

# **BEARDELL LIMITED**

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**Seventy Fourth Annual Report & Accounts**

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**2010 - 2011**

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# BEARDELL LIMITED

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## **Directors**

Mr. M.Uttam Reddi  
Mr. P.C.D.Nambiar  
Mr. V.Thirumal Rao  
Mr. R.Gowri Shanker  
Mr. S.V. Narasimha Rao - Executive Director  
Mr. Bharat Anumolu - Managing Director  
Mr. Amrith Anumolu  
Mr. V.J. Singh

## **Company Secretary**

Mr. K.Murali

## **Auditors**

M/s. Deloitte Haskins & Sells

## **Bankers**

Bank of India  
IDBI Bank Ltd.,

## **Registered Office**

47 Graemes Road  
Chennai 600 006  
Phone : 044 - 2829 3296 / 2829 0381  
Fax : 044 - 2829 0391  
E-mail : [ho@beardsell.co.in](mailto:ho@beardsell.co.in)  
Website : [www.beardsell.co.in](http://www.beardsell.co.in)



# BEARSELL LIMITED

**NOTICE IS HEREBY GIVEN** that the Seventy Fourth Annual General Meeting of the Company will be held on Wednesday, the 28th September, 2011 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 2011, the Profit and Loss Account of the Company for the year ended on that date, together with the Schedules, Balance Sheet Abstract, the Company's General Business Profile and Cash Flow Statement for the year ended 31st March, 2011 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 resolutions as an Ordinary Resolution

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

### 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 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 traveling and out of pocket expenses".

## AS SPECIAL BUSINESS

### SPECIAL RESOLUTION

To consider & if thought fit, to pass with or without modification(s) the following resolutions as Special Resolutions:

### 4. ISSUE OF FULLY CONVERTIBLE EQUITY WARRANTS

"RESOLVED THAT pursuant to Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof) for the time being in force read with the Memorandum and Articles of Association of the Company and subject to the Listing Agreement entered into by the Company with Stock Exchanges and the guidelines/rules/ICDR Regulations issued by the Securities and Exchange Board of India (herein after referred to as "SEBI"), such approvals, permissions, sanctions and consents as may be necessary and required under applicable laws, rules, regulations and contracts and on such terms, conditions, alterations, modifications, approvals, permissions, sanctions and consents, which may be accepted by the Board of Directors of the Company, as the case may be, the consent of the Company be and is hereby accorded to the Board of Directors (which term shall include any duly constituted and authorized committee thereof) to create, issue, offer, allot and deliver in one or more tranches on Preferential Basis, up to 4,50,000 Nos Fully Convertible Equity Warrants of face value of Rs. 10/- per share each at a price of Rs.58/- per share (including premium of Rs.48/-) aggregating to Rs.2,61,00,000/- (Rupees Two crores sixty one lakhs only) to Promoters with currency not exceeding eighteen months from the date of issue/allotment of the said Warrants or such extended currency as may be permitted under the applicable SEBI ICDR Regulations as amended from time to time, each such Warrant entitling the holder thereof to exercise its option to apply for and be issued and allotted one Fully paid-up Equity Share of face value of Rs. 10/- each in the Company at any time which option may be exercised by the holder in one or more tranches and on such terms and conditions as the Board may from time to time, whether on the same terms and conditions as may be deemed appropriate by the Board, both issued at a price which is higher than the minimum specified as per SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 ("SEBI ICDR Regulations") on the relevant date and that shares so issued upon conversion of Warrants shall rank pari-passu in all respects with the existing Equity Shares of the Company.

## Notice to the Shareholders

"RESOLVED FURTHER THAT the Relevant Date in relation to the Fully Convertible Equity Warrants for the purpose of determining the issue price under the SEBI ICDR Regulations for Preferential Issue shall be 29.08.2011 i.e. the date 30 days prior to the date of the Annual General Meeting where the proposed issue is to be considered".

"RESOLVED FURTHER THAT the said Fully Convertible Equity Warrants shall be issued and allotted within a period of fifteen (15) days from the date of passing this Special Resolution provided that where the allotment of the said Fully Convertible Equity Warrants is pending on account of pendency of any approval of such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of fifteen (15) days from the date of such approval or such other extended period as may be permitted under the applicable SEBI ICDR Regulations as amended from time to time".

"RESOLVED FURTHER THAT an amount of Rs.14.50 per warrant (25% of issue price of warrant) shall be payable on the date of allotment of the said Fully Convertible Equity Warrants, which shall be adjusted against the price payable subsequently for acquiring the Equity Shares by exercising the option for conversion with the balance amount being payable at the time of conversion and the said amount be forfeited, in case the option to acquire fully is not exercised. However the option to exercise shall not be later than 18 months of the issue of Warrants on such other terms as may be decided by the Board from time to time".

"RESOLVED FURTHER THAT the said Fully Convertible Equity Warrants to be issued and allotted upon conversion thereof on the exercise of the said option by the holder thereof shall be subject to a lock in period as per SEBI ICDR Regulations as amended from time to time".

"RESOLVED FURTHER THAT for the purpose of creating, issuing, offering and allotting the said Fully Convertible Equity Warrants to be issued and allotted upon conversion thereof on the exercise of the said option by the holder thereof of the Company, as aforesaid, the Board of Directors, or Committee of Directors duly constituted for this purpose, of the Company be and is hereby authorised to do and perform all such other acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, desirable or appropriate to give effect to this resolution in all respects and in particular, to settle any questions, difficulties or doubts that may arise with regard to the offering, issuing, allotting and utilizing the issue proceeds of the said Fully Convertible Equity Warrants of the Company as it may, in its absolute discretion, deem fit and proper and also to seek the listing of such securities in one or more Stock Exchanges in India".

### By order of the Board

Chennai  
August 30, 2011

K. Murali  
Company Secretary

### NOTES

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

A) 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 5-1/2 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.

No other Director except Mr.P.C.D.Nambiar is interested.

B) The profile of Mr.V.Thirumal Rao who retires by rotation and being eligible for reappointment as 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 on matters pertaining to Direct / Indirect taxes, Company Law, Import and Export policy matters, Trade Marks, Patents, etc. He worked as Senior Executive in MRF looking after various matters in the above areas and issues relating to SEBI Guidelines.

Now he is practicing as an Advocate. His knowledge and experience in the corporate matters and his guidelines has been of immense help and assistance to the Company.



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Mr.V.Thirumal Rao is interested in the Resolution.

No other Director except Mr.M.Ultam Reddi, Director relative of Mr.V.Thirumal Rao is interested.

2. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the Special Business set out Item no.4 annexed here to
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 19th September, 2011 to 28th September, 2011 (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.4**

#### **ISSUE OF FULLY CONVERTIBLE EQUITY WARRANTS**

The Company obtained the Share holders approval for issue of 4,50,000 Nos Fully Convertible Equity Warrants to Promoters on Preferential Basis in the Extra- Ordinary General Meeting held on 23rd June, 2011. Due to certain technical reasons we could not allot the warrants in time and hence Shareholders approval is sought for the second time.

The Company is planning to issue on Preferential Basis 4,50,000 Nos Fully Convertible Equity Warrants of face value of Rs.10/- each at a price Rs.58/- ( including premium of Rs.48/- per Share ) which is higher than the price arrived by the Chartered Accountant in terms of Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR" Guide Lines ) aggregating to Rs.2,61,00,000/- ( Rupees Two crores sixty one lakhs only ) to Promoters, with currency not exceeding 18 months from the date of issue / allotment of the said Warrants as per Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements ) Regulations, 2009 ( "SEBI ICDR Guide Lines") on the relevant date and that shares so issued upon conversion of Warrants shall rank parri passu in all respects with the existing Equity Shares of the Company.

The information as required under Clause 73 of Chapter VII of SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 for Preferential Issues are as under:

#### **a) Object of the Issue**

Our Company has rapidly expanded our operations in the last one year. Due to the increase in sales, our funds have been tied up in working capital needed to pay our vendors, impacting our liquidity. We are projecting a further increase in sales for this year. Also, we have specific projects that will need capital expenditure, especially the manufacturing of doors, that will start shortly in our Hyderabad Factory. The decrease in liquidity is impacting our ability to fund our capital expenditure. Therefore, we propose to use the funds from the Preferential Issue to fund various capital expenditure projects, including, but not exclusive to, door manufacturing, clean room panel manufacturing and wooden pallet manufacturing. The necessary resolution under section 81 (1A) of the Companies Act, 1956 is being placed before the share holders at the ensuing Annual General Meeting for seeking their approval

#### **b) The proposal of the Promoters, Directors or Key Management Personnel of the issuer to subscribe to the offer**

Name of the Promoter	No of Fully Convertible Equity Warrants
Mr .Bharat Anumolu Managing Director / Promoter	2,25,000
Mrs.A.Jayasree - Promoter	2,25,000

**c) Shareholding pattern before and after the offer of 4,50,000 Nos Fully Convertible Equity Warrants:**

	Category	BEFORE		AFTER	
		No. of Shares Held	% of Share Holding	No. of Shares Held	% of Share Holding
<b>A</b>	<b>Promoter's Holdings</b>				
1.	Promoters				
	- Indian Promoters (*)	2249351	53.14	2699351	57.64
	- Foreign Promoters	NIL	NIL	NIL	NIL
2.	Persons acting in Concert	NIL	NIL	NIL	NIL
	<b>Sub Total</b>	<b>2249351</b>	<b>53.14</b>	<b>2699351</b>	<b>57.64</b>
<b>B</b>	<b>Non Promoter's Holdings</b>				
3.	Institutional Investors				
	a. Mutual Funds and UTI	NIL	NIL	NIL	NIL
	b. Bank, Financial Institutions, Insurance Companies (Central / State Govt. Institutions)	817160	19.30	817160	17.45
	c. Foreign Institutional Investors	NIL	NIL	NIL	NIL
	<b>Sub Total</b>	<b>817160</b>	<b>19.30</b>	<b>817160</b>	<b>17.45</b>
4.	Others				
	a. Private Corporate bodies	103565	2.45	103568	2.21
	b. Indian Public	1056942	24.96	1056942	22.57
	c. NRIs / OCBs	6150	0.15	6150	0.13
	d. Any other	NIL	NIL	NIL	NIL
	<b>Sub Total</b>	<b>1166657</b>	<b>27.56</b>	<b>1166657</b>	<b>24.91</b>
	<b>Grand Total</b>	<b>4233168</b>	<b>100.00</b>	<b>4683168</b>	<b>100.00</b>

(\*) Including the Issue of 4,00,000 Fully Convertible Equity Warrants allotted and pending Conversion into Equity Shares

**d) Proposed time within which the allotment shall be completed:**

The allotment of Fully Convertible Equity Warrants will be completed within a period of fifteen days from the date of passing the resolution by the Shareholders at the General Meeting, provided that when the allotment on Preferential Basis is pending on account of any approval of such allotment by any regulatory authority or the Central Government, the allotment shall be completed within 15 days from the date of receipt of such approval.

