



BEARDELL LIMITED

Regd. Office :
47, Greams Road,
CHENNAI - 600 006. (INDIA)
Tel : 2829 32 96, 2829 09 00
Fax : 044-2829 03 91
CIN No. : L65991TN1936PLC001428
E-mail : ho@beardsell.co.in
Website : www.beardsell.co.in

7th September 2022

To,

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai - 400051
Scrip: BEARDELL

BSE Limited
Corporate Relationship Department
Phiroz Jeejeebhoy Towers
Dallal Street,
Mumbai - 400001
Scrip: 539447

Dear Sirs,

Sub: Annual Report of the Company for Financial Year ended 31st March 2022

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are submitting herewith a copy of the 85th Annual Report of the Company for Financial Year ended 31st March 2022 along with the notice convening Annual General Meeting.

The same will also be made available on the Company's website, www.beardsell.co.in

Please take the aforementioned information on your record.

Thanking you,

Yours faithfully,
For Beardsell Limited,

Kanhu Charan Sahu
Company Secretary



BEARDSELL LIMITED

85th *Year*

Annual Report

2021-2022

Contents:	Page No.
Notice to Shareholders	2 - 26
Boards' Report, Management Discussion and Corporate Governance Report	27 - 55
Auditors' Report on Standalone Financial Statements	56 - 68
Standalone Financial Statements	69 - 121
Auditors' Report on Consolidated Financial Statements	122 - 131
Consolidated Financial Statements	132 - 182

Directors:

Mr.Gowrishanker Ramasamy, Chairman and Non-executive Director
 Mr.Amrith Anumolu, Executive Director
 Mrs.Anumolu Jayashree, Non-executive Director
 Mr.Gurram Jagannatha Reddy, Non-executive Independent Director
 Mr.Rammohan Anappathur Vanchi, Non-executive Independent Director
 Mr.Jeyapaul Singh, Non-executive Director
 Mr.Mannam Malakondaiah, Non-executive Independent Director

Chief Financial Officer:

Mr. V V Sridharan

Company Secretary:

Kanhu Charan Sahu

Auditors

M/s. S.R.BATLIBOI & ASSOCIATES LLP,
 Chartered Accountants (ICAI Firm registration number: 101049W/E300004)
 6th Floor, A Block, Tidel Park, No.4, Rajiv Gandhi Salai, Taramani, Chennai - 600113

Secretarial Auditor

Mr. Rabindra Kumar Samal, Practicing Company Secretary
 4th Floor, Tower 1, Sakthi Towers, 766, Anna Salai, Chennai - 600002

Cost Auditor

Mr. M. Krishnaswamy, Practicing Cost Accountant
 Flat 1K, Ramaniyam Ganga, Door No.27/30, First Avenue, Ashok Nagar, Chennai - 600083

Bankers

Bank of India, Chennai Overseas Branch,
 Star House, 3rd Floor, 30 (Old No.17), Errabalu Street, Chennai - 600001

Registered Office

47, Graemes Road, Chennai - 600 006
 Phone : 044 - 2829 3296 / 2829 0900
 CIN : L65991TN1936PLC001428
 GSTIN : 33AAACB1429P2ZP
 E-Mail : ho@beardsell.co.in
 Website : www.beardsell.co.in

NOTICE TO SHAREHOLDERS

Notice is hereby given that the Eighty-fifth Annual General Meeting of the company will be held on Friday, the 30th September 2022 at 10.00 a.m. IST (Indian Standard Time) through Video Conferencing (“VC”)/Other Audio-Visual Means (“OAVM”) to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company, at No.47, Greams Road, Chennai – 600006.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company on standalone and consolidated basis, for the financial year ended 31st March 2022 and in this regard to consider and if thought fit, to pass with or without modification the following resolution as an ORDINARY RESOLUTION:

RESOLVED THAT the audited, standalone financial statements and consolidated financial statements of the Company, for the financial year ended 31st March 2022, including the Balance Sheet as at 31st March 2022, Profit & Loss Statement, Cash Flow Statement along with Notes to the Accounts for the financial year ended on that date and the Auditors Report, the Board of Directors Report thereon and other Reports laid before the meeting, be and are hereby considered and adopted.

2. To declare a final dividend on equity shares for the financial year ended on 31st March 2022 and in this regard, consider and if thought fit, to pass with or without modification the following resolution as an ORDINARY RESOLUTION:

RESOLVED THAT a dividend at the rate of Re.0.10/- (Ten Paise Only) per equity share of Rs.2/- (Rupees Two only) each fully paid up of the Company be and is hereby declared for the financial year ended 31st March 2022 and the same be paid as recommended by the Board of Directors of the Company, out of the profits of the Company for the said Financial Year ended 31st March 2022.

3. To appoint a director in place of Mr.Amrith Anumolu who retires by rotation and being eligible, offers himself for reappointment and in this regard to consider and if thought fit, to pass with or without modification the following resolution as an ORDINARY RESOLUTION:

RESOLVED THAT Mr.Amrith Anumolu (DIN:03044661), retiring by rotation be and is hereby reappointed as Director of the company.

4. To appoint a director in place of Mr.R Gowrishanker who retires by rotation and being eligible, offers himself for reappointment and in this regard to consider and if thought fit, to pass with or without modification the following resolution as an ORDINARY RESOLUTION:

RESOLVED THAT Mr.R Gowrishanker (DIN:00104597), retiring by rotation be and is hereby reappointed as Director of the company.

5. To appoint statutory auditors and in this regard to consider and if thought fit, to pass, with or without modification (s), the following resolution as an ORDINARY RESOLUTION:

RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to recommendation of the Audit Committee and the Board of Directors, M/s.G Balu Associates LLP, Chartered Accountants, (Firm Registration No. 000376S/S200073) be and are hereby appointed as Statutory Auditors of the Company, in place of M/s.S R Batliboi & Associates LLP, Chartered Accountants, (Firm Registration No. 101049W/E300004) the retiring Auditors, for a period of Five (5) years i.e. from the conclusion of this 85th Annual General Meeting until the conclusion of 90th Annual General Meeting to be held in the year 2027, at a remuneration upto Rs.10,00,000/- (Rupees ten lakh only) plus applicable taxes and reimbursement of out-of-pocket expenses for the financial year ending 31st March 2023, and the Board of Directors be and are hereby further authorized to finalize the terms

and conditions of appointment, including other services to be rendered by the Statutory Auditor and remuneration during their tenure as Statutory Auditors, based on the recommendation of the Audit Committee.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.

SPECIAL BUSINESS:

6. Ratification of Cost Auditor's Remuneration for FY 2022-23

To consider and, if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company hereby ratifies the remuneration of Rs.1,50,000/- (Rupees one lakh fifty thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses, payable to Mr.M Krishnaswamy, Cost Accountant, Membership No. 5944, who is re-appointed by the Board of Directors of the Company as Cost Auditor, to conduct the audit of the cost records maintained by the Company for the financial year ending 31st March 2023.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.”

7. Reappointment of Mr.Amrith Anumolu (DIN:03044661) as Executive Director

To consider and, if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

RESOLVED THAT pursuant to provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) and section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), (including any statutory modifications or re-enactment(s) thereof, for the time being in force), and recommendations of the Board of Directors, and subject to such other consents and permission as may be necessary, approval of the Members of the Company be and is hereby accorded for the reappointment of Mr.Amrith Anumolu (DIN:03044661) as Executive Director for further period of three years from 15th August 2022 with following basic terms and conditions:

A. Remuneration:

1. FIXED PAY:

- a) Basic Salary :- Rs.2,00,000/- (Rupees two lakh only) per month
- b) Perquisites and allowances :-
 - i) Rent free accommodation with utilities i.e Gas, Electricity and Water or House Rent Allowance @ 60% of Basic Salary (when no such accommodation is provided)
 - ii) Medical Reimbursement - Expenses incurred, including Medical Insurance for self and family subject to a ceiling of one month's basic salary in a year or subject to a maximum of three month's basic salary over period in three years
 - iii) Traveling, Boarding and Lodging expenses – Expenses incurred for Traveling, Boarding and Lodging for self during the business trips and provision of car for the same shall be reimbursed at actuals and not considered as perquisites.
 - iv) Fees of clubs subject to a maximum of two clubs, admission and life membership fees not being allowed.
 - v) Personal Accident Insurance/ Term Life Insurance, Premium not exceeding Rs.12,000/- per annum
 - vi) Company's contribution to provident fund, superannuation or annuity fund
 - vii) Gratuity payable shall not exceed half month's salary for each completed year of service or part thereof

- viii) Leave entitlement, as per the rules of the Company
- ix) The Company shall provide a car with chauffer and telephone at the residence. Provisions of the car for use in Company's business and telephone at residence will not be considered as perquisites. Personal long-distance calls and use of car for Private purpose shall be billed by the Company.

2. VARIABLE PAY:

In addition to the salary, perquisites and allowances as set out above, the Executive Director shall be entitled to receive remuneration based on performance of the Company @ 2% on the Profit Before Tax on a quarterly basis.

- B. The Executive Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.
- C. The Executive Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- D. The Executive Director shall adhere to the Company's internal codes and policies as may be applicable from time to time.
- E. The office of the Executive Director may be terminated by the Company or by the concerned Director by giving the other 3 (three) months' prior notice in writing.

