	26.33	26.35	2.59	13.20	–	15.74	10.59	27.51
Furniture, Fittings and Office Equipments	79.37	3.46	2.35	80.48	43.05	3.59	1.22	–	45.42	35.06	36.32
Vehicles	45.49	1.50	2.53	44.46	17.58	4.00	1.89	–	19.69	24.77	27.91
	1270.52	18.82	237.00	1052.34	702.48	68.26	177.92	–	592.82	459.52	568.04
Capital Work in Progress including advances										9.54	
										469.06	568.04
Previous year	1650.76	83.11	463.35	1270.52	861.06	80.56	252.83	13.69	702.48	568.04	789.70

(a) The Registration of conveyance in respect of building at Mumbai sold during the year ended 31.12.1983 is awaited.

(b) Include value of Plant & Machinery given as grant under United Nations Development Programme (UNDP) taken at nominal value of Rs.2/- (2005 : 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 2006		As at 31st March 2005	
	Face Value	Cost	Face Value	Cost
	(Rs. in Lakhs)			
Diana Garments (P) 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	-
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>1.80</u>		<u>1.80</u>
Trade - Quoted				
Shin-Ho Petro Chemical (India) Limited 315000 Equity Shares of Rs.10/- each	-	-	31.50	31.50
Less : Provision for Diminution in value		-		13.83
		<u>-</u>		<u>17.67</u>
		<u>1.80</u>		<u>19.47</u>
In Fully Paid Shares Non-Trade-Quoted:				
Nava Bharat Ferro Alloys Limited 1565 Equity Shares of Rs. 2/- each (Previous year 313 equity shares of Rs.10/- each)	0.03	0.08	0.03	0.08
ICICI Bank Limited 233 shares of Rs.10/- each	0.05	0.12	0.05	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>3.23</u>		<u>20.90</u>
Market Value of Quoted Investments		<u>9.22</u>		<u>24.73</u>

\$ - Disposed off during the year (Including Rs.0.54 Lakhs acquired during the year)



BEARDELL LIMITED

	As at 31st March 2006	As at 31st March 2005
(Rs. in Lakhs)		
SCHEDULE 6		
INVENTORIES		
Stores & Spare Parts	2.80	5.67
Loose Tools	6.81	6.46
Raw Materials	47.29	54.98
Trading and Finished Goods	58.51	167.11
Process Stock	10.38	15.32
Jobs in Progress	153.26	85.99
	<u>279.05</u>	<u>335.53</u>
SCHEDULE 7		
SUNDRY DEBTORS - UNSECURED		
Debts outstanding for a period exceeding six months		
Considered Good	159.22	143.21
Considered Doubtful	<u>58.41</u>	<u>67.05</u>
	217.63	210.26
Less : Provision	<u>58.41</u>	<u>67.05</u>
	159.22	143.21
Other Debts		
Considered Good	906.15	808.83
Considered Doubtful	<u>13.26</u>	<u>14.12</u>
	919.41	822.95
Less : Provision	<u>13.26</u>	<u>14.12</u>
	906.15	808.83
	<u>1065.37</u>	<u>952.04</u>
SCHEDULE 8		
CASH AND BANK BALANCES		
Cash, Cheques and Stamps on hand	51.56	15.28
Balances with scheduled Banks on		
Current Account	46.64	94.86
Margin Money Deposits*	53.22	66.97
Fixed Deposits	119.16	91.40
Unpaid Dividend Account	<u>—</u>	<u>1.36</u>
	219.02	254.59
	<u>270.58</u>	<u>269.87</u>

* for Bank Guarantees and Letter of Credit

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

	As at 31st March 2006	As at 31st March 2005
	(Rs. in Lakhs)	
SCHEDULE 9		
LOANS AND ADVANCES		
Advances recoverable in Cash or in kind or for value to be received Considered Good		
Secured	8.43	11.82
Unsecured	242.22	177.84
Advance payment of Income Tax	212.60	156.54
Advance payment of Fringe Benefit Tax	8.62	-
	471.87	346.20
Deposits - Unsecured and Considered Good	43.74 *	31.35 *
Balance with Excise Authorities	1.73	2.30
	45.47	33.65
	517.34	379.85
	8.35	21.92

