



BEARDSELL LIMITED

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Directors

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

Company Secretary

Mr. K.Murali

Auditors

M/s. Deloitte Haskins & Sells

Bankers

Bank of India

Registered Office

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



NOTICE IS HEREBY GIVEN that the Seventy second Annual General Meeting of the Company will be held on Thursday, the 27th August, 2009 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 2009, 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, 2009 together with the Directors Report and the Auditors' Report thereon, be and are hereby approved and adopted."

2. APPOINTMENT OF DIRECTORS

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

a) "RESOLVED THAT Mr. P.C.D. Nambiar, Director, 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, Director, 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 travelling and out of pocket expenses"

By order of the Board

Chennai
June 29, 2009

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 tenure of over 5½ years. Vastly experienced in National and International Banking and Finance, he served the Imperial Bank of India and its Successor, State Bank of India for over 38 years with postings in London and New York and was elected Chairman of the Indian Banks' Association. As Chairman of State Bank of India, he put through a successful programme of rapid internationalization of that Bank.

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

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

Mr. Thirumal Rao completed Bachelor of Commerce from Osmania University in the year 1965 and Bachelor of Law in 1969. He started practicing in Criminal and Civil side in Kurnool. After practicing for about 5 years, he shifted to Chennai. He was a partner of Uttam Reddi & Co., a lawyer's firm, from 1972 to 1979. During this period, he appeared before various High Courts, Supreme Court and Tribunal on matters pertaining to Direct/Indirect taxes, Company Law, Import and Export policy matters, Trade Marks, Patents, etc. He has vast experience and knowledge in the above areas. He has been associated with Corporate Sector from 1979. He has worked in various Companies. He was looking after Excise, Customs and Service Tax matters, Company Law and

other areas of operations in MRF Limited. His experience, knowledge in the legal profession and in Corporate Sector has been of immense help to the Company. He was first elected to the Board in the year 1986.

On attaining Superannuation, he is practicing as an Advocate and appearing in various High Courts and other Courts on various matters..

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

2. 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.
3. A Proxy can be in any of the forms set out in Schedule IX of the Companies Act, 1956.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 18th August, 2009 to 27th August 2009 (both days inclusive).
5. Members are requested to intimate change, if any, in their addresses immediately.
6. 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.
7. Members are requested to bring their copy of the Annual Report with them to the Annual General Meeting.

REPORT OF BOARD OF DIRECTORS

Your Directors present the 72nd Annual Report of the Company together with the Audited Accounts for the financial year ended 31.03.2009.

PERFORMANCE / OPERATIONS

FINANCIAL RESULTS

(Rs. In Lakhs)

	Year Ended 31.03.2009	Year Ended 31.03.2008
Gross Revenue	5282.16	6047.72
Profit before interest & Depreciation	138.63	460.02
Interest	15.02	23.46
Profit before Depreciation	123.61	436.56
Depreciation	57.31	57.31
Profit before tax	66.30	379.25
Profit after taxation	31.00	235.26
Balance of Profit & Loss Account from Last Year	548.50	470.46
Appropriations:		
Transfer to General Reserve	-	89.95
Proposed Dividend on Equity Shares	-	57.50
Tax on Dividend	-	9.77
Balance Profit carried to Balance Sheet	579.50	548.50

REVIEW OF OPERATIONS

INSULATION DIVISION

a) EPS

Performance of this division was satisfactory.

b) ISOBUILD PREFAB PANELS

The Division sold / installed 93938 RMT as against 116911 RMT during the previous year. Slowdown of Projects, in particular, from Pharmaceuticals, Roofing Applications, Cold Storage & Food processing industries affected the sales.

c) CONTRACTING

Company's decision to reduce its exposure to AC&R segment resulted in drop in business.

TRADING DIVISION

Trading Division's performance was affected largely due to slump in textile industry and exports.

LISTING WITH STOCK EXCHANGE

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

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

FIXED DEPOSITS

Fixed Deposits amounting to Rs. 0.91 Lakhs matured but were not claimed till 31st March 2009. Subsequently, Fixed Deposits totaling to Rs. 0.10 lakhs have been repaid. 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 and Mr. V. Thirumal Rao, Directors, retire by rotation at this Annual General Meeting, and being eligible, offer themselves for re-appointment.