RESOLVED FURTHER THAT the aggregate of above remuneration payable to the Executive Director shall not exceed Rs.48,00,000/- (Rupees forty-eight lakh only) per year which is inclusive of all perquisites, allowances and variable pay.

RESOLVED FURTHER THAT in case of loss or inadequacy of profits in any financial year, the above said remuneration shall be paid to him as minimum remuneration under Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT in addition to the remuneration above the Executive Director be entitled for payment of fees for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.

8. Appointment of Mr.Mannam Malakondaiah (DIN:01431923) as a Non-Executive, Independent Director of the Company

To consider and, if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Regulation 16(1)(b) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr.Mannam Malakondaiah (DIN:01431923) who was appointed as an Additional Director (Non-Executive Independent Director) of the Company by the Board in their meeting held on 12th August 2022, and who has submitted a declaration that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment under the relevant provisions of the Companies Act, 2013, be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years with effect from 12th August 2022 to 11th August 2027.

RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Mr.Mannam Malakondaiah shall be entitled to receive the remuneration/ fees/ commission as permitted to be received in a capacity Non-Executive, Independent Director under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and are hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.

9. Adoption of new set of Articles of Association

To consider and, if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), and the rules framed there under, subject to such other consents, permissions as may be necessary, approval of the Members of the Company be and are hereby granted, to adopt new set of regulations 1 to 116, as submitted to the meeting, in lieu of, and to the entire exclusion of the existing Regulations of the Article of Association of Company.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and are hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.

10. Acceptance of unsecured deposits from shareholders

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

RESOLVED THAT pursuant to the provisions of Section 73 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Acceptance of Deposits) Rules, 2014 and such others rules and regulations made thereunder (including any amendments, statutory modification(s) and/or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, and any other rules, regulations, guidelines, notifications, circulars and clarifications issued by the Government of India, Ministry of Corporate Affairs (“MCA”), Reserve Bank of India or such other agencies / authorities read together with other applicable rules, regulations, guidelines, notifications and circulars issued by any other concerned statutory or regulatory authority(ies) from time to time, to the extent applicable, the approval of the Members of the Company be and is hereby accorded to invite / accept / renew from time to time Unsecured Deposits from Members of the Company to such extent that the deposits outstanding and the deposits to be accepted shall not exceed the permissible limits as prescribed under the Act read with relevant provisions of the Companies (Acceptance of Deposits) Rules, 2014 and other regulations as applicable and amended from time to time.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and are hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.

Date: 12th August 2022
 Place : Registered Office at
 No.47, Greams Road,
 Chennai – 600006

By Order of the Board
 For Beardsell Limited

KANHU CHARAN SAHU
 Company Secretary

NOTES:

1. The Ministry of Corporate Affairs (“MCA”) vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/ 2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, No.02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021, and No. 21/2021 dated December 14, 2021, (collectively referred to as “MCA Circulars”) has permitted the holding of the annual general meeting through Video Conferencing (“VC”) or through other audio-visual means (“OAVM”), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and MCA Circulars, the 85th Annual General Meeting (“Meeting” or “AGM”) of the Company is being held through VC / OAVM on Friday, 30th September 2022 at 10:00 a.m. (IST). The proceedings of AGM deemed to be conducted at the Registered Office of the Company situated at No.47, Greams Road, Chennai - 600006.
2. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE. HOWEVER, IN PURSUANCE OF SECTION 112 AND 113 OF THE COMPANIES ACT, 2013, REPRESENTATIVES OF THE MEMBERS SUCH AS THE PRESIDENT OF INDIA OR THE GOVERNOR OF A STATE OR A BODY CORPORATE CAN ATTEND THE AGM THROUGH VC/ OAVM AND CAST THEIR VOTES THROUGH E-VOTING.
3. In line with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, the Notice of AGM along with Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report 2021-22 has been uploaded on the website of the Company at www.beardsell.co.in The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. The Register of Members and the Share Transfer books of the Company will remain closed from Saturday, 24th September 2022 to Friday, 30th September 2022 both days inclusive, for annual closing and determining the entitlement of the Members to the final Dividend for financial year 2021-22.
6. The Board of Directors has recommended Final Dividend of Re.0.10 per Equity Share of face value of Rs.2.00 each for the year ended 31st March 2022.
7. The Company has fixed Friday, 23rd September 2022 as the ‘Record Date’ for determining entitlement of members to final dividend for the financial year ended March 31, 2022, if approved at the AGM.
8. According to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. April 1, 2020, and the Company is required to deduct tax at source (TDS) from the dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 (‘the IT Act’). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, and Category as per the IT Act with their Depository Participants (‘DPs’) or in case shares are held in physical form, with the Company, by sending documents by Tuesday, 20th September 2022 (upto 7:00 pm), to enable the Company to determine the appropriate TDS / withholding tax rate applicable.

9. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made on or before 29th October 2022 as under:
 - a) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”), collectively “Depositories”, as of the close of business hours on Friday, 23rd September 2022.
 - b) To all Members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company as of the close of business hours on Friday, 23rd September 2022.
10. The dividend/s, if any, approved by the Members or declared by the Board of Directors of the Company from time to time, will be paid as per the mandate registered with the Company or with their respective Depository Participants.
11. Further, in order to receive dividend/s in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means (“Electronic Bank Mandate”), can register their Electronic Bank Mandate to receive dividends directly into their bank account electronically or any other means, by sending scanned copy of the following details/ documents by email to reach the Company’s email address cs@beardsell.co.in
 - a) signed request letter mentioning your name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
 - i. Name and Branch of Bank and Bank Account type;
 - ii. Bank Account Number allotted by your bank after implementation of Core Banking Solutions;
 - iii. 11 digit IFSC Code;
 - b) self-attested scanned copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
 - c) self-attested scanned copy of the PAN Card; and
 - d) self-attested scanned copy of any document (such as Aadhar Card, Driving Licence, Election Identity Card, Passport) in support of the address of the Member as registered with the Company. For the Members holding shares in demat form, please update your Electronic Bank Mandate through your Depository Participant/s.
12. In the event the Company is unable to pay the dividend to any Member directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers’ cheque/ demand draft to such Member.
13. Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”) read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (“IEPF”), constituted by the Central Government. Accordingly, Rs.2,19,561/- (Rupees two lakhs nineteen thousand five hundred sixty-one only) relating to financial year 2013-14 (Final) were due to be transferred during the financial year 2021-22, and Company has transferred to the IEPF. During the current financial year 2022-23, Company will be required to transfer the unclaimed Final Dividend for the year 2014-15. Details of the unpaid/ unclaimed dividend are also uploaded on the website of the Company at www.beardsell.co.in Members who have not encashed Final Dividend for the year 2014-15 or any subsequent dividend declared by the Company, are advised to write to the Company immediately.
14. Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority (“IEPF Account”) within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Members who have not claimed /

encashed their dividends in the last seven consecutive years from 2014-15 are advised to claim the same. In case valid claim is not received, the Company will proceed to transfer the respective shares to the IEPF Account in accordance with the procedure prescribed under the IEPF Rules.

15. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
17. Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
18. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the Company's RTA, M/s.Cameo Corporate Services Limited/ Depositories.
19. SEBI has made it mandatory for effecting transfer of securities (except in case of transmission or transposition of securities) in dematerialized form effective from April 01, 2019. In order to avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form.
20. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to individual shareholders holding shares in the physical mode. The shareholders who are desirous of availing this facility, may kindly write to Company's R & T Agent for nomination form by quoting their folio number.
21. The Members can join the AGM through the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
22. During the AGM, Members may access the electronic copy of the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at cs@beardsell.co.in , latest by Tuesday, 27th September 2022 (upto 3:00 p.m).
23. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:
 - i. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

- ii. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- iii. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@beardsell.co.in The shareholders who do not wish to speak during the AGM but have queries may also send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@beardsell.co.in. These queries will be replied to by the company suitably by email.
- vi. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

24. VOTING

- a. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time and the Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars, the Members are provided with the facility to cast their vote electronically (remote e-voting), through the e-voting services provided by CDSL, on all resolutions set forth in this Notice.
- b. The facility for voting, through the e-voting services provided by CDSL shall also be made available on the date of meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- c. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- d. The instructions for e-voting are as under:
 - (i) The remote e-voting period begins on 27th September 2022 (9.00 a.m. IST) and ends on 29th September 2022 (5.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September 2022, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made

<p>holding securities in Demat mode with CDSL</p>	<p>available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS" "Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is</p>

	available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(iii) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

1. The shareholders should log on to the e-voting website of CDSL www.evotingindia.com
2. Click on Shareholders.
3. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form other than Individuals and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. [Sequence number has been provided as serial number (SL No) in the Address Label]</p> <p>* In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or DOB (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>* If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

- (iv) After entering these details appropriately, click on "SUBMIT" tab.
- (v) Members holding shares in physical form will then directly reach the Company 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. 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.
- (vi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (vii) Click on the EVSN for Beardsell Limited.
- (viii) 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.
- (ix) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (x) 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.
- (xi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xiii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xiv) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone user can download the app from the App Store and Windows Phone Store respectively. Please follow the instruction as prompted by the mobile app while voting on your mobile.
- (xv) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@beardsell.co.in (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- (xvi) 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 under help section or write an email to helpdesk.evoting@cdslindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
- (xvii) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

- e. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM:
- (i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
 - (ii) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
 - (iii) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
 - (iv) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- f. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES / MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES:
- (i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
 - (ii) For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
 - (iii) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
- g. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting, or voting at the meeting.
- h. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the sequence number from the RTA of the Company by sending a request at investor@cameoindia.com However, if you are already registered with CDSL for remote e-voting then you can use your existing log in details for casting your vote.
- i. Mr.Rabindra Kumar Samal, Practising Company Secretary, Membership No.F7649 has been appointed to act as Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of AGM, in fair and transparent manner.
- j. The Scrutinizer shall, immediately after the conclusion of the AGM, would count the votes cast during the meeting and the votes cast through remote e-voting and make, not later than forty eight hours from conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson or a person authorised by Chairperson in writing who shall countersign the same.
- k. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.beardsell.co.in and on the website of CDSL www.evotingindia.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), where the shares of the Company are listed.

