

# **BEARDSELL LIMITED**

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**Seventy Seventh Annual Report & Accounts**

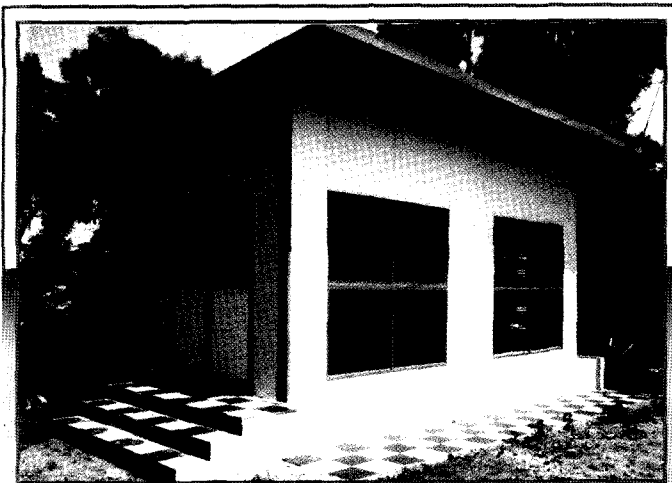
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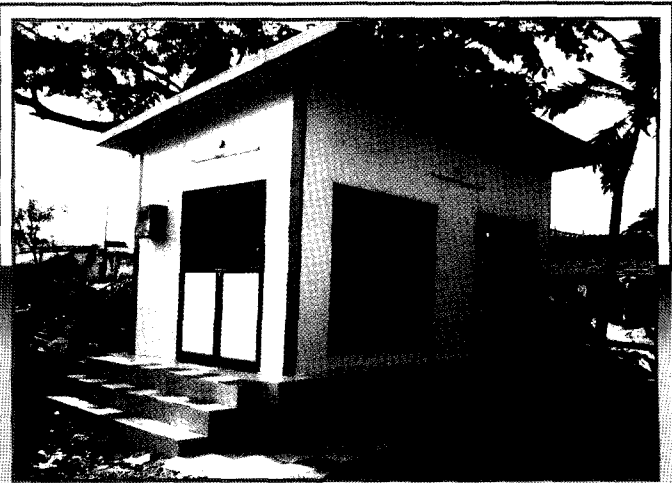
**2013 - 2014**

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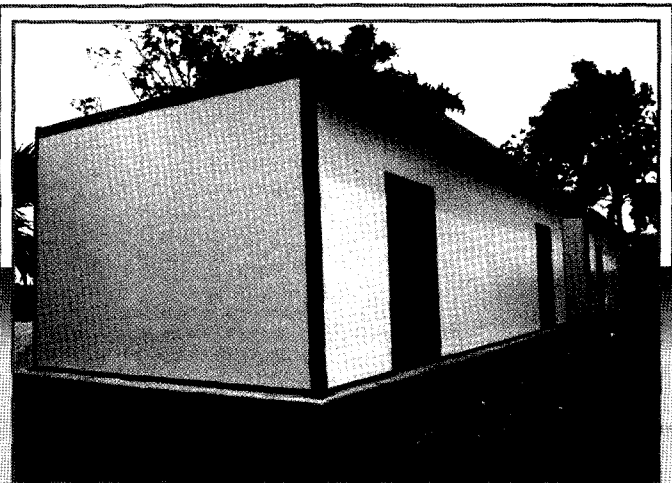
KRIDL-Prefab R.O. Plant building in Karnataka [Govt. Job]



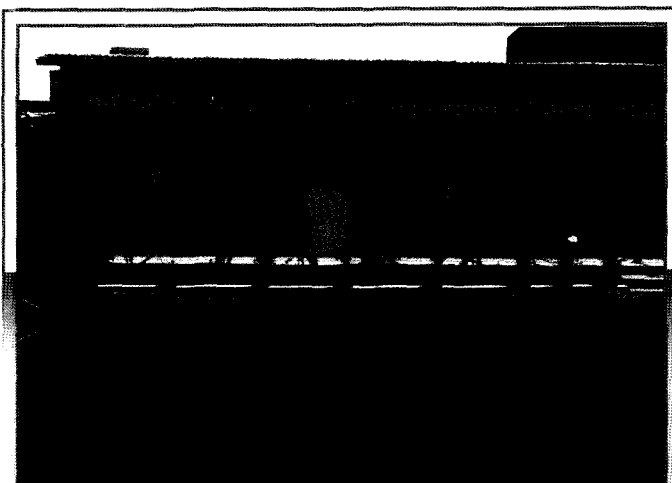
KRIDL-Prefab R.O. Plant building in Karnataka [Govt. Job]



SDRF Barrack Bihar



SDRF Bihta



Farm house Hyderabad



Hyderabad farm house



# BEARDELL LIMITED

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## **Directors**

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

## **Chief Financial Officer**

Mr. Y. Mukthar Basha

## **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 0901  
Fax : 044 - 2829 0391  
CIN No. : L65991TN1936PLC001428  
E-mail : ho@beardsell.co.in  
Website : www.beardsell.co.in



# BEARDELL LIMITED

**NOTICE IS HEREBY GIVEN** that the Seventy Seventh Annual General Meeting of the Company will be held on Wednesday, the 13th August, 2014 at 10.00 A.M. at "Mini Hall" Satguru Gnananada Hall, Naradaganasabha, 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, 2014, the Statement Profit and Loss of the Company with the Schedules and Cash Flow Statement for the year ended 31st March, 2014 together with the Directors Report and the Auditors' Report thereon, be and are hereby approved and adopted."

### 2. TO DECLARE A DIVIDEND

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

"RESOLVED THAT pursuant to the recommendation of the Board of Directors, Dividend at the rate of Re.1/- (10 percent) per share be paid as Dividend for the year ended 31st March, 2014 to those share holders whose name appears in the Register of Members on 4th August, 2014."

### 3. APPOINTMENT OF DIRECTOR

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

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

### 4. APPOINTMENT OF AUDITORS

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

"RESOLVED THAT the Auditors of the Company, Messrs. Deloitte Haskins & Sells (DHS), Chartered Accountants, Chennai (ICAI Registration Number of the firm is 008072S) 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 for a further period of three years to hold office till the conclusion of the Eightieth 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 ORDINARY RESOLUTION

### 5. REAPPOINTMENT OF Mr. BHARAT ANUMOLU AS "MANAGING DIRECTOR".

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

"RESOLVED THAT subject to the provisions of Section 188, 197, 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, the reappointment of Mr. Bharat Anumolu, as Managing Director for a period of Five years with effect from 20th May, 2014 as recommended by the Nomination and Remuneration Committee on 19th May, 2014 and approved by the Board of Directors on 29th May, 2014 be and is hereby approved and confirmed"

- a) Salary : Rs. 1,60,000 Per month
- b) 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.

##### 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 remuneration aforesaid including the benefits and amenities be paid and allowed as minimum remuneration for any year in the event of loss or inadequacy of profits though it exceeds the ceiling limit prescribed in Section 197 of the Companies Act, 2013.

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

"RESOLVED FURTHER THAT the aggregate of above remuneration payable to the Managing Director shall not exceed Rs.36,00,000/- (Rupees Thirty Six Lakhs only) in a year which is inclusive of all perquisites and allowances.

"RESOLVED FURTHER THAT the information provided above shall be treated as an Abstract of contract of employment with Managing Director under section 190 of the Companies Act, 2013.

"RESOLVED FURTHER THAT Mr.K.Murali, Company Secretary be and is hereby authorised to sign and file all forms/ applications and other documents with all statutory Authorities and generally to do all acts deed and things in order to give effect to the above resolution.

### **6. REAPPOINTMENT OF MR. S.V. NARASIMHA RAO AS "EXECUTIVE DIRECTOR"**

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

"RESOLVED THAT subject to the provisions of Section 188, 197, 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, the reappointment of Mr.S.V.Narasimha Rao as "Executive Director" for a period of Five years with effect from 29th June, 2014 as recommended by the Nomination and Remuneration Committee on 19th May, 2014 and approved by the Board of Directors on 29th May, 2014 be and is hereby approved and confirmed"

- a) Salary : Rs. 1,00,000 Per month
- b) 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. 1 000/- per annum.

### **CATEGORY "B"**

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

### **CATEGORY "C"**

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

The remuneration aforesaid including the benefits and amenities be paid and allowed as minimum remuneration for any year in the event of loss or inadequacy of profits though it exceeds the ceiling limit prescribed in Section 197 of the Companies Act, 2013.

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

"RESOLVED FURTHER THAT the aggregate of above remuneration payable to the Executive Director shall not exceed Rs.22,00,000/- ( Rupees Twenty Two Lakhs only ) in a year which is inclusive of all perquisites and allowances.

"RESOLVED FURTHER THAT the information provided above shall be treated as an Abstract of contract of employment with Executive Director under section 190 of the Companies Act,2013.

"RESOLVED FURTHER THAT Mr.K.Murali, Company Secretary be and is hereby authorised to sign and file all forms / applications and other documents with all Statutory Authorities and generally to do all acts deed and things in order to give effect to the above resolution.



## 7. RE-APPOINTMENT OF INDEPENDENT DIRECTORS

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

“RESOLVED THAT pursuant to the provisions of Section 149(4), 149(6), 149(7) and other applicable provisions of the Companies Act, 2013 Mr.R.Gowri Shanker be and is hereby reappointed as an Independent Director of the Company to hold office for a period of five years from 29th May, 2014 to 28th May, 2019.”

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

“RESOLVED THAT pursuant to the provisions of Section 149(4), 149(6), 149(7) and other applicable provisions of the Companies Act, 2013 Mr.M.Uttam Reddi be and is hereby reappointed as an Independent Director of the Company to hold office for a period of five years from 29th May, 2014 to 28th May, 2019.”

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

“RESOLVED THAT pursuant to the provisions of Section 149(4), 149(6), 149(7) and other applicable provisions of the Companies Act, 2013 Mr. V.J. Singh be and is hereby reappointed as an Independent Director of the Company to hold office for a period of five years from 29th May, 2014 to 28th May, 2019.”

## SPECIAL RESOLUTION

### 8. INCREASE IN BORROWING POWERS

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

“RESOLVED THAT pursuant to sections 180 (1) [c] of the Companies Act, 2013 and Article 73 of the Articles of Association of the Company, consent be and is hereby accorded to the Board of Directors of the Company to borrow from time to time as it may consider fit any sum or sums of money not exceeding Rs.60.00 Crores (Rupees Sixty Crores Only) apart from temporary loans obtained from the Company's Bankers in the ordinary course of business on such terms and conditions as the Board may deem fit notwithstanding that the monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid up Capital of the Company and its free Reserves that is to say Reserves not set apart for any specific purpose.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters and things and to take such steps as may be necessary or desirable to give effect to this resolution.

**By order of the Board**

Chennai  
May 29, 2014

K. Murali  
Company Secretary

## NOTES

1. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the Special Business set out in Item no. 5, 6, 7(a), 7(b), 7(c) & 8 annexed here to.
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 must 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 form shall be in Form No.MGT11 of the Companies Act, 2013.
4. As mandated by SEBI, Members are provided e-voting facility and the rules for e-voting is annexed.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 5th August, 2014 to 13th August, 2014 (both days inclusive).
6. Members are requested to intimate change, if any, in their address immediately.
7. Section 124 (5) of the Companies Act, 2013 mandates that Companies should transfer dividend that has been unclaimed for a period of seven years from the unpaid dividend account to the Investor Education Protection Fund (IEPF). The dividend for the years mentioned below, if unclaimed with in a period of seven years, will be transferred to IEPF in accordance with the following schedule:

| S.No | Financial Year | Date of Declaration of Dividend | % of Dividend | Date of Transfer to unpaid Dividend Account | Date of Transfer to Central Government to Investor Education and Protection Fund |
|------|----------------|---------------------------------|---------------|---|--|
| 1    | 2006-2007      | 27/08/2007                      | 10%           | 08/09/2007                                  | 06/10/2014   |
| 2    | 2007-2008      | 27/08/2008                      | 15%           | 06/09/2008                                  | 04/10/2015   |
| 3    | 2011-2012      | 29/09/2012                      | 10%           | 10/10/2012                                  | 08/11/2019   |
| 4    | 2012-2013      | 13/08/2013                      | 10%           | 16/08/2013                                  | 18/09/2020   |

Share holders are informed that once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company.

### 8. Details of Directors seeking Re-appointment at the forthcoming Annual General Meeting pursuant to clause 49 of Listing Agreement

|   |  |                                |
|---|--|--------------------------------|
| a | Name   | Mr.V.Thirumal Rao              |
| b | Brief Resume   |                                |
|   | i Age  | 69                             |
|   | ii Qualification   | B.Com, L.L.B                   |
|   | iii Experience in Specific Functional Area   | 43 Years                       |
|   | iv Date of Appointment on the Board of the Company (BEARDSELL LIMITED)                                 | 19/01/1986                     |
| c | Nature of Expertise in Specific Functional Area  | Legal                          |
| d | Name(s) of other Companies in which Directorships held (as per section 165 of the Companies Act, 2013) | NIL                            |
| e | Name(s) of Companies in which Committee Membership(s)/Chairman ship (s) Held                           | NIL                            |
| f | No. of Shares of Rs. 10/- each held by the - Director  | NIL                            |
|   | - his Relatives  | 200 nos                        |
|   | - Total  | 200 nos                        |
| g | Relationship between Directors inter se (As per Section 2 (77) of the Companies Act, 2013)             | Mr. M. Uttam Reddi<br>Director |

9. Members are requested to bring their copy of the Annual Report with them to the Annual General Meeting.



# BEARDELL LIMITED

## **EXPLANATORY STATEMENT: Pursuant to Section 102 (1) of the Companies Act, 2013**

### **ITEM NO.(5)**

The Special Business relates to reappointment of Mr. Bharat Anumolu as Managing Director. The reappointment and remuneration was approved by the Nomination and Remuneration Committee on 19th May, 2014. The Board of Directors in their meeting held on 29th May, 2014 approved the appointment and remuneration.

Mr. Bharat is a graduate of the Indian Institute of Technology, Madras and has a Masters degree in Industrial and Systems Engineering, Virginia Tech, Blacksburg, USA. He was working as Vice President, Information Technology at Merrill Lynch Bank, New York, USA. Prior to working at Merrill Lynch, Mr Bharat worked in a consulting role for major Corporations such as Deutsche Bank, Credit Suisse, Philips De Pury Anchors and Innovatix LLC.

Mr. Bharat Anumolu is interested in the resolution.

No other Director except Mr. Amrith Anumolu, Executive Director, relative of Mr. Bharat Anumolu is interested.

### **ITEM NO.(6)**

The Special Business relates to reappointment of Mr. S.V. Narasimha Rao as Executive Director. The reappointment and remuneration was approved by the Nomination and Remuneration Committee on 19th May, 2014. The Board of Directors in their meeting held on 29th May, 2014 approved the appointment and remuneration.

Mr. S.V. Narasimha Rao is a graduate of the Indian Institute of Technology, Madras and has a Masters Degree in Science (Chemical Engineering) and Masters Degree in Business Administration, University of Nebraska, USA. He started his career as a Management Trainee at The K.C.P. Ltd, Chennai and was trained in all departments of the sugar factory and was handling and running of technical departments as Assistant Manager. After expansion of the sugar unit, looked after the expansion of Cement factory, including application for Loan from IDBI and licence from Central Government. Subsequently he was posted as Sales Manager for selling Sugar Machinery - Booked orders for two indigenous full sugar plants and one export sugar plant in Sri Lanka. He held the position of Regional Manager in Sumac International Pvt Ltd, Technical Manager in Jeypore Sugar Co. Ltd, Chagallu, West Godavari Dist (A.P) and Chief Executive (Projects) in Beardsell Limited. At Beardsell Ltd, he set up two Joint Venture units {(i) KWH Helioplastics & (ii) Shin-A Chemicals (India) Ltd}. Prior to his induction to the Board of Beardsell Limited, he was the Chief Operating Officer at K.C.P. Sugar and Industries Corporation Ltd and looking after the day-day administration of the sugar factories, Distillery, Chemical Plants and The Eimco K.C.P. Ltd., (Wholly owned Subsidiary Company of K.C.P. Sugars), which is a Manufacturer of Pollution Control Equipments.