**e) The identity of the proposed allottees and percentage of post Preferential Issue of Capital that may be held by them :**

The Proposed allottees are as follows:

Name of the Promoter	No of Fully Convertible Equity Warrants
Mr .Bharat Anumolu Managing Director / Promoter	2,25,000
Mrs.A.Jayasree - Promoter	2,25,000

The Company has obtained necessary consent letters from the above allottees.

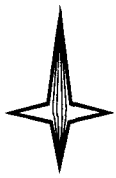
The Pre- Issue and Post- Issue shareholding pattern of the above allottees are given below:

Name	Pre-issue		After Conversion of Warrants	
	No. of shares	% of share holding	No. of shares	% of share holding
Mr Bharat Anumolu - Managing Director / Promoter	805877*	19.04	1030877	22.01
Mrs A Jayasree - Promoter	746714*	17.64	971714	20.75

\* Including the Issue of 4,00,000 Fully Convertible Equity Warrants allotted and pending Conversion into Equity Shares

**f) Pricing Certificate of the Auditors:**

Mr. N Subramanian, Chartered Accountants, Chennai, have issued a certificate as on 29.08.2011 being the relevant date, recommending a price of Rs. 51.66 per Share (Rupees Fifty one and paise sixty six only) calculated as per CHAPTER VII of 'SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. They further certify that the proposed Preferential Allotment of Fully Convertible Equity Warrants is being made in accordance with the requirements contained in SEBI (ICDR) Regulations for Preferential Issues. The said certificate shall be placed before the Shareholders at the Annual General Meeting and is available for inspection of



# BEARDELL LIMITED

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Members at the Registered Office of the Company during 11.00 a.m. to 4.00 p.m. on any working day up to the date of the Annual General Meeting.

**g) Lock In**

The Fully Convertible Equity Warrants to be issued and allotted on Preferential Basis shall be subject to a Lock in period as per SEBI (ICDR) Regulations, 2009 as amended from time to time.

**h) Change in Management**

There will be no change in the Management or control of the Company.

**i) Legal Requirement**

As per provisions of Section 81(1A) of the Companies Act, 1956, consent of the shareholders by way of Special Resolution is required for issue of Fully Convertible Equity Warrants on Preferential Basis. Hence the Board recommends the said resolution for the approval of Shareholders in the ensuing Annual General Meeting.

**j) Disclosure of Interest**

No other Director except Mr.Bharat Anumolu, Managing Director and Mr.Amrith Anumolu, Director, relative of Mr.Bharat Anumolu are interested.

## REPORT OF BOARD OF DIRECTORS

Your Directors present the 74th Annual Report of the Company together with the Audited Accounts for the Financial Year ended 31.03.2011.

## PERFORMANCE / OPERATIONS

### FINANCIAL RESULTS

(Rs. In Lakhs)

	Year Ended 31.03.2011	Year Ended 31.03.2010
Gross Revenue	<b>7972.62</b>	5811.50
Profit before Interest & Depreciation	<b>703.34</b>	565.07
Interest	<b>77.64</b>	12.77
Profit before Depreciation	<b>625.70</b>	552.30
Depreciation	<b>104.59</b>	73.79
Profit before tax	<b>521.11</b>	478.51
Profit after taxation	<b>329.12</b>	320.03
Balance of Profit & Loss Account from Last Year	<b>899.53</b>	579.50
Balance Profit carried to Balance Sheet	<b>1228.65</b>	899.53

## REVIEW OF OPERATIONS INSULATION DIVISION

### a) EPS

Performance of this division was satisfactory and during the year your Company has recorded substantial growth in this sector almost doubling the capacity.

### b) ISOBUILD PREFAB PANELS

The Division sold / installed 133635 RMT as against 82658 RMT during the previous year, which was the highest recorded by the Company. We have also made new type panels like PUF and Rock Wool.

### c) CONTRACTING

We have increased our hot insulation Contracting business and hope to further increase.

## TRADING DIVISION

Trading business has improved in the year. We have added export trading also. We hope to substantially increase during the subsequent year.

## CAPITAL ISSUE

### SECOND ISSUE OF FULLY CONVERTIBLE EQUITY WARRANTS TO PROMOTERS ON PREFERENTIAL BASIS.

The Company is planning to Issue on Preferential Basis 4,50,000 Nos Fully Convertible Equity Warrants of face value of Rs.10/- per share each at a price of Rs.58/- per share (including premium of Rs.48/-)

## 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.

Our Shares are permitted for trading in National Stock Exchange Ltd., (NSE) from 8th January, 2010.

## FIXED DEPOSITS

Fixed Deposits amounting to Rs.0.86 Lakhs matured but were not claimed till 31st March 2011. Reminders have been sent to the other deposit holders for their instructions.

All Deposits / Interest accrued there on 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 205 C of the Companies Act, 1956.

## INSURANCE

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

## DIRECTORS

Mr.P.C.D.Nambiar, Mr.V.Thirumal Rao, Directors, retires by rotation at this Annual General Meeting, and being eligible, offer themselves for re-appointment.

## AUDITORS

The Auditors, Messers Deloitte Haskins & Sells (DHS), retire and are eligible for re-appointment. 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 Sec. 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 2011 and of the Profit of the Company for financial year ended 31st March 2011;
- 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.





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## 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 the Board of Directors) Rules, 1988 and forming part of Directors Report for the year ended 31st March 2011.

### 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 upgradation and environmental preservation.

Better utility of Resources, to minimize cost & wastage. Continuous efforts are on to reduce wastage in use of Power and Fuel.

We are trying to go in for some cutting edge technology like solar, etc.

## Foreign Exchange Earnings And Outgo

During the year under review, Foreign Exchange Earnings amounted to Rs.15.83 Lakhs as against Rs.62.88 Lakhs during previous year.

The total Foreign Exchange Outgo during the year under review was Rs.1053.91 Lakhs as against Rs.422.97 Lakhs during previous year.

## EMPLOYEE RELATIONS

The relations between the employees and 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.

## ACKNOWLEDGMENT

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

For and on behalf of the Board

Bharat Anumolu  
Managing Director

V. Thirumal Rao  
Director

Chennai  
August 30, 2011

## MANAGEMENT DISCUSSIONS AND ANALYSIS Industry Structure & Development

The Prefab building elements manufactured by your Company finds applications in Cold Storages, Food Processing Plants, Pharmaceuticals and Roofing Applications. Expanded Polystyrene has varied applications in insulation and packaging. Your Company also undertakes Contracts with in-house/outsourced materials.

### Outlook on Opportunities and Threats

With increased Industrial Construction 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. Major raw materials are

- Expandable Polystyrene (a petroleum derivative):  
Increase in petroleum prices impacts this raw material price.
- Steel:  
The upward trend in the global steel market has pushed up

the price of steel, a major component in Isobuild Prefab Panels.

### Segment wise Performance

Insulation division which comprises manufacture of EPS products / Prefab Panels and related Contracting activities earned a revenue of Rs.7389.16 Lakhs 94% of the total revenue.

Trading and others Segment which comprises Chemical, Motors and Exports earned a revenue of Rs. 458.97 Lakhs 6% 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.

### 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

#### 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 27-09-10	Attendance in Board Meetings	No. of Directorships held in Other Public Limited Companies		Committee position held in other Companies	
				Director	Chairman	Member	Chairman
Mr. Bharat Anumolu	Managing Director	Present	6	Nil	Nil	Nil	Nil
Mr.S.V.Narasimha Rao	Executive Director	Present	6	1	Nil	2	1
Mr.M.Uttam Reddi	Non-Executive Independent	Present	6	Nil	Nil	Nil	Nil
Mr.PC.D..Nambiar	Non-Executive Independent	Not Present	3	4	1	2	3
Mr.V.Thirumal Rao	Non-Executive Independent	Present	6	Nil	Nil	Nil	Nil
Mr.R.Gowri Shanker	Non-Executive Independent	Present	4	6	Nil	1	Nil
Mr Amrith Anumolu	Non- Executive Promoter	Not present	Nil	Nil	Nil	Nil	Nil
Mr V J Singh	Non- Executive (Nominee of LIC)	Present	4	Nil	Nil	Nil	Nil

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

During the Financial Year 2010-2011, Six Board Meetings were held on 12.05.2010, 12.08.2010, 23.08.2010, 27.09.2010, 09.11.2010 and 29.01.2011.

#### c) Disclosures regarding appointment and reappointment.

##### i) Reappointment of Mr.PC.D Nambiar

At the ensuing Annual General Meeting Mr. P.C.D.Nambiar, Non- Executive Director, retires by rotation and is eligible for reappointment.

Mr.PC.D.Nambiar is a former Chairman of State Bank of India and its Seven Associate Banks for a tenure of over 5-1/2 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.

##### ii) Reappointment of Mr. V. Thirumal Rao

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

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 on matters pertaining to Direct / Indirect Taxes, Company Law, Import and Export policy matters, Trade Marks, Patents, etc., He worked as Senior Executive in MRF looking after various matters in the above areas and issues relating to SEBI Guidelines.

Now he is practicing as an Advocate. His knowledge and experience in the corporate matters and his guidelines has been of immense help and assistance to the Company.



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### 3. 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

##### a) Audit Committee Meeting

During the financial year 2010-2011, Four Audit Committee Meetings were held on 12.05.2010, 12.08.2010, 09.11.2010 and 29.01.2011.

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	4
2	Mr.P.C.D.Nambiar	Independent	2
3	Mr.V.Thirumal Rao	Independent	4
4	Mr.R.Gowri Shanker	Independent	3
5	Mr.S.V.Narasimha Rao	Executive Director	4

##### b) Preferential Issue Committee :

Formation of Preferential Issue Committee on 27th September, 2010 and One Meeting held on 27th October, 2010.