25. Details of directors seeking appointment/ re-appointment at the forthcoming Annual General Meeting are provided below.

Name of the Director	Mr.Amrith Anumolu	Mr.R Gowrishanker	Mr.Mannam Malakondaiah
DIN	03044661	00104597	01431923
Date of Birth	14-09-1978	01-07-1956	01-07-1958
Date of first appointment on Board	12-08-2010	21-10-2019	12-08-2022
Qualification	Mr Amrith Anumolu graduated his Bachelor of Science in Electrical Engineering from Virginia Tech & Masters Education in Industrial Engineering from Georgia Tech.	<ul style="list-style-type: none"> – M.S. Degree in E-Commerce from Carnegie Mellon University – M.S. in Industrial Engineering from University of Texas, – M.B.A from Chicago Booth, – B.Tech in Chemical Engineering from IIT Madras 	IPS Officer [1985 batch) (Retd)
Expertise in specific functional area	His experience ranges from product design and development to business process improvements and re-engineering.	Technical and entrepreneurial professional with a distinguished management career leading the technology and operations	Retired as Director General of Police of Andhra Pradesh. Before his appointment as DGP, he worked as Vice-Chairman and Managing Director of APSRTC and other long lists of achievements,
Terms and conditions of appointment	As per resolution of appointment	As per resolution of appointment	As per resolution of appointment
Remuneration last drawn	He was drawing salary, allowance and perquisites, not exceeding Rs.36 lakhs per annum, apart from fees for attending meetings of the Board and Committees as applicable	He has not drawn any remuneration except fees for attending meetings of the Board and Committees as applicable	NA
Remuneration proposed to be paid	As per resolution of appointment	He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings.	He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings.

Name of the Director	Mr.Amirth Anumolu	Mr.R Gowrishanker	Mr.Mannam Malakondaiah
List of Directorships held in other companies	NIL	<ul style="list-style-type: none"> - SOUTHERN INDIA CHAMBER OF COMMERCE & INDUSTRY - TQM PERSONNEL SERVICES INIDA PRIVATE LIMITED - MED SKILL INDIA PRIVATE LIMITED - PRO PSK TECHNOLOGIES PRIVATE LIMITED 	<ul style="list-style-type: none"> - NSL SEZ (HYDERABAD) PRIVATE LIMITED - NSL TEXTILES LIMITED - SMS LIFESCENCES INDIA LIMITED - MANDAVA HOLDINGS PRIVATE LIMITED
Memberships / Chairmanships of committees of other companies	NIL	NIL	POSITIONS HELD IN M/s. SMS LIFESCENCES INDIA LIMITED Membership: <ul style="list-style-type: none"> - Audit Committee - Corporate Social Responsibility Committee Chairmanship: <ul style="list-style-type: none"> - Nomination and Remuneration Committee
Shareholding in the company	NIL	10703	NIL
Relationship with other directors / KMP	Son of Mrs.Anumolu Jayasree, Non-executive Director	NIL	NIL
Number of Board Meetings attended during financial year ended 31 st March 2022	9	8	NA

Annexure**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND / OR REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015****ITEM NO. 5****Appointment of Statutory Auditors of the Company**

The Members of the Company at the 80th Annual General Meeting ('AGM') held on 14th September 2017 approved the appointment of M/s.S.R. Batliboi & Associates LLP, Chartered Accountants, Chennai, (ICAI Registration Number of the firm is 101049W/E300004), as the Auditors of the Company for a period of Five (5) years from the conclusion of the said AGM. Accordingly, The auditors will complete their present term on conclusion of this AGM.

Pursuant to Section 139 of the Companies Act 2013, the Board of Directors based on the recommendation of the Audit Committee proposes the appointment M/s.G Balu Associates LLP, Chartered Accountants, (ICAI Registration Number of the firm is 000376S/S200073) in place of M/s.S.R. Batliboi & Associates LLP, the retiring Auditors as the Statutory Auditors of the Company.

If approved by the members, the appointment of M/s.G Balu Associates LLP, as the Statutory Auditors will be for a period of Five (5) years commencing from the conclusion of this 85th Annual General Meeting till the conclusion of the 90th Annual General Meeting at such remuneration plus reimbursement of out-of pocket, travelling and living expenses etc.

M/s.G Balu Associates LLP have confirmed that their appointment for the first term of Five (5) years, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as statutory auditor in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

M/s. G Balu Associates LLP is established for more than 3 decades and highly experienced in this profession. The audit firm consists of eight partners. Head-quartered in Chennai with a branch in Bangalore and supported by affiliates, in and outside India, they specialize in Audit & Assurance, Taxation Services and also provides range of other professional services to it's clients including Management Consultancy, Business Advisory services and Risk Mitigation. The Firm has obtained Peer Review certificate from ICAI.

The Board of Directors, at its meeting held on 12th August 2022, based on the recommendation of the Audit Committee, approved the appointment of M/s. G Balu Associates LLP as statutory auditors for the first term of five years to hold office from the conclusion of the 85th AGM till the conclusion of the 90th AGM to be held in the year 2027, at a remuneration of Rs10,00,000/- (Rupees ten lakh only) plus applicable taxes and reimbursement of out-of-pocket expenses for the financial year ended 31st March 2023 and proposed the same for approval of the members. Besides the audit services, the Company would also obtain certifications which are to be mandatorily received from the statutory auditors under various regulations. The Board of Directors and the Audit Committee shall approve such other services to be rendered by the statutory auditors and the remuneration to be paid during the tenure, based on the performance review and any additional efforts or other considerations.

None of the Directors, Key Managerial Personnel and other relatives are concerned or interested in the Resolution at Item no.5 of the Notice.

The Board recommends the Ordinary Resolution at Item no.5 of this Notice for the approval of the members.

ITEM NO. 6**Ratification of Cost Auditor's Remuneration FY 2022-23**

As per the provisions of Section 148 of the Companies Act, 2013 ('the Act') read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to have an audit of its cost records conducted by a cost accountant in practice for products covered under the Companies (Cost Records

and Audit) Rules, 2014. The Board, based on the recommendation of the Audit Committee, has approved the re-appointment of Mr.M Krishnaswamy, Cost Accountant, (Membership No. 5944), as the Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ending 31st March 2023, at a remuneration of Rs.1,50,000/- (Rupees one lakh fifty thousand only) plus applicable taxes and reimbursement of reasonable out-of-pocket expenses.

In accordance with Section 148(3) of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company.

The Board commends ratification of remuneration of Cost Auditors, as set out in Resolution no. 6 of the Notice for approval by the Members as an Ordinary Resolution.

None of the Director, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. 7

Mr.Amrith Anumolu was appointed as a Joint Managing Director by the members of the Company at their meeting dated 14th September 2017 for a period of five (5) year from 15th August 2017. Further, the members at the annual general meeting held on 30th September 2019 had approved change in his designation as Executive Director and revision in remuneration. The Board of Director of the Company at its meeting held on 12th August 2022, with recommendation of the Nomination and Remuneration Committee and, subject to the approval of members of the Company, has re-appointed Mr.Amrith Anumolu as Executive Director of the Company for a period of three (3) years from 15th August 2022 to 14th August 2025 on the terms and conditions including remuneration in accordance with norms laid down in Schedule V and other applicable provisions of Companies act, 2013 and rules made thereunder.

Mr.Amrith Anumolu satisfies all the conditions set out in Para – I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for re-appointment. He is not disqualified from being re-appointed as Directors in terms of Section 164 of the Act.

Broad particulars of the terms of re-appointment of and remuneration payable to Mr.Amrith Anumolu during the tenure are set out in the resolution, that may be treated as a written memorandum setting out terms of re-appointment of Mr.Amrith Anumolu under Section 190 of the Act.