No other Director except Mr. S.V. Narasimha Rao, Executive Director is interested.

### **ITEM NO.(7a)**

The Special Business relates to Re-appointment of

Mr. R. Gowrishanker as an Independent Director

Mr R Gowrishanker was reappointed as an Independent Director by the Board of Directors in their meeting held on 29th May, 2014 to hold office for a period of five years from 29th May, 2014 to 28th May, 2019 subject to the approval of the share holders in the ensuing Annual General Meeting. Notice in writing has been received from a member signifying his intention to propose the name of Mr R Gowri Shanker for reappointment as an Independent Director pursuant to Section 149(4), 149(6), 149(7) and other applicable provisions of the Companies Act, 2013.

Mr. Gowri Shanker is a well-qualified technical and entrepreneurial professional with a distinguished management career leading the technology and operations of multi-million dollar organizations. He holds M.S. Degree in e-commerce from Carnegie Mellon University, M.S. in Industrial Engineering from University of Texas, M.B.A. from University of Chicago and B.Tech in Chemical Engineering from IIT, Madras. He has over 36 years experience with Multinational Companies such as AT & T, Fedex & Holiday Inns in the US and has had leadership roles in several entrepreneurial ventures. He is presently the Managing Director of Secure Earth Technologies Limited.

Mr. Gowri Shanker is associated with the Company as a Director from 2006 onwards.

No Other Director except Mr. R. Gowri Shanker is interested.

### **ITEM NO.(7b)**

The Special Business relates to Re-appointment of Mr. M. Uttam Reddi as an Independent Director.

Mr. M. Uttam Reddi was reappointed as an Independent Director by the Board of Directors in their meeting held on 29th May, 2014 to hold office for a period of five years from 29th May, 2014 to 28th May, 2019 subject to the approval of the share holders in the ensuing Annual General Meeting. Notice in writing has been received from a member signifying his intention to propose the name of Mr. M. Uttam Reddi for reappointment as an Independent Director pursuant to Section 149(4), 149(6), 149(7) and other applicable provisions of the Companies Act, 2013.

Mr Uttam Reddi is a senior Partner of M/s. Uttam Reddi & Co.,

Mr Uttam Reddi specializes in the field of Income Tax, Sales Tax, Customs and Central Excise. He has appeared in many landmark cases both in the Supreme Court and in the High Court of Judicature at Madras. Ever since he has been the Legal advisor to large corporates such as Madras Fertilizers Limited, Southern Petro Chemicals Industries Corporation Ltd., GEC Group Companies in India, FAL Industries Ltd., Switching Technologies Gunther Ltd., KCP Sugars & Industrial Corporation Limited., among others.

Mr. Uttam Reddi is associated with the Company as a Director from 1970 onwards.

Mr. Uttam Reddi is interested in this resolution.

No other Director Except Mr. V. Thirumal Rao Director relative of Mr. Uttam Reddi is interested.



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**ITEM NO.(7c)**

The Special Business relates to Re-appointment of Mr.V.J.Singh as an Independent Director

Mr. V.J. Singh was re-appointed as an Independent Director by the Board of Directors in their meeting held on 29th May, 2014 to hold office for a period of five years from 29th May, 2014 to 28th May, 2019 subject to the approval of the share holders in the ensuing Annual General Meeting. Notice in writing has been received from a member signifying his intention to propose the name of Mr. V.J. Singh for reappointment as an Independent Director pursuant to Section 149(4), 149(6), 149(7) and other applicable provisions of the Companies Act, 2013.

Sri. V.J.Singh is an M.A. in Economics from Madurai University and he secured 7th Rank in the university at graduation level, holding the first class in B.A. Economics which was a rarity in 1970s. Sri. V.J.Singh joined LIC as a Direct Recruit Officer in the year 1977. The important assignments he held were, Marketing Manager of Aurangabad Division, Sr. Divisional Manager of Tirunelveli Division and Regional Manager of the combined heaviest portfolio of Estates and Office Services of Western Zone, Mumbai. Subsequently he held the post of Regional Manager (E&OS) of Southern Zone, Chennai. On his elevation to the cadre of Executive Director, he took charge as Principal, Southern Zonal Training Centre, Chennai.

Mr.V.J.Singh retired from the services of LIC of India in February, 2012 and continued to be a Director of the Company.

Mr V.J.Singh is associated with the Company as a Director from 2010 onwards.

No Other Director except Mr.V.J.Singh is interested in the above resolution.

**ITEM NO.(8)**

At the Fifty Ninth Annual General Meeting held on 25th September 1996 the Company had authorised the Board of Directors to borrow monies upto a limit of Rs.25 crores (Rupees Twenty five Crores only). Keeping in view the increase in the Company's business, its development plans and increase in the working capital due to growing business operations, it may become necessary to borrow monies in excess of the said limit fixed in 1996. It is therefore, proposed to increase the borrowing limit from Rs 25 crores to Rs 60 crores. Article 73 of the Articles of Association of the Company which is governed by Section 180 (1) [c] of the Companies Act, 2013 provides that the Board of Directors of a Public Company shall not, unless authorised by the Company in General Meeting by way of special resolution, borrow monies (apart from temporary loans obtained from the Company's bankers in the Ordinary course of business) in excess of the aggregate paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

Hence, this resolution is placed for your approval. None of the Directors of the Company is interested or concerned in the said resolution.



# BEARDELL LIMITED

## REPORT OF BOARD OF DIRECTORS

Your Directors present the 77th Annual Report of the Company together with the Audited Accounts for the Financial Year ended 31.03.2014.

## PERFORMANCE / OPERATIONS

### FINANCIAL RESULTS

(Rs. In Lakhs)

|  | Year Ended<br>31.03.2014 | Year Ended<br>31.03.2013 |
|--|--------------------------|--------------------------|
| Gross Revenue  | 10704.20                 | 9609.92                  |
| Profit before interest & Depreciation                | 663.14                   | 863.22                   |
| Finance Cost   | 238.26                   | 177.96                   |
| Profit before Depreciation                           | 424.88                   | 685.26                   |
| Depreciation   | 222.52                   | 179.33                   |
| Profit before tax                                    | 202.36                   | 505.93                   |
| Profit after taxation                                | 129.12                   | 294.05                   |
| Surplus in Statement of Profit & Loss from Last Year | 1648.72                  | 1409.46                  |
| <b>Appropriations</b>                                |                          |                          |
| Proposed Dividend on Equity Shares                   | 46.83                    | 46.83                    |
| Tax on Dividend                                      | 7.96                     | 7.96                     |
| Surplus carried to Balance Sheet                     | 1723.75                  | 1648.72                  |

## REVIEW OF OPERATIONS

### DIVIDEND:

The Board of Directors wishes to inform the shareholders that the Dividend at the rate of Re.1/- (10 percent) per share is proposed to be paid as Dividend for the year ended 31st March, 2014 to those share holders whose name appears in the Register of Members on 4th August, 2014, subject to the approval of the shareholders in the ensuing Annual General Meeting.

### A) PACKAGING PRODUCTS

Our EPS packaging products are accepted throughout various industry sectors due to our emphasis on quality and our adherence to production schedules. Notable customer wins in this financial year included SANMINA SCI India Pvt Ltd., who have started procuring our product. Although our volumes are increasing, our profitability for this product line is severely impacted by the continuous increase in EPS raw material prices.

### B) PREFABRICATED PANEL PRODUCTS

Our Isobuild product line installed Walk-in Cold Rooms for storing medicines throughout Andhra Pradesh. This tender was won against international bidding. We have successfully executed 120 Nos of RO plant buildings to Karnataka Rural Infrastructure Development Ltd for supply of purified water in various villages throughout Karnataka. We have also successfully executed 105 TORTA CABINS for PWD, Bihar.

This year substantial progress has been made in SteilWallz,

which is marketed as a superior building system to the traditional RCC construction that is prevalent in the commercial and residential building sectors. We have executed villas / houses in Tamil Nadu and Hyderabad in a very quick time and at a competitive cost compared to conventional method of construction.

### C) CONTRACTS & EXPORTS

Our contracting division continues to execute insulation contracts for major companies including HPCL, IOCL and others. We are striving to increase revenues in this segment by marketing across regions. The exports team has successfully won several tenders abroad and are in the process of implementing the contracts.

### FIXED DEPOSITS

Fixed Deposits amounting to Rs.1.24 Lakhs matured but were not claimed till 31st March 2014. Subsequently, Fixed Deposit totaling to Rs 0.45 Lakhs have been repaid.

Pursuant to Section 73, 74 and 76 of the Companies Act 2013, deposits accepted prior to 01/04/2014 are being repaid on the respective due dates.

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 124 (5) of the Companies Act, 2013.

### INSURANCE

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

### DIRECTORS

Mr. Bharat Anumolu was re-appointed as Managing Director with effect from 20th May, 2014 for a period of five years. The re-appointment is subject to the approval and confirmation of the shareholders in the ensuing Annual General Meeting.

Mr. S.V. Narasimha Rao was re-appointed as Executive Director with effect from 29th June, 2014 for a period of five years. The reappointment is subject to the approval and confirmation of the shareholders in the ensuing Annual General Meeting.

Mr. V.Thirumal Rao retires by rotation at this Annual General Meeting, and being eligible, offer him self for re-appointment.

Mr. R.Gowri Shanker, Mr. M.Uttam Reddi and Mr. V.J.Singh Directors, reappointed as an Independent Directors of the Company to hold office for a period of five years from 29th May, 2014 to 28th May, 2019.

## AUDITORS

The Auditors, Messrs. Deloitte Haskins & Sells (DHS), retire and are eligible for re-appointment for a further period of three years up to the conclusion of the Eightieth Annual General Meeting of the Company. 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.139 (1) of the Companies Act, 2013.

## DIRECTORS' RESPONSIBILITY STATEMENT:

As required by Sec. 134 (3) [c] of the Companies Act, 2013, 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, 2014 and of the Profit of the Company for financial year ended 31st March, 2014;
- 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.

## COST AUDIT

Your company has appointed Mr M. Krishnaswamy, Practising Cost Accountant, Chennai (FCMA No.5944) as Cost Auditor for the financial year 2014-15 with the consent of the Central Government for the Audit of Cost Accounts maintained by the Company.

## CORPORATE GOVERNANCE

Your Directors report that your Company has been fully compliant with the SEBI ICDR Regulations 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 134 (3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and forming part of Directors Report for the year ended 31st March, 2014.

### 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.

We have installed Solar Energy System in our Chennai Factory and we have developed a low cost insulated building material for use in low cost housing.

### Foreign Exchange Earnings And Outgo

During the year under review, Foreign Exchange Earnings amounted to Rs. 51.26 Lakhs as against Rs.395.98 Lakhs during previous year.

The total Foreign Exchange Outgo during the year under review was Rs.504.13 Lakhs as against Rs.132.14 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 134 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## ACKNOWLEDGEMENT

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

Chennai  
May 29, 2014

S.V. Narasimha Rao  
Executive 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. SteilWallz panels finds applications in construction of low cost housing. 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:

- a) Expanded Polystyrene (a petroleum derivative):  
Increase in petroleum prices impacts this raw material price.
- b) Steel:  
The upward trend in the global steel market has pushed up the price of steel, a major component in Isobuild Prefab Panels.

### Segmentwise Performance

Insulation division which comprises manufacture of EPS Products / Prefab Panels and related Contracting activities earned a revenue of Rs.10001.71 Lakhs 94.24% of the total revenue.

Trading and others Segment which comprises Motors and Exports earned a revenue of Rs.610.41 Lakhs 5.76% 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.

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## 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 13/08/2013 | 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                                       | 4                            | Nil   | Nil      | Nil  | Nil      |
| Mr. S.V. Narasimha Rao | Executive Director        | Present                                       | 4                            | 1   | Nil      | 1  | 1        |
| Mr. M. Uttam Reddi     | Non-Executive Independent | Present                                       | 3                            | Nil   | Nil      | Nil  | Nil      |
| Mr. V. Thirumal Rao    | Non-Executive             | Present                                       | 4                            | Nil   | Nil      | Nil  | Nil      |
| Mr. R. Gowrishanker    | Non-Executive Independent | Present                                       | 3                            | 1   | Nil      | 1  | Nil      |
| Mr. Amrith Anumolu     | Executive Director        | Present                                       | 3                            | Nil   | Nil      | Nil  | Nil      |
| Mr. V.J. Singh         | Non-Executive Independent | Present                                       | 4                            | Nil   | Nil      | Nil  | Nil      |

#### b) Number of Board Meetings held during the year and dates of Meeting:

During the Financial Year 2013-2014, four Board meetings were held on 30/05/2013, 13/08/2013, 13/11/2013 and 13/02/2014.

### 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 and 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 2013-2014, Four Audit Committee Meetings were held on 30/05/2013, 13/08/2013, 13/11/2013 and 13/02/2014.

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     | Independent        | 3                        |
| 2      | Mr. V. Thirumal Rao    | Non-Executive      | 4                        |
| 3      | Mr. R. Gowri Shanker   | Independent        | 3                        |
| 4      | Mr. V.J. Singh         | Independent        | 4                        |
| 5      | Mr. S.V. Narasimha Rao | Executive Director | 4                        |

### 4. NOMINATION AND REMUNERATION COMMITTEE

#### a) Re-Appointment of Mr. Bharat Anumolu as Managing Director and Fixing of Remuneration

At the Meeting of the Nomination and Remuneration Committee on 19th May, 2014, Mr. Bharat Anumolu was reappointed as Managing Director with effect from 20th May 2014, as per the terms and conditions set in the explanatory statement attached to the Notice, in Item No: 5, where it is placed for approval/confirmation of the Shareholders.



# BEARSELL LIMITED

## b) Re-Appointment of Mr. S.V.Narasimha Rao as Executive Director and Fixing of Remuneration

At the Meeting of the Nomination and Remuneration Committee on 19th May, 2014, Mr.S.V.Narasimha Rao was reappointed as Executive Director with effect from 29th June, 2014, as per the terms and conditions set in the explanatory statement attached to the Notice, in Item No: 6, where it is placed for approval / confirmation of the Shareholders.

## c) SITTING FEES PAID TO DIRECTORS FOR THE FINANCIAL YEAR 2013-2014

(Rs. In Lakhs)

| Sl. No | Directors            | Sitting Fees |
|--------|----------------------|--------------|
| 1      | Mr. M. Uttam Reddi   | 0.45         |
| 2      | Mr. V. Thirumal Rao  | 0.60         |
| 3      | Mr. R. Gowri Shanker | 0.45         |
| 4      | Mr. V.J. Singh       | 0.60         |
|        | <b>TOTAL</b>         | <b>2.10</b>  |

## d) REMUNERATION PAID TO WHOLE TIME DIRECTORS

(Rs. in Lakhs)

| Sl. No | Name                   | Salary       | Perquisites and Allowances | Commission to be paid* | Contribution to Provident Fund and Super Annuation Funds | Total        |
|--------|------------------------|--------------|----------------------------|------------------------|--|--------------|
| 1      | Mr. Bharat Anumolu     | 12.00        | 9.23                       | 8.77                   | 5.61   | 35.61        |
| 2      | Mr. S.V. Narasimha Rao | 8.40         | 6.99                       | 2.61                   | 2.97   | 20.97        |
| 3      | Mr. Amrith Anumolu     | 8.40         | 6.34                       | 3.26                   | 3.15   | 21.15        |
|        |                        | <b>28.80</b> | <b>22.56</b>               | <b>14.64</b>           | <b>11.73</b>   | <b>77.73</b> |

\* Commission is to be paid only in the Current Financial Year. A provision for the same has been made in the Financial Statement for the year ending 31st March, 2014.

e) M/s. Rao and Associates are the legal advisors of the Company where in Mr.V.Thirumal Rao is a Partner. The Company has paid the firm during the financial year, a sum of Rs.6.00 Lakhs for Professional advice and services rendered.

## 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company is having a Stakeholders Relationship 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, Mr.V.Thirumal Rao and Mr.V.J.Singh Directors. Mr.K.Murali, Company Secretary, is the Compliance Officer.