* Includes with Government Departments

**SCHEDULE 10
CURRENT LIABILITIES AND PROVISIONS**

Current Liabilities

Acceptances	20.06	83.92
Sundry Creditors - Others	670.56	840.10
- SSI	-	-
Advance received from Customers	311.49	175.33
Amount to be credited to Investor Education & Protection Fund		
Unpaid Dividends	- **	1.36
Due to Directors	1.55	-
	1003.66	1100.71
Provisions		
- For Taxation	124.12	93.63
- Fringe Benefit Tax	8.88	-
- Leave Encashment	3.65	3.37
	136.65	97.00
	1140.31	1197.71

** There are no amounts due and outstanding as on 31.03.2006 to be credited to Investor Education & Protection Fund

	For the year ended 31st March 2006	For the year ended 31st March 2005
	(Rs. in Lakhs)	
SCHEDULE 11		
COMMISSION AND RENTAL INCOME		
Commission	116.17	97.01
Rental Income	51.80	68.18
	167.97	165.19



BEARDELL LIMITED

	For the year ended 31st March 2006	For the year ended 31st March 2005
(Rs. in Lakhs)		
SCHEDULE 12		
OTHER INCOME		
Interest from Banks & Others [Tax deducted at Source Rs. 0.68 Lakhs (2005 : Rs. 0.70 lakhs)]	6.98	9.03
Dividends	0.36	0.28
Foreign Exchange Variation (Net)	0.35	–
Excess provision made in prior years written back	–	0.17
Provision for dimunition written back on sale of Investments	0.49	–
Profit on Sale of Assets (Net)	1.92	1127.46
Duty Drawback	1.67	3.12
Bad Debts written off in earlier years recovered	3.43	–
Other Receipts	10.13	77.97
	<u>25.33</u>	<u>1218.03</u>
SCHEDULE 13		
MANUFACTURING AND OTHER EXPENSES		
I. MATERIALS		
Opening Stock		
Raw Materials	54.98	57.65
Trading / Finished Goods	167.11	235.43
Process Stock	15.32	11.49
Jobs in progress	85.99	304.34
	<u>323.40</u>	<u>608.91</u>
Purchases during the year		
Raw Materials	931.43	710.99
Trading / Finished Goods	1292.65	956.72
Bought-out items for jobs	1038.81	970.53
	<u>3262.89</u>	<u>2638.24</u>
	3586.29	3247.15
Less : Closing Stock		
Raw Materials	47.29	54.98
Trading / Finished Goods	58.51	167.11
Process Stock	10.38	15.32
Jobs in progress	153.26	85.99
	<u>269.44</u>	<u>323.40</u>
	<u>3316.85</u>	<u>2923.75</u>

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

	For the year ended 31st March 2006	For the year ended 31st March 2005
(Rs. in Lakhs)		
SCHEDULE -13 Manufacturing and other expenses (Contd.)		
II. Payments to and Provision for Employees		
Salaries, Wages and Bonus	226.77	280.46
Add: Miscellaneous Expenditure Amortised	—	12.27
	226.77	292.73
Contribution to Provident Fund and Other Funds	15.03	27.56
Contribution to Employees State Insurance Scheme	2.35	2.67
Workmen and Staff Welfare Expenses	29.00	23.33
Contribution to Gratuity Funds	16.17	55.78
	289.32	402.07
III. Other Expenses		
Consumption of Stores and Spare Parts	9.20	9.50
Power and Fuel	27.63	30.74
Rent	24.88	25.70
Rates and Taxes	6.42	54.02
Insurance	11.34	12.05
Repairs and Maintenance to		
– Buildings	4.02	9.88
– Machinery	5.52	39.04
– Furniture and Equipment	5.94	6.41
Directors' Sitting Fees	0.77	0.50
Foreign Exchange Variation (Net)	—	1.88
Bad Debts Written off	9.50	403.10
Less : Transfer from Provision for Doubtful debts	9.50	37.48
	—	365.62
Provision for Doubtful Debts	—	81.17
Travelling and Conveyance	59.53	48.42
Communication Expenses	30.79	28.70
Printing and Stationery	9.10	9.22
Professional Charges	25.41	19.30
Provision for Diminution in value of Investment/written off	—	14.01
Miscellaneous	94.58	94.97
	315.13	851.13
	3921.30	4176.95
SCHEDULE 14		
Interest On		
I. Loans from Banks and Financial Institutions	2.31	112.09
II. Fixed Deposits	15.89	22.46
III. Others	2.14	0.69
	20.34	135.24



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. 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.