The details as required under proviso to Section II of Part II of Schedule V to the Companies Act, 2013 are given here-in-below:

I. GENERAL INFORMATION

(1)	Nature of Industry	Manufacturing, Selling and Contracting activities in Expanded Polystyrene, Insulation and packaging material, Prefab Buildings & Quikbuild construction panels, Marketing of textiles, Electric Motors and Exports.			
(2)	Date of commencement of commercial Production	The company is in existence and operation since 23/11/1936			
(3)	Foreign Investment or collaboration	Nil			
(4)	Financial performance based on given indicators (in lakhs of Indian Rupees)				
	Particulars	Standalone		Consolidated	
		2021-22	2020-21	2021-22	2020-21
	Revenue from Operation	17279.74	12062.84	18613.37	13225.21
	Other income	279.34	103.66	267.99	90.28
	Finance cost	401.28	429.92	478.34	526.83
	Depreciation and amortization Expenses	511.88	525.33	635.76	647.17

Profit/ (Loss) before Exceptional Items and Tax Expenses	401.26	45.82	390.85	33.12
Exceptional Items	--	---	--	---
Profit/ (Loss) before Tax	401.26	45.82	390.85	33.12
Tax expenses / provisions	113.93	69.18	109.65	73.45
Profit after Tax	287.33	(23.36)	281.20	(40.33)
Other Comprehensive Income	8.55	(14.21)	8.55	(14.21)
Total Comprehensive Income	295.88	(37.57)	289.75	(54.54)

II. INFORMATION ABOUT THE DIRECTOR

- (1) Background details:
Mr.Amrith Anumolu is one of the promoter of the Company and has been associated with the Company for more than a decade. With keen business acumen and strategic planning skills, he has contributed immensely in shaping the long term vision and mission of the Company with major emphasis on business development in focus areas, undertaking of new projects, achieving operational efficiencies and building upon commercial successes.
- (2) Past Remuneration:
The company was paying remuneration not exceeding Rs.36,00,000/- per annum inclusive of all perquisites and allowances as fulltime employee of the Company.
- (3) Recognition or awards:
NIL
- (4) Remuneration proposed:
The company proposes to pay remuneration as stated in the resolution not exceeding Rs.48,00,000/- per annum inclusive of perquisites and allowances, and separately payment of fees for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board
- (5) Job profile and his suitability:
Mr Amrith Anumolu graduated his Bachelor of Science in Electrical Engineering from Virginia Tech & Masters Education in Industrial Engineering from Georgia Tech. After completing his education he worked in various positions for companies like Ericsson Inc. and Panasonic Corporation. His experience ranges from product design and development to business process improvements and re-engineering. With rich experience in the industry he is felt suitable for the job.
- (6) Comparative remuneration profile:
Taking into consideration the size of the Company, his profile, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior levels in other companies.
- (7) Pecuniary relationship:
Mr.Amrith Anumolu has no other pecuniary relationship apart from receiving interest for the unsecured loan extended to the Company. He is also related to Mrs.Anumolu Jayasree, Promoter who directly holds 36.13 % shares as at 30th June 2022.
- (8) Relationship with managerial Personnel, if any:
Son of Mrs.Anumolu Jayasree, Non-executive Director.

III OTHER INFORMATION

(1) Reasons of loss or inadequate profit:

During the financial ended 31st March 2022, the Company had earned total comprehensive income of Rs.295.88 lakhs, which is not adequate to compensate the Executive Director with proposed remuneration. Primary reason being insufficient revenues, affected by unprecedented Covid pandemic.

(2) Steps taken or proposed to be taken for improvement:

The management is taking steps to improve overall business volume and profitability. Towards this the management focuses on long term business models, improving production efficiency by technology upgradation etc.

(3) Expected increase in productivity and profits in measurable terms:

It is difficult to quantify the increase in measurable terms. However the business initiatives will bring and create further value for our shareholders, by enhancing the revenue, resulting in better and improved profit.

Mr.Amrith Anumolu is son of Mrs.Anumolu Jayasree, Promoter and Director of the Company. Hence, he is covered under the provisions of Section 188 of the Companies Act, 2013 and rules made thereunder.

Except Mr.Amrith Anumolu, being an appointee and Mrs.Anumolu Jayasree, being his relative, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.7.

The brief resume of Mr.Amrith Anumolu, his nature of expertise in specific functional areas, names of Companies in which he holds directorships/ chairmanship of Board Committees, shareholding and relationships between directors is provided in the Notes to the Notice, pursuant to the provisions of (i) Companies Act, 2013 (ii) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (iii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

The resolution seeks approval of members as a Special Resolution for the re-appointment of Mr.Amrith Anumolu as Executive Director of the Company with effect from 15th August 2022 pursuant to the provisions of Section 117, 196 and 197 and 203 read with Schedule V other applicable provision of the Companies Act, 2013 and the rules made there under.

The Board recommends the Special Resolution at item no. 7 of this Notice for approval by the members.

ITEM NO.8

Appointment of Mr. Mannam Malakondaiah (DIN:01431923) as a Non-Executive, Independent Director of the Company

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors at its meeting held on 12th August 2022, appointed Mr. Mannam Malakondaiah as an Additional Director (Non-executive Independent) of the Company, and recommended his appointment as Non-executive Independent Director, not liable to retire by rotation, for a term of five years from 12th August 2022, up to 11th August 2027 subject to the approval of the Members.

According to the provisions of Section 161(1) of the Companies Act, 2013 (‘the Act’), Mr. Mannam Malakondaiah shall hold office as Additional Director up to the date of this Annual General Meeting and is eligible to be appointed as a Director.

The Company has, in terms of Section 160(1) of the Act, received in writing a notice, proposing his candidature for the office of Director.

Mr. Mannam Malakondaiah has given his declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), and is not

restrained from acting as a Director under any order passed by the Securities and Exchange Board of India or any such authority and is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director.

The brief resume of Mr.Mannam Malakondaiah, his nature of expertise in specific functional areas, names of Companies in which he holds directorships/ chairmanship of Board Committees, shareholding and relationships between directors is provided in the Notes to the Notice, pursuant to the provisions of (i) Companies Act, 2013 (ii) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (iii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

In the opinion of the Board, Mr. Mannam Malakondaiah is a person of integrity, possesses the relevant expertise/experience, and fulfills the conditions specified in the Act and the Listing Regulations for appointment as an Independent Director and he is independent of the management. In terms of Regulation 25(8) of Listing Regulations, Mr. Mannam Malakondaiah has confirmed that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

Given his experience, the Board considers it desirable and in the interest of the Company to have Mr. Mannam Malakondaiah on the Board of the Company and accordingly the Board recommends the appointment of Mr. Mannam Malakondaiah as an Independent Director as proposed in the Resolution no.8 for approval by the Members as a Special Resolution.

The terms and condition of appointment of the Independent Directors are uploaded on the website of the Company www.beardsell.co.in and is available for inspection.

Except for Mr.Mannam Malakondaiah and/or his relatives, no other Directors, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

ITEM NO.9

Adoption of new set of Articles of Association

The existing Articles of Association (“AoA”) of the Company based on the Companies Act, 1956, was last adopted in the year 1961, and no longer in conformity with the Companies Act, 2013. Several regulations of AoA require alteration/deletion. Considering above position, it is considered expedient to adopt a new set of Articles of Association (primarily based on Table F set out under Schedule I to the Companies Act, 2013) in place of existing AoA, instead of amending it by alteration.

In terms of Section 14 of 2013 Act, consent of Members by way of a Special Resolution is required for adoption of a new set of Articles of Association.

The entire set of proposed new Articles of Association is available in the website of the Company. The Members of the Company can also obtain a copy of the same from the Company’s Registered Office.

The Board recommends the Special Resolution at item no. 9 of this Notice for approval by the members.

None of the Director, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

ITEM NO.10

Accepting unsecured deposits from Shareholders

In order to augment working capital in a cost-effective manner, the Company has been accepting deposits from its members as per the provisions of Section 73 read with the Companies (Acceptance of Deposits) Rules, 2014, as amended.

Therefore, it is proposed to seek approval of the Shareholders, authorizing the Board of Directors to accept the deposits from shareholders up to 35% of the paid-up share capital, free reserves and securities premium as per the latest audited balance sheet.

The Board of Directors, on 12th August 2022 has approved the acceptance / renewal of unsecured deposits from shareholders subject to shareholders approval.

Consequent upon obtaining the approval of the Shareholders, the requirements stipulated under Sections 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 will be complied with before inviting/ accepting/ renewing deposits.

The Circular or Circular in the form of Advertisement in Form DPT-1 inviting / accepting unsecured deposits from shareholders along with the rating assigned for the Fixed Deposit Programme by ICRA Limited attached herewith.

The Board recommends the Resolution at Item No.10 to be passed as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel (KMP) of the Company or their respective relatives are concerned or interested (financially or otherwise) in this Resolution.