Details of number of complaints received and redressed during the year are given below:

| Opening Balance | Received during the Financial Year 2013-14 | Resolved during the Financial Year 2013-14 | Closing Balance |
|-----------------|--|--|-----------------|
| NIL             | 1  | 1  | NIL             |

## 6. ANNUAL GENERAL MEETINGS

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

| Financial Year | AGM  | Location   | Date       | Time       |
|----------------|------|--|------------|------------|
| 2012-13        | 76th | Narada Gana Sabha,<br>314, TTK Salai, Chennai-600018 | 13/08/2013 | 10.00 A.M. |
| 2011-12        | 75th | Narada Gana Sabha,<br>314, TTK Salai, Chennai-600018 | 29/09/2012 | 10.00 A.M. |
| 2010-11        | 74th | Narada Gana Sabha,<br>314, TTK Salai, Chennai-600018 | 28/09/2011 | 10.00 A.M. |

**ii) Special Resolution passed in the three Annual General Meeting:**

| Year      | Date       | Special Resolution Considered |
|-----------|------------|-------------------------------|
| 2012-2013 | 13/08/2013 | -                             |
| 2011-2012 | 29/09/2012 | 2                             |
| 2010-2011 | 28/09/2011 | 1                             |

**7. Prevention of Insider Trading**

The Company has framed a Code of Conduct for Prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 1992. This code is applicable to all Directors/officers (including Statutory Auditors) /designated employees. The code ensures the prevention of dealing in Company's shares by persons having access to unpublished price sensitive information.

**8. DISCLOSURE**

- a) There were no materially significant related party transactions with Directors/promoters/management which had potential conflict with the interests of the Company at large.
- b) Periodical disclosures from Senior Management relating to all material financial and commercial transactions, where they had or were deemed to have had personal interest, that might have had a potential conflict with the interest of the Company at large were placed before the Board.
- c) The Company has followed the Guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.
- d) During the year under review, the Company has not raised any funds from public issue, rights issue or preferential issue.
- e) During the last three years, there were no strictures or penalties imposed on the Company either by Stock Exchanges or by SEBI or any statutory authority for non-compliance on any matter related to capital markets.
- f) Whistle Blower Policy and affirmation that no personnel have been denied to the Audit Committee.  
The Company has not yet established a mechanism for Whistle Blower Policy. However no personnel have been denied access to the Audit Committee.

**9. CODE OF CONDUCT**

The Board has laid-down a "Code of Conduct" (Code) for all the Board members and the senior management of the Company and the Code is posted on the website of the Company [www.beardsell.co.in](http://www.beardsell.co.in). Annual declaration regarding compliance with the Code is obtained from every person covered by the Code of Conduct. A declaration to this effect signed by the Managing Director is forming part of this report.

**10. COMPLIANCE WITH CORPORATE GOVERNANCE NORMS**

The Company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges. The Company has submitted the compliance report in the prescribed format to the stock exchanges for the quarters ended June 30, 2013, September 30, 2013, December 31, 2013 and March 31, 2014.

The Statutory Auditors have certified that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of the listing agreements with the stock exchanges. The said certificate is annexed to this Report and will be forwarded to the Stock Exchanges and the Registrar of Companies, Tamilnadu, Chennai, along with the Annual Report.

**11. CEO/CFO CERTIFICATION**

The Board has received certificate from Managing Director and Chief Financial Officer that they have discharged the obligations under the Corporate Governance Guideline prescribed by SEBI.

**12. 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.



# BEARDELL LIMITED

## 13. GENERAL SHARE HOLDERS INFORMATION

### a) General Body Meeting

The 77th Annual General Meeting of the Company will be held on Wednesday, the 13th August, 2014 at 10.00 A.M. at "Mini Hall" Satguru Gnananada Hall, Naradaganasabha, 314, T.T.K Road, Chennai 600 018.

### b) Financial Calendar

The Next Financial Year covers the period from 1st April, 2014 to 31st March, 2015.

| Results for the Period       | Expected date of Completion |
|------------------------------|-----------------------------|
| First Quarter                | August, 2014                |
| Second Quarter & Half-Yearly | November, 2014              |
| Third Quarter                | February, 2015              |
| Fourth Quarter               | May, 2015                   |

### c) Date of Book Closure

5th August, 2014 to 13th August, 2014 (both days inclusive).

### d) Dividend on Equity Shares : @ Re.1/- per Share (10 percent)

Payment Date - Payable on or before 11th September, 2014

### e) (i) Shareholding Pattern as on 31st March, 2014

|          | Category   | No. of Shares Holders | No. of Shares Held | Percentage Of Share Holding |
|----------|--|-----------------------|--------------------|-----------------------------|
| <b>A</b> | <b>Promoter and Promoters Group</b>  |                       |                    |                             |
|          | <b>Indian</b>  |                       |                    |                             |
|          | a. Individuals   | 4                     | 2956144            | 63.12                       |
|          | b. Central Government and State Government   | -                     | -                  | -                           |
|          | c. Bodies Corporate  | 1                     | 554720             | 11.84                       |
|          | d. Foreign Promoters   | -                     | -                  | -                           |
|          | <b>Total Share Holding of Promoter and Promoter Group</b>                                    | <b>5</b>              | <b>3510864</b>     | <b>74.96</b>                |
| <b>B</b> | <b>Public Share Holding</b>  |                       |                    |                             |
|          | <b>1. INSTITUTIONS</b>   |                       |                    |                             |
|          | a. Mutual Funds  | -                     | -                  | -                           |
|          | b. Bank, Financial Institutions, Insurance Companies<br>(Central / State Govt. Institutions) | 7                     | 22040              | 0.47                        |
|          | c. Foreign Institutional Investors   | -                     | -                  | -                           |
|          | <b>Sub Total B(1)</b>  | <b>7</b>              | <b>22040</b>       | <b>0.47</b>                 |
|          | <b>2. NON INSTITUTIONS</b>   |                       |                    |                             |
|          | a. Bodies Corporates   | 31                    | 104231             | 2.23                        |
|          | b. Individuals   |                       |                    |                             |
|          | i) Individual Share Holders Holding Nominal Share<br>Capital upto Rs.1.00 Lakh               | 3069                  | 553554             | 11.82                       |
|          | ii) Individual Share Holders Holding Nominal Share<br>Capital in excess of Rs.1.00 Lakh      | 12                    | 480837             | 10.27                       |
|          | c. Others  |                       |                    |                             |
|          | i) Hindu Undivided Families  | 20                    | 6432               | 0.14                        |
|          | ii) Non Resident Indians   | 17                    | 5210               | 0.11                        |
|          | <b>Sub Total B(2)</b>  | <b>3149</b>           | <b>1150264</b>     | <b>24.57</b>                |
|          | <b>Total (B1 + B2)</b>   | <b>3156</b>           | <b>1172304</b>     | <b>25.04</b>                |
|          | <b>Grand Total</b>   | <b>3161</b>           | <b>4683168</b>     | <b>100.00</b>               |



(ii) DISTRIBUTION OF HOLDINGS AS ON 31ST MARCH, 2014

| No. of Shares   | Shareholders |                 | Shares Amount   |                 |
|-----------------|--------------|-----------------|-----------------|-----------------|
|                 | Nos.         | %               | Rs.             | % to Total      |
| Up to 5000      | 3134         | 11.43 %         | 3162880         | 6.75 %          |
| 5001 to 10000   | 7            | 1.08 %          | 943200          | 2.01 %          |
| 10001 to 20000  | 5            | 1.59 %          | 582680          | 1.24 %          |
| 20001 to 30000  | 3            | 1.64 %          | 344700          | 0.74 %          |
| 30001 to 40000  | 1            | 0.80 %          | 175910          | 0.38 %          |
| 40001 to 50000  | 4            | 4.16 %          | 145000          | 0.31 %          |
| 50001 to 100000 | 3            | 4.53 %          | 505800          | 1.08 %          |
| 100001 & above  | 4            | 74.77 %         | 40971510        | 87.49 %         |
| <b>TOTAL</b>    | <b>3161</b>  | <b>100.00 %</b> | <b>46831680</b> | <b>100.00 %</b> |

**f) Share Transfer Systems**

The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialisation of the Company's shares. The ISIN No., allotted is INE520H01014. Members now have the option to hold their shares in demat form either through the NSDL or CDSL.

**g)** Dematerialisation of Shares as on 31st March, 2014 - 4124999 shares (88.08%) have been dematerialised.

**h) Registrar and Share Transfer Agents**

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

**Address of the Share Transfer Agent:**

The General Manager  
M/s Cameo Corporate Services Limited  
Subramanian Building,  
No. 1, Club House Road,  
Chennai 600 002.  
Tel: (044) 28460390-91  
e-mail: cameo@cameoindia.com

**i) Listing on Stock Exchange**

The shares of the Company are listed in Madras Stock Exchange Limited.

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

Listing fees has been paid up-to-date. Stock Code: "BEARDESELL"



# BEARDELL LIMITED

## 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 - 2013     | -        | -       | -           | -                 |
| May - 2013       | 66.00    | 66.00   | 66.00       | 2                 |
| June - 2013      | 65.00    | 65.00   | 65.00       | 1                 |
| July - 2013      | -        | -       | -           | -                 |
| August - 2013    | 61.75    | 61.75   | 61.75       | 150               |
| September - 2013 | -        | -       | -           | -                 |
| October - 2013   | -        | -       | -           | -                 |
| November - 2013  | -        | -       | -           | -                 |
| December - 2013  | 73.50    | 61.30   | 73.40       | 608               |
| January - 2014   | 80.00    | 70.30   | 80.00       | 169               |
| February - 2014  | 76.00    | 76.00   | 76.00       | 5                 |
| March - 2014     | 76.00    | 70.75   | 76.00       | 221               |

## k) Address For Correspondence

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

## l) Company Plant Locations

- TTC Industrial Area, Thane Belapur Road, Navi Mumbai, Maharashtra
- Govindamedu Village, Killachery (PO & Panchayat) Mappedu, Thiruvallur Dt., Tamil Nadu
- Bonthapally Village, Jinnaram Mandal, Medak District, Andhra Pradesh
- B-113/1, M.I.D.C., Tasawade, P.O. Umbaraj, Karad, Taluka - Karad, Dist. Satara Maharashtra

## m) e-mail ID for redressal of investor complaints

An e-mail id has been created for Redressal Grievance Division/ Compliance Officer exclusively for the purpose of registering the complaints of the investors. Investors may send their complaints to [igrc@beardsell.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.

For and on behalf of the Board

Bharat Anumolu  
Managing Director  
S.V. Narasimha Rao  
Executive Director

Chennai  
May 29, 2014

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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 2013 -2014.

Chennai  
May 29, 2014

Bharat Anumolu  
Managing Director

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# BEARSELL LIMITED

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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 ("the Company") for the year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the company for ensuring the compliance of the condition 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 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 such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Bhavani Balasubramanian  
Partner  
(Membership No. 22156)

Chennai  
May 29, 2014

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**FIVE YEAR RECORD**

(Rs. in Lakhs)

|                            | Year ended 31st March |         |         |         |                 |
|----------------------------|-----------------------|---------|---------|---------|-----------------|
|                            | 2010                  | 2011    | 2012    | 2013    | <b>2014</b>     |
| Income                     | 5811.50               | 7972.62 | 9643.04 | 9609.92 | <b>10704.20</b> |
| Profit before Depreciation | 552.30                | 625.70  | 514.22  | 685.26  | <b>424.88</b>   |
| Depreciation               | 73.79                 | 104.59  | 163.48  | 179.33  | <b>222.52</b>   |
| Taxation - Current         | 110.00                | 140.00  | 116.00  | 121.65  | <b>4.70</b>     |
| - Deferred                 | 48.48                 | 51.99   | (0.51)  | 90.23   | <b>68.54</b>    |
| Profit after Tax           | 320.03                | 329.12  | 235.25  | 294.05  | <b>129.12</b>   |
| Dividend                   | -                     | -       | 46.83   | 46.83   | <b>46.83</b>    |
| Tax on Dividend            | -                     | -       | 7.61    | 7.96    | <b>7.96</b>     |
| Retained Funds             | 320.03                | 329.12  | 180.81  | 239.26  | <b>74.33</b>    |
| Share Capital              | 383.32                | 383.32  | 468.32  | 468.32  | <b>468.32</b>   |
| Earnings per Share (Rs.)   | 8.35                  | 8.59    | 5.87    | 6.28    | <b>2.76</b>     |
| Net Worth                  | 1974.16               | 2540.89 | 3011.70 | 3250.96 | <b>3325.29</b>  |
| Book Value per Share (Rs.) | 51.50                 | 66.29   | 64.31   | 69.42   | <b>71.00</b>    |



### Report on the Financial Statements

We have audited the accompanying financial statements of BEARSELL LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and

according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - (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 Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs).
  - (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Section 274(1) (g) of the Act.

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

Bhavani Balasubramanian  
Partner  
(Membership No. 22156)

Place : Chennai  
Date : May 29, 2014.

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) Having regard to the nature of the Company's business/activities/results during the year, clauses 4(xii), 4(xiii), 4(xiv), 4(xviii), 4(xix) and 4(xx) of the order are not applicable to the Company.
- (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) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and 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 inventories:
  - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered 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, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in such internal control system.
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
  - (a) The particulars of contract or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
  - (b) Where each of such transaction is in excess of Rs. 5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- (vii) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A, 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) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011, prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determining whether they are accurate or complete.
- (x) According to the information and explanations given to us in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs 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 Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2014 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, Customs Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2014 on account of disputes are given below:

| Name of the Statute              | Nature of Dues | Forum where Dispute is pending   | Period to which the amount relates                  | Amount involved (Rs. in lakhs) |
|----------------------------------|----------------|--|---|--------------------------------|
| Sales Tax Acts of various States | Sales Tax Dues | Deputy Commissioner and Assistant Commissioner and other Appellate authorities | 1995-96, 2000-01 to 2003-04, and 2005-06 to 2007-08 | 34.43 (Previous year 39.82)    |
| Central Sales Tax Act, 1956      | CST Dues       | Deputy Commissioner and CTO of various states High Court                       | 1995-96, 2000-01 to 2003-04, and 2005-06 to 2011-12 | 559.91 (Previous year 260.68)  |

- (xi) The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xii) 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.
- (xiii) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks and financial institutions.
- (xiv) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- (xv) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have, prima facie, not been used during the year for long-term investment.
- (xvi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For Deloitte Haskins & Sells  
Chartered Accountants  
(Registration No.008072S)  
Bhavani Balasubramanian  
Partner  
(Membership No. 22156)

Place : Chennai  
Date : May 29, 2014.