3. 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.

4. 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.

5. 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 considered permanent.

6. Inventories

- a) Raw Materials are valued net of Modvat Credit at weighted average cost.
- b) Stores and Spare parts have been valued at lower of cost and net realisable value at weighted average cost. Loose tools are valued at cost less estimated reduction in value for use.
- c) Process stocks have been valued at cost, which includes material, labour and overheads. Jobs in progress have been valued at cost.
- d) Finished goods and contracting materials have been valued at lower of cost and net realisable value. Cost includes direct material, direct labour and applicable production overheads and excise duty wherever applicable.
- e) Trading Stocks are valued at purchase cost, inclusive of all duties and taxes on FIFO basis.

7. 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.

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

- b) Sales are recognised when goods are supplied and recorded net of Trade Discounts, Sales Tax. Export Incentives are recognised on accrual basis.
- c) Lease rentals receivables are recognised on due basis.

8. Retirement Benefits

- a) Fixed contribution to Provident Fund are funded with the Trustees of the exempted Provident Funds up to 31.05.2005 and charged to revenue. From 01.06.2005, contributions are being remitted to Employees Provident Fund Organisation with the Government and charged to revenue.
- b) Contribution to Gratuity is funded through Trust by payments to Life Insurance Corporation of India and annual contribution is determined by actuarial valuation as at balance sheet date which has been paid and charged to revenue.
- c) Provision for leave encashment is made, based on actuarial valuation as at balance sheet date.

9. 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.

10. 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 substantially 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.

II. Notes

- 1. An appeal is pending with the High Court against Order of the ITAT, Chennai in respect of disputed tax demand of Rs.54.20 lakhs for the Assessment Year 1994-95. An appeal is also pending before CIT (Appeals) against the order of Assessing Officer giving effect to the order of ITAT, Chennai. The Company is advised that there are reasonable chances of success in the appeals. Hence no provision is considered necessary

31st March 2006 31st March 2005
(Rs. in lakhs)

2. Contingent liability in respect of		
i) Uncalled liability in respect of partly paid shares held as investments.	0.36	0.36
ii) Claims against the Company not acknowledged as debts	32.00	32.00
iii) Capital Commitments (Net of advances)	5.77	–
iv) Disputed Sales tax demands (as detailed below)	26.00	25.07



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	18.73	1.39	1982-83 to 1985 -86 1989-90 1991-92 to 2003 -04	Dy. Commissioner & Asst. Commissioner & Other Appellate Authorities
Central Sales Tax Act	Sales Tax	7.27	5.05	1993-94 to 1995-96 1999-00 to 2003-04	Dy. Commissioner & CTO of various States.

3. 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.67.81 lakhs (2005: Rs.86.21 lakhs).
4. Sundry Debtors Includes :
- a) Outstanding for more than six months and considered good is Rs.78.37 lakhs (2005: Rs.86.37 lakhs) due from parties against whom legal cases have been filed for recovery.
- b) Retention Money Rs.24.87 lakhs (2005: Rs.29.77 lakhs)
- c) Contracts Receivables Rs.362.70 lakhs (2005: Rs.290.94 lakhs)
5. Fixed deposits under cash and bank balances includes an amount of Rs.13.65 lakhs (2005: Rs.16.40 lakhs) deposited in pursuance of Rule 3A of the Companies (Acceptance of Deposits) Rules 1975.
6. Loans and Advances Includes:
- a) Due by a Director Rs.Nil (2005: Rs.1.83 lakhs) towards Housing Loan granted prior to his appointment as Executive Director. Maximum amount due at any time during the year Rs.1.83 lakhs. (2005: Rs.2.09 lakhs).
- b) Advance for purchase of Land Rs.35.53 lakhs (2005: Rs.35.54 lakhs)
- c) Insurance Claim receivable of Rs.63.24 lakhs (2005: Nil) against damage to Inventory, Building and Machinery in Thane Factory.
7. Sundry Creditors Includes:
- a) Rs.50.00 Lakhs advance received as per Memorandum of Understanding entered in March 2005, for part transfer of Assignors rights, title and interest in the Leasehold property at Thane. MIDC Clearances are pending.
- b) There are no dues to Small Scale Undertakings as at 31.03.2006 based on information provided by the management and relied upon by auditors.
- c) Advance from Contract Customers Rs.94.79 lakhs (2005:Rs.62.76 lakhs)