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

Sl. No	Member	Designation	No. of meetings attended
1	Mr.V.Thirumal Rao	Independent	1
2	Mr.R.Gowri Shanker	Independent	1
3	Mr.S.V.Narasimha Rao	Executive Director	1

### SITTING FEES PAID TO DIRECTORS FOR THE FINANCIAL YEAR 2010-11

(Rs. In Lakhs)

Sl. No	Directors	Sitting Fees
1	Mr.M. Uttam Reddi	0.75
2	Mr.P.C.D Nambiar	0.38
3	Mr.V.Thirumal Rao	0.82
4	Mr.R.Gowri Shanker	0.60
5	LIC OF INDIA represented by Mr. V.J.Singh	0.30
	<b>TOTAL</b>	<b>2.85</b>

### REMUNERATION PAID TO WHOLE TIME DIRECTORS

(Rs. in Lakhs)

Sl. No	Name	Salary	Perquisites and Allowances	Commission	Contribution to Provident Fund and Super Annuation Funds	Total
1	Mr.Bharat Anumolu	12.00	6.65	11.35	6.31	36.31
2	Mr.S.V.Narasimha Rao	8.40	2.72	3.88	3.31	18.31
		<b>20.40</b>	<b>9.37</b>	<b>15.23</b>	<b>9.62</b>	<b>54.62</b>

#### 4. SHARE HOLDERS 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 Mr.M.Uttam Reddi and Mr.V. Thirumal Rao.

Mr.K.Murali, Company Secretary, is the Compliance Officer.

#### 5. GENERAL BODY MEETINGS

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

Financial Year	AGM	Location	Date	Time
2009-10	73rd	Narada Gana Sabha, 314, TTK Salai, Chennai-600018	27.09.10	10.00 A.M.
2008-09	72nd	Narada Gana Sabha, 314, TTK Salai, Chennai-600018	27.08.09	10.00 A.M.
2007-08	71st	Narada Gana Sabha, 314, TTK Salai, Chennai-600018	27.08.08	10.00 A.M.

Postal Ballots were used/ invited during the year 2010-11.

#### 6. MERGER OF SUBSIDIARY COMPANY

Pursuant to an order dated 19th October, 2010 passed by the Hon'ble High Court of Judicature at Madras in the Company Petition No. 75 of 2010, M/s. Viraat Granites Private Limited (Wholly owned Subsidiary) was merged with our Company and the original order was received on 12th November, 2010.

#### 7. POSTAL BALLOT

The following amendments was made through Postal Ballot Report on 26th March 2011 vide Special Resolution :

a) **The new sub-clauses 1A, 1B, 1C and 1D inserted after the existing sub-clause 1 of Clause 3 of the Object Clause of the Memorandum of Association.**

- The existing Sub-Clause 2-C of clause 3, the Object Clause of the Memorandum of Association be deleted and new Sub Clauses 2C, 2D, 2E, 2F, 2G, 2H, 2I and 2J inserted.
- New Sub-Clauses 25, 26, 27 and 28 inserted after Sub-Clause 24 of Clause 3, the Object Clause of the Memorandum of Association and the existing Sub-Clause 25 to be renumbered as Sub-Clause 29
- Alteration of Clause 4, the Capital Clause of the Articles of Association pursuant to Section 31.
  - The Authorised Share Capital of the Company is Rs.10,00,00,000/ ( Rupees Ten Crores only ) divided into 1,00,00,000 ( One Crore ) Equity Shares of Rs.10/- each.

b) **The following amendments was made through Postal Ballot Report on 26th March 2011 vide Ordinary Resolution**

- ❖ Alteration of Clause 5, the Capital Clause of the Memorandum of Association pursuant to section 16 of the Companies Act, 1956, to increase the Share capital from Rs.5,00,00,000/- ( Rupees five crores only ) to Rs.10,00,00,000/- (Rupees Ten crores)

#### 8. 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 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](http://www.beardsell.co.in). The Declaration to this effect signed by the Managing Director is given at the end of this report.



# BEARDELL LIMITED

f) **Proceeds from Preferential Issue of Fully Convertible Equity Warrants.**

The Company in order to implement a number of enhancements in its production capacity required additional finance and raised Rs. 232.00 lakhs via issue of Fully Convertible Equity Warrants on Preferential Basis to Promoters. The proceeds were utilized for purchase of Land and Machinery for our factory locations.

g) **Management Disclosures.**

Management Discussion and analysis report is forming part of the Annual Report.

**9. CEO/CFO CERTIFICATION**

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

**10. 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 Economic Times English and Makkal Kural - Tamil.

**11. GENERAL SHARE HOLDERS INFORMATION**

a) **General Body Meeting**

The 74th Annual General Meeting of the Company will be held on Wednesday the 28th day of September, 2011 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, 2011 to 31st March, 2012.

Results for the Period	Expected date of Completion
First Quarter	August, 2011
Second Quarter & Half-Yearly	November, 2011
Third Quarter	February, 2012
Fourth Quarter	May, 2012

c) **Date of Book Closure**

19th September, 2011 to 28th September, 2011 (both days inclusive).

d) **(i) Shareholding Pattern as on 31st March, 2011.**

	Category	No. of Shares Held	Percentage Of Share Holding
<b>A</b>	<b>Promoter's Holdings</b>		
1.	Promoters		
	- Indian Promoters	1847645	48.20
	- Foreign Promoters	NIL	NIL
2.	Persons acting in Concert	NIL	NIL
	<b>Sub Total</b>	<b>1847645</b>	<b>48.20</b>
<b>B</b>	<b>Non Promoter's Holdings</b>		
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
	<b>Sub Total</b>	<b>817160</b>	<b>21.32</b>
4.	Others		
	a. Private Corporate bodies	104891	2.74
	b. Indian Public	1057322	27.58
	c. NRIs / OCBs	6150	0.16
	d. Any other	NIL	NIL
	<b>Sub Total</b>	<b>1168363</b>	<b>30.48</b>
	<b>Grand Total</b>	<b>3833168</b>	<b>100.00</b>

## (ii) Distribution of Holdings as on 31st March, 2011

(Rs. in Lakhs)

No. of Shares	Shareholders		Shares Amount	
	Nos.	%	Rs.	% to Total
Up to 5000	3198	98.98	598220	15.61
5001 to 10000	8	0.25	572800	1.49
10001 to 20000	4	0.12	605750	1.58
20001 to 30000	2	0.06	467000	1.22
30001 to 40000	1	0.03	374500	0.98
40001 to 50000	5	0.16	245000	6.39
50001 to 100000	8	0.25	4879060	12.73
100001 & above	5	0.15	23000350	60.00
<b>TOTAL</b>	<b>3231</b>	<b>100.00</b>	<b>38331680</b>	<b>100.00</b>

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

## f) Dematerialisation of Shares

As on 31st March, 2011, 2849963 Shares ( 74.25 %) have been dematerialised.

## g) 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

## h) Listing On Stock Exchange

The shares of the Company are listed in Madras Stock Exchange . Listing fees has been paid up-to-date. Our shares are permitted for trading in National Stock Exchange Ltd., (NSE) from 8th January, 2010.

## i) Market Price Data

Monthly High / Low & Closing Prices during each Month in the Financial Year

Month	High Rs.	Low Rs.	Closing Rs.	Volume Traded Nos
April - 2010	66.00	57.95	62.80	2151
May - 2010	64.45	58.20	59.00	1341
June - 2010	62.50	49.65	57.00	3002
July - 2010	59.85	47.05	48.10	6009
August - 2010	58.25	44.50	51.05	8224
September - 2010	55.40	46.80	53.10	9273
October - 2010	63.00	51.90	51.95	7979
November - 2010	59.00	49.50	58.00	6340
December - 2010	61.90	52.00	57.85	3795
January - 2011	59.95	48.20	48.45	5294
February - 2011	52.25	46.00	46.00	2214
March - 2011	51.40	47.40	51.40	1576



# BEARSELL LIMITED

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**j) Address For Correspondence**

Registered Office:  
Secretarial Department  
BEARSELL LTD  
47, Graemes Road,      Tel: (044) 28293296  
Chennai-600006      Email: ho@beardsell.co.in

**k) E-mail ID for Redressal of Investor Complaints**

An e-mail id has been created for redressal of grievance exclusively for the purpose of registering the complaints of the investors. Investors may send their complaints to [igrc@beardsell.co.in](mailto:igrc@beardsell.co.in)

**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.

Chennai  
August 12, 2011

For and on behalf of the Board  
Bharat Anumolu - Managing Director  
V. Thirumal Rao - Director

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## Declaration on Code of Conduct

This is to confirm that the Company has adopted a Code of Conduct for the Board of Directors and Senior Management of the Company. The same is available on the website of the Company as [www.beardsell.co.in](http://www.beardsell.co.in). As Managing Director of Beardsell Limited and as required by Clause 49 (1D) of the Listing Agreement of the Stock Exchanges in India, I hereby declare that all the Board members and senior management personnel of the Company have affirmed compliance with the Code of Conduct for the financial year 2010-2011.

Place : Chennai.  
Dated : 12th August, 2011

Bharat Anumolu  
Managing Director

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## AUDITORS' 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 year ended March 31, 2011 as stipulated in Clause 49 of the Listing Agreement of the said company with the 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 March 31, 2011 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.