FORM DPT-1
CIRCULAR OR CIRCULAR IN THE FORM OF ADVERTISEMENT INVITING DEPOSITS
 {Pursuant to section 73(2)(a) and section 76 and rule 4(1) and 4(2) of the Companies
 (Acceptance of Deposits) Rules, 2014}

1.				
a.	Name, address, website and other contacts of the Company	BEARDELL LIMITED 47, Greams Road Chennai 600006. email: ho@beardsell.co.in website: www.beardsell.co.in		
b.	DETAIL OF INCORPORATION	23rd November,1936		
c.	Business carried on by the company and its subsidiaries with the details of branches or units, if any;	The company is in the business of Manufacturing, Selling and Contracting activities in Expanded Polystyrene, Insulation and packaging material, Prefab Panels & Solar Shield, Quikbuild construction panels, marketing of Electric Motors, Exports.		
	Manufacturing units	Chennai, Thane, Karad, Hyderabad, Malur and Hapur		
	Branches and subsidiaries	Branches: Ahmedabad, Bangalore, Chennai, Coimbatore, Hyderabad, Kochi, Mumbai, New Delhi, Pune and Vizag. Wholly Owned Subsidiaries: M/s Sarovar Insulation Pvt Ltd.		
d.	Brief particulars of the management of the company;	Company is Managed by Executive Director under direction, control and supervision of the Board of Directors of the Company		
e.	Names, addresses, DIN and occupation of directors			
Sl.No	Name and Address	Designation	Occupation	Din Number
i.	Mr Amrith Anumolu Plot No.12, Park View Enclave, Road No.2, Banjara Hills, Hyderabad - 500 034	Executive Director	Industrialist	03044661
ii.	Mrs Jayasree Anumolu Plot No.12, Park View enclave Road No.2, Banjara Hills, Hyderabad - 500 034	Director	Industrialist	00845666
iii.	Mr R Gowri Shanker 4/241 M G R Salai, Palavakkam Chennai - 600 041	Director	Industrialist	00104597
iv.	Mr V J Singh 1/4, Teppakula Street, Subramaniapuram, Palyamkottai Thirunelveli - 627 002	Director	Retired From LIC	03129164
v.	Mr. A V. Rammohan, D-2 Ceebros Apts, 161 St Mary's Road Raintree Hotel Teynampet Chennai – 600 018	Director	Industrialist	02093767
vi.	Mr. Gurram Jeganatha Reddy House New No.22, Old No.26, Anderson Road, Greames Road Chennai – 600 006	Director	Doctor	07472109
vii.	Mr. Mannam Malakondaiah Plot No.156, Prashashan Nagar, Road No.72, Jubilee Hills, Shaikpet, Hyderabad - 500033	Director	IPS Officer [1985 batch) (Retd)	01431923

f)	Management's perception of risk factors;	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.							
h)	Details of default, including the amount involved, duration of default and present status, in repayment of –	-							
	i) Statutory Dues	-							
	ii) debentures and interest thereon;	-							
	iii) loan from any bank or financial institution and interest thereon;	-							
2.									
a.	Date of passing board resolution;	12 th August 2022							
b.	Date of passing of resolution in the general meeting authorizing the invitation of such deposits;	Ensuing Annual General Meeting on 30 th September 2022							
c.	Type of deposits, i.e., whether secured or unsecured;	Unsecured Deposits							
		(Rs. In Lakhs)							
		Public		Share Holders					
d.	Amount which the company can raise by way of deposits as per the Act and the rules made there under;	NIL		1787.57					
	Aggregate of deposits actually held on the last day immediately preceding financial year (as on 31/03/2021)	0.54		278.71					
	Aggregate of deposits actually held on the date of issue of Circular or advertisement (as on 31/03/2022)	0.54		296.28					
	Amount of deposits proposed to be raised (Not Exceeding)	-		1,000.00					
	Amount of Deposits repayable in Next Twelve Months (upto 31/03/2023)	0.54		207.34					
e.	Terms of raising of Deposits								
	RATE OF INTEREST	PERIOD IN YEARS	Monthly Interest Scheme, Minimum Deposit of Rs.10000/-	Quarterly Interest Scheme, Minimum Deposit of Rs.5000/-	Cumulative Interest Scheme, Minimum Deposit Rs.5000/-				
							Maturity Value	Yield	
					1	9.75 %	9.83 %	Rs.5509/-	10.20 %
					2	10.25 %	10.34 %	Rs.6132/-	11.32 %
					3	10.50 %	10.59 %	Rs.6842/-	12.28 %
f.	Mode of payment and repayment	Account Payee Cheque (or) Demand Draft (or) Net banking / NEFT / RTGS							
g.	Proposed time schedule mentioning the date of opening of the Scheme and time period for which the circular or advertisement is valid								
	Date of opening of the scheme	1 st October 2022							
	Validity of the circular or advertisement	Date of next AGM or 6 Months from the Close of Financial Year 2022-23							

h.	Reasons or objects of raising the deposits;	The purpose of the Unsecured Deposits from Members is to fund the ongoing projects and augment working capital needs of the Company.		
i.	Credit rating Obtained;			
	Name of the Credit Rating Agencies	ICRA LIMITED		
	Meaning of the rating obtained	[ICRA] BB (Stable)		
	Date on which rating was obtained	06/06/2022		
j.	Extent of deposit insurance	Not Applicable		
	Terms of the insurance coverage			
	Duration of coverage			
	Extent of coverage			
	Procedure for claim in case of default etc.			
k	Short particulars of the charge created or to be created for securing such deposits, if any;	NOT APPLICABLE - As the deposits are unsecured		
l.	Any financial or other material interest of the directors, promoters or key managerial personnel in such deposits and the effect of such interest in so far it is different from the interest of other persons.	None of the Directors, Key Managerial Personnel and their relatives are concerned or interested		
3	DETAILS OF ANY OUTSTANDING DEPOSITS			
	a. Amount Outstanding (as on 31/03/2022)	Rs. 2,96,28,000		
	b. Date of Acceptance ;	At Different Dates		
	c. Total Amount Accepted including renewals	Rs.2,03,71,000		
	d. Rate of Interest	AT DIFFERENT RATES		
	e. Total of Number of Depositors;	112 NOS		
	f. Default, if any, in repayment of deposits and payment of interest thereon, if any, including number of depositors, amount and duration of default involved;	NOT APPLICABLE		
	g. Any waiver by depositors, of interest accrued on deposit;	NOT APPLICABLE		
4	Financial Position of the Company			
	A. Profits of the Company, before and after making Provision for tax for the Three Financial years immediately preceding the date of issue of circular or a advertisement			
	For the year ended	Profit / Loss Before Tax (Rs.In lakhs)	Profit / Loss After Tax (Rs.In lakhs)	
	31.03.2020	84.06	108.47	
	31.03.2021	45.83	(23.35)	
	31.03.2022*	401.00	296.00	
	B . Dividends declared by the Company in respect of the Said Three Financial years : Interest Coverage Ratio for Last three Years (Cash profit After Tax Plus interest paid or interest paid)			
	For the year ended	Dividend Declared (Equity) (Rs. In Lakhs)	Dividend Declared (Equity) (%)	Interest Coverage Ratio
	31.03.2020	28.10	5%	1.16
	31.03.2021	28.10	5%	1.11
	31.03.2022*	37.47	5%	2.00

*Subject to the approval of Share holders In the ensuing Annual General Meeting

C. A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of circular or advertisement				
(Rs. In Lakhs)				
PARTICULARS	31.03.2022*	31.03.2021	31.03.2020	
A. EQUITY AND LIABILITIES				
Equity	5112.94	3989.62	4055.28	
Non Current Liabilities	694.63	1515.67	1001.16	
Current Liabilities	5862.24	5617.26	5985.37	
TOTAL EQUITY AND LIABILITES	11669.81	11122.55	11041.81	
B. ASSETS				
Non - Current Assets	4363.19	4556.67	4349.71	
Current Assets	7306.62	6565.88	6692.10	
TOTAL ASSETS	11669.81	11122.55	11041.81	
D. Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement;				
PARTICULARS	31.03.2022*	31.03.2021	31.03.2020	
Cash Flow From Operating Activities	698.15	1066.45	1147.43	
Cash Flow From Investing Activities	(247.30)	(202.19)	51.47	
Cash Flow From Financing Activities	(595.86)	(777.92)	(1428.69)	
Net Increase / (Decrease) in Cash and Cash Equivalents	(145.01)	86.34	(229.79)	
*Subject to the approval of Shareholders in the Ensuing Annual General Meeting				
E. Any change in accounting policies during the last three years and their effects on the profits and the reserves of the company;	There is no change in Accounting Policies in the last three preceding financial years			
5. A DECLARATION BY THE DIRECTORS THAT -				
a)	the company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest thereon ;			
b)	the board of directors have satisfied themselves fully with respect to the affairs and prospects of the company and that they are of the opinion that having regard to the estimated future financial position of the company, the company will be able to meet its liabilities as and when they become due and that the company will not become insolvent within a period of one year from the date of issue of the circular or advertisement;			
c)	the company has complied with the provisions of the Act and the rules made there under;			
d)	the compliance with the Act and the rules does not imply that repayments of deposits is guaranteed by the Central Government;			
e)	the deposits accepted by the company before the commencement of the Act will be repaid along with interest on the respective due dates and until they are repaid, they shall be treated as unsecured & ranking pari-passu with other unsecured liabilities.			
f)	In case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any Penalty.			
g)	the deposits shall be used only for the purposes indicated in the circular or circular in the form of advertisement;			
h)	the deposits accepted by the company (other than the secured deposits, if any, aggregate amount of which to be indicated) are unsecured and rank paripassu with other unsecured liabilities of the company			
Note : The text of the Advertisement has been approved by the Board of Directors of the Company on 12 th August 2022. A Copy of this Advertisement will be filed with the Registrar of Companies , Chennai 600 006, Tamil Nadu as required by the Companies (Acceptance of Deposits) Rules, 2014 as amended. This Advertisement is issued on the Authority and in the name of Board of Directors of the Company				
Place : Chennai Date:12 th August 2022		By Order of the Board		For Beardsell Limited Kanhu Charan Sahu Company Secretary



DIRECTORS' REPORT

Dear Shareholders,

The directors submit annual report of Beardsell Limited (the “Company” or “Beardsell”) along with the audited financial statements for the financial year ended 31st March 2022. Consolidated performance of the Company has been referred to wherever required.