# BEARDELL LIMITED

Balance Sheet as at  
March 31, 2014

| Particulars                        | Note No. | As at           | As at           |
|------------------------------------|----------|-----------------|-----------------|
|                                    |          | March 31, 2014  | March 31, 2013  |
|                                    |          | (Rs. in Lakhs)  |                 |
| <b>EQUITY AND LIABILITIES</b>      |          |                 |                 |
| <b>Shareholders' funds</b>         |          |                 |                 |
| (a) Share capital                  | 2        | 468.32          | 468.32          |
| (b) Reserves and surplus           | 3        | 2,856.97        | 2,782.64        |
| <b>Non-current liabilities</b>     |          |                 |                 |
| (a) Long-term borrowings           | 4        | 1,255.56        | 539.23          |
| (b) Deferred tax liabilities (Net) | 33       | 184.00          | 115.46          |
| (c) Other long-term liabilities    | 5        | 8.96            | 7.41            |
| (d) Long-term provisions           | 6        | 116.21          | 121.77          |
| <b>Current liabilities</b>         |          |                 |                 |
| (a) Short Term Borrowings          | 7        | 1,176.67        | 532.46          |
| (b) Trade payables                 | 8        | 1,868.00        | 1,969.64        |
| (c) Other current liabilities      | 9        | 370.86          | 392.45          |
| (d) Short-term provisions          | 10       | 94.04           | 81.55           |
| <b>TOTAL</b>                       |          | <b>8,399.59</b> | <b>7,010.93</b> |
| <b>ASSETS</b>                      |          |                 |                 |
| <b>Non-current assets</b>          |          |                 |                 |
| (a) Fixed assets                   |          |                 |                 |
| (i) Tangible assets                | 11       | 3,994.92        | 3,285.48        |
| (ii) Capital work-in-progress      | 11       | 188.95          | 93.00           |
| (b) Non-current investments        | 12       | 25.93           | 25.93           |
| (c) Long-term loans and advances   | 13       | 344.88          | 223.45          |
| <b>Current assets</b>              |          |                 |                 |
| (a) Inventories                    | 14       | 803.00          | 762.29          |
| (b) Trade receivables              | 15       | 2,082.94        | 1,894.84        |
| (c) Cash and cash equivalents      | 16       | 682.49          | 458.26          |
| (d) Short-term loans and advances  | 17       | 275.34          | 266.40          |
| (e) Other current assets           | 18       | 1.14            | 1.28            |
| <b>TOTAL</b>                       |          | <b>8,399.59</b> | <b>7,010.93</b> |

See accompanying notes forming part of the financial statements

1-41

In terms of our report attached

For and on behalf of Board of Directors

For DELOITTE HASKINS & SELLS  
Chartered Accountants

Bharat Anumolu  
Managing Director

S V Narasimha Rao  
Executive Director

Bhavani Balasubramanian  
Partner

Y Mukthar Basha  
Chief Financial Officer

K Murali  
Company Secretary

Chennai  
May 29, 2014



## Statement of Profit and Loss for the year ended March 31, 2014

| Particulars  | Note No. | Year ended<br>March 31, 2014 | Year ended<br>March 31, 2013 |
|--|----------|------------------------------|------------------------------|
|  |          | (Rs. in Lakhs)               |                              |
| <b>INCOME</b>  |          |                              |                              |
| Revenue from operations (Gross)  | 19       | <b>11,368.16</b>             | 10,182.49                    |
| Less : Excise Duty   |          | <u>756.04</u>                | <u>615.72</u>                |
| Revenue from operations (Net)  |          | <b>10,612.12</b>             | <b>9,566.77</b>              |
| Other Income   | 20       | <u>92.08</u>                 | <u>43.15</u>                 |
| <b>Total Revenue</b>   |          | <b><u>10,704.20</u></b>      | <b><u>9,609.92</u></b>       |
| <b>Expenses</b>  |          |                              |                              |
| (a) Cost of materials consumed   | 21       | <b>3,929.77</b>              | 3,157.39                     |
| (b) Purchases of stock-in-trade  | 22       | <b>3,844.46</b>              | 3,708.67                     |
| (c) Changes in inventories of finished goods,<br>work-in-progress and stock-in-trade | 23       | <b>(63.00)</b>               | (81.19)                      |
| (d) Employee benefits expense  | 24       | <b>971.05</b>                | 882.77                       |
| (e) Finance costs  | 25       | <b>238.26</b>                | 177.96                       |
| (f) Depreciation and amortisation expenses   | 11       | <b>222.52</b>                | 179.33                       |
| (g) Other expenses   | 26       | <b>1,358.78</b>              | 1,079.06                     |
| <b>Total expenses</b>  |          | <b><u>10,501.84</u></b>      | <b><u>9,103.99</u></b>       |
| <b>Profit before tax</b>   |          | <b>202.36</b>                | <b>505.93</b>                |
| <b>Tax expense</b>   |          |                              |                              |
| 1) Current tax expense   |          | <b>33.00</b>                 | 85.00                        |
| 2) Less : MAT Credit   |          | <b>(28.30)</b>               | -                            |
| 3) Provision for tax relating to earlier years                                       |          | <u>-</u>                     | <u>36.65</u>                 |
| <b>Net current tax expense</b>   |          | <b><u>4.70</u></b>           | <b><u>121.65</u></b>         |
| 4) Deferred tax  |          | <u>68.54</u>                 | <u>90.23</u>                 |
| <b>Net tax expense</b>   |          | <b><u>73.24</u></b>          | <b><u>211.88</u></b>         |
| <b>Profit for the year</b>   |          | <b>129.12</b>                | <b>294.05</b>                |
| <b>Earnings per share (of Rs 10/- each)</b>  |          |                              |                              |
| (a) Basic  | 32       | <b>2.76</b>                  | 6.28                         |
| (b) Diluted  |          | <b>2.76</b>                  | 6.28                         |

See accompanying notes forming part of the financial statements

1-41

In terms of our report attached

For and on behalf of Board of Directors

For DELOITTE HASKINS & SELLS  
Chartered Accountants

Bharat Anumolu  
Managing Director

S V Narasimha Rao  
Executive Director

Bhavani Balasubramanian  
Partner

Y Mukthar Basha  
Chief Financial Officer

K Murali  
Company Secretary

Chennai  
May 29, 2014



# BEARDELL LIMITED

## Cash Flow Statement for the year ended March 31, 2014

|  | March 31, 2014    | March 31, 2013 |
|--|-------------------|----------------|
|  | (Rs. in Lakhs)    |                |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                                      |                   |                |
| <b>Net profit before tax</b>   | <b>202.36</b>     | 505.93         |
| Adjustments for:   |                   |                |
| Depreciation   | <b>222.52</b>     | 179.33         |
| (Profit)/ Loss on sale of fixed assets (net)                                       | <b>(1.14)</b>     | 4.02           |
| Finance costs  | <b>238.26</b>     | 156.96         |
| Interest Income  | <b>(23.06)</b>    | (26.24)        |
| Dividend Income  | <b>(0.03)</b>     | -              |
| Rental income from operating leases  | <b>(21.88)</b>    | (5.93)         |
| Provision for diminution in value of investments                                   | -                 | 7.50           |
| Provision for doubtful receivables   | -                 | 16.22          |
| Liabilities/ provisions no longer required written back                            | <b>(31.77)</b>    | (3.91)         |
| Net unrealised exchange (gain) / loss  | <b>(7.91)</b>     | 2.79           |
| <b>Operating profit before Working Capital changes</b>                             | <b>577.35</b>     | 836.67         |
| <i>Changes in working capital</i>  |                   |                |
| <i>Adjustments for (increase) / decrease in operating assets</i>                   |                   |                |
| Inventories  | <b>(40.71)</b>    | (62.51)        |
| Trade receivables  | <b>(156.84)</b>   | 89.24          |
| Short Term Loans and Advances  | <b>(8.94)</b>     | (81.90)        |
| Long Term Loans and Advances   | <b>(97.85)</b>    | (23.88)        |
| <i>Adjustments for increase / (decrease) in operating liabilities</i>              |                   |                |
| Trade payables   | <b>(101.65)</b>   | (209.90)       |
| Other current liabilities  | <b>27.25</b>      | (59.54)        |
| Other long term liabilities  | <b>(2.17)</b>     | 1.51           |
| Long term provisions   | <b>(10.56)</b>    | 21.05          |
| Short term provisions  | <b>17.49</b>      | (9.43)         |
| <b>Changes in Working Capital</b>  | <b>(373.98)</b>   | (335.36)       |
| <b>Cash generated from Operations</b>  | <b>203.37</b>     | 501.31         |
| Taxes Paid, net of refund  | <b>(56.72)</b>    | (72.48)        |
| <b>Net cash generated from Operating Activities</b>                                | <b>146.65</b>     | 428.83         |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                                      |                   |                |
| Capital expenditure on fixed assets, including capital advances                    | <b>(1,015.33)</b> | (631.78)       |
| Proceeds from sale of fixed assets   | <b>4.02</b>       | 1.24           |
| (Increase) / Decrease in Bank balances not considered as Cash and cash equivalents | <b>(2.13)</b>     | 196.95         |
| Dividend Received  | <b>0.03</b>       | -              |
| Interest Received  | <b>23.20</b>      | 33.96          |
| Rental income from operating leases  | <b>21.88</b>      | 5.93           |
| <b>Net Cash used in Investing Activities</b>                                       | <b>(968.33)</b>   | (393.70)       |

## Cash Flow Statement for the year ended March 31, 2014

|   | March 31, 2014         | March 31, 2013        |
|---|------------------------|-----------------------|
|   | (Rs. in Lakhs)         |                       |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>   |                        |                       |
| Finance costs   | (235.91)               | (157.59)              |
| Proceeds from Long Term Borrowings- Banks   | 833.45                 | -                     |
| Repayment of Long Term Borrowings- Banks  | (200.00)               | (200.00)              |
| Repayment of /Receipt of Fixed Deposits (Net)   | (5.15)                 | 132.04                |
| Proceeds from Short term borrowings (Net)   | 704.05                 | 252.28                |
| Dividends paid  | (44.70)                | (44.70)               |
| Tax on dividend   | (7.96)                 | (7.61)                |
| <b>Net Cash generated from / (used in) Financing Activities</b>   | <b><u>1,043.78</u></b> | <b><u>(25.58)</u></b> |
| <b>D. Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>   | <b>222.10</b>          | <b>9.55</b>           |
| <b>E. Cash and cash equivalents at the beginning of the year</b>  | <b>218.11</b>          | <b>208.56</b>         |
| <b>F. Cash and cash equivalents at the end of the year</b>  | <b>440.21</b>          | <b>218.11</b>         |
| <b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>                              |                        |                       |
| Cash and cash equivalents (Refer Note 16)   | 682.49                 | 458.26                |
| Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements |                        |                       |
| - Deposits under Lien   | 14.00                  | 14.00                 |
| - Unpaid Dividend Account   | 8.28                   | 6.15                  |
| - Margin Money Deposits   | 220.00                 | 220.00                |
| <b>Cash and cash equivalents at the end of the year *</b>   | <b>440.21</b>          | <b>218.11</b>         |
| * Comprises:  |                        |                       |
| (a) Cash on hand  | 8.94                   | 2.96                  |
| (b) Cheques on hand   | 42.99                  | 34.34                 |
| (c) Balances with banks   |                        |                       |
| (i) In current accounts   | 303.28                 | 177.81                |
| (ii) In deposit accounts with original maturity of less than 3 months                                   | 85.00                  | 3.00                  |

See accompanying notes forming part of the financial statements  
In terms of our report attached

For and on behalf of Board of Directors

For DELOITTE HASKINS & SELLS  
Chartered Accountants

Bharat Anumolu  
Managing Director

S V Narasimha Rao  
Executive Director

Bhavani Balasubramanian  
Partner

Y Mukthar Basha  
Chief Financial Officer

K Murali  
Company Secretary

Chennai  
May 29, 2014



### Notes forming part of the financial statements

(All amounts in Rs. Lakhs)

## 1 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

### Corporate Information

Beardsell Limited ("the Company") is a prominent manufacturer and supplier of Expanded Polystyrene products, popularly known as thermocole and Prefabricated Buildings that have wide industrial applications. The company also undertakes erection, commissioning and maintenance works in the field of hot and cold insulation solutions. The company has manufacturing facilities in Thane, Chennai, Hyderabad and Karad and branches with geographical spread across India. In addition, the company has trading operations in domestic and international market.

### Significant accounting policies

#### 1.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/ 2013 Act, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

#### 1.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

#### 1.3 Inventories

Inventories are valued at lower of cost (net of Cenvat wherever applicable) and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. 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 and work in progress - on weighted average basis.
- (iii) Trading stocks -FIFO basis.
- (iv) Loose tools are valued at cost less estimated reduction in value for use.

#### 1.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### 1.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## 1.6 Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation/ amortisation and impairment losses, if any. The Company capitalizes all costs relating to the acquisition and installation of fixed assets. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

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.

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 retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

### Capital work-in-progress:

Tangible fixed assets that are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

## 1.7 Revenue recognition

- (i) Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.
- (ii) Service income is recognised on proportionate completion method.
- (iii) Lease rentals and commission income are recognized on accrual basis.
- (iv) Interest income is accounted on accrual basis.
- (v) Dividend income is accounted for when the right to receive it is established.

## 1.8 Foreign currency transactions and translations

**Initial Recognition:** Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

**Measurement on Balance Sheet date:** Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

**Settlement :** Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

**Forward Contracts :** Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the balance sheet date. Any profit or loss arising on cancellation of a forward exchange contract is recognized as income or expense for the year.

## 1.9 Government grants ,subsidies and export incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidies will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced



# BEARDELL LIMITED

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depreciation charge. Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

## **1.10 Investments**

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

## **1.11 Retirement benefits**

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund and compensated absences.

### Defined contribution plans

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

### Defined benefit plans

For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. The Company makes contribution to a scheme administered by Life Insurance Corporation of India to discharge gratuity liabilities to the employees. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

### Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

*The cost of short-term compensated absences is accounted as under :*

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

### Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

## **1.12 Segment reporting**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial

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information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

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

### **1.13 Leases**

Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.

Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

### **1.14 Earnings Per Share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

### **1.15 Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company



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Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

## 1.16 Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

## 1.17 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

## 1.18 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

## 1.19 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## 2 Share Capital

| Particulars   | As at 31st March 2014 |                 | As at 31st March 2013 |              |
|---|-----------------------|-----------------|-----------------------|--------------|
|   | Number of shares      | Rs. in Lakhs    | Number of shares      | Rs. in Lakhs |
| <b>Authorised</b><br>Equity Shares of Rs 10/- each with voting rights                           | <b>1,00,00,000</b>    | <b>1,000.00</b> | 1,00,00,000           | 1,000.00     |
| <b>Issued, Subscribed And Fully Paid Up</b><br>Equity Shares of Rs 10/- each with voting rights | <b>46,83,168</b>      | <b>468.32</b>   | 46,83,168             | 468.32       |
| <b>Total</b>  |                       | <b>468.32</b>   |                       | 468.32       |



**2.1 Reconciliation of Number of Shares and amount outstanding at the beginning and at the end of reporting period**

| Particulars                             | As at 31st March 2014 |               | As at 31st March 2013 |              |
|---|-----------------------|---------------|-----------------------|--------------|
|   | Number of shares      | Rs. in Lakhs  | Number of shares      | Rs. in Lakhs |
| Balance as at the beginning of the year | <b>46,83,168</b>      | <b>468.32</b> | 46,83,168             | 468.32       |
| Add / Less : Movements during the year  | -                     | -             | -                     | -            |
| Balance as at the end of the year       | <b>46,83,168</b>      | <b>468.32</b> | 46,83,168             | 468.32       |

**2.2 List of shareholders holding more than 5% of the total number of shares issued by the company**

| Name of shareholder                         | Number of shares held | % Holding      | Number of shares held | % Holding |
|---|-----------------------|----------------|-----------------------|-----------|
| Mr. Bharat Anumolu                          | <b>14,40,881</b>      | <b>30.77 %</b> | 14,40,881             | 30.77 %   |
| Mrs. A. Jayasree                            | <b>13,99,473</b>      | <b>29.88 %</b> | 13,99,473             | 29.88 %   |
| Gunnam Subba Rao Insulation Private Limited | <b>5,54,720</b>       | <b>11.84 %</b> | 5,54,720              | 11.84 %   |

**2.3 Terms attached to equity shares**

The Company has issued only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting. Repayment of capital will be in proportion to the number of equity shares held.