Chennai  
August 12, 2011

For Deloitte Haskins & Sells  
Chartered Accountants  
(Registration No.008072S)

M.K. Ananthanarayanan  
Partner  
Membership No. 19521

### FIVE YEAR RECORD

(Rs. in Lakhs)

	Year ended 31st March				
	2007	2008	2009	2010	<b>2011</b>
Income	5448.02	6047.72	5282.16	5811.50	<b>7972.62</b>
Profit before Depreciation	437.38	436.56	123.61	552.30	<b>625.70</b>
Depreciation	63.85	57.31	57.31	73.79	<b>104.59</b>
Taxation - Current	105.00	150.00	145.00	110.00	<b>140.00</b>
- Deferred	5.67	(15.72)	(117.60)	48.48	<b>51.99</b>
- Fringe Benefit Tax	8.20	9.71	7.90	-	-
Profit after Tax	254.66	235.26	31.00	320.03	<b>329.12</b>
Dividend	38.33	57.50	-	-	-
Tax on Dividend	6.51	9.77	-	-	-
Retained Funds	209.82	167.99	31.00	320.03	<b>329.12</b>
Share Capital	383.32	383.32	383.32	383.32	<b>383.32</b>
Earnings per Share (Rs.)	6.64	6.14	0.81	8.35	<b>8.59</b>
Net Worth	1455.14	1623.13	1654.13	1974.16	<b>2540.89</b>
Book Value per Share (Rs.)	37.96	42.34	43.15	51.50	<b>66.29</b>





# BEARDELL LIMITED

## Report of the Auditors' to the Members

1. We have audited the attached Balance Sheet of BEARDELL LIMITED ( "The Company" )as at March 31,2011, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both 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.
  - (ii) in the case of Profit and Loss Account, of the Profit of the Company for the year ended on the date and
  - (iii) in the case of the Cash Flow Statement of the cash flows of the Company for the year ended on that date.
2. 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 misstatements. 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 the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003(CARO) issued by the Central Government in terms of Section 227(4A) 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.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
  - (a) 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;
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act,1956;
  - (e) 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;
    - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011
5. On the basis of the written representations received from the Directors as on March 31,2011 taken on record by the Board of Directors, none of the Directors is disqualified on 31st March,2011 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For Deloitte Haskins & Sells  
Chartered Accountants

(Registration No.008072S)  
M.K.Ananthanarayanan

Place : Chennai  
Date : August 12, 2011

Partner  
(Membership No.19521)

## Annexure to the Auditors' Report to the Members

- (referred to in paragraph 3 of our report of even date)
- (i) Having regard to the nature of the Company's business/activities/result, clauses (viii), (x), (xii), (xiii), (xiv), (xv), (xviii), (xix) and (xx) of CARO are not applicable.
- (ii) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation 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.
- (iii) In respect of its inventory:
- (a) As explained to us, the inventory were physically verified during the year by the Management at reasonable intervals.
- (b) In our opinion and according to the information and explanation 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.
- (iv) The Company has neither granted not taken any loans, secured and unsecured, to/from companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956.
- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchases of inventory and fixed assets and sale of goods and services. During the course of our audit, we have not observed any major weakness in such control system.
- (vi) Based on Audit procedures applied by us, and according to the information and explanations provided by the management, we are of the opinion there are no transactions that are needed to be entered in the register maintained under Section 301 of the Companies Act, 1956.
- (vii) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A 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 the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- (viii) In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business.

(ix) According to the information and explanations given to us in respect of statutory dues:

- (a) The Company has generally been regular in depositing un-disputed 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 other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2011 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-Tax, Sales tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2011 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rs. in lakhs)
Sales Tax Act of Various states	Sales Tax Dues	Deputy Commissioner, Assistant Commissioner and Appellate authorities	1994-95, 1995-96, 1998-99, 2001-02, 2003-04	2.24 (P.Y. - 2.59)
Central Sales Tax Act	Sales Tax Dues	Deputy Commissioner and CTO of various states	1994-95, 1995-96, 1999-00 to 2001-02, 2003-04, 2005-06	3.64 (P.Y. - 4.95)

- (x) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks.
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained, other than temporary deployment pending application.
- (xii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long-term investment.
- (xiii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

For Deloitte Haskins & Sells  
Chartered Accountants  
(Registration No.008072S)  
M.K.Ananthanarayanan  
Partner  
(Membership No. 19521)

Place : Chennai  
Date : August 12, 2011



# BEARDELL LIMITED

Balance Sheet as at  
March 31, 2011

	Schedule	As at March 31, 2011	As at March 31, 2010	(Rs. in lakhs)
<b>SOURCES OF FUNDS</b>				
<b>Shareholders' Funds</b>				
Share Capital	1	383.32	383.32	
Receipts against Share Warrants (Refer Note 15.04)		203.00	-	
Reserves and Surplus	2	1954.57	1590.84	
		<u>2540.89</u>	<u>1974.16</u>	
<b>Loan Funds</b>				
Secured Loans	3	602.84	200.00	
Unsecured Loans		253.27	78.01	
		<u>856.11</u>	<u>278.01</u>	
Deferred Tax Liability / (Asset) (Refer Note 15.16)		25.74	(26.25)	
		<u>3422.74</u>	<u>2225.92</u>	
<b>APPLICATION OF FUNDS</b>				
<b>Fixed Assets</b>				
Gross Block	4	2804.86	1344.55	
Less: Accumulated Depreciation		684.86	587.31	
Net Block		2120.00	757.24	
Capital Work in Progress including advances		221.64	83.02	
		<u>2341.64</u>	<u>840.26</u>	
<b>Investments</b>	5	36.31	214.21	
<b>Current Assets, Loans and Advances</b>				
<b>Current Assets</b>				
Inventories	6	523.98	347.15	
Sundry Debtors	7	1699.83	1220.49	
Cash and Bank Balances	8	594.60	869.26	
Loans and Advances	9	518.51	451.13	
		<u>3336.92</u>	<u>2888.03</u>	
<b>Less: Current Liabilities and Provisions</b>				
(a) Current Liabilities	10	2088.75	1509.87	
(b) Provisions		203.38	206.71	
		<u>2292.13</u>	<u>1716.58</u>	
<b>Net Current Assets</b>		<u>1044.79</u>	<u>1171.45</u>	
		<u>3422.74</u>	<u>2225.92</u>	
Accounting Policies and Notes on Accounts	15			

In terms of our report attached

For DELOITTE HASKINS & SELLS  
Chartered Accountants

Bharat Anumolu  
Managing Director

V Thirumal Rao  
Director

M.K.Ananthanarayanan  
Partner

Y Mukhtar Basha  
General Manager - Finance

K Murali  
Company Secretary

Chennai  
August 12, 2011

## Profit And Loss Account for the year ended March 31, 2011

		For the Year ended March 31, 2011		For the Year ended March 31, 2010
	Schedule		(Rs. in Lakhs)	
<b>INCOME</b>				
Turnover		<b>8224.49</b>		5608.83
Less: Excise Duty		<b>460.05</b>		224.78
Net Sales		<b>7764.44</b>		5384.05
Commission & Rental Income	11	<b>83.69</b>		108.72
Other Income	12	<b>124.49</b>		318.73
		<b>7972.62</b>		5811.50
<b>EXPENDITURE</b>				
Manufacturing and Other expenses	13	<b>7269.28</b>		5246.43
Interest	14	<b>77.64</b>		12.77
Depreciation		<b>104.59</b>		73.79
		<b>7451.51</b>		5332.99
Profit for the year before tax		<b>521.11</b>		478.51
Less: Provision for Taxation				
- Current		<b>140.00</b>	110.00	
- Deferred		<b>51.99</b>	48.48	
		<b>191.99</b>		158.48
Profit for the year after tax		<b>329.12</b>		320.03
Add: Balance brought forward from Previous year		<b>899.53</b>		579.50
Balance carried to Balance sheet		<b>1228.65</b>		899.53
Basic earnings per share of face value of Rs.10/- each (in Rupees)		<b>8.59</b>		8.35
Diluted earnings per share of face value of Rs.10/- each (in Rupees)		<b>8.22</b>		8.35
Accounting Policies and Notes on Accounts	15			

In terms of our report attached

For DELOITTE HASKINS & SELLS  
Chartered Accountants

Bharat Anumolu  
Managing Director

V Thirumal Rao  
Director

M.K.Ananthanarayanan  
Partner

Y Mukthar Basha  
General Manager - Finance

K Murali  
Company Secretary

Chennai  
August 12, 2011



# BEARSELL LIMITED

## Cash Flow Statement for the year ended March 31, 2011

	March 31, 2011	March 31, 2010
	(Rs. in Lakhs)	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit for the year before tax	521.11	478.51
Adjustments for :		
Depreciation	104.59	73.79
Unrealised Exchange Variation (Net)	(7.00)	3.31
Interest Expenses	77.64	12.77
Provision no longer required written back	(0.82)	-
Dividend Income	(0.90)	(0.44)
Interest Income	(35.66)	(51.31)
Profit on Sale of Assets (Net)	(45.36)	(0.20)
Profit on Sale of Investments (Net)	(13.10)	-
Provision for Doubtful debts	33.49	32.72
Provision for Warranties	-	148.29
Provision for Compensated Absences	7.63	3.38
Bad Debts Written-off	43.25	4.44
	<u>163.76</u>	<u>226.75</u>
Operating Profit before Working Capital Changes	684.87	705.26
Adjustments for :		
Increase in Debtors & Other Receivables	(640.04)	(262.94)
Increase in Inventories	(176.83)	(117.04)
Increase in Current Liabilities and Provisions	576.57	121.82
	<u>(240.30)</u>	<u>(258.16)</u>
Cash Generated from Operations	444.57	447.10
Taxes paid during the year	(125.00)	(118.22)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES (A)</b>	<u>319.57</u>	<u>328.88</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital Expenditure	(1470.57)	(420.74)
Proceeds from Sale of Fixed Assets	122.87	21.70
Proceeds from Sale/(Purchase) of Investments	12.52	(25.00)
Increase in Margin Money Deposits/Unpaid Dividend Account (net)	(58.77)	-
Dividend Received	0.90	0.44
Interest Received	32.23	50.65
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<u>(1360.82)</u>	<u>(372.95)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long term borrowings	300.00	200.00
Receipts against Share Warrants	203.00	-
Proceeds from issue of Fixed Deposits (Net)	175.26	-
Short Term Borrowings (Net)	102.84	42.47
Interest on Borrowings	(71.28)	(13.25)
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES (C)</b>	<u>709.82</u>	<u>229.22</u>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A)+(B)+(C)</b>	<u>(331.43)</u>	<u>185.15</u>
Opening Balance of Cash and Cash Equivalents	817.06	631.91
Closing Balance of Cash and Cash Equivalents	485.63	817.06
<b>Reconciliation of Cash and Cash equivalents</b>		
Cash and Cash equivalents at the end of the year as per Balance Sheet	594.60	869.26
Less: Bank Deposits under lien	104.95	48.14
Less: Balances in Unpaid Dividend Account	4.02	4.06
	<u>485.63</u>	<u>817.06</u>