Board of Directors in their meeting held on 20th May 2009, appointed Mr. Bharat Anumolu as Managing Director subject to the approval of Central Government for a period of 5 years commencing from 20th May, 2009 and at the Board Meeting held on 29th June, 2009, fixed the remuneration and the consent of the share holders is being obtained for the above appointment and payment of remuneration at a separate Extra-Ordinary General Meeting of the members

Board of Directors in their meeting held on 29th June 2009 appointed Mr. S.V. Narasimha Rao as Executive Director and the consent of the share holders is being obtained for the above appointment and payment of remuneration at a separate Extra-Ordinary General Meeting of the members

Mr. A.V. Ramalingan, Executive Director, resigned from the Board with effect from 20th May 2009. The Board has placed on record the valuable contribution made by him during his tenure as Executive Director.

AUDITORS

The Auditors, M/s. 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.



NOTE ON SUBSIDIARY COMPANY MERGER OF SUBSIDIARY COMPANY

Pursuant to an Order dated 22nd April, 2009 and subsequently on 28th April 2009 passed by the Hon'ble High Court of Judicature at Madras in the Company Application, Meeting of the Shareholders of BEARDELL LIMITED was scheduled to be convened at "Mini Hall", Sathguru Gnanananda Hall, Naradagana Sabha, No.314, TTK Road, Chennai 600 018, on Wednesday, 10th June 2009 at 10.00 a.m. for the purpose of considering, and if thought fit, approving, with or without modification, the Scheme of Merger proposed to be made between Beardsell Limited and Viraat Granites Private Limited.

Due to certain unavoidable circumstances the meeting stands postponed to a future date and the same has been communicated individually to all the shareholders and also published on 7th June 2009 edition of "The Economic Times" and "Dinamalar".

An application has been filed in the High Court of Judicature at Madras on 11th June 2009 praying to fix another date for convening the meeting of Equity Shareholders

AUDITORS OF SUBSIDIARY COMPANY

M/s.Karvy & Co, the Statutory Auditors of our wholly owned subsidiary M/s Viraat Granites Pvt Ltd, vide their letter dated 16th June 2009 expressed their inability to continue as Statutory Auditors due to certain other pre-occupations. The Board of Viraat Granites Pvt Ltd placed on record the excellent support and guidance extended by M/s.Karvy & Co during their assignment as Statutory Auditors.

The Board of Directors of Viraat Granites Pvt Ltd during their meeting held on 17th June 2009 proposed to appoint M/s Deloitte Haskins & Sells as the Statutory Auditors of the Company and sent a letter seeking their consent. A consent letter was received from M/s Deloitte Haskins & Sells and their appointment as Statutory Auditors of the Company till the conclusion of the next Annual General Meeting was approved by the shareholders in the Extraordinary General Meeting held on 20th June 2009.

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 judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March 2009 and of the Profit of the Company for financial year ended 31st March 2009;
- III. The Directors have taken proper and sufficient care for the

maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- IV. The Directors have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

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

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

Information Under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of Directors Report for the year ended 31st March 2009.

Research and Development, Technology Absorption and Conservation of Energy

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

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

Foreign Exchange Earnings And Outgo

During the year under review, Foreign Exchange Earnings amounted to Rs115.33 Lakhs as against Rs246.20 Lakhs during previous year.

The total Foreign Exchange Outgo during the year under review was Rs.194.28 Lakhs as against Rs.129.61 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

Chennai
June 29, 2009

Bharat Anumolu
Managing Director

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.4820.26 Lakhs. 92% of the total revenue.

Trading and others Segment which comprises Chemical, Motors and Exports earned a revenue of Rs. 402.41 Lakhs. 8% 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 confirming to the prevalent mandatory guidelines on Corporate Governance and to enhance shareholder value through sound business decisions driving the Organisation forward without undue restraints along with prudent framework of accountability and financial management.