**3 Reserves and surplus**

| Particulars  | As at           | As at          |
|--|-----------------|----------------|
|  | March 31, 2014  | March 31, 2013 |
|  | (Rs. in Lakhs)  |                |
| <b>(a) Security Premium Account</b>  | <b>649.31</b>   | 649.31         |
| <b>(b) General Reserve</b>   | <b>484.61</b>   | 484.61         |
| <b>(c) Surplus in Statement of Profit and Loss</b>                                   |                 |                |
| Opening Balance  | <b>1,648.72</b> | 1,409.46       |
| Add: Profit for the Year   | <b>129.12</b>   | 294.05         |
| Less: Dividends proposed to be distributed to equity shareholders (Re.1/- per share) | <b>46.83</b>    | 46.83          |
| Tax on dividend  | <b>7.96</b>     | 7.96           |
| Closing Balance  | <b>1,723.05</b> | 1,648.72       |
| <b>Total</b>   | <b>2,856.97</b> | 2,782.64       |

**4 Long term borrowings**

|  |                 |        |
|--|-----------------|--------|
| (a) Secured Term Loan from Banks (Refer Notes 4.1 and 4.3)       | <b>958.45</b>   | 275.00 |
| (b) Unsecured public deposits                                    |                 |        |
| - From related parties (Refer Note 30)                           | -               | 125.00 |
| - From others  | <b>259.03</b>   | 87.76  |
| (c) Long-term maturities of Hire Purchase loans (Refer Note 4.4) | <b>38.08</b>    | 51.47  |
| <b>Total</b>   | <b>1,255.56</b> | 539.23 |



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- 4.1** The Rupee term loan from Bank of India are secured by exclusive charge on the entire fixed and current assets of the Company. They are also secured by deposit of the Title Deeds of all its properties except at Thane. These term loans are repayable over a period of six years and the floating interest rate range from 11.50% to 12.00% (P.Y. 12.75% to 14.25%)
- 4.2** The Company has not defaulted in repayment of the loans, public deposits and interest thereon.
- 4.3** For current maturities of long term borrowings, refer Item (a) in Note 9- Other Current Liabilities.
- 4.4** Hire purchase loans are secured by hypothecation of vehicles acquired out of the loan and are payable over a period of two to four years. For current maturities of hire purchase loans, refer item (b) in Note 9- Other Current Liabilities.

| <b>5 Other long term liabilities</b>                | <b>As at<br/>March 31, 2014</b> | As at<br>March 31, 2013 |
|---|---------------------------------|-------------------------|
| <b>Particulars</b>                                  | (Rs. in Lakhs)                  |                         |
| (a) Interest accrued but not due on public deposits |                                 |                         |
| - From related parties (Refer Note 30)              | -                               | 0.30                    |
| - From others                                       | <b>5.98</b>                     | 1.95                    |
| (b) Deferred rent                                   | <b>2.98</b>                     | 5.16                    |
| <b>Total</b>  | <b>8.96</b>                     | 7.41                    |

## **6 Long-term provisions**

|  |               |        |
|--|---------------|--------|
| (a) Provision for Employee Benefits        |               |        |
| - Provision for compensated absences       | <b>24.01</b>  | 34.57  |
| (b) Provision for Warranty (Refer Note 34) | <b>92.20</b>  | 87.20  |
| <b>Total</b>                               | <b>116.21</b> | 121.77 |

## **7 Short term borrowings**

|   |                 |        |
|---|-----------------|--------|
| (a) Loans repayable on demand from Banks (Refer Note 7.1)           |                 |        |
| - Packing Credit  | <b>226.00</b>   | 18.48  |
| - Cash Credit   | <b>730.03</b>   | 440.41 |
| - Buyer's Credit  | <b>98.49</b>    | -      |
| (b) Demand loan from Banks (Refer Note 4.1 for details of security) | <b>100.00</b>   | -      |
| (c) Unsecured public deposits                                       |                 |        |
| - From related parties (Refer Note 30)                              | -               | 10.00  |
| - From others   | <b>22.15</b>    | 63.57  |
| <b>Total</b>  | <b>1,176.67</b> | 532.46 |

- 7.1** Working capital facilities from Bank of India are secured by exclusive charge on the entire fixed and current assets of the Company. They are also secured by deposit of the Title Deeds of all its properties except at Thane.
- 7.2** The company has not defaulted in repayment of the loans, public deposits and interest thereon.

## **8 Trade payables**

|                                  |                 |          |
|----------------------------------|-----------------|----------|
| Trade payables: (Refer Note 8.1) |                 |          |
| - Acceptances                    | <b>352.77</b>   | 140.89   |
| - Other than acceptances         | <b>1,515.23</b> | 1,828.75 |
| <b>Total</b>                     | <b>1,868.00</b> | 1,969.64 |

- 8.1** In accordance with the Notification No.GSR719 (E) dated 16.11.2007 issued by the Ministry of Corporate Affairs, certain disclosures are required to be made relating to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Since there are no dues to such enterprises, no disclosures are required to be made under the said Act.

| <b>9 Other current liabilities</b>                                     | <b>As at<br/>March 31, 2014</b> | As at<br>March 31, 2013 |
|--|---------------------------------|-------------------------|
| <b>Particulars</b>   | (Rs. in Lakhs)                  |                         |
| (a) Current Maturities of Long Term Debt (Refer Note <b>9.1</b> )      | <b>150.00</b>                   | 200.00                  |
| (b) Current maturities of Hire Purchase loans (Refer Note <b>9.2</b> ) | <b>28.09</b>                    | 21.81                   |
| (c) Unclaimed Dividend (Refer Note <b>9.3</b> )                        | <b>8.28</b>                     | 6.15                    |
| (d) Interest accrued but not due on public deposits                    |                                 |                         |
| - From related parties (Refer Note <b>30</b> )                         | -                               | 0.69                    |
| - From others  | <b>2.14</b>                     | 2.83                    |
| (e) Other payables (Refer Note <b>9.4</b> )                            | <b>182.35</b>                   | 160.97                  |
| <b>Total</b>   | <b>370.86</b>                   | 392.45                  |

- 9.1** Current maturities of long-term debt pertains to secured term loans taken from banks. Refer Note **4.1** under Long-term borrowings for details of security and terms of repayment.

- 9.2** Hire purchase loans are secured by hypothecation of vehicles acquired out of the loan.

- 9.3** These amounts represent dividend warrants issued to the Shareholders which remained unrepresented as on 31st March 2014. There are no amounts due to be credited to Investor Education and Protection Fund as on 31st March 2014 (P.Y.: Rs. Nil).

**9.4 Other payables pertains to**

|  |               |        |
|--|---------------|--------|
| (i) Statutory liabilities                | <b>62.91</b>  | 49.51  |
| (ii) Advances received from customers    | <b>117.46</b> | 105.60 |
| (iii) Deferred Rent                      | <b>1.98</b>   | -      |
| (iv) Payable on purchase of fixed assets | -             | 5.86   |
| <b>Total</b>                             | <b>182.35</b> | 160.97 |

**10 Short-term provisions**

|  |              |       |
|--|--------------|-------|
| (a) Provision for Employee Benefits                |              |       |
| - Provision for compensated absences               | <b>19.25</b> | 1.76  |
| (b) Provision for proposed equity dividend         | <b>46.83</b> | 46.83 |
| (c) Provision for tax on proposed dividend         | <b>7.96</b>  | 7.96  |
| (d) Provision for warranty (Refer Note <b>34</b> ) | <b>20.00</b> | 25.00 |
| <b>Total</b>                                       | <b>94.04</b> | 81.55 |



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## 11 FIXED ASSETS

(Rs. in Lakhs)

| CURRENT YEAR                                | GROSS BLOCK           |                     |           |           | DEPRECIATION    |                      |                     |              | NET BLOCK |                      |                      |                      |
|---|-----------------------|---------------------|-----------|-----------|-----------------|----------------------|---------------------|--------------|-----------|----------------------|----------------------|----------------------|
|   | DESCRIPTION OF ASSETS | As at April 1, 2013 | Additions | Disposals | Adjustments (*) | As at March 31, 2014 | As at April 1, 2013 | For the Year | Deletions | As at March 31, 2014 | As at March 31, 2014 | As at March 31, 2013 |
| <b>TANGIBLE ASSETS</b>                      |                       |                     |           |           |                 |                      |                     |              |           |                      |                      |                      |
| (a) Freehold Land                           | 354.47                | # 135.52            | -         | -         | 489.99          | -                    | -                   | -            | -         | 489.99               | 354.47               |                      |
| (b) Leasehold Land                          | 438.63                | \$ 128.19           | -         | -         | @ 566.82        | 8.60                 | 4.73                | -            | 13.33     | 553.49               | 430.03               |                      |
| (c) Buildings                               | 957.98                | 102.55              | -         | -         | 1,060.53        | 138.30               | 31.69               | -            | 169.99    | 890.54               | 819.68               |                      |
| (d) Plant and Equipment                     | 2,126.78              | 567.53              | 4.41      | 30.30     | 2,659.60        | 708.57               | 141.54              | 1.64         | 848.47    | 1,811.13             | 1,418.21             |                      |
| (e) Computer                                | 52.48                 | 7.17                | 0.95      | -         | 58.70           | 36.58                | 5.50                | 0.95         | 41.13     | 17.57                | 15.90                |                      |
| (f) Furniture, Fixtures & Office Equipments | 78.01                 | 2.38                | 0.54      | -         | 79.85           | 31.09                | 4.44                | 0.43         | 35.10     | 44.75                | 46.92                |                      |
| (g) Leasehold improvements                  | 31.28                 | -                   | -         | -         | 31.28           | 17.98                | 10.64               | -            | 28.62     | 2.66                 | 13.30                |                      |
| (h) Vehicles                                | 241.76                | 21.80               | -         | -         | 263.56          | 54.79                | 23.98               | -            | 78.77     | 184.79               | 186.97               |                      |
| <b>Total</b>                                | 4,281.39              | 965.14              | 5.90      | 30.30     | 5,210.33        | 995.91               | 222.52              | 3.02         | 1,215.41  | 3,994.92             | 3,285.48             |                      |
| Capital Work in Progress                    |                       |                     |           |           |                 |                      |                     |              |           | 188.95               | 93.00                |                      |
| <b>Total</b>                                |                       |                     |           |           |                 |                      |                     |              |           | 4,183.87             | 3,378.48             |                      |

\* Represents subsidy received during the year from Ministry of New and Renewable Energy, Government of India in respect of Solar Power Plant commissioned.

# Represents purchase of land at Mohania, Bihar which has been registered in the company's name subsequent to year end.

\$ Includes purchase of land at Dahej, Gujarat for Rs. 116.68 lakhs in respect of which registration formalities are yet to be completed.

@ Leasehold Land includes amount held for sale aggregating to Rs. 115.71 Lakhs (Stated at lower of net book value and realisable value)

### 11.1 Details of assets given on operating lease

| Description         | GrossBlock | Accumulated Depreciation | Net Block |
|---------------------|------------|--------------------------|-----------|
| Freehold land       | 6.92       | -                        | 6.92      |
| Buildings           | 68.40      | 38.64                    | 29.76     |
| Plant and Equipment | 566.19     | 194.57                   | 371.62    |

## 11.2 FIXED ASSETS

(Rs. in Lakhs)

| PREVIOUS YEAR                               | GROSS BLOCK           |                     |           |           | DEPRECIATION         |                     |              |           | NET BLOCK            |                      |                      |  |
|---|-----------------------|---------------------|-----------|-----------|----------------------|---------------------|--------------|-----------|----------------------|----------------------|----------------------|--|
|   | DESCRIPTION OF ASSETS | As at April 1, 2012 | Additions | Disposals | As at March 31, 2013 | As at April 1, 2012 | For the Year | Deletions | As at March 31, 2013 | As at March 31, 2013 | As at March 31, 2012 |  |
| <b>TANGIBLE ASSETS</b>                      |                       |                     |           |           |                      |                     |              |           |                      |                      |                      |  |
| (a) Freehold Land                           | 354.47                | -                   | -         | 354.47    | -                    | -                   | -            | -         | 354.47               | 354.47               |                      |  |
| (b) Leasehold Land                          | 438.63                | -                   | -         | 438.63    | 5.22                 | 3.38                | -            | 8.60      | 430.03               | 433.41               |                      |  |
| (c) Buildings                               | 650.43                | 307.55              | -         | 957.98    | 115.68               | 22.62               | -            | 138.30    | 819.68               | 534.75               |                      |  |
| (d) Plant and Equipment                     | 1,806.30              | 340.31              | 19.83     | 2,126.78  | 598.60               | 125.35              | 15.38        | 708.57    | 1,418.21             | 1,207.70             |                      |  |
| (e) Computer                                | 47.95                 | 4.53                | -         | 52.48     | 31.70                | 4.88                | -            | 36.58     | 15.90                | 16.25                |                      |  |
| (f) Furniture, Fixtures & Office Equipments | 56.40                 | 24.97               | 3.36      | 78.01     | 29.81                | 3.83                | 2.55         | 31.09     | 46.92                | 26.59                |                      |  |
| (g) Leasehold improvements                  | 27.68                 | 3.60                | -         | 31.28     | 12.87                | 5.11                | -            | 17.98     | 13.30                | 14.81                |                      |  |
| (h) Vehicles                                | 136.68                | 105.08              | -         | 241.76    | 40.63                | 14.16               | -            | 54.79     | 186.97               | 96.05                |                      |  |
| <b>Total</b>                                | 3,518.54              | 786.04              | 23.19     | 4,281.39  | 834.51               | 179.33              | 17.93        | 995.91    | 3,285.48             | 2,684.03             |                      |  |
| Capital Work in Progress                    |                       |                     |           |           |                      |                     |              |           | 93.00                | 205.51               |                      |  |
| <b>Total</b>                                |                       |                     |           |           |                      |                     |              |           | 3,378.48             | 2,889.54             |                      |  |

### 11.3 Details of Assets given on operating Lease

| Description         | Gross Block | Accumulated Depreciation | Net Block |
|---------------------|-------------|--------------------------|-----------|
| Freehold land       | 6.92        | -                        | 6.92      |
| Buildings           | 68.40       | 36.36                    | 32.04     |
| Plant and Equipment | 367.00      | 169.53                   | 197.47    |

## 12 Non-Current Investments

| Particulars  | As at<br>March 31, 2014                     | As at<br>March 31, 2013 |
|--|---|-------------------------|
|  | (Rs. in Lakhs)                              |                         |
| <b>Investments (at Cost)</b>   |   |                         |
| <b>Trade, Unquoted - Fully paid up</b>   |   |                         |
| Investment in Equity Instruments of Other entities   |   |                         |
| 18,000 (PY.18,000) Equity Shares of Rs.10/- each<br>of M/s.Hyderabad EPS Products (P) Limited<br>Less: Provision for diminution in value   | <b>1.80</b><br><b>(1.80)</b><br>-           | 1.80<br>(1.80)<br>-     |
| 5,300 (PY 5,300) Equity Shares of Rs.100/- each<br>of M/s.Pink Packaging & Moulding (P) Limited<br>Less: Provision for diminution in value | <b>7.50</b><br><b>(7.50)</b><br>-           | 7.50<br>(7.50)<br>-     |
| <b>Non-Trade, Quoted - Fully paid up</b>   |   |                         |
| 500 (PY.500) Equity Shares of Rs.12/- each<br>of M/s.Nava Bharat Ventures Limited<br>Less: Provision for diminution in value               | <b>2.01</b><br><b>(1.08)</b><br><b>0.93</b> | 2.01<br>(1.08)<br>0.93  |
| <b>Non-Trade, Unquoted - Fully paid up</b>   |   |                         |
| 6,000 (PY.6,000) Equity Shares of Rs.10/- each<br>of M/s. SuRe Energy Systems Private Limited  | <b>25.00</b>                                | 25.00                   |
| <b>Total</b>   | <b>25.93</b>                                | 25.93                   |
| Aggregate cost of quoted investments   | <b>2.01</b>                                 | 2.01                    |
| Aggregate market value of quoted investments   | <b>0.79</b>                                 | 0.84                    |
| Aggregate cost of unquoted investments   | <b>34.30</b>                                | 34.30                   |

## 13 Long-term loans and advances

|   |   |                      |
|---|---|----------------------|
| (a) Capital Advances<br>- Unsecured and considered good   | <b>8.00</b>                               | 36.43                |
| (b) Security Deposits<br>- Unsecured, Considered good   | <b>83.83</b>                              | 53.62                |
| (c) Loans and Advances to employees<br>- Secured, Considered good (Refer Note 13.1)<br>- Unsecured, Considered good               | <b>2.70</b><br><b>2.04</b><br><b>4.74</b> | 1.07<br>0.07<br>1.14 |
| (d) MAT credit entitlement  | <b>28.30</b>                              | -                    |
| (e) Advance income tax - Unsecured, Considered good<br>(Net of provision for tax : Rs.1,072.76 lakhs,<br>P.Y.: Rs.1,044.46 lakhs) | <b>155.97</b>                             | 132.26               |
| (f) Other Loans and Advances - Unsecured,<br>Considered good.(Refer Note 13.2)  | <b>64.04</b>                              | -                    |
| <b>Total</b>  | <b>344.88</b>                             | 223.45               |



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**13.1** Represents vehicle loans given to employees secured by respective vehicles.

**13.2** Represents amounts paid to Saideep Polytherm, a Partnership firm. A Memorandum of understanding has been executed with the firm on May 7, 2014 for the Company to become a partner in the firm for a total capital contribution of Rs.112.15 lakhs.