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

For DELOITTE HASKINS & SELLS  
Chartered Accountants

M.K.Ananthanarayanan  
Partner

Chennai  
August 12, 2011

Bharat Anumolu  
Managing Director

Y Mukthar Basha  
General Manager - Finance

V Thirumal Rao  
Director

K Murali  
Company Secretary

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

<b>SCHEDULE 1</b>	<b>As at</b>	<b>As at</b>
<b>SHARE CAPITAL</b>	<b>March 31, 2011</b>	<b>March 31, 2010</b>
	(Rs. in Lakhs)	
<b>Authorised</b>		
1,00,00,000 (50,00,000) Equity Shares of Rs.10/- each (Refer Note 15.02)	<u>1000.00</u>	<u>500.00</u>
<b>Issued, Subscribed and Paid up</b>		
38,33,168 Equity Shares of Rs.10/- each fully paid up	<u>383.32</u>	<u>383.32</u>
<b>Of the above Shares</b>		
6,78,700 Equity Shares of Rs.10/- each are issued as fully paid-up by way of Bonus Shares through the capitalisation of Reserves and from Securities Premium Account		
1,57,400 Equity Shares of Rs.10/- each are issued as fully paid-up pursuant to a contract without payments being received in cash		
<b>SCHEDULE 2</b>	<b>As at</b>	<b>As at</b>
<b>RESERVES AND SURPLUS</b>	<b>April 1, 2010</b>	<b>March 31, 2011</b>
<b>Securities Premium</b>	241.31	<b>241.31</b>
<b>General Reserve</b>	450.00	<b>484.61</b>
Profit And Loss Account	899.53	<b>1228.65</b>
	<u>1590.84</u>	<u>1954.57</u>
(*) Refer Note 15.03		
<b>SCHEDULE 3</b>	<b>As at</b>	<b>As at</b>
<b>LOANS</b>	<b>March 31, 2011</b>	<b>March 31, 2010</b>
<b>SECURED LOANS</b>		
<b>I. Term Loans from Banks</b>		
IDBI Bank Ltd.	<b>500.00</b>	200.00
Amounts repayable within one year - Rs.100.00 lakhs (P.Y. Rs. Nil)		
<b>II. Working Capital Facilities from Banks</b>		
Packing Credit	<b>25.00</b>	-
Cash Credit	<b>77.84</b>	-
	<u>602.84</u>	<u>200.00</u>
<b>UNSECURED LOANS</b>		
Fixed Deposits (Refer Note 15.09)	<u>253.27</u>	<u>78.01</u>
	<b>856.11</b>	<b>278.01</b>

<b>SCHEDULE 4</b>	(Rs. in Lakhs)											
<b>FIXED ASSETS</b>	<b>GROSS BLOCK</b>				<b>DEPRECIATION</b>				<b>NET BLOCK</b>			
DESCRIPTION	As at April 1, 2010	Addi- tions on Merger	Addi- tions	Deduc- tions	As at March 31, 2011	As at April 1, 2010	Addi- tions on Merger	For the Year	Deduc- tions	As at March 31, 2011	As at March 31, 2011	As at March 31, 2010
Freehold Land	6.92	136.50	211.05	-	<b>354.47</b>	-	-	-	-	<b>-</b>	<b>354.47</b>	6.92
Leasehold Land	38.32	-	241.50	-	<b>279.82</b>	0.81	-	1.43	-	<b>2.24</b>	<b>277.58</b>	37.51
Buildings	293.77	94.56	172.33	71.59	<b>489.07</b>	75.40	18.15	11.83	7.69	<b>97.69</b>	<b>391.38</b>	218.37
Plant and Machinery	759.93	-	653.92	1.28	<b>1412.57</b>	433.28	-	67.47	1.10	<b>499.65</b>	<b>912.92</b>	326.65
Electrical Installation	37.54	-	20.90	-	<b>58.44</b>	14.81	-	2.22	-	<b>17.03</b>	<b>41.41</b>	22.73
Furniture, Fittings & Office Equipments	71.42	-	7.79	25.36	<b>53.85</b>	37.20	-	5.42	14.32	<b>28.30</b>	<b>25.55</b>	34.22
Leasehold Improvements	26.18	-	1.25	-	<b>27.43</b>	2.30	-	5.27	-	<b>7.57</b>	<b>19.86</b>	23.88
Vehicles	110.47	-	23.21	4.47	<b>129.21</b>	23.51	-	10.95	2.08	<b>32.38</b>	<b>96.83</b>	86.96
	1344.55	231.06	1331.95	102.70	<b>2804.86</b>	587.31	18.15	104.59	25.19	<b>684.86</b>	<b>2120.00</b>	757.24
Capital Work in Progress including advances											<b>221.64</b>	83.02
											<b>2341.64</b>	840.26
Previous year	1032.15	-	436.46	124.06	1344.55	616.09	-	73.79	102.57	587.31	757.24	416.06
Details of assets given on operating lease												
Description	GrossBlock	Accumulated Depreciation		Net Block								
Freehold Land	6.92 (6.92)	-		6.92 (6.92)								
Buildings	68.40 (61.40)	31.79 (29.68)		36.61 (31.72)								
Plant and Machinery	332.16 (200.78)	140.43 (139.45)		191.73 (61.33)								



# BEARDELL LIMITED

SCHEDULE 5	As at March 31, 2011		As at March 31, 2010	
	Face Value	Cost	Face Value	Cost
	(Rs. in Lakhs)			
<b>INVESTMENTS (Long Term)</b>				
<b>In fully paid Equity Shares</b>				
<b>TRADE - UNQUOTED</b>				
Diana Garments (Private) Limited 15,000 Equity Shares of Rs.10/-each	1.50	-	1.50	-
Sri Balaji Insulation (P) Ltd 3,400 Equity Shares of Rs.100/- each	3.40	-	3.40	-
Hyderabad EPS Products (P) Ltd., 18,000 Equity Shares of Rs.10/-each	1.80	1.80	1.80	1.80
Arpejay Investments (P) Ltd., 900 Shares @ Rs.100/- each	0.90	-	0.90	-
Pondy EPS Products (P) Ltd., 180 Equity Shares of Rs.100/- each	0.18	-	0.18	-
Pink Packaging & Moulding Pvt.Ltd 5,300 Shares @ Rs.100/- each	5.30	7.50	5.30	7.50
<b>In Subsidiaries (wholly owned)</b>				
Viraat Granites Private Limited * Nil (7,41,078) Equity Shares @ Rs.10/- each	-	-	74.11	178.48
<b>In partly paid Equity Shares</b>				
<b>TRADE - UNQUOTED</b>				
Royal Insulation (P) Ltd., 3,618 Equity Shares of Rs.10/- each Rs.5/- per share paid up	0.18	-	0.18	-
Sarovar Insulation (P) Ltd., 3,618 Equity Shares of Rs.10/- each Rs.5/- per share paid up	0.18	-	0.18	-
		<b>9.30</b>		<b>187.78</b>
<b>IN FULLY PAID SHARES</b>				
<b>NON-TRADE-QUOTED</b>				
Nava Bharat Ventures Limited 500 (1565) Equity Shares of Rs.2/- (Rs.2/-) each	0.01	2.01	0.03	0.08
ICICI Bank Ltd., Nil (233) Shares of Rs.10/- each	-	-	0.01	0.12
Taurus Mutual Fund - Boinanza Exclusive Growth Scheme Nil (13,333) Units of Rs.10/- each	-	-	1.00	1.00
Andhra Bank Nil (2,300) Shares of Rs.10/-each	-	-	0.23	0.23
<b>NON-TRADE-UNQUOTED</b>				
SuRe Energy Systems Pvt. Ltd., 6,000 Shares @ Rs.10/- each	0.60	25.00	0.60	25.00
		<b>27.01</b>		<b>26.43</b>
		<b>36.31</b>		<b>214.21</b>
Market Value of Quoted Investments		<b>1.25</b>		<b>16.17</b>
Aggregate cost of Quoted Investments		<b>2.01</b>		<b>1.43</b>

\* Refer Note 15.03

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

	As at March 31, 2011	As at March 31, 2010
	(Rs. in Lakhs)	
<b>SCHEDULE 6</b>		
<b>INVENTORIES</b>		
Stores and Spare Parts	16.55	3.78
Loose Tools	2.16	2.98
Raw Materials	158.85	132.83
Raw Materials in transit	53.78	-
Trading and Finished Goods	115.75	68.95
Process Stock	33.15	26.49
Jobs in Progress	143.74	112.12
	<u>523.98</u>	<u>347.15</u>
 <b>SCHEDULE 7</b>		
<b>SUNDRY DEBTORS - UNSECURED</b>		
Debts outstanding for a period exceeding six months		
Considered Good	54.94	76.33
Considered Doubtful	<u>144.56</u>	<u>95.50</u>
	199.50	171.83
Less: Provision	<u>144.56</u>	<u>95.50</u>
	54.94	76.33
Other Debts*		
Considered Good	1644.89	1144.16
Considered Doubtful	-	35.23
	<u>1644.89</u>	<u>1179.39</u>
Less: Provision	-	35.23
	<u>1644.89</u>	<u>1144.16</u>
	<u>1699.83</u>	<u>1220.49</u>
	88.57	43.95
* Includes Retention Money		
 <b>SCHEDULE 8</b>		
<b>CASH AND BANK BALANCES</b>		
Cash, Cheques and Stamps on hand	50.13	33.61
<b>Balances with Scheduled Banks on</b>		
Current Account	188.39	200.37
Margin Money Deposits *	102.95	45.14
Fixed Deposits (Refer Note 15.09)	249.11	586.08
Unpaid Dividend Account	4.02	4.06
	<u>544.47</u>	<u>835.65</u>
	<u>594.60</u>	<u>869.26</u>
* for Bank Guarantees and Letter of Credit		





# BEARDELL LIMITED

<b>SCHEDULE 9</b>	<b>As at</b>	<b>As at</b>
<b>LOANS AND ADVANCES</b>	<b>March 31, 2011</b>	<b>March 31, 2010</b>
	(Rs. in Lakhs)	
Secured #	<b>183.40</b>	184.27
Unsecured - Considered Good		
Advances recoverable in cash or in kind for value to be received	<b>155.56</b>	147.50
Deposits *	<b>63.79</b>	38.40
Balance with Excise Authorities	<b>15.72</b>	2.82
	<b>235.07</b>	188.72
Interest Accrued on Deposits	<b>0.11</b>	0.19
Advance Tax and Tax Deducted at Source including Fringe Benefit Tax (Net of Provisions Rs.808.81 -P.Y.Rs.667.81)	<b>99.93</b>	77.95
	<b>518.51</b>	451.13
	<b>3.86</b>	2.41

\*Includes with Government Departments

# Comprises of

- Rs.180.00 lakhs (Rs.180.00 lakhs) secured by registered mortgage and deposit of title deeds relating to property
- Rs.3.40 lakhs (Rs.4.27 lakhs) staff vehicle loans secured by respective vehicles.