2. BOARD OF DIRECTORS

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

a) Composition

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

Name of Director	Category	Attendance in Previous AGM held on 27-08-08	Attendance in Board Meetings	No. of Directorships held in Other Public Limited Companies		Committee position held in other Companies	
				Director	Chairman	Member	Chairman
Mr.P.Punnaiah	Non-Executive Promoter	Not Present	1	1	Nil	Nil	Nil
Mr.M.Uttam Reddi	Non-Executive Independent	Present	5	1	Nil	1	Nil
Mr.P.C.D.Nambiar	Non-Executive Independent	Present	5	4	1	1	3
Mr.V.Thirumal Rao	Non-Executive Independent	Present	6	Nil	Nil	Nil	Nil
Mr.R.Gowri Shanker	Non-Executive Independent	Not Present	3	6	Nil	1	Nil
Mr. Bharat Anumolu*	Executive Promoter	Not Present	1	Nil	Nil	Nil	Nil
Mr.S.V.Narasimha Rao**	Executive Director	Not Applicable	-	-	-	-	-
Mr.A.V.Ramalingan ***	Executive Director	Present	6	1	Nil	Nil	Nil

* Appointed as a Managing Director in the Board Meeting held on 20th May 2009

** Appointed as Executive Director in the Board Meeting held on 29th June 2009

*** Resigned from the Board on 20th May 2009.



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

During the Financial Year 2008-2009, Six Board meetings were held on 28/05/08, 28/06/08, 30/07/08, 27/08/08, 30/10/08 and 28/01/09.

c) Disclosures regarding appointment and reappointment.

i) Reappointment of Mr.P.C.D. Nambiar

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

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

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

ii) Reappointment of Mr.V Thirumal Rao

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

Mr. Thirumal Rao completed Bachelor 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 has vast experience and knowledge in the above areas. He has been associated with Corporate Sector from 1979. He has worked in various Companies. He was looking after Excise, Customs and Service tax matters, Company Law and other areas of operations in MRF Limited. His experience, knowledge in the legal profession and in Corporate Sector has been of immense help to the Company. He was first elected to the Board in the year 1986.

On attaining Superannuation, he is practicing as an Advocate and appearing in various High Courts and other Courts on various matters..

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

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

During the financial year 2008-2009, four Audit Committee meetings were held on 28/06/2008, 30/07/2008, 30/10/2008 and 28/01/2009.

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

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

SITTING FEES PAID TO DIRECTORS FOR THE FINANCIAL YEAR 2008-09

(Rs. In Lakhs)

Sl. No	Directors	Sitting Fees
1	Mr. P. Punnaiah	0.03
2	Mr. M. Uttam Reddi	0.24
3	Mr. P.C.D. Nambiar	0.24
4	Mr. V. Thirumal Rao	0.30
5	Mr. R.Gowri Shanker	0.18
6	Mr. Bharat Anumolu	0.03
	TOTAL	1.02

REMUNERATION PAID TO WHOLE TIME DIRECTOR

(Rs. in Lakhs)

Sl. No	Name	Salary	Money Value of Perquisites	Contribution to Provident Fund and Other Funds	Commission	Total
1	Mr. A. V. Ramalingan	9.60	2.07	1.84	0.82	14.33

4. REMUNERATION COMMITTEE

A) FIXING OF REMUNERATION TO Mr. BHARAT ANUMOLU - MANAGING DIRECTOR

In accordance with the provisions of Sections 198, 269, 309, 310, 314 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, subject to the approval of the Central Government and consent of the Shareholders, the Remuneration Committee has recommended the following Remuneration payable with effect from 29th June, 2009 to Mr. Bharat Anumolu, appointed as Managing Director for a period of Five years with effect from 20.05.2009.

- a) Salary : Rs. 1,00,000/- per month
- b) Commission : 5 % of the Net Profit
- c) Perquisites : Perquisites are classified into Three Categories A, B and C as follows

CATEGORY "A" HOUSING

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

GAS, ELECTRICITY AND WATER

Reimbursement of Expenditure incurred on gas, electricity and water.