## 14 Inventories

| Particulars  | As at<br>March 31, 2014 | As at<br>March 31, 2013 |
|--|-------------------------|-------------------------|
|  | (Rs. in Lakhs)          |                         |
| (a) Raw Materials  | <b>241.53</b>           | 283.23                  |
| (b) Work-in-progress                                       | <b>46.51</b>            | 20.75                   |
| (c) Finished goods (other than those acquired for trading) | <b>139.44</b>           | 113.90                  |
| (d) Stock-in-trade (acquired for trading)                  | <b>150.50</b>           | 140.85                  |
| (e) Stores and Spares                                      | <b>44.76</b>            | 25.20                   |
| (f) Loose tools  | <b>1.40</b>             | 1.55                    |
| (g) Jobs in progress                                       | <b>178.86</b>           | 176.81                  |
| <b>Total</b>   | <b>803.00</b>           | 762.29                  |

### 14.1 Details of inventory of work-in-progress

|                 |              |       |
|-----------------|--------------|-------|
| Polystyrene     | <b>42.79</b> | 18.09 |
| Isobuild panels | <b>3.72</b>  | 2.66  |
| <b>Total</b>    | <b>46.51</b> | 20.75 |

## 15 Trade Receivables

|   |                 |          |
|---|-----------------|----------|
| (a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment - Unsecured |                 |          |
| (i) Considered good   | <b>97.50</b>    | 62.42    |
| (ii) Considered doubtful  | <b>142.34</b>   | 190.35   |
| Less: Provision for doubtful trade receivables  | <b>(142.34)</b> | (190.35) |
|   | <b>97.50</b>    | 62.42    |
| (b) Other Trade receivables - Unsecured   |                 |          |
| (i) Considered good   | <b>1,985.44</b> | 1,832.42 |
| (ii) Considered doubtful  | -               | -        |
| Less: Provision for doubtful trade receivables  | -               | -        |
|   | <b>1,985.44</b> | 1,832.42 |
| <b>Total</b>  | <b>2,082.94</b> | 1,894.84 |

## 16 Cash and cash equivalents

|   |               |        |
|---|---------------|--------|
| (a) Cash on hand  | <b>8.94</b>   | 2.96   |
| (b) Cheques, drafts on hand                                   | <b>42.99</b>  | 34.34  |
| (c) Balances with Banks                                       |               |        |
| (i) In current accounts                                       | <b>303.28</b> | 177.81 |
| (ii) In deposits with original maturity of less than 3 months | <b>85.00</b>  | 3.00   |
| (iii) In earmarked accounts                                   |               |        |
| - Unpaid Dividend Accounts                                    | <b>8.28</b>   | 6.15   |
| - Balances held as margin money                               | <b>220.00</b> | 220.00 |
| - Others  | <b>14.00</b>  | 14.00  |
| <b>Total</b>  | <b>682.49</b> | 458.26 |

**16.1** Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is Rs.440.21 Lakhs (Rs. 218.11 Lakhs)

**16.2** Balances with banks - Other earmarked accounts represents fixed deposits made in pursuance of Rule 3A of the Companies (Acceptance of Deposits) Rules 1975 .

**17 Short term loans and advances**

| Particulars   | As at<br>March 31, 2014 | As at<br>March 31, 2013 |
|---|-------------------------|-------------------------|
|   | (Rs. in Lakhs)          |                         |
| a) Security Deposits - Unsecured, Considered good                       | <b>25.48</b>            | 45.05                   |
| b) Loans and Advances to employees                                      |                         |                         |
| - Secured, Considered good (Refer Note <b>17.1</b> )                    | <b>2.19</b>             | 1.45                    |
| - Unsecured, Considered good  | <b>25.75</b>            | 33.55                   |
| c) Prepaid expenses - Unsecured, Considered good                        | <b>36.69</b>            | 19.73                   |
| d) Balances with Government Authorities - Unsecured,<br>Considered good |                         |                         |
| - CENVAT credit receivable  | <b>17.85</b>            | 15.87                   |
| e) Advance paid to suppliers  | <b>111.49</b>           | 127.88                  |
| f) Others   |                         |                         |
| - Unsecured, Considered good  | <b>55.89</b>            | 22.87                   |
| <b>Total</b>  | <b>275.34</b>           | 266.40                  |

**17.1** Represents vehicle loans given to employees secured by respective vehicles.

**18 Other current assets**

|                              |             |      |
|------------------------------|-------------|------|
| Interest accrued on deposits | <b>1.14</b> | 1.28 |
|------------------------------|-------------|------|

**19 Revenue from Operations**

| Particulars  | Year ended<br>March 31, 2014 | Year ended<br>March 31, 2013 |
|--|------------------------------|------------------------------|
|  | (Rs. in Lakhs)               |                              |
| (a) Sale of products (Refer Note <b>19.1</b> )         | <b>9,764.26</b>              | 8,489.78                     |
| (b) Sale of services (Refer Note <b>19.2</b> )         | <b>1,571.28</b>              | 1,642.42                     |
| (c) Other operating revenues (Refer Note <b>19.3</b> ) | <b>32.62</b>                 | 50.29                        |
|  | <b>11,368.16</b>             | 10,182.49                    |
| Less: Excise Duty                                      | <b>756.04</b>                | 615.72                       |
| Revenue from operations (Net)                          | <b>10,612.12</b>             | 9,566.77                     |

**19.1 Sale of products comprises**

|                                    |                 |          |
|------------------------------------|-----------------|----------|
| <b>Manufactured goods</b>          |                 |          |
| Expanded Polystyrene               | <b>5,183.20</b> | 4,243.53 |
| Prefab Panels                      | <b>3,970.65</b> | 3,182.54 |
| <b>Traded goods</b>                |                 |          |
| Electric Motors                    | <b>557.09</b>   | 582.25   |
| Exports of Fabrics and other items | <b>53.32</b>    | 481.46   |
| <b>Total</b>                       | <b>9,764.26</b> | 8,489.78 |

**19.2** Sales of services comprise of income from erection, commissioning and maintenance of hot and cold insulation solutions.



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## 19.3 Other operating revenues comprise

| Particulars   | Year ended<br>March 31, 2014 | Year ended<br>March 31, 2013 |
|---------------|------------------------------|------------------------------|
|               | (Rs. in Lakhs)               |                              |
| Commission    | -                            | 1.17                         |
| Rental Income | 21.00                        | 21.00                        |
| Scrap Sales   | 11.62                        | 28.12                        |
| <b>Total</b>  | <b>32.62</b>                 | 50.29                        |

## 20 Other income

|  |              |       |
|--|--------------|-------|
| Interest Income:   |              |       |
| - Interest from Bank deposits                                  | 23.06        | 26.24 |
| - Interest on income tax refund                                | 9.88         | 6.03  |
| Net gain on foreign currency transactions and translation(Net) | 3.89         | -     |
| Dividend income from long-term investments                     | 0.03         | -     |
| Other non-operating income (Refer Note 20.1)                   | 55.22        | 10.88 |
| <b>Total</b>   | <b>92.08</b> | 43.15 |

### 20.1 Other non-operating income comprises

|  |              |       |
|--|--------------|-------|
| Rental income from operating leases                      | 21.88        | 5.93  |
| Profit on sale of fixed assets                           | 1.14         | -     |
| Liabilities / provisions no longer required written back | 31.77        | 3.91  |
| Others   | 0.43         | 1.04  |
| <b>Total</b>   | <b>55.22</b> | 10.88 |

## 21 Cost of Materials Consumed

|                            |          |          |
|----------------------------|----------|----------|
| Opening stock              | 283.23   | 311.45   |
| Add: Purchases             | 3,888.07 | 3,129.17 |
|                            | 4,171.30 | 3,440.62 |
| Less: Closing stock        | 241.53   | 283.23   |
| Cost of Materials consumed | 3,929.77 | 3,157.39 |

| <b>Materials consumed comprises of</b> |                 |          |
|--|-----------------|----------|
| Polystyrene Resin                      | 2,426.34        | 1,888.09 |
| Precoated Steel                        | 890.35          | 799.38   |
| Others (Refer Note 21.1)               | 613.08          | 469.92   |
| <b>Total</b>                           | <b>3,929.77</b> | 3,157.39 |

21.1 Others include raw materials such as Isocyanate, chemicals and wire mesh, none of which individually accounts for more than 10% of the total consumption.

## 22 Purchase of Stock-in-trade

|                           |                 |          |
|---------------------------|-----------------|----------|
| Stock-in-trade - EPS      | 957.59          | 742.98   |
| Stock-in-trade - Motors   | 530.26          | 525.37   |
| Stock-in-trade - Others   | 57.58           | 403.98   |
| Bought out items for jobs | 2,299.03        | 2,036.34 |
| <b>Total</b>              | <b>3,844.46</b> | 3,708.67 |



**23 Change in inventories of finished goods, work-in-progress and stock-in-trade**

| Particulars  | Year ended<br>March 31, 2014 | Year ended<br>March 31, 2013 |
|--|------------------------------|------------------------------|
|  | (Rs. in Lakhs)               |                              |
| <b>Opening Stock</b>   |                              |                              |
| Finished goods   | <b>113.90</b>                | 108.08                       |
| Work-in-progress   | <b>20.75</b>                 | 34.09                        |
| Jobs in progress   | <b>176.81</b>                | 149.16                       |
| Stock-in-trade   | <b>140.85</b>                | 79.79                        |
| <b>Total</b>   | <b>452.31</b>                | 371.12                       |
| <b>Closing Stock</b>   |                              |                              |
| Finished goods   | <b>139.44</b>                | 113.90                       |
| Work-in-progress   | <b>46.51</b>                 | 20.75                        |
| Jobs in progress   | <b>178.86</b>                | 176.81                       |
| Stock-in-trade   | <b>150.50</b>                | 140.85                       |
| <b>Total</b>   | <b>515.31</b>                | 452.31                       |
| <b>Net (Increase) in inventories of finished goods, work in progress</b> | <b>(63.00)</b>               | (81.19)                      |

**24 Employee benefits expenses**

|   |               |        |
|---|---------------|--------|
| Salaries, Wages and Bonus                 | <b>785.70</b> | 700.98 |
| Contribution to Provident and other Funds | <b>102.08</b> | 90.49  |
| Staff Welfare Expenses                    | <b>83.27</b>  | 91.30  |
| <b>Total</b>                              | <b>971.05</b> | 882.77 |

**25 Finance Cost**

|   |               |        |
|---|---------------|--------|
| Interest expense on:                    |               |        |
| (i) Borrowings                          | <b>180.44</b> | 140.74 |
| (ii) On Public deposits                 | <b>30.86</b>  | 13.78  |
| (iii) Delayed remittance of taxes       | <b>0.40</b>   | 2.44   |
| Other Borrowing Costs (Refer Note 25.1) | <b>26.56</b>  | 21.00  |
| <b>Total</b>                            | <b>238.26</b> | 177.96 |

**25.1** Other borrowing cost includes loan processing charges, guarantee charges, loan facilitation charges and other ancillary costs incurred in connection with borrowings.



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## 26 Other expenses

| Particulars   | Year ended<br>March 31, 2014 | Year ended<br>March 31, 2013 |
|---|------------------------------|------------------------------|
|   | (Rs. in Lakhs)               |                              |
| Consumption of Stores and spares  | 97.21                        | 74.95                        |
| Power and Fuel  | 356.03                       | 300.46                       |
| Increase of excise duty on inventory  | 3.23                         | 2.09                         |
| Rent including lease rentals  | 87.82                        | 81.97                        |
| Repairs and maintenance - Buildings   | 16.42                        | 11.66                        |
| Repairs and maintenance - Machinery   | 27.12                        | 33.93                        |
| Repairs and maintenance - Furniture and Equipment   | 7.90                         | 7.60                         |
| Insurance   | 34.91                        | 20.72                        |
| Rates and Taxes   | 22.31                        | 4.19                         |
| Communication expense   | 36.36                        | 36.59                        |
| Travelling and conveyance   | 132.80                       | 89.92                        |
| Printing and Stationery   | 17.14                        | 14.42                        |
| Legal and professional (Refer Note 26.1)  | 53.87                        | 46.06                        |
| Payments to auditors (Refer Note 26.2)  | 22.15                        | 18.02                        |
| Freight and forwarding  | 105.99                       | 52.81                        |
| Service Charges   | 118.79                       | 69.84                        |
| Donations and contributions   | 14.05                        | 7.18                         |
| Bad trade receivables written off<br>[Net of transfers from provision for doubtful trade<br>receivables : Rs 16.24 lakhs (P.Y.: Rs. 60.15 lakhs)] | -                            | 6.46                         |
| Adjustments to the carrying amount of investments (Net)<br>- Reduction in carrying amount of Long term investments                                | -                            | 7.50                         |
| Sitting fees paid to Directors  | 2.10                         | 2.77                         |
| Loss on fixed assets sold   | -                            | 4.02                         |
| Net loss on foreign currency transactions and translation   | -                            | 4.29                         |
| Provision for Doubtful debts  | -                            | 16.22                        |
| Miscellaneous Expenses  | 202.58                       | 165.39                       |
| <b>Total</b>  | <b>1,358.78</b>              | <b>1,079.06</b>              |

**26.1** Legal and Professional charges include an amount of Rs.6.00 lakhs (P.Y.: Rs.6.20 lakhs) paid to a law firm in which one of the directors is a partner.

**26.2** Payments to the auditors comprises (net of service tax input credit, where applicable):

|                                 |              |              |
|---------------------------------|--------------|--------------|
| For Audit                       | 12.00        | 10.00        |
| For Tax Audit/Representation    | 5.40         | 4.86         |
| For Certification of statements | 4.60         | 3.13         |
| For Reimbursement of expenses   | 0.15         | 0.03         |
| <b>Total</b>                    | <b>22.15</b> | <b>18.02</b> |

**27 Contingent Liabilities and Commitments (to the extent not provided for)**

| Particulars   | As at<br>March 31, 2014 | As at<br>March 31, 2013 |
|---|-------------------------|-------------------------|
|   | (Rs. in Lakhs)          |                         |
| (i) Contingent Liabilities  |                         |                         |
| (a) Claims against the Company not acknowledged as debts  | <b>22.77</b>            | 22.77                   |
| (b) Sales tax demands against which the Company has filed appeals and for which no provision is considered necessary as the Company is hopeful of successful outcome in the appeals.            | <b>465.93</b>           | 316.85                  |
| (c) CST demands in respect of which the High Court has pronounced an order quashing the proceedings and redirected the proceedings to the Assessing Officer, as confirmed by the legal counsel. | <b>162.13</b>           | -                       |
|   | <b><u>628.06</u></b>    | <u>316.85</u>           |
| Future cash outflows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities.  |                         |                         |

| Name of the statute              | Nature of dues    | Amount        | Payment made | Period to which the amount relates | Forum where dispute is pending  |
|----------------------------------|-------------------|---------------|--------------|------------------------------------|---|
|                                  |                   | Rs. in Lakhs  |              |                                    |   |
| Sales Tax Acts of various states | Sales Tax - Local | <b>40.50</b>  | <b>6.07</b>  | 1995-96                            | Deputy Commissioner, Assistant Commissioner & other appellate authorities |
|                                  |                   | (43.52)       | (3.70)       | 1998-99                            |   |
|                                  |                   |               |              | 2000-01                            |   |
|                                  |                   |               |              | 2001-02                            |   |
|                                  |                   |               |              | 2003-04                            |   |
|                                  |                   |               |              | 2005-06                            |   |
|                                  |                   |               |              | 2006-07                            |   |
| Central Sales Tax Act, 1956      | Sales Tax - CST   | <b>587.56</b> | <b>27.65</b> | 1995-96                            | High Court, Deputy Commissioner & CTO of various states                   |
|                                  |                   | (273.33)      | (12.65)      | 2000-01                            |   |
|                                  |                   |               |              | 2001-02                            |   |
|                                  |                   |               |              | 2003-04                            |   |
|                                  |                   |               |              | 2005-06                            |   |
|                                  |                   |               |              | 2006-07                            |   |
|                                  |                   |               |              | 2008-09                            |   |
|                                  |                   | 2009-10       |              |                                    |   |
|                                  |                   | 2010-11       |              |                                    |   |
|                                  |                   | 2011-12       |              |                                    |   |
|                                  |                   | <b>628.06</b> | <b>33.72</b> |                                    |   |
|                                  |                   | (316.85)      | (16.35)      |                                    |   |