## SCHEDULE 10 CURRENT LIABILITIES AND PROVISIONS

### Current Liabilities

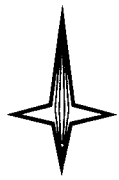
Acceptances	<b>361.86</b>	78.55	
Sundry Creditors			
- Dues to Micro Enterprises & Small Enterprises (Refer Note 15.10)	-	-	
- Others	<b>1193.34</b>	902.64	
Other Liabilities	<b>310.06</b>	283.34	
Advance received from Customers	<b>212.08</b>	240.25	
Amount to be credited to Investor Education and Protection Fund*	-	-	
Unpaid Dividends **	<b>4.02</b>	4.06	
Interest accrued but not due on Fixed Deposits	<b>7.39</b>	1.03	
	<b>2088.75</b>	1509.87	
<b>Provisions</b>			
Compensated Absence	<b>16.65</b>	9.02	
Warranties ( Refer Note 15.17)	<b>186.73</b>	197.69	
	<b>203.38</b>	206.71	
	<b>2292.13</b>	1716.58	

\* There are no amounts due and outstanding as on March 31,2011 and March 31,2010 to be credited to Investor Education & Protection Fund

\*\* These amounts represent warrants issued to Shareholders which remain unrepresented and unclaimed as on March 31,2011

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

	<b>For the year ended March 31, 2011</b>	For the year ended March 31, 2010
	(Rs. in Lakhs)	
<b>SCHEDULE 11</b>		
<b>COMMISSION AND RENTAL INCOME</b>		
Commission	42.65	60.82
[Tax deducted at Source Rs. 4.41 lakhs (P.Y. Rs. 6.23 lakhs)]		
Rental Income	41.04	47.90
[Tax deducted at Source Rs. 3.54 lakhs (P.Y. Rs. 6.31 lakhs)]		
	<u>83.69</u>	<u>108.72</u>
<b>SCHEDULE 12</b>		
<b>OTHER INCOME</b>		
Interest from Banks and others	35.66	51.31
[Tax deducted at Source Rs.3.51 lakhs (P.Y. Rs. 4.63 lakhs)]		
Dividend	0.90	0.44
Foreign Exchange Variation (Net)	14.14	-
Provision no longer required written back	0.82	-
Profit on Sale of Investments	13.10	-
Profit on Sale of Assets (Net)	45.36	0.20
Duty Drawback	0.10	0.47
Bad Debts written off in earlier years recovered	-	0.02
Surrender of Tenancy Rights	-	230.00
Insurance Claims received	-	25.03
Miscellaneous Income	14.41	11.26
	<u>124.49</u>	<u>318.73</u>
<b>SCHEDULE 13</b>		
<b>MANUFACTURING AND OTHER EXPENSES</b>		
<b>I. MATERIALS</b>		
<b>1) Consumption of Raw Materials</b>		
Opening Stock	132.83	76.19
Add: Purchases	2586.71	1555.80
	<u>2719.54</u>	<u>1631.99</u>
Less: Closing Stock	212.63	132.83
	<u>2506.91</u>	<u>1499.16</u>
<b>2) Purchases</b>		
Trading /Finished Goods	1781.73	1159.83
Bought out items for jobs	1711.72	1531.68
	<u>3493.45</u>	<u>2691.51</u>
<b>3) Increase in Process Stock, Jobs in Progress and Trading/Finished Goods</b>		
<b>Opening Stock</b>		
Trading /Finished Goods	68.95	66.34
Process stock	26.49	11.53
Jobs in progress	112.12	70.46
	<u>207.56</u>	<u>148.33</u>
<b>Closing Stock</b>		
Trading /Finished Goods	115.75	68.95
Process stock	33.15	26.49
Jobs in progress	143.74	112.12
	<u>292.64</u>	<u>207.56</u>
	<u>(85.08)</u>	<u>(59.23)</u>
<b>4) Excise Duty</b>	2.95	2.05
	<u>5918.23</u>	<u>4133.49</u>



# BEARDSELL LIMITED

	For the year ended March 31, 2011	(Rs. in Lakhs)	For the year ended March 31, 2010
<b>II. Payments to and Provision for Employees</b>			
Salaries, Wages and Bonus	<b>538.10</b>		379.37
Contribution to Provident Fund and Other funds	<b>91.66</b>		67.48
Workmen and Staff Welfare Expenses	<b>61.67</b>		49.39
	<b><u>691.43</u></b>		<u>496.24</u>
<b>III. Other Expenses</b>			
Consumption of Stores and Spare Parts	<b>45.38</b>		22.35
Power and Fuel	<b>75.81</b>		46.26
Rent	<b>49.89</b>		41.30
Rates and Taxes	<b>10.92</b>		10.39
Insurance	<b>25.77</b>		11.41
Repairs and maintenance to			
- Buildings	<b>7.53</b>		4.53
- Machinery	<b>1.58</b>		2.92
- Furniture and Equipment	<b>7.05</b>		8.75
Directors Sitting fees	<b>2.85</b>		1.20
Foreign Exchange Variation (Net)	-		3.31
Bad debts written off	<b>62.89</b>	16.30	
Less: Transfer from provision for Doubtful debts	<b>(19.64)</b>	<u>(11.86)</u>	
	<b>43.25</b>		4.44
Provision for Doubtful debts	<b>33.49</b>		32.72
Doubtful advances written off	-	269.39	
Less: Transfer from provision for Doubtful advances	-	<u>(269.39)</u>	
	-		-
Warranties applied	<b>10.96</b>	20.75	
Less: Transfer from provision for warranties	<b>(10.96)</b>	<u>(20.75)</u>	
	-		-
Provision for Warranties	-		148.29
Travelling and Conveyance	<b>87.49</b>		67.39
Communication expenses	<b>30.95</b>		31.24
Printing & Stationery	<b>13.33</b>		10.49
Professional Charges	<b>32.46</b>		31.41
Miscellaneous Expenses	<b>191.87</b>		138.30
	<b><u>659.62</u></b>		<u>616.70</u>
	<b><u>7269.28</u></b>		<u>5246.43</u>

## SCHEDULE 14 INTEREST ON

Fixed Loans	<b>53.49</b>	7.98
Working Capital Loans	<b>4.14</b>	1.85
Fixed Deposits	<b>18.49</b>	2.33
Others	<b>1.52</b>	0.61
	<b><u>77.64</u></b>	<u>12.77</u>

**Schedules forming part of accounts**

**(All amounts in lakhs of Indian Rupees)**

**15.00 Notes to accounts**

**15.01 Significant accounting policies**

**(a) Basis of preparation**

The financial statements are prepared under the historical cost convention on accrual basis of accounting and in accordance with the Accounting Principles generally accepted in India and comply with the Accounting Standards notified by the Central Government of India, under the Companies (Accounting Standards) Rules, 2006 and relevant provisions of the Companies Act, 1956.

**(b) 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 and the disclosures relating to contingent assets and liabilities as 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.

**(c) Inventories**

Inventories are valued at lower of cost (net of Cenvat wherever applicable) and net realizable 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:

- (i) Raw materials and stores & spares – on weighted average basis.
- (ii) Finished goods, process stock and contracting material - on weighted average basis.
- (iii) Trading stocks are valued at purchase cost, inclusive of all duties and taxes on FIFO basis.
- (iv) Loose tools are valued at cost less estimated reduction in value for use.

**(d) Fixed assets and depreciation**

Fixed assets are stated at cost less accumulated depreciation. The Company capitalizes all costs relating to the acquisition and installation of fixed assets. Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and the cost of fixed assets not ready to use before such date are disclosed under 'Capital Work-in-Progress and Advances'.

Assets given on operating lease are capitalized and depreciation has been provided on such assets on straight-line method at the rates specified in Schedule XIV to 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 to the Companies Act, 1956. Leasehold improvements are amortized over the primary period of lease or useful life, whichever is lower. Assets individually costing less than Rs. 5,000 are fully depreciated in the year of addition.

**(e) Impairment of assets**

The Company determines whether there is any indication of impairment of the carrying amount of its assets. The recoverable amounts of such assets are estimated, if any indication exists and impairment loss is recognized wherever the carrying amount of the assets exceeds its recoverable amount.

**(f) Revenue recognition**

- (i) Sales are recognized when risks and rewards are transferred to customers which generally coincides with dispatch of goods and recorded net of trade discounts and sales taxes. Export incentives are recognized on accrual basis.
- (ii) Service income is recognised on proportionate completion method.
- (iii) Lease rentals and commission income are recognized on accrual basis.
- (iv) Interest income is recognized using the time proportion method.

**(g) Foreign currency transactions**

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

**(h) Investments**

Long Term Investments are recorded at cost of acquisition. The diminution, if any, in the value of these investments is recognized if such diminution is other than of temporary nature.



**(i) Retirement benefits**

**(i) Short-term employee benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits in accordance with the Accounting Standard 15 (revised 2005) on 'Employee Benefits'. Short-term employee benefits, at the Balance Sheet date are recognized as an expense as per Company's scheme based on expected obligations on undiscounted basis.

**(ii) Long-term employee benefits**

**Defined benefit plan**

Accumulated Compensated absence

The obligation for long-term employee benefits such as compensation payable at the time of retirement / resignation on unavailed leave days is provided based on actuarial valuation as at the Balance Sheet date, using the 'Projected Unit Credit Method'.

**Gratuity**

The Company makes contribution to a scheme administered by Life Insurance Corporation of India to discharge gratuity liabilities to the employees. The Company accounts its liability for future gratuity benefits based on actuarial valuation, as at March 31, 2011, using the 'Projected Unit Credit Method'.

Actuarial gains and losses are recognized in full in the Profit and Loss Account for the year in which they occur. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost.

**Defined contribution plan**

Contributions to Provident Fund, Superannuation and ESI, made in accordance with the respective rules is charged to the Profit and Loss Account.

**(i) Segment reporting**

(i) The accounting policies adopted for segment reporting are in line with the accounting policies of the Company.

(ii) Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under unallocated corporate expenses.

(iii) There are no inter segment revenues and therefore their basis of measurement does not arise.

**(k) Earnings Per Share**

The earnings considered in ascertaining the Company's Earning Per Share (EPS) 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, which would be issued on the conversion of all dilutive potential Equity Shares.

**(l) Taxes on income**

(i) Current tax is determined on the Profit for the year in accordance with the provisions of the Income Tax Act, 1961.