Financial Performance:

Summary financial performance of the Company is provided below and a more detailed report, state of it's affairs are included in the Management Discussion and Analysis:

Particulars	(Rs. in Lakhs)			
	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operation	17279.74	12062.84	18613.37	13225.21
Other income	279.34	103.66	267.99	90.28
Finance cost	401.28	429.92	478.34	526.83
Depreciation and amortization Expenses	511.87	525.33	635.76	647.17
Profit/ (Loss) before Exceptional Items and Tax	401.27	45.83	390.85	33.12
Exceptional Items	--	---	--	---
Profit/ (Loss) before Tax	401.27	45.83	390.85	33.12
Tax expenses / provisions	113.93	69.18	109.65	73.45
Profit after Tax	287.34	(23.35)	281.20	(40.33)
Other Comprehensive Income	8.55	(14.21)	8.55	(14.21)
Total Comprehensive Income	295.89	(37.56)	289.75	(54.54)

Dividends:

The Board of Directors has recommended Final Dividend of Re.0.10 (ten paise only) per Equity Share of face value of Rs.2.00 (Rupees two only) each for the financial year ended 31st March 2022. The dividend shall be paid after approval of the Members at the ensuing Annual General Meeting.

Reserves:

The Company does not propose to transfer amounts to the general reserve.

Share Capital:

During the year, the Company has allotted 93,66,336 (ninety three lakh sixty six thousand three hundred thirty six) fully paid-up Equity Shares of Rs.2/- (Rupees two only) each of the Company at a price of Rs.10/- (Rupees ten only) per share on rights basis, in the ratio of 1:3 Equity Shares held, to eligible equity shareholders of the Company pursuant to the Letter of Offer dated 15th December 2021.

The issue was made in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and Sections 42 and 62 of the Companies Act, 2013, as amended, including the rules made thereunder. The proceeds of funds raised by the Company are utilised as per Objects of the Issue as stated in the Letter of Offer.



The paid-up Equity Share Capital as on 31st March 2022 stood at Rs.7,49,30,688/- (Rupees seven crore forty-nine lakhs thirty thousand six hundred eighty-eight only) consisting of 3,74,65,344 (Three crore seventy-four lakhs sixty-five thousand three hundred forty four) full paid-up Equity Shares of Rs.2/- (Rupees two only) each.

Fixed Deposits:

Company has been accepting deposits from its members within the purview of provisions of Section 73 of the Companies Act, 2013 (“the Act”) read with the Companies (Acceptance of Deposit) Rules, 2014 to augment the working capital needs. The details of deposits during the financial year are provided below:

a)	Outstanding at the end of the Year	Rs.2,96,28,000/-
b)	Accepted During the year,	Rs.2,03,71,000/-
c)	Remained Unpaid or unclaimed as at the end of the year	Rs.54,000/-
d)	Whether there has been any default in repayment of deposits of payment of interest there on during the year and if so, number of such cases and the total amount involved	There was no default in repayment of deposit or payment of interest thereon.
	At the beginning of the year	NIL
	Maximum during the year	NIL
	At the end of the year	NIL
	The details of Deposits which are not in compliance with the requirements of Chapter V of the Act	NIL

Particulars of loans, guarantees and investments:

Particulars of loans, guarantees and investments have been discussed in the financial statements.

Directors’ Responsibility Statement:

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the work performed by the internal, statutory and secretarial auditors, including audit of internal financial controls over financial reporting by the statutory auditors, the board is of the opinion that the Company’s internal financial controls and compliance systems were adequate and effective during the reporting period.


Subsidiary Company:

As on closing of the reporting financial year, the company has one subsidiary Company. There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 (“Act”). There has been no material change in the nature of the business of the subsidiary.

A statement containing salient features of the financial statements of the subsidiaries, highlighting performances and financial position during the year is provided below:

(a)	Name of the subsidiary	M/s.Sarovar Insulation Private Limited
(b)	Reporting Period	1 st April 2021 to 31 st March 2022
(c)	Reporting currency	Indian Rupees (in lakhs)
(d)	Percentage of shareholding	100%
(e)	Share Capital	1.01
(f)	Reserves & Surplus	(224.62)
(g)	Total Assets	729.48
(h)	Total Liabilities	924.34
(i)	Investments	0.25
(j)	Turnover (Total Income)	995.35
(k)	Profit before taxation	(10.16)
(l)	Provision for taxation	(4.28)
(m)	Profit after taxation	(5.88)
(n)	Proposed Dividend	-----

The audited accounts of the subsidiary are available on company’s website www.beardsell.co.in and copy shall be provided to shareholders who ask for it. Policy for determining material subsidiaries of the Company is also available on the website of the Company.

Directors and key managerial personnel:

Mr.Gurram Jagannatha Reddy (DIN:07472109) and Mr.A V Rammohan (DIN:02093767), are appointed as independent directors for the first term of five years respectively ending on 27th June 2024 and 20th October 2024, in terms of provisions under the Companies Act, 2013 (“Act”), and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”). Subsequent to closure of the financial year, Mr. Mannam Malakondaiah (DIN:01431923) has been appointed as Additional Director (Non-executive Independent) for a term of five years with effect from 12th August 2022, subject to the approval of the Members at the ensuing Annual General Meeting. The terms and conditions of appointment of independent directors are as per Schedule IV of the Act, same is available in the website of the company at www.beardsell.co.in They have submitted declaration that each of them meets the criteria of independence as provided in section 149(6) of the Act and SEBI Listing Regulations and not disqualified from being appointed as Directors.

Mrs.Anumolu Jayasree (DIN:00845666), Mr.R Gowrishanker (DIN:00104597) and Mr.Jeyapaul Singh (DIN:03129164) are the Non-executive Directors in the Board of Directors of the Company.

Mr.Amrith Anumolu (DIN: 03044661), Executive Director, Mr.V V Sridharan, Chief Financial Officer, and Mr.K Murali, Company Secretary were the key managerial personnel of the Company, pursuant to the provisions of section 203 of the Act.

Ms.T.Anantha Jothi had resigned as Company Secretary on 30th April 2021, and Mr.K Murali was appointed as Company Secretary effective from 1st May 2021, who has resigned with effect from closing hours on 31st March 2022, and Mr.Kanhu Charan Sahu has been appointed as Company Secretary with effect from 11th April 2022.

Mr.Amrith Anumolu, and Mr.R Gowrishanker, retire by rotation and being eligible they have offered for reappointment at the ensuing Annual General Meeting.



Pecuniary relationship or transaction of the non-executive directors during the year with the Company are disclosed under Related Party Transactions in the notes to the Financial Statements and other places in the Report.

Composition of the board of directors and committees thereof, including the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee and the details of meeting of the board and the committees are discussed fully in the corporate governance report.

Company's policy on directors' appointment and remuneration and other matters provided in section 178(3) of the Act has been discussed along with the Nomination and Remuneration Committee in the corporate governance report.

Receipt of unsecured loans from Directors:

The details of unsecured loans received and outstanding at the end of the period is disclosed in the Notes under Financial Statements.

Board evaluation:

The Board members and the Committee members performed their functions as required by the Companies Act 2013 and as per the regulatory framework of Securities and Exchange Board of India.

The evaluation of the individual directors, including the independent directors was done taking into account their qualification, experience, competency, knowledge, understanding of their respective roles (as a Director, Independent Director and as a member of the Committees of which they are Members/Chairpersons), adherence to Codes and ethics, conduct, attendance and participation in the meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairperson was evaluated. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

Annual Return:

Copy of the Annual Return of the Company as per Section 92(3) of the Companies Act, 2013 is available on the Company website www.beardsell.co.in

Auditors:Statutory Auditors:

M/s.S R Batliboi & Associates LLP, Chartered Accountants, (Firm Reg. No.101049W/E300004) were appointed as Statutory Auditors of the Company at the AGM held on 14th September 2017, for a term of 5 (five) consecutive years.

The statutory auditors have issued their report on the standalone and consolidated financial statement of the company and the same were appended here to this report. Auditors have expressed their unmodified opinion on the Standalone and Consolidated Financial Statements and their reports do not contain any qualifications, reservations, however the Auditors have made few adverse remarks about delay in statutory remittances and filings which were complied with subsequently. There are no instances of frauds reported by auditors pursuant to sub-section (12) of Section 143 which are reportable to the Central Government.

In terms of the provisions under Companies Act, 2013 and rules framed thereunder, the terms of appointment of M/s.S R Batliboi & Associates LLP, as auditors of the company shall end at the conclusion of the eighty-fifth annual general meeting.



The Board of Director at the meeting held on 12th August 2012 considering the recommendation of the Audit Committee, had recommended the appointment of M/s.G Balu Associates LLP, Chartered Accountants, (Firm Registration No. 000376S/S200073) as statutory auditors for a period of five years commencing from the conclusion of the eighty-fifth annual general meeting, subject to approval of shareholders.

The proposed auditors have submitted a certificate to the effect that their appointment, if made, shall be in accordance with the provisions of the Companies Act, 2013, and they are not disqualified from being appointed as Statutory Auditors. They are also subjected to the peer review process of the Institute of Chartered Accountants of India and hold a valid Peer Review Certificate.