Note: Figures in bracket relates to the previous year

|  |               |        |
|--|---------------|--------|
| (ii) Commitments   |               |        |
| (a) Estimated amount of contracts remaining to be executed and not provided for in these accounts (net of advances) in respect of purchase of tangible assets. | <b>127.72</b> | 62.18  |
| (b) Letters of Credit established for purchases of raw materials   | -             | 268.94 |
| (c) Commitments towards investments (Refer Note 13.2)  | <b>48.11</b>  | -      |

**28 Employee Benefits**

**A. Defined Contribution Plans**

The Company makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified



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percentage of the payroll costs to fund the benefits. The Company recognised Rs.48.39 Lakhs (Year ended 31 March, 2013 Rs.49.43 Lakhs) for Provident Fund contributions, Rs.40.50 Lakhs (Year ended 31 March, 2013 Rs.36.95 Lakhs) for Superannuation Fund contributions and Rs.3.55 Lakhs (Year ended 31 March, 2013 Rs.3.74 Lakhs) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

## B. Defined benefit plans

### Gratuity

The following table sets forth the status of Gratuity Plan of the Company and the amount recognised in the Balance Sheet and Statement of Profit and Loss.

| Particulars   | As at<br>March 31, 2014 | As at<br>March 31, 2013 |
|---|-------------------------|-------------------------|
| <b>(I) Table showing changes in present value of obligations</b>      | (Rs. in Lakhs)          |                         |
| Present value of obligations at the beginning of the year             | 113.99                  | 133.56                  |
| Interest cost   | 9.12                    | 10.69                   |
| Current service cost  | 12.43                   | 11.02                   |
| Benefit paid / payable  | (10.15)                 | (8.16)                  |
| Actuarial loss / (gain) on obligations                                | 55.34                   | (33.12)                 |
| <b>Present value of obligations at the end of the year</b>            | <b>180.73</b>           | 113.99                  |
| <b>(II) Table showing changes in the Fair value of Plan Assets</b>    |                         |                         |
| Fair value of plan assets at the beginning of the year                | 164.72                  | 137.21                  |
| Expected return on Plan Assets  | 13.80                   | 13.17                   |
| Contributions   | 15.16                   | 22.50                   |
| Benefit paid  | (10.15)                 | (8.16)                  |
| <b>Fair value of plan assets at the end of the year</b>               | <b>183.53</b>           | 164.72                  |
| <b>(III) Table showing Fair Value of Plan Assets</b>                  |                         |                         |
| Fair Value of plan assets at beginning of the year                    | 164.72                  | 137.21                  |
| Actual return on plan assets  | 13.80                   | 13.17                   |
| Contributions   | 15.16                   | 22.50                   |
| Benefits paid   | (10.15)                 | (8.16)                  |
| Fair Value of plan assets at the end of the year                      | 183.53                  | 164.72                  |
| Funded status   | 2.80                    | 50.73                   |
| <b>(IV) Actuarial Loss Recognised</b>                                 |                         |                         |
| Actuarial loss / (gain) on obligation                                 | 55.34                   | (33.12)                 |
| Actuarial loss / (gain) on plan assets                                | -                       | -                       |
| Total loss / (gain) for the year                                      | 55.34                   | (33.12)                 |
| Actuarial loss / (gain) recognised in the year                        | 55.34                   | (33.12)                 |
| <b>(V) Amount Recognised in the Balance Sheet</b>                     |                         |                         |
| Present Value of obligations at the end of the year                   | 180.73                  | 113.99                  |
| Fair Value of Plan Assets at the end of the year                      | 183.53                  | 164.72                  |
| Difference (Funded Status)  | 2.80                    | 50.73                   |
| Unrecognised Past Service Cost  | -                       | -                       |
| <b>Amount to be recognised in the Balance Sheet (Refer Note 28.3)</b> | <b>2.80</b>             | 50.73                   |

| Particulars   | As at<br>March 31, 2014                                  | As at<br>March 31, 2013 |
|---|--|-------------------------|
|   | (Rs. in Lakhs)   |                         |
| <b>(VI) Expenses Recognised in the Statement of Profit and Loss</b>   |  |                         |
| Current Service cost  | <b>12.43</b>   | 11.02                   |
| Interest Cost   | <b>9.12</b>  | 10.69                   |
| Expected Return on Plan Assets  | <b>(13.80)</b>   | (13.17)                 |
| Net Actuarial loss / (gain) to be recognised  | <b>55.34</b>   | (33.12)                 |
| <b>Total expense recognised in the Statement of Profit and Loss (included as part of Contribution to Provident and Other Funds in Note No 24- Employee Benefits Expenses)</b> | <b>63.09</b>   | (24.58)                 |
| <b>(VII) Balance Sheet Reconciliation</b>   |  |                         |
| Opening Net Asset   | <b>50.73</b>   | 3.65                    |
| Expense as above  | <b>63.09</b>   | (24.58)                 |
| Employers Contribution  | <b>15.16</b>   | 22.50                   |
| <b>Closing Net Asset</b>  | <b>2.80</b>  | 50.73                   |
| <b>(VIII) Actuarial Assumptions : For the year</b>  |  |                         |
| Discount rate   | <b>8.00%</b>   | 8.00%                   |
| Expected return on plan assets  | <b>8.00%</b>   | 8.00%                   |
| Attrition rate  | <b>3.00%</b>   | 3.00%                   |
| Salary escalation   | <b>6.00%</b>   | 6.00%                   |
| Mortality   | Indian Assured Lives Mortality<br>(2006 – 08) (Ultimate) |                         |

**28.1** Estimate of amount of contribution in the immediate next year: Rs. 25.00 Lakhs (P.Y.- Nil)

**28.2** The Company has invested the plan assets with the insurer managed funds. The insurance company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation. The details of experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS 15 (Revised) on "Employee Benefits" are not readily available in the valuation report and hence, are not furnished.

**28.3** As the fair value of the planned assets is more than the liability, an amount of Rs. 2.80 Lakhs (P.Y.- Rs.50.73 Lakhs) has not been recognised in the books on a conservative basis.

### C. Long Term Compensated absences

The assumption used for computing the long term accumulated compensated absences on actuarial basis are as follows

| Assumptions                       |               |        |
|-----------------------------------|---------------|--------|
| Discount Rate                     | <b>8.00 %</b> | 8.00 % |
| Attrition rate                    | <b>3.00 %</b> | 3.00 % |
| Expected rate of salary increases | <b>6.00 %</b> | 6.00 % |

## 29 Segment Information

### (a) Primary Segment

The Company has identified business segments as its primary segment. Business segments are primarily insulation and trading. Insulation Business includes manufacturing of EPS products / Pre-fabricated panels and related service activities. Trading includes motors, export of fabrics, tele-medicine equipments, Information Technology products etc. The above



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segments have been identified taking into account the organisation structure as well as differing risks and returns of these segments. Revenues and expenses directly attributable to segments are reported under each reportable segments. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to the segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. The geographical segments of the Company are India and others.

| Particulars  | For the year ended 31 March, 2014 |                             |                                |
|--|-----------------------------------|-----------------------------|--------------------------------|
|  | Business segments                 |                             | Total                          |
|  | Insulation                        | Trading                     |                                |
|  | (Rs. in Lakhs)                    |                             |                                |
| Revenue (net of excise duty)                         | <b>10,001.71</b><br>(8,503.06)    | <b>610.41</b><br>(1,063.71) | <b>10,612.12</b><br>(9,566.77) |
| Segment result                                       | <b>840.56</b><br>(911.12)         | <b>(28.32)</b><br>(108.36)  | <b>812.24</b><br>(1,019.48)    |
| Less: Finance costs                                  |                                   |                             | <b>238.26</b><br>(177.96)      |
| Less: Unallocable corporate expenses (net of income) |                                   |                             | <b>371.62</b><br>(335.59)      |
| Profit before taxes                                  |                                   |                             | <b>202.36</b><br>(505.93)      |
| Tax expense  |                                   |                             | <b>73.24</b><br>(211.88)       |
| Net profit for the year                              |                                   |                             | <b>129.12</b><br>(294.05)      |
| Segment assets                                       | <b>6,814.88</b><br>(5,791.53)     | <b>410.16</b><br>(299.25)   | <b>7,225.04</b><br>(6,090.78)  |
| Unallocable assets                                   |                                   |                             | <b>1,174.55</b><br>(920.15)    |
| Total assets   |                                   |                             | <b>8,399.59</b><br>(7,010.93)  |
| Segment liabilities                                  | <b>1,934.92</b><br>(2,063.25)     | <b>187.56</b><br>(179.57)   | <b>2,122.48</b><br>(2,242.82)  |
| Unallocable liabilities                              |                                   |                             | <b>2,951.82</b><br>(1,517.15)  |
| Total liabilities                                    |                                   |                             | <b>5,074.30</b><br>(3,759.97)  |
| Capital Expenditure Addition                         |                                   |                             | <b>1,002.36</b><br>(673.53)    |
| Depreciation   |                                   |                             | <b>222.52</b><br>(179.33)      |

Note: Figures in brackets relates to the previous year.

**(b) The geographic segments details, which is considered as the secondary segment as defined in the aforesaid Standard are as follows:**

| <b>Geographical Segment</b> | <b>Revenues for the year ended 31 March 2014</b> | <b>Segment assets as at 31 March 2014</b> | <b>Capital expenditure incurred during the year ended 31 March 2014</b> |
|-----------------------------|--|---|---|
|                             | (Rs. in Lakhs)                                   |   |   |
| India                       | <b>10,558.80</b><br>(9,085.31)                   | <b>8,382.45</b><br>(6,988.04)             | <b>1,002.36</b><br>(673.53)   |
| Others                      | <b>53.32</b><br>(481.46)                         | <b>17.14</b><br>(22.89)                   | -<br>-  |

Note: Figures in bracket relates to the previous year.

**30 Related party transactions (as identified by the management and relied upon by the auditors)**

Details of related parties:

**(a) Key Management Personnel (KMP)** - Mr. Bharat Anumolu - Managing Director  
- Mr. S.V. Narasimha Rao - Executive Director  
- Mr. Amrith Anumolu - Executive Director\*

**(b) Relatives of KMP** - Mr. S Arun (HUF) - HUF, wherein son of Executive Director is the Karta

\* Brother of Managing Director appointed as Executive Director with effect from 1st April, 2013.

Details of related party transactions during the year ended 31 March, 2014 and balances outstanding as at 31 March, 2014:

(Rs. in Lakhs)

| <b>Particulars</b>  | <b>KMP</b>              | <b>Relatives of KMP</b> |
|---|-------------------------|-------------------------|
| <b>Transactions during the year</b>                                     |                         |                         |
| Remuneration to Key Management Personnel (Refer Note 35)                | <b>77.73</b><br>(57.18) | -<br>-                  |
| Technical advisory charges paid to Mr. Amrith Anumolu                   | -                       | -<br>(6.43)             |
| Fixed Deposits received during the year from Mr Bharat Anumolu          | -<br>(135.00)           | -<br>-                  |
| Fixed Deposits repaid during the year to Mr Bharat Anumolu              | <b>135.00</b>           | -                       |
| Fixed Deposits repaid during the year to Mr. S Arun (HUF)               | -                       | -<br>(40.00)            |
| Interest paid during the year on fixed deposits from Mr. Bharat Anumolu | <b>0.71</b>             | -                       |
| Interest paid during the year on fixed deposits from Mr. S. Arun (HUF)  | -                       | -<br>(0.81)             |
| <b>Balances outstanding at the end of the year</b>                      |                         |                         |
| Fixed Deposits received and outstanding from Mr. Bharat Anumolu         | -<br>(135.00)           | -<br>-                  |
| Interest accrued on above deposit                                       | -<br>(0.99)             | -<br>-                  |

Note: Figures in bracket relates to the previous year.



# BEARDELL LIMITED

## 31 Details of leasing arrangements

| Particulars  | As at March 31, 2014 | As at March 31, 2013 |
|--|----------------------|----------------------|
|  | (Rs. in Lakhs)       |                      |
| <b>As Lessor</b>   |                      |                      |
| The Company has entered into operating lease arrangements for certain surplus facilities. Lease rentals are accrued on the basis of agreed basis and the lease is non-cancellable for a period of 12 months and is renewable for subsequent period of 12 months upon mutually agreed terms. The outstanding commitments by the lessee on account of such assets leased are as follows: |                      |                      |
| Not later than 1 year  | <b>12.00</b>         | 21.00                |
| Later than 1 year and not later than 5 years   | -                    | -                    |
| <b>As Lessee</b>   |                      |                      |
| The Company has entered into operating lease arrangements for certain office premises. The leases are non-cancellable and are for a period of 5 years. The lease agreements provide for an increase in the lease payments by 6 to 7 % every year.  |                      |                      |
| Future minimum lease payments  |                      |                      |
| not later than one year  | <b>28.99</b>         | 27.18                |
| later than one year and not later than five years  | <b>22.68</b>         | 54.64                |
| later than five years  | -                    | -                    |
| Lease payments recognised in the Statement of Profit and Loss  | <b>26.99</b>         | 26.99                |
| Sublease payments received / receivable recognised in the Statement of Profit and Loss   | <b>21.88</b>         | 5.93                 |

## 32 Earnings per share

|  |                  |           |
|--|------------------|-----------|
| Face value per share   | <b>10.00</b>     | 10.00     |
| Net profit for the year attributable to the equity shareholders (Rs. in Lakhs) | <b>129.12</b>    | 294.05    |
| Weighted average number of equity shares (Nos)                                 | <b>46,83,168</b> | 46,83,168 |
| Basic Earnings Per Share   | <b>2.76</b>      | 6.28      |
| Diluted Earnings Per Share   | <b>2.76</b>      | 6.28      |

## 33 Deferred Tax Liabilities (Net)

|  |               |        |
|--|---------------|--------|
| <b>(a) Tax effect of items constituting Deferred tax liabilities</b> |               |        |
| - On difference between book balance and tax balance of fixed assets | <b>285.22</b> | 230.64 |
| Tax effect of items constituting deferred tax liability              | <b>285.22</b> | 230.64 |
| <b>(b) Tax effect of items constituting Deferred tax assets</b>      |               |        |
| - Provision for doubtful debts                                       | <b>48.38</b>  | 64.70  |
| - Provision for warranties   | <b>38.14</b>  | 38.14  |
| - Provision for compensated absences                                 | <b>14.70</b>  | 12.34  |
| Tax effect of items constituting deferred tax assets                 | <b>101.22</b> | 115.18 |
| <b>Net deferred tax liability</b>                                    | <b>184.00</b> | 115.46 |

## 34 Disclosure requirements under Accounting Standard 29 on Provisions, Contingent Liabilities and Contingent Assets

(Rs. in Lakhs)

| Particulars            | As at<br>1 - April 2013   | Additions | Utilisation | Reversal | As at<br>31 - March 2014  |
|------------------------|---------------------------|-----------|-------------|----------|---------------------------|
| Provision for warranty | <b>112.20</b><br>(171.73) | -         | -           | -        | <b>112.20</b><br>(112.20) |

Note: Provision for warranty are expected to be settled within 36 months. Figures in bracket relates to the previous year



| 35 Director's Remuneration                         | Year ended<br>March 31, 2014 | Year ended<br>March 31, 2013 |
|--|------------------------------|------------------------------|
|  | (Rs. in Lakhs)               |                              |
| Salary   | 28.80                        | 20.40                        |
| Perquisites and allowances                         | 22.56                        | 14.00                        |
| Commission   | 14.64                        | 13.60                        |
| Contribution to Provident and Superannuation funds | 11.73                        | 9.18                         |
| <b>Total</b>                                       | <b>77.73</b>                 | <b>57.18</b>                 |

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

### 36 Value of imports in CIF basis

|               |               |               |
|---------------|---------------|---------------|
| Raw materials | 157.81        | -             |
| Traded goods  | 95.28         | 128.10        |
| Capital goods | 243.00        | 1.56          |
| <b>Total</b>  | <b>496.09</b> | <b>129.66</b> |