(ii) Deferred tax is calculated at the rates and laws that have been enacted or substantively enacted as of the Balance Sheet date and is recognized 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 recognized and carried forward only to the extent that they can be realized.

**(m) Provisions, Contingent Liabilities and Contingent Assets**

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.

**15.02 Increase in Authorised Share Capital**

Subsequent to the approval of the Members of the Company in the Postal Ballot held on March 26, 2011, the Authorised Share Capital of the Company has been increased from 50,00,000 Equity Shares of Rs.10/- each aggregating to Rs.500 Lakhs to 1,00,00,000 Equity Shares of Rs.10/- each aggregating to Rs.1000 Lakhs.

**15.03 Merger of Viraat Granites Private Limited (wholly owned subsidiary)**

The members of the Company in the Court convened Extra -Ordinary General Meeting held on September 9, 2009 have approved the scheme of merger of Wholly owned subsidiary, Viraat Granites Private Limited (transferor) with the Company

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

(transferee). The Hon'ble High Court of Madras has approved the scheme vide its order dated November 1, 2010. The appointed date of the merger is October 1, 2008 and the effective date of the merger is November 22, 2010 on which date the Court Order has been filed with the Registrar of Companies. The subsidiary company was not carrying on any business operations.

The merger has been accounted under Pooling of Interest Method, consequent to which the Company (transferee) has recorded the Assets and Liabilities of the transferor at book values. The excess of value of Assets over Liabilities after accounting for cancellation of Share Capital in the transferor company held by the Company and amounting to Rs.138.98 Lakhs has been credited to General Reserve in the books of the Company. Further the investments in the transferor company has been adjusted against the Share Capital of the transferor company and the excess of cost of investments over the Share Capital amounting to Rs. 104.37 Lakhs has been adjusted against the General Reserve of the Company.

The net accretion to General Reserve of the Company due to this scheme of merger is Rs. 34.61 Lakhs.

**15.04 In the Annual General Meeting** held on September 27, 2010, the members of the Company have unanimously approved the issue of up to 4,00,000 Fully Convertible Equity Warrants of face value of Rs. 10/- each at a price of Rs. 58/- per Warrant aggregating to Rs.232 Lakhs, on a Preferential Basis to the Promoters of the Company. Necessary approvals of the Stock Exchanges have since been obtained, and the Warrants have been allotted on October 27, 2010. One Equity Share per Warrant will be allotted on exercise of the option, which should be not later than 18 months from the date of issue/allotment of the said Warrants. An amount of Rs.203 Lakhs has been received from the Promoters on such Warrants and disclosed under 'Receipts against Share Warrants'.

**As on  
Mar 31, 2011**                      **As on  
Mar 31, 2010**

### 15.05 Contingent Liabilities

(Rs. in Lakhs)

Uncalled Liability in respect of partly paid shares held as investments	<b>0.36</b>	0.36
Claims against the Company not acknowledged as debts	<b>2.00</b>	2.00
Capital Commitments (Net of Advances)	<b>68.81</b>	150.99
Disputed Sales Tax demands	<b>15.36</b>	14.04

Name of the statute	Nature of dues	Amount	Payment made	Period to which the amount relates	Forum where dispute is pending
Sales Tax Acts of various States	Sales Tax	<b>6.14</b>	<b>3.90</b>	1994-95	Deputy Commissioner & Assistant Commissioner & other appellate authorities
		(6.44)	(3.85)	1995-96	
				1998-99	
				1999-00	
				2000-01	
				2001-02	
				2003-04	
Central Sales Tax Act., 1956	Sales Tax	<b>9.22</b>	<b>5.58</b>	1994-95	Deputy Commissioner & CTO of various states
		(7.60)	(2.65)	1995-96	
				1999-00	
				2000-01	
				2001-02	
				2003-04	
				2005-06	
Income Tax Act, 1961	Income Tax and interest thereon	<b>112.75</b>	<b>112.75</b>	2005-06	CIT (Appeals)
		(112.75)	(112.75)		

### 15.06 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 forming part of the accounts.

### 15.07 Working Capital facilities

Working Capital facilities of the Company are secured by first charge on current assets and charge on specific Fixed Assets of the Company, on Pari Passu basis, with IDBI Bank Ltd., in respect of its Term Loan.



# BEARDELL LIMITED

## 15.08 Term Loan

Term Loan from IDBI Bank Ltd., is secured by First charge on the entire fixed assets of the Company excluding specific assets already charged with Bank of India on pari passu basis. They are also secured by deposit of Title Deeds of one of its property.

## 15.09 Deposits from Public

(a) Fixed Deposits maturing within one year is Rs. 86.08 lakhs (Rs. 7.98 lakhs).

(b) Fixed Deposits under Cash and Bank balances includes an amount of Rs. 2.00 lakhs (Rs.3.00 lakhs) deposited in pursuance of Rule 3A of the Companies (Acceptance of Deposits) Rules, 1975.

## 15.10 Micro Enterprises & Small Enterprises

In accordance with the Notification No: GSR 719 (E) dated 16.11.2007 issued by the Ministry of Corporate Affairs, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Development Act, 2006. Since there are no dues to such enterprises, no disclosures are required to be made under the said Act.

## 15.11 Gratuity

The Company's obligation towards gratuity fund is a 'Defined Benefit Plan' and the details of actuarial valuation as at March 31, 2011 is given below:

	March 31, 2011	March 31, 2010
		(Rs. in Lakhs)
<b>Assumptions</b>		
Discount Rate	<b>8%</b>	8%
Salary Escalation	<b>6% - 7%</b>	6% - 7%
Attrition rate	<b>1-3% depending on age</b>	1-3% depending on age
Expected return on plan assets	<b>8%</b>	8%
Mortality Rate	<b>LIC-94-96-Mortality rates</b>	LIC-94-96-Mortality rates
<b>Table showing changes in Present Value of Obligations</b>		
Present Value of Obligations as at beginning of year	<b>83.04</b>	74.15
Interest Cost	<b>6.64</b>	5.93
Current Service Cost	<b>8.03</b>	4.83
Benefits Paid	<b>(4.53)</b>	(16.02)
Actuarial Loss on Obligation	<b>15.46</b>	14.15
Present Value of Obligations as at the end of year	<b>108.64</b>	83.04
<b>Table Showing changes in the Fair Value of Plan Assets</b>	<b>LIC Fund</b>	LIC Fund
Fair Value of plan assets at beginning of year	<b>91.13</b>	82.73
Expected return on plan assets	<b>8.38</b>	6.97
Contributions	<b>17.81</b>	17.45
Benefits paid	<b>(4.53)</b>	(16.02)
Actuarial Gain on plan Assets	<b>-</b>	-
Fair Value of plan assets at the end of year	<b>112.79</b>	91.13
<b>Table Showing Fair Value of Plan Assets</b>		
Fair Value of plan assets at beginning of year	<b>91.13</b>	82.73
Actual return on plan assets	<b>8.38</b>	6.97
Contributions	<b>17.81</b>	17.45
Benefits paid	<b>(4.53)</b>	(16.02)
Fair Value of plan assets at the end of year	<b>112.79</b>	91.13
Funded Status	<b>4.15</b>	8.09
Excess of Actual over estimated return on plan assets	<b>-</b>	-
<b>Actuarial Loss recognized</b>		
Actuarial Loss on obligation	<b>15.46</b>	14.15
Actuarial Loss on plan assets	<b>-</b>	-
Total Loss for the year	<b>15.46</b>	14.15
Actuarial Loss recognized in the year	<b>15.46</b>	14.15

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

	As on Mar 31, 2011	As on Mar 31, 2010
(Rs. in Lakhs)		
<b>The amount to be recognized in the Balance Sheet &amp; Statements of Profit and Loss</b>		
Present Value of Obligations as at the end of year	<b>108.64</b>	83.04
Fair Value of plan assets at the end of the year	<b>112.79</b>	91.13
Funded status	<b>4.15</b>	8.09
Net Asset	<b>4.15</b>	8.09
<b>Expenses Recognized in Statement of Profit &amp; Loss</b>		
Current Service Cost	<b>8.03</b>	4.83
Interest Cost	<b>6.64</b>	5.93
Expected return on plan assets	<b>8.38</b>	6.97
Net Actuarial Loss recognized in the year	<b>15.46</b>	14.15
Expenses to be recognized in the profit & loss	<b>21.75</b>	17.94
<b>Opening Net Asset</b>		
Contributions	<b>17.81</b>	17.45
Expenses	<b>21.75</b>	17.94
<b>Closing Net Asset</b>	<b>4.15</b>	8.09

In the absence of relevant information from the actuary, the above details do not include composition of plan assets

**15.12 Segment Reporting  
(a) Primary Segment**

	As on March 31, 2011			As on March 31, 2010		
	Insulation	Trading	Total	Insulation	Trading	Total
<b>Segment Revenue</b>						
Net sales / commission & rental income	7389.16	458.97	<b>7848.13</b>	5211.54	281.23	5492.77
<b>Segment Results</b>						
Operating profit	936.85	7.64	<b>944.49</b>	497.24	(12.94)	484.30
Interest	-	-	<b>(77.64)</b>	-	-	(12.77)
Unallocable corporate expenses (net-off income)	-	-	<b>(345.74)</b>	-	-	6.98
Income taxes			<b>(191.99)</b>			(158.48)
Net profit			<b>329.12</b>			320.03

	As on March 31, 2011				As on March 31, 2010			
	Insulation	Trading	Others	Total	Insulation	Trading	Others	Total
<b>Segment Assets / Liabilities</b>								
Segment Assets	3818.92	285.21	-	<b>4104.13</b>	2478.25	277.52	-	2755.77
Unallocated Corporate Assets	-	-	1610.72	<b>1610.72</b>	-	-	1212.98	1212.98
<b>Total Assets</b>				<b>5714.85</b>				3968.75
Segment Liabilities	2134.25	135.22	-	<b>2269.47</b>	1542.05	70.36	-	1612.41
Unallocated Corporate Liabilities	-	-	3445.38	<b>3445.38</b>	-	-	2356.34	2356.34
<b>Total Liabilities</b>				<b>5714.85</b>				3968.75

Capital Expenditure Addition	1331.95	436.46
Depreciation	104.59	73.79

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

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

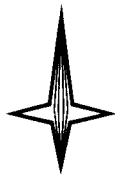
Trading includes Chemicals, Motors, Exports etc.,

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

**(b) Secondary Segment**

As the sales and assets outside India is less than 10% of total sales / assets, there are no reportable geographical segments.