MEDICAL REIMBURSEMENT

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



BEARDELL LIMITED

LEAVE TRAVEL CONCESSION

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

CLUB FEES

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

PERSONAL ACCIDENT INSURANCE

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

CATEGORY "B"

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

CATEGORY "C"

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

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

The Managing Director shall not be liable to retire by rotation as a Director.

The aggregate of above remuneration payable to the Managing Director shall not exceed Rs.30,00,000/- in a year which is inclusive of all perquisites and allowances.

B) FIXING OF REMUNERATION TO Mr. S.V. Narasimha Rao, Executive Director.

- a. In Accordance to the provisions of Section 198, 269, 309, 310, 314 Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, and with subject to the consent of the shareholders the remuneration committee has recommended the following remuneration payable to Mr. S.V. NARASIMHA RAO appointed as Executive Director for a period of five years with effect from 29.06.2009

- | | |
|----------------|---|
| a) Salary | : Rs. 70,000/- per month |
| b) Commission | : 1 % of the Net Profit |
| c) Perquisites | : Perquisites are classified into
Three Categories A, B and C as follows |

CATEGORY "A"

HOUSING

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

GAS, ELECTRICITY AND WATER

Reimbursement of Expenditure incurred on gas, electricity and water.

MEDICAL REIMBURSEMENT

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

LEAVE TRAVEL CONCESSION

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

CLUB FEES

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

PERSONAL ACCIDENT INSURANCE

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

CATEGORY "B"

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

CATEGORY "C"

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

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

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

- b. The authority be and is hereby granted to the Board of Directors to alter and vary the terms and conditions of the said appointment (including authority, from time to time, to determine the amount of salary and commission as also the type and amount of perquisites and other benefits payable to Mr.S.V. NARASIMHA RAO, in such manner as may be agreed to between the Board of Directors and Mr.S.V. NARASIMHA RAO provided, however, that the remuneration payable to him shall not exceed the limits specified under Schedule XIII to the Companies Act, 1956, including any amendment, modification, variation or re-enactment thereof.)
- c. In the event of any loss, absence or inadequacy of profits in any financial year, during the term of office of Mr.S.V. NARASIMHA RAO the remuneration payable to him by way of salary, allowances, commission and perquisites shall not, without the approval of Central Government (if required), exceed the limits prescribed under the Companies Act, 1956, or any amendment, modification, variation or re-enactment thereof.

5. SHARE HOLDERS / INVESTORS GRIEVANCE COMMITTEE

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

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

6. GENERAL BODY MEETINGS

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

Financial Year	AGM	Location	Date	Time
2007-08	71 st	Narada Gana Sabha, 314, TTK Salai, Chennai-600018	27.08.08	10.00 A.M.
2006-07	70 th	Narada Gana Sabha, 314, TTK Salai, Chennai-600018	27.08.07	10.00 A.M.
2005-06	69 th	Narada Gana Sabha, 314, TTK Salai, Chennai-600018	27.09.06	10.00 A.M.

No Postal ballots were used/ invited during the year 2008-09.

7. MERGER OF SUBSIDIARY COMPANY

Pursuant to an Order dated 22nd April, 2009 and subsequently on 28th April 2009 passed by the Hon'ble High Court of Judicature at Madras in the Company Application, Meeting of the Shareholders of BEARDSSELL LIMITED was scheduled to be convened at "Mini Hall", Sathguru Gnanananda Hall, Naradagana Sabha, No.314, TTK Road, Chennai 600 018, on Wednesday, 10th June 2009 at 10.00 a.m. for the purpose of considering, and if thought fit, approving, with or without modification, the Scheme of Merger proposed to be made between Beardsell Limited and Viraat Granites Private Limited.

Due to certain unavoidable circumstances the meeting stands postponed to a future date and the same has been communicated individually to all the shareholders and also published on 7th June 2009 edition of "The Economic Times" and "Dinamalar".

An application has been filed in the High Court of Judicature at Madras on 11th June 2009 praying to fix another date for convening the meeting of Equity Shareholders.