### 37 Expenditure in foreign currency

|               |             |             |
|---------------|-------------|-------------|
| Travel        | 2.14        | -           |
| Interest      | 4.82        | -           |
| Other matters | 1.08        | 2.48        |
| <b>Total</b>  | <b>8.04</b> | <b>2.48</b> |

### 38 Value of imported Raw materials and stores and spare parts consumed and the value of all indigenous raw materials and stores and spare parts similarly consumed and percentage of each to total consumption:

| Particulars  | Year ended March 31, 2014 |                         | Year ended March 31, 2013 |                         |
|--------------|---------------------------|-------------------------|---------------------------|-------------------------|
|              | As % of<br>consumption    | Value<br>(Rs. In Lakhs) | As % of<br>consumption    | Value<br>(Rs. In Lakhs) |
| Imported     | 4 %                       | 157.81                  | -                         | -                       |
| Indigenous   | 96 %                      | 3,869.17                | 100 %                     | 3,232.34                |
| <b>Total</b> | <b>100 %</b>              | <b>4,026.98</b>         | <b>100 %</b>              | <b>3,232.34</b>         |

### 39 Earnings in foreign exchange

(Rs. in Lakhs)

| Particulars                             | Year ended March 31, 2014 | Year ended March 31, 2013 |
|---|---------------------------|---------------------------|
| Export of goods calculated on FOB basis | 51.26                     | 395.98                    |

### 40 Derivative transactions

The Company uses forward exchange contracts to hedge its exposure in foreign currency. The information on derivative instruments is as follows:

(a) Derivative Instruments outstanding as at March 31, 2014

| Particulars                      | Currency | As at March 31, 2014          | As at March 31, 2013          | Buy / Sell |
|----------------------------------|----------|-------------------------------|-------------------------------|------------|
|                                  |          | Amount in<br>Foreign Currency | Amount in<br>Foreign Currency |            |
| Forward exchange contracts (net) | USD      | 1.64                          | -                             | Sell       |



# BEARSELL LIMITED

(b) The details of foreign currency balances which are not hedged as at the balance sheet date are as below:

| Particulars       | Currency | As at March 31, 2014          | As at March 31, 2013          |
|-------------------|----------|-------------------------------|-------------------------------|
|                   |          | Amount in<br>Foreign Currency | Amount in<br>Foreign Currency |
| Trade Receivables | USD      | <b>28,551</b>                 | 42,174                        |

**41** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of Board of Directors

Bharat Anumolu  
Managing Director

S V Narasimha Rao  
Executive Director

Chennai  
May 29, 2014

Y Mukthar Basha  
Chief Financial Officer

K Murali  
Company Secretary



# BEARDELL LIMITED

CIN No. : L65991TN1936PLC001428

## Rules for Voting through electronic means

Pursuant to the provision of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 77th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited(CDSL).

The instructions for members for voting electronically are as under:

In case of members receiving e-mail:

- (i) Log on to the e-voting website [www.evotingindia.co.in](http://www.evotingindia.co.in)
- (ii) Click on "Shareholders" tab to cast your votes.
- (iii) Now, select the Electronic Voting Sequence Number "EVSN" along with "BEARDELL LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) if you are holding shares in Demat form and have already voted earlier on [www.evotingindia.co.in](http://www.evotingindia.co.in) for a voting of any Company, then your existing login id and password are to be used. If you are a first time user follow the steps given below.
- (v) Now, fill up the following details in the appropriate boxes:

|                         | For Members holding shares in Demat Form   | For Members holding shares in Physical    |
|-------------------------|--|---|
| User ID                 | For NSDL : 8 Character DP ID followed by 8 Digit Client ID   | Folio Number registered with the Company. |
|                         | For CDSL : 16 Digits beneficiary ID  |   |
| PAN*                    | Enter your 10 digit alpha-numeric * PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both Demat Shareholders as well as physical Shareholders) |   |
| DOB#                    | Enter the date of birth as recorded in your Demat Account or in the Company records for the said Demat Account or folio in DD/MM/YYYY format.  |   |
| Dividend Bank Details # | Enter the Dividend Bank Details as recorded in your Demat Account or in the company records for the said Demat Account or folio.   |   |

\*Members who have not updated their PAN with the Company/Depository participant are requested to use the default number: <Default Value> in the PAN field.

#Please enter any one of the details in order to login. In case either of the details are not recorded with the depository please enter the value <Default Value> in the DOB column or the <Default Value> in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. The new password has to be minimum eight Characters consisting of at least one upper case (A-Z), one lower case(a-z), one Numeric value (0-9) and a special character(@#%&\*). Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly note that this changed password is to be also used by the demat holders for voting for resolutions for the Company or any other Company on which they are eligible to vote, provided that the Company opts for e-voting through CDSL platform.
- (viii) Click on the relevant EVSN on which you choose to vote.
- (ix) On the voting page, you will see Resolution Description and

against the same, the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the resolution.

- (x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

**In case of members receiving the physical copy of Notice of AGM (for members whose e-mail IDs are not registered with the company/depository participant(s) or requesting physical copy):**

a) Initial password as below is given in the attendance slip for the AGM.

| Evsn**    | User ID          | Password         |
|-----------|------------------|------------------|
| 140715001 | xxxxxxxxxxxxxxxx | xxxxxxxxxxxxxxxx |

(Folio No/DP Client ID)

(Existing Password or Pan No with Bank A/c No. or DOB)

\*\* (Electronic Voting Sequence Number)

b) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

### General

- a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and POA in favour of the Custodian who they have authorised to vote on their behalf, in PDF format in the system for the scrutinizer to verify the vote.
- b) The voting period begins on **4th August, 2014 (9.00 AM) and ends on 6th August, 2014 (6.00 PM)**. During this period shareholders' of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 30th June, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- c) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date is 30th June, 2014.
- d) M/s. Lakshmi Subramanian Associates, Practising Company Secretary, Chennai has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- e) The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- f) The results of the e-voting along with the scrutinizer's report shall be placed in the Company's website [www.beardsell.co.in](http://www.beardsell.co.in) and on the website of CDSL within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.
- g) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help Section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



# BEARDSSELL LIMITED

CIN No. : L65991TN1936PLC001428

Regd Office : 47 Graemes Road, Chennai -600 006.  
Phone :44-28293296. Website : www.beardsell.co.in

## ATTENDANCE SLIP

Reg. Folio/DP & Client No \_\_\_\_\_ No. of Shares Held \_\_\_\_\_

I certify that I am a registered Shareholder / Proxy for the registered shareholder of the Company. I hereby record my presence at the 77th Annual General Meeting of the Company at the "Mini Hall" Satguru Gnananada Hall, Naradaganasabha, 314, T.T.K Road, Chennai 600 018, on Wednesday, the 13th August, 2014 at 10.00 A.M.

Member's Name : .....

Member's/ Proxy's Signature : .....

Proxy's Name : .....

### ELECTRONIC VOTING PARTICULARS

| Evsn**    | User ID          | Password         |
|-----------|------------------|------------------|
| 140715001 | xxxxxxxxxxxxxxxx | xxxxxxxxxxxxxxxx |

\*\* (Electronic Voting Sequence Number)

(Folio No/DP Client ID)

(Existing Password or Pan No with Bank A/c.No. or DOB)

Note: During the e-voting period, members of the company holding shares as on the record date may cast their vote electronically. The Record Date for the purpose of e-voting is 30th June, 2014. Please read the instruction given in the e-voting annexure carefully before voting electronically.



Form No. MGT-11

# BEARDSSELL LIMITED

CIN No. : L65991TN1936PLC001428

Regd Office : 47 Graemes Road, Chennai -600 006.  
Phone :44-28293296. Website : www.beardsell.co.in

## PROXY FORM

### PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies ( Management and Administration) Rules, 2014)

Name of the member (s) : \_\_\_\_\_

Registered Address : \_\_\_\_\_

E-Mail Id : \_\_\_\_\_ Folio No./Client Id : \_\_\_\_\_ DP ID \_\_\_\_\_

I/We, being the member(s) holding \_\_\_\_\_ shares of the above named Company, hereby appoint

| 1. Name:                           | 2. Name:                           | 3. Name:         |
|------------------------------------|------------------------------------|------------------|
| Address:                           | Address:                           | Address:         |
| Email-ID:                          | Email-ID:                          | Email-ID:        |
| Signature: _____<br>Or failing him | Signature: _____<br>Or failing him | Signature: _____ |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 77th Annual General Meeting of the Company at the "Mini Hall" Satguru Gnananada Hall, Naradaganasabha, 314, T.T.K Road, Chennai 600 018, on Wednesday, the 13th August, 2014 at 10.00 a.m. and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

Signed this.....day of .....2014

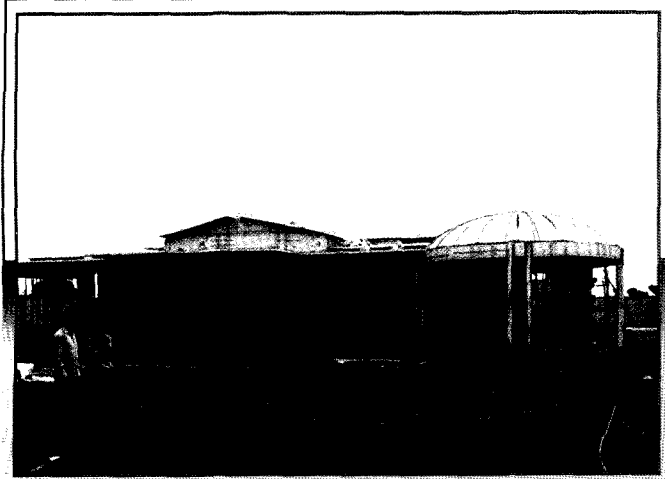
Affix  
Re. 1/-  
Revenue  
stamp

Signature of the Proxy

Signature of  
the shareholder

Note: This form duly filled up, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is a Body Corporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office of the Company along with the power of Attorney, if any under which the Proxy Form is signed, not less than 48 hours before the time for holding the meeting.

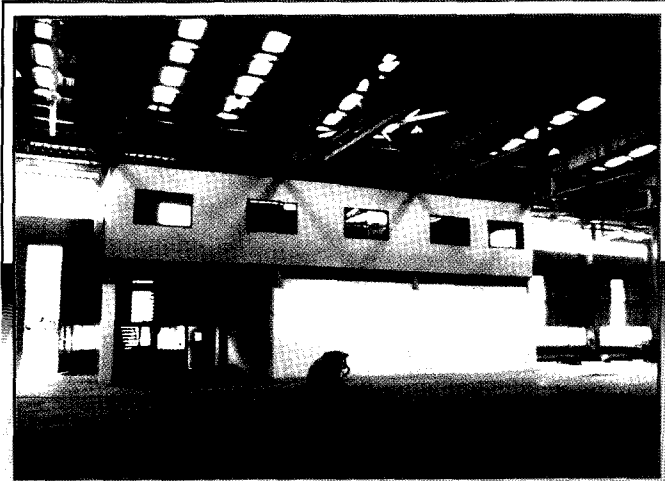
| Item No. | Resolutions   |
|----------|---|
| 1        | <b>ORDINARY BUSINESS ( Ordinary Resolutions)</b>  |
|          | <b>ADOPTION OF ACCOUNTS (Balance Sheet as at 31st March, 2014, the Statement Profit and Loss of the Company for the year ended on that date, together with the Schedules and Cash Flow Statement for the year ended 31st March, 2014 together with the Directors Report &amp; Audit Report there on )</b> |
| 2        | TO DECLARE A DIVIDEND ( Dividend at the rate of Re.1/- (10 percent) per share   |
| 3        | APPOINTMENT OF DIRECTORS (Mr V. THIRUMAL RAO RETIRE BY ROTATION)  |
| 4        | APPOINTMENT OF STATUTORY AUDITORS (Messrs. Deloitte Haskins & Sells (DHS), Chartered Accountants (ICAI Registration Number of the firm is 008072S) for a further period of 3 Years  |
|          | <b>SPECIAL BUSINESS ( Ordinary Resolutions)</b>   |
| 5        | REAPPOINTMENT OF Mr. BHARAT ANUMOLU AS "MANAGING DIRECTOR"  |
| 6        | REAPPOINTMENT OF MR. S.V. NARASIMHA RAO AS "EXECUTIVE DIRECTOR"   |
| 7(a)     | Mr. R. GOWRI SHANKER - REAPPOINTMENT as an INDEPENDENT DIRECTOR   |
| 7(b)     | Mr. M. UTTAM REDDI - REAPPOINTMENT as an INDEPENDENT DIRECTOR   |
| 7(c)     | Mr. V.J. SINGH - REAPPOINTMENT as an INDEPENDENT DIRECTOR   |
|          | <b>SPECIAL BUSINESS (Special Resolutions)</b>   |
| 8        | INCREASE IN BORROWING POWERS  |



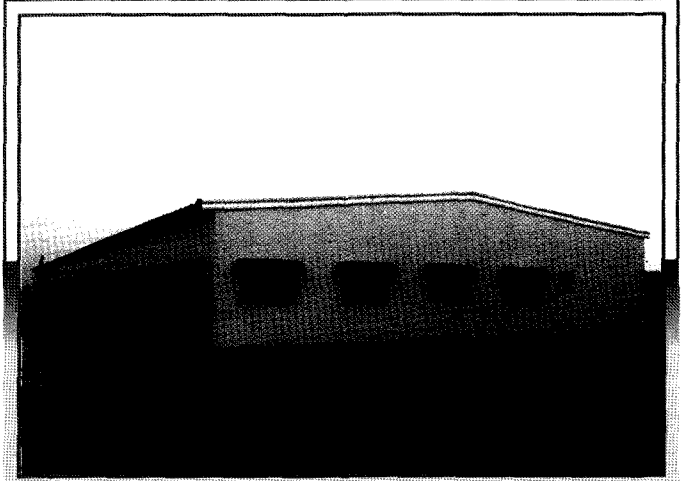
Hyderabad farm house 2 under construction



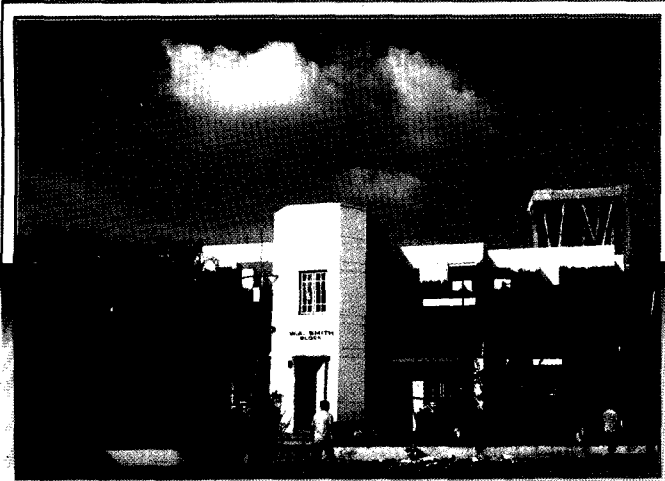
Volvo - Hosakote, Bangalore



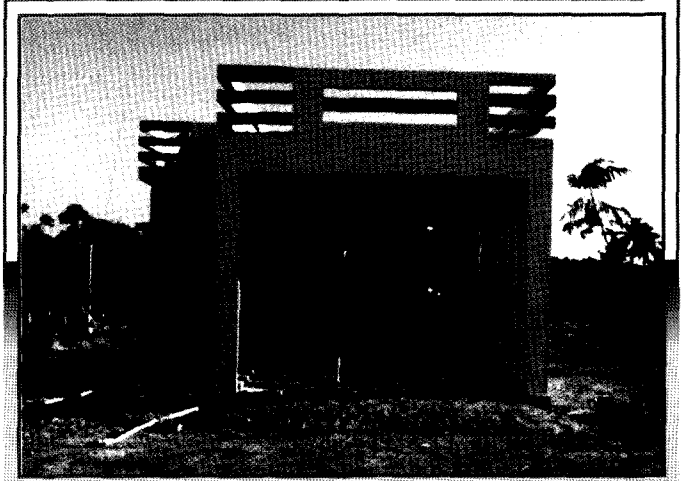
Volvo - Hosakote, Bangalore



Yamaha, Chennai



Apartments at Bangalore



Nam Veedu, Kovai