# BEARDELL LIMITED

## 15.13 Related Party Transactions (as identified by the management and relied upon by Auditors)

- (a) Subsidiary Company - M/s. Viraat Granites Private Limited (Refer Note 15.03)  
 (b) Key Management Personnel - Mr. Bharat Anumolu-Managing Director  
 - Mr. S.V.Narasimha Rao -Executive Director  
 (c) Relatives of Key Management Personnel - Mrs. A. Jayashree- Mother of Managing Director

(d) Nature of transactions	<b>As at March 31,2011</b>	As at March 31,2010
(i) Subsidiary Company	(Rs. in Lakhs)	
Equity Share Capital Outstanding	-	178.48
<b>(ii) Key Management Personnel</b>		
Remuneration to Key Management Personnel	<b>54.62</b>	38.14
Fixed Deposits received from Managing Director and outstanding	<b>95.00</b>	25.00
Interest accrued on above deposit	<b>4.03</b>	0.30
Receipts against Share Warrants (Refer Note 15.04)	<b>116.00</b>	-
<b>(iii) Relatives of Key Management Personnel</b>		
Receipts against Share Warrants (Refer Note 15.04)	<b>87.00</b>	-

## 15.14 Leases

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

Within one year	<b>41.04</b>	49.69
Later than one year and not later than 5 years	-	-

### Brief Description of Terms of Lease

Lease Rentals are accrued on the basis of Agreed Terms.  
 All assets are leased out for a period of twelve months

The Company has taken office premises on non – cancelable operating lease and the rental expense incurred during the period is Rs. 4.31 Lakhs (Rs. Nil)

Minimum lease payments payable		
Within one year	<b>17.25</b>	-
Later than one year and not later than five years	<b>64.70</b>	-

## 15.15 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 Earnings Per Share. Potential Equity Shares on account of Share Warrants issued during the year have been considered for calculating diluted Earnings Per Share. (Refer Note 15.04)

Profit after Tax	<b>329.12</b>	320.03
Number of Shares outstanding at the Beginning of the year	<b>38,33,168</b>	38,33,168
Weighted average Shares on account of Share Warrants issued during the year	<b>1,70,959</b>	-
Adjusted Weighted Average number of Equity Shares	<b>40,04,127</b>	38,33,168
Face value per Share (Rs.)	<b>10.00</b>	10.00
Basic EPS (Rs.)	<b>8.59</b>	8.35
Diluted EPS (Rs.)	<b>8.22</b>	8.35

## 15.16 Information relating to Deferred Tax

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

<b>(a) Deferred Tax Assets</b>		
Provision for Doubtful debts	<b>46.91</b>	44.43
Provision for Warranties	<b>60.58</b>	67.19
Provision for compensated absences	<b>5.40</b>	3.07
	<b>112.89</b>	114.69

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

	March 31, 2011	(Rs. in Lakhs)	March 31, 2010
<b>(b) Deferred Tax Liabilities</b>			
Depreciation	138.63		85.68
Others	-		2.76
	<u>138.63</u>		<u>88.44</u>
Deferred Tax Liability/ (Asset) (Net)	<u>25.74</u>		<u>(26.25)</u>

**15.17 Disclosure requirements under Accounting Standard 29 on Provision, Contingent Liabilities and Assets.**

	Opening Balance	Additions	Applied	Withdrawals	Closing Balance
Provision for Warranties	197.69	-	10.96	-	186.73

Note: Provision for Warranties are expected to be settled within next 18 to 24 months.

Till the year ended March 31, 2010 the Company has been making provision for warranty claims on an estimated basis. During the year the Company has reviewed the provision for warranty available in the books vis-a-vis the claims incurred in the earlier years and based on this review, no provision is considered necessary in this regard for the year. Had the provision for warranty been made as in the earlier years, the profit after tax for the current year would have been lower by Rs. 48.22 Lakhs.

	For the year ended		March 31, 2010	
<b>15.18 Turnover particulars</b>	<b>March 31, 2011</b>		<b>March 31, 2010</b>	
		(Rs. in lakhs)		
	<b>Qty.</b>	<b>Value</b>	<b>Qty.</b>	<b>Value</b>
<b>Sales</b>				
Expanded Polystyrene	<b>2442 MT</b>	<b>3489.86</b>	1511 MT	2386.81
Prefab Panels	<b>127248 RMT</b>	<b>2137.06</b>	77321 RMT	1340.69
Electric Motors	<b>1763 NOS</b>	<b>431.30</b>	1185 NOS	263.40
Exports of Fabrics		<b>27.67</b>		17.82
Miscellaneous		<b>254.60</b>		80.81
		<u><b>6340.49</b></u>		<u>4089.53</u>
<b>Contracts</b>				
Insulation / Prefab Contracts		<b>1884.00</b>		1519.30
		<u><b>8224.49</b></u>		<u>5608.83</u>

**15.19 Consumption of Raw Materials (Qty. in Metric Ton.)**

Polystyrene Resin	1988	1542.05	1351	997.96
Precoated Steel	1251	687.33	775	380.00
Others	223	277.53	102	121.20
		<u>2506.91</u>		<u>1499.16</u>

**15.20 Stock particulars of Finished Goods**

Class of Goods	Unit of measurement	As on March 31, 2011				As on March 31, 2010			
		Opening		Closing		Opening		Closing	
		Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
<b>(a) Manufactured</b>									
Expanded Polystyrene	<b>MT</b>	29	34.00	37	66.44	21	17.55	29	34.00
Prefab Panels	<b>RMT</b>	428	5.74	515	16.92	202	4.01	428	5.74
<b>(b) Traded Goods</b>									
Motors	<b>NOS</b>	146	9.60	128	11.03	260	13.69	146	9.60
Fabrics			-		-		6.03		-
Others			19.61		21.36		25.06		19.61
			<u>68.95</u>		<u>115.75</u>		<u>66.34</u>		<u>68.95</u>



# BEARDELL LIMITED

	March 31, 2011	March 31, 2010
<b>15.21 (a) Remuneration to Managing Director/ Executive Director</b>	<b>(Rs. in lakhs)</b>	
Salary	20.40	16.24
Perquisites and Allowances	9.37	7.68
Commission	15.23	7.74
Contribution to Provident and Superannuation funds	9.62	6.48
	<u>54.62</u>	<u>38.14</u>
<b>(b) Calculation of Commission to Managing Director / Executive Director</b>		
Profit as per Profit & Loss Account	521.11	478.51
Add: Director's Sitting Fees	2.85	1.20
Director's Remuneration	<u>54.62</u>	<u>38.14</u>
	<u>57.47</u>	39.34
	<u>578.58</u>	517.85
Less: Capital Profit on Sale / Surrender of Assets	21.13	230.00
Net Profit for the year	<u>557.45</u>	<u>287.85</u>
Commission to Managing Director / Executive Director	<u>15.23</u>	<u>7.74</u>

The above excludes provision for compensated absences and gratuity as separate actuarial valuations are not available.

## 15.22 Auditors' Remuneration excluding Service Tax (included in professional charges)

For Audit	6.50	5.00
For Tax Audit / Representation	2.90	4.70
For Certification of statements	2.95	2.95
For Expenses	0.53	0.27
	<u>12.88</u>	<u>12.92</u>

## 15.23 Installed Capacities & Production

	Expanded Polystyrene MT	Prefab Panels RMT	Expanded Polystyrene MT	Prefab Panels RMT
Installed Capacity	4620*	216000*	2640*	216000*
Actual Production	2067	133416	1306	82884
Produced by outside processor out of the above	1190	-	707	-
Captive Consumption	301	6387	254	5337

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

## 15.24 Value of Imports on CIF basis

Raw Materials	771.15	291.19
Traded Goods	33.60	37.99
Capital Goods	235.48	60.16
Advance for Capital Goods	9.39	30.88
	<u>1049.62</u>	<u>420.22</u>

## 15.25 Expenditure in Foreign Currency

Travel	4.05	0.93
Interest / charges	0.24	1.32
Royalty (net of Tax)	-	0.50
	<u>4.29</u>	<u>2.75</u>

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

**15.26 Value of Raw Materials, Stores, Spare Parts and Components consumed**

	<b>March 31, 2011</b>		(Rs. in Lakhs)	March 31, 2010	
	<b>As % of Consumption</b>	<b>Value</b>		As % of Consumption	Value
Imported	<b>32.00</b>	<b>806.04</b>		25.00	386.19
Indigenous	<b>68.00</b>	<b>1746.25</b>		75.00	1135.32
	<u><b>100.00</b></u>	<u><b>2552.29</b></u>		<u>100.00</u>	<u>1521.51</u>

**15.27 Earnings in Foreign Currency**

Export of goods calculated on FOB basis	<b>15.83</b>	62.88
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**15.28 Prior period comparatives**

Prior year figures have been reclassified / re-grouped wherever necessary to conform to the current year's classification.

For & on behalf  
of the Board of Directors

Bharat Anumolu  
Managing Director

V Thirumal Rao  
Director

Chennai  
August 12, 2011

Y Mukthar Basha  
General Manager - Finance

K Murali  
Company Secretary



# BEARDELL LIMITED

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

### I. Registration Details

Registration No.  State Code

Balance Sheet 

31	03	2011
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

#### Source of Funds

#### Paid-up-Capital

#### Reserves & Surplus

(Incl. Receipts against Share Warrants)

#### Secured Loans

#### Unsecured Loans

(Incl. Deferred Tax Asset)

#### Application of Funds

#### Net Fixed Assets

#### Investments

#### Net Current Assets

#### Misc-Expenditure

#### Accumulated Losses

### IV. Performance of Company

#### Turnover

#### Total Expenditure

#### Profit Before Tax

#### Profit After Tax

#### Earning Per Share in Rs.

#### Dividend Per Share Rs.

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

Item Code No. (ITC Code)	<input type="text" value="390311-00"/>	<input type="text" value="-"/>
Product Description	EXPANDED POLYSTYRENE	INSULATION CONTRACTS

Item Code No. (ITC Code)	<input type="text" value="940600-00"/>	<input type="text" value="-"/>
Product Description	PREFAB PANELS	AGENCY LINES

Bharat Anumolu  
Managing Director

V Thirumal Rao  
Director

Chennai  
August 12, 2011

Y Mukthar Basha  
General Manager - Finance

K Murali  
Company Secretary