Secretarial Auditor:

As per provisions under section 204 of the Companies Act, 2013, the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Mr.Rabindra Kumar Samal, Practising Company Secretary (ICSI Membership No.FCS7649 and Certificate of Practice No.018278), was appointed to conduct secretarial audit upto financial years 2022-23. Report of the secretarial auditor for the financial year is annexed here to this report, which does not contain any qualification, reservation or adverse remarks. However, the secretarial auditor has made few observations about compliance of provisions under SEBI Listing Regulations which are self-explanatory.

Cost Records and Audit:

During the year under review, in accordance with Section 148(1) of the Act, the Company has maintained the accounts and cost records, as specified by the Central Government. Such cost accounts and records are subject to audit by Mr. M Krishnaswamy, Practising Cost Accountant, Chennai (ICMA Membership No.5944), Cost Auditors of the Company for FY 2021-22.

The Board has re-appointed Mr. M Krishnaswamy, Practising Cost Accountant, Chennai (ICMA Membership No.5944) as Cost Auditor of the Company for conducting cost audit for the FY 2022-23.

A resolution seeking approval of the Shareholders for ratifying the remuneration payable to the Cost Auditor for FY 2022-23 is provided in the Notice of the ensuing Annual General Meeting.

Reconciliation of Share Capital Audit:

A qualified practicing Company Secretary carries out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital. The Reconciliation of Share Capital Audit Report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

Internal Auditors

M/s. M.R. Ravichandran & Co, Chartered Accountants, Chennai are the Internal Auditors of the Company.

Vigil Mechanism:

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The provisions of the policy are in line with the provisions of the section 177(9) of the Act and Regulation 22 of the SEBI Listing Regulations. The policy is available in website of the Company at www.beardsell.co.in


Particular of employees:

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- i The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of the Director	Ratio to median remuneration
<i>Executive Directors:</i>	
Mr.Amrith Anumolu	8.64
<i>Non-executive Directors:</i>	
Mrs.Anumolu Jayasree	0.55
Mr.A V Rammohan	1.01
Mr.Gurram Jagannatha Reddy	1.04
Mr. R Gowrishanker	0.69
Mr.Jeyapaul Singh	0.79

Remuneration includes sitting fees paid to directors for attending meetings of Board and Committees

- ii The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mr.Amrith Anumolu, Executive Director	3
Mrs.Anumolu Jayasree, Non-executive Director	167
Mr.A V Rammohan, Non-executive Director	98
Mr.Gurram Jagannatha Reddy, Non-executive Director	117
Mr. R Gowrishanker, Non-executive Director	45
Mr.Jeyapaul Singh, Non-executive Director	130
Mr.V V Sridharan, Chief Financial Officer	27
Mr.K Murali, Company Secretary*	--
Ms.T Anantha Jothi, Company Secretary*	--

Remuneration includes sitting fees paid to directors for attending meetings of Board and Committees

**Not comparable as worked for part of the year*

- iii The percent increase in the median remuneration of employees in the financial year is 3%
- iv The number of permanent employees on the rolls of the company as at the end of financial year 195
- v During the year no formal increment was made in the salary of employees including the managerial personnel.
- vi The remuneration is as per the remuneration policy of the company.
- vii With respect to disclosures pertaining to remuneration of employees and other details as required under Section 197(12) of the Companies Act, 2013, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and also having regard to the proviso to Section 136(1) of the Companies Act, 2013 and as advised, the Annual Report excluding the



aforesaid information(s) is being sent to the members of the Company, however statement showing the names and other requisite particulars of such employees set out in the aforesaid rules is available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the date of AGM and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

Transactions with Related Parties:

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on the Company's website www.beardsell.co.in The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. All Related Party Transactions ("RPT") entered during the year were placed before the Audit Committee for review and approval.

A complete list of RPTs is provided as part of Notes to Accounts. None of the transactions with related parties could be considered not in the ordinary course of business or not in arm's length in terms of Section 188 of the Companies Act, 2013 and were also not material RPTs under Regulation 23 of the Listing Regulations. The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 does not apply to the Company for the FY 2021-22, hence not provided.

Risk Management:

The Company has in place a Risk Management Policy, pursuant to Section 134 of the Companies Act, 2013, which is published in the website of the Company at www.beardsell.co.in The Board of Directors and the Audit Committee shall be responsible for framing, implementing and monitoring the risk management plan of the company. Senior Executives shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning.

The major risks identified by the business/ functions and the ways mitigation has been covered in the management discussion and analysis.

Corporate Social Responsibility (CSR)

The Company usually undertakes CSR activities, projects, and programs voluntarily. During the year under review, the Company has spent Rs.3,00,000/- (Rupees three lakh only) on CSR activities. The details are furnished under the Corporate Governance Report (CGR) forming part of this Report.

Conservation of Energy, Research and Development, Technology Absorption, Foreign Currency Earning and Outgo:

- (A) Conservation of Energy
The company takes adequate measures to save energy by installing energy efficient electrical and electronic equipments.
- (B) Research and Development
The company has not carried out any specific research activity during the year under review. However, as part of regular ongoing business it explores ideas in energy conservation, process up-gradation and environmental preservation.
- (C) Technology absorption, adaptation and innovation
The company continues to use the latest technologies for improving productivity and quality of its operations.



(D) Foreign exchange earnings and outgo

The company imports raw materials and equipment for business purpose. Details of foreign currency earned and used during the year are provided below.

	Year ended 31-03-2022	Year ended 31-03-2021
Foreign Exchange Earnings	USD 7,623 equivalent to Rs.5,68,785/-	USD 3,250 equivalent to Rs.2,35,612/-
Expenditure in foreign currency	USD 14,22,245 AUD 4,490 EURO 3,666 equivalent to Rs.10,67,20,678/-	USD 6,18,894 AUD 3,755 equivalent to Rs.4,58,62,723/-

Corporate Governance Reports:

Pursuant to Regulation 34 of the SEBI Listing Regulations and other applicable provisions, the following have been made part of this report.

- Management Discussion and Analysis
- Corporate Governance Report
- Certificate from the Secretarial Auditors regarding compliance of conditions of Corporate Governance.
- Declaration on compliance with Code of Conduct
- Certificate of the Executive Director and the Chief Financial Officer on the financial statements
- Certificate of non-disqualification of Directors by a Practicing Company Secretary

Obligation under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Your Company has in place a policy for prevention of sexual harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and an Internal Complaints Committee has been set up to look into complaints relating to sexual harassment. During the year 2021-22, no such complaint has been received.

Appreciation

The Directors wish to convey their deep appreciation to all the customers, vendors, investors, and consultants/advisors of the Company for their sincere and dedicated services as well as their collective contribution to the Company's performance.

The Directors thank the Government of India, Governments of various States in India, and concerned Government departments for their co-operation.

The Directors also place on record their appreciation to all the employees for their commendable contribution at various levels.

For and on behalf of the Board of Directors

Amrith Anumolu
(DIN : 03044661)
Executive Director
Hyderabad
12th August 2022

R Gowrishanker
(DIN : 00104597)
Chairman
Chennai
12th August 2022



Annexure

FORM NO. MR.3

Secretarial Audit Report for the Financial Year Ended March 31, 2022
(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
 The Members,
 Beardsell Limited
 47, Greams Road,
 Chennai – 600 006

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Beardsell Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2022, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed website and other records made available to us and maintained by the Company for the Financial Year ended on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed thereunder
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments from time to time;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the audit period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the audit period)**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not applicable to the Company during the audit period)**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)**
- (vi) In our opinion and as identified as informed by the management, the Company has adequate systems to



monitor and ensure compliance (including the process of renewal /fresh/pending applications with government authorities), the following laws are specifically applicable to the company.

1. The Indian Boilers Act, 1923 and rules made thereunder.
2. The Petroleum Act, 1934 and rules and regulations made thereunder.
3. The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.
4. Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975.
5. Air (Prevention and Control of Pollution) Act, 1981 and the rules and standards made thereunder.
6. Environment Protection Act, 1986 and the rules, notifications issued thereunder.
7. The Legal Metrology Act, 2009 and rules made thereunder.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments from time to time.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. Provisions pertaining to Nomination and Remuneration Committee Composition - Two Third of the members are not Independent as applicable effective from 01/01/2022 under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee has been reconstituted at the Board Meeting held on 11/04/2022 and accordingly complied with the provisions
2. Filing of various forms and returns with Registrar of Companies in the prescribed time or within the extended time with payment of additional fees under Companies Act, 2013.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision was carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit period no events have occurred, which has major bearing on the Company's affairs.

Rabindra Kumar Samal
 Practicing Company Secretary
 FCS No.:7649 CP No.: 18278
 UDIN-F007649D000846080

Place: Chennai
 Date: 10th August 2022

This Report is to be read with our letter of even date which is annexed as **Annexure A** and Forms an integral part of this report.

**ANNEXURE – A**

To,
The Members,
Beardsell Limited
47, Greams Road,
Chennai – 600 006

Our report of even date is to be read along with this letter.