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

8. **Information relating to Deferred Tax**

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

	31st March 2006	31st March 2005
	(Rs. in Lakhs)	
a. Deferred Tax Assets		
Provision for doubtful debts	24.13	27.32
VRS Payment	15.75	21.00
Un-absorbed Losses	–	12.12
Others	2.13	0.90
	42.01	61.34
b. Deferred Tax Liabilities		
Depreciation	90.58	104.19
Deferred Revenue Expenditure	–	(0.39)
Others	4.35	4.75
	94.93	108.55
Net Deferred Tax Liability	52.92	47.21
9. Professional Charges Includes		
Auditors' Remuneration		
For Audit	3.00	2.50
For Tax Audit/Representation	1.22	1.42
For Certification of statements	1.43	1.80
For Expenses	0.35	0.38
	6.00	6.10
10. (A) Directors' Remuneration		
(a) Executive Chairman - Mr. P. Punnaiah		
House Rent Allowance	–	0.55
Sitting Fees	0.02	0.04
Money Value of Perquisites	0.13	0.69
	0.15	1.28
(b) Executive Director - Mr. A.V. Ramalingan		
Salary	4.50	3.30
Commission	1.93	–
Contribution to Provident and Superannuation Funds	0.77	0.89
Money Value of Perquisites	3.39	2.91
	10.59	7.10
Total	10.74	8.38
(B) Calculation of Commission to Executive Director		
Profit as per Profit & Loss account	181.48	–
Add : Directors' Sitting Fees	0.75	–
Directors' Remuneration	10.74	–
	192.97	–
Commission to Executive Director at 1% on Rs.192.97 Lakhs	1.93	–



BEARDELL LIMITED

31st March 2006

31st March 2005

(Rs. in Lakhs)

11. Miscellaneous Expenditure

Payments under Voluntary Retirement Scheme/ Retrenchment Compensation

Balance on 01.04.2005	–	12.27
Less : Amortised during the year	–	12.27
Closing Balance	<u>–</u>	<u>–</u>

12. (i) Turnover

	Quantity	Value	Quantity	Value
Expanded Polystyrene	963 MT	1547.26	716 MT	1163.87
Prefab Panels	38314 RMT	726.86	32019 RMT	404.31
Insulation/Prefab Contracts		1451.42		1178.42
Chemicals	30 MT	24.33	40 MT	28.40
Electric Motors	821 Nos	260.55	874 Nos	248.25
Exports of Fabrics		165.27		202.14
Miscellaneous		72.64		171.69
		<u>4248.33</u>		<u>3397.08</u>

(ii) Stock Particulars - Finished Goods

Class of Goods	Unit of Measu- rement	Opening		Closing		Opening		Closing	
		Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
Manufactured									
Expanded Polystyrene	MT	24	35.54	21	19.72	52	40.37	24	35.54
Prefab Panels	RMT	540	9.62	588	8.83	1467	17.12	540	9.62
Traded Goods									
Motors	Nos	84	4.45	52	4.84	99	15.85	84	4.45
Fabrics			53.96		14.80		111.99		53.96
Others			63.54		10.32		50.10		63.54
			<u>167.11</u>		<u>58.51</u>		<u>235.43</u>		<u>167.11</u>

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

	31st March 2006		31st March 2005	
	(Rs. in Lakhs)			
13. Value of Imports on CIF Basis				
Raw Materials	80.65		95.59	
Traded Goods	–		0.48	
	80.65		96.07	
14. Expenditure in Foreign Currency				
Travel	4.64		0.56	
Royalty (net of tax)	5.59		–	
Interest / Charges	0.22		0.22	
	10.45		0.78	
15. Earnings in Foreign Currency				
Export of Goods Calculated on F.O.B. Basis	132.89		189.25	
16. Consumption of Raw Materials	Quantity	Value	Quantity	Value
Polystyrene Resin	654 MT	499.83	496 MT	421.19
Precoated Steel	542 MT	302.96	415 MT	204.67
Others	86 MT	136.33	61 MT	87.80
		939.12		713.66
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	3	31.69	6	39.78
Indigenous	97	916.63	94	683.38
	100	948.32	100	723.16



BEARDELL LIMITED

31st March 2006

31st March 2005

(Rs. in Lakhs)

18. Capacities and Production

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	648	55577	500	45837
Produced by outside processor out of the above	278	–	195	–
Captive Consumption	258	17215	182	14808

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

19. In respect of Contracts in Progress as on 31.03.2006 the aggregate cost incurred and Profit / (Losses) recognised is Rs.558.93 lakhs (2005:Rs.481.54 lakhs) and Rs.63.39 lakhs (2005:Rs.(53.05) lakhs) respectively.

20. Segment Reporting

(Rs. in Lakhs)

				As on 31.03.06				As on 31.03.05
	Insulation	Trading	Others	Total	Insulation	Trading	Others	Total
1. Segment Revenue								
Net Sales / Commission & Rental Income	3703.54	462.51	–	4166.05	2870.68	491.79	9.38	3371.85
2. Segment Results								
Operating Profit	385.41	16.26	1.79	403.46	(409.22)	(67.99)	71.20	(406.01)
Interest	–	–	–	(20.34)	–	–	–	(135.24)
Unallocable Corporate Expenses (Net-off Income)	–	–	–	(201.64)	–	–	–	738.38
Income Taxes	–	–	–	(45.06)	–	–	–	43.62
Net Profit	–	–	–	136.42	–	–	–	240.75
3. Segment Assets / Liabilities								
Segment Assets	2104.93	255.12	0.52	2360.57	2182.41	198.16	3.71	2384.28
Unallocated Corporate Assets	–	–	244.06	244.06	–	–	141.97	141.97
Total Assets				2604.63				2526.25
Segment Liabilities	771.72	158.57	1.73	932.02	899.11	106.05	4.13	1009.29
Unallocated Corporate Liabilities	–	–	1672.61	1672.61	–	–	1516.96	1516.96
Total Liabilities				2604.63				2526.25

4. Capital Expenditure Addition	18.82	83.11
5. Depreciation	68.26	80.56
6. Amortisation of Deferred Revenue Expenditure	–	12.27

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

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. 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 2006.

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

Related Party Transactions

	31st March 2006	31st March 2005
Parties with significant influence		(Rs. in Lakhs)
Outstanding Balances (Advance for purchase of land)	35.53	35.54
Remuneration to Key Management Personnel	10.74	8.38

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	47.64	51.80
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.

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

Signatures to Schedules 1 to 15

For FRASER & ROSS
Chartered Accountants

A. V. RAMALINGAN
Executive Director & Secretary

P. PUNNAIAH
Executive Chairman

M. UTTAM REDDI
Director

BHAVANI BALASUBRAMANIAN
Partner

Y. MUKTHAR BASHA
Deputy General Manager - Finance

Hyderabad
28th June 2006



BEARDELL LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. State Code

Balance Sheet	31	03	2006
	Date	Month	Year

II. Capital Raised During the Year

(Amount in Rs. Lakhs)

Public Issue**Rights Issue****Bonus Issue****Private Placement**

III. Position of Mobilisation and Deployment of Funds

(Amount in Rs. Lakhs)

Total Liabilities**Total Assets****Sources of Funds****Paid-up-Capital****Reserves & Surplus****Secured Loans****Unsecured Loans**

(Incl. Deferred Tax Liabilities)

Application of Funds**Net Fixed Assets****Investments****Net Current Assets****Misc-Expenditure****Accumulated Losses**

IV. Performance of Company

(Amount in Rs. Lakhs)

Turn Over**Total Expenditure****Profit / (Loss) Before Tax****Profit / (Loss) After Tax****Earning Per Share in Rs.****Dividend Per Share Rs.**

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

Item Code No.
(ITC Code)

Product Description

EXPANDED POLYSTYRENE

INSULATION CONTRACTS

Item Code No.
(ITC Code)

Product Description

PREFAB PANELS

AGENCY LINES

A. V. RAMALINGAN
Executive Director & SecretaryP. PUNNAIAH
Executive ChairmanM. UTTAM REDDI
DirectorHyderabad
28th June 2006Y. 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 69th 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 Wednesday, the 27th September, 2006, 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

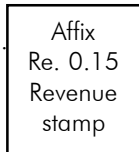
or failing him

of

as my/our proxy to attend and vote for me/us and on my/our behalf at the 69th Annual General Meeting of the Company to be held on Wednesday, the 27th September, 2006, 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.