1. Maintenance of statutory and other records are the responsibility of the management of the Company. Our responsibility is to express an opinion on these records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and books of Accounts of the Company. We have relied on the report of the Statutory Auditor in respect of the same as per the guidance of the Institute of Company Secretaries of India.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The Company is following a system of obtaining reports from various departments to ensure compliance with applicable laws.
6. The compliance of the provisions of corporate and other applicable laws, rules, regulations, and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Chennai
Date: 10th August 2022

Rabindra Kumar Samal
Practicing Company Secretary
FCS No.:7649 CP No.: 18278
UDIN-F007649D000846080



MANAGEMENT DISCUSSION AND ANALYSIS

Certain statements made in the management discussion and analysis relating to Company's objectives, projections, estimations and expectations, may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results, performance or achievements may differ from such expectations whether expressed or implied. The important factors, which could have an impact on the company's operations, include climatic and economic conditions affecting demand and supply, changes in government regulations and taxation, and other incidental factors over which the Company does not have control. The company assumes no responsibility to publicly amend modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

Economic Overview:

Global Economy

The global economy started the year on a positive note with the successful rollout of vaccination programme across countries. With the societies and countries opening up, economic recovery gathered steam, driven by strong consumer spending and uptake in investments. Global trade in goods recovered at an accelerated pace, surpassing the pre-pandemic levels and registered highest growth in four decades. However, emergence of newer variants, lingering supply chain challenges, rising crude oil prices and inflationary pressures impacted the pace of recovery. The growth momentum was substantially impacted in China, the US, and European Union, as the impact of monetary and fiscal stimuli started reducing, hike in interest rates by the US Fed and supply chain challenges. Despite the challenges, after a 3.1% contraction in 2020, the global economy recovered well and reported a growth of 6.1% in 2021, as per the World Economic Outlook.

The longer than expected conflict between Ukraine and Russia, which started in February 2022, is expected to weaken the economic recovery, apart from creating one of the largest humanitarian tragedies. This conflict has also pushed up the price of crude oil and commodities, disrupted the supply of agri-inputs and food, and aggravated the inflationary environment across the world.

Indian economy

The Indian economy registered a healthy growth of 8.7% in FY 2022, after the pandemic-led contraction of 6.6% in FY 2021. The spread of the deadly delta variant of the Sars-Cov2 virus wreaked havoc and led to a much higher loss of lives compared to the first wave. Localised restriction impacted recovery in the first quarter of the year. During the second half of the year, cost-push inflation impacted overall economic sentiment. The RBI's prolonged accommodative stance helped the country continue to recover during the year under review.

The government of India took several measures to drive the manufacturing sector, with the PLI scheme as the prominent one to position India as a global manufacturing hub. The outlook for the coming year remains moderate as several challenges including the high inflationary environment and the trickle-down impact of the global supply chain disruptions continue to affect recovery process. With the RBI raising interest to tame inflation, growth is expected to taper in the upcoming fiscal year.

Business Overview:

The external environment continued to be extremely challenging in FY 2022, with unprecedented volatility in input material prices, shortage of key materials, supply chain disruptions, as well as absenteeism coupled with wage inflation. Covid 19 also continued to have an impact in many parts of the world.

Despite these challenges, your company delivered strong double digit revenue growth of 43 percent, even as we continued to navigate this dynamic environment. Company earned a net profit after tax of Rs.287.34 lakhs during the year 2021-22 as against loss of Rs.23.35 lakhs in the previous year. Improved performance was possible due to overall growth in the volume sales of Company's products and healthy margins between raw material and finished product prices.


Insulation:

Insulation segment which comprises manufacture of Expanded Polystyrene (EPS) Products, Prefab Panels and related Contracting Activities. EPS has varied applications in insulation and packaging. The prefab building elements manufactured by your Company finds applications in cold Storages, Food Processing Plants, Pharmaceuticals and Roofing applications. SteilWallz panels finds applications in construction of low-cost housing. Insulation revenue which was 89 percent of the total revenue during the year had grown by around 40 percent to Rs.15,370.55 Lakhs on standalone basis.

Trading:

Trading includes motors, export of fabrics, telemedicine equipment's, Information Technology Products etc. Trading revenue during the year was increased by around 76 percent to Rs.1,909.19 Lakhs on standalone basis.

Company performances in past ten years are provided below:

Particulars	Year ended 31 st March									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	(Rs. Lakhs except wherever otherwise mentioned)									
Income	9609.92	10704.20	13202.42	15122.88	18060.02	15158.90	17119.39	14010.44	12166.50	17559.08
Profit before Depreciation	685.26	424.88	299.28	835.68	1449.02	359.36	283.46	650.64	571.76	913.14
Depreciation	179.33	222.52	304.50	322.33	337.12	319.11	330.27	497.23	525.33	511.87
Taxation - Current	121.65	4.70	0.00	155.00	412.00	18.57	22.58	200.00	151.95	103.43
- Deferred	90.23	68.54	4.61	29.82	8.70	(42.98)	(1.14)	(155.06)	(82.77)	10.50
Profit / (Loss) after Tax	294.05	129.12	(9.83)	328.53	691.20	64.66	(68.25)	108.47	(23.35)	287.34
Dividend	46.83	46.83	46.83	56.20	70.25	67.44	-	67.44	28.10	37.47
Tax on Dividend	7.96	7.96	9.53	11.44	14.30	13.73	-	13.86	-	-
Retained Funds	239.26	74.33	(66.19)	260.89	606.65	(16.51)	(68.25)	27.17	(51.45)	249.87
Share Capital	468.32	468.32	468.32	468.32	468.32	561.98	561.98	561.98	561.98	749.31
Earnings per Share (Rs.)	6.28	2.76	(0.21)	7.02	2.46	0.23	(0.24)	0.39	(0.08)	0.96
Net Worth	3250.96	3325.29	3253.32	3514.21	4108.72	4110.06	4031.86	4055.28	3989.62	5112.95
Book Value per Share (Rs.)	69.42	71.00	69.47	75.04	17.55	14.63	14.35	14.43	14.20	13.65
Face Value per Share (Rs.)	10.00	10.00	10.00	10.00	2.00	2.00	2.00	2.00	2.00	2.00

Key financial ratios and significance changes in them are disclosed under notes to the standalone and consolidated financial statements.

Internal Control System

There is a strong internal control culture in the company, commensurating with it's size and the nature of operation which and providing reliable financial and operational information, compliance of applicable statutes, safeguarding of assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of corporate policies. Highest standard of internal control is ensured by regular audit by the Internal Auditors. The significant observations made in internal audit reports on internal control deficiencies, if any, and the status on implementation of recommended remedial measures, are presented and reviewed by the Audit Committee of the Board. The statutory auditors of the Company have issued a report on the internal control over financial reporting as stated under section 143 of the Companies Act, 2013.

Human Resources

Human Resources are one of the most important ingredients to fuel future growth and progress of the organization. The Company therefore strives to align human resource policy and initiatives to meet business plans, and fosters a performance oriented work culture and offers amongst the best opportunities in the industry for professional as well as personal growth of it's employees. Over the years the company has built up a strong human resource



structure. The company has qualified and experienced team of professionals in Production, Marketing, Finance, Legal & Secretarial, HR & Administration.

Risks and concerns

Company continuously monitors the risks associated with its business and operations including timely identification of new risks, if any, and plans to mitigate risks so as to avoid any adverse impact on the Company's operations. The company has identified following risks for regular monitoring:

Our Company is significantly reliant on the revenues earned from our insulation and pre-fabricated metal sheet and EPoS core buildings and panels. Any downturn in our ability to increase or effectively manage our sales could have an adverse impact on our Company's business, cash flows and results of operations.

Our Company's business is dependent on few customers. Any loss of such customers or a significant reduction in purchases by such customers could adversely affect our business, results of operations and financial conditions.

We depend almost entirely on third-party suppliers in respect of availability of our raw materials. An interruption in the supply of such products and price volatility could adversely affect our business, results of operations and financial condition

Our inability to receive or renew the necessary licenses, approvals and registrations in a timely manner or at all may lead to interruption of our Company's operations. Failure to meet our production timelines may impact our reputation and could also lead to cancellation of our orders.

Some of the raw materials that we use are inflammable in nature. While we take adequate care and follow all relevant safety measures, there is a risk of fire and other accidents, at our manufacturing units and warehouses. Any accidents is likely to result in loss of property of our Company and/or disruption in the manufacturing processes which may have a material adverse effect on our results of operations, cash flows and financial condition.

If our Company is unable to protect its intellectual property, or if our Company infringes on the intellectual property rights of others, our business may be adversely affected.

We do not own certain premises used by our Company. Disruption of our rights as licensee/ lessee or termination of the agreements with our licensors/lessors would adversely impact our manufacturing operations and, consequently, our business.

Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.

Any failure in our quality control processes may adversely affect our business, results of operations, cash flows and financial condition. We may face product liability claims and legal proceedings if the quality of our products does not meet our customers' expectations.

Company's businesses are subject to a variety of laws and regulations. Non-compliance with and changes in, safety, health, labour and environmental laws and other applicable regulations, may adversely affect our business, results of operations and financial condition.

For and on behalf of the Board of Directors

Amrith Anumolu
 (DIN : 03044661)
 Executive Director
 Hyderabad
 12th August 2022

R Gowrishanker
 (DIN : 00104597)
 Chairman
 Chennai
 12th August 2022



REPORT ON CORPORATE GOVERNANCE

INTRODUCTION

Corporate Governance sets out the framework and process by which institutions, through their board of directors and senior management, regulate their business activities. These principles balance safe and sound business operations while complying with relevant laws and regulations. Your Board is committed to applying and maintaining high standards of corporate governance to safeguard and promote the interests of the stakeholders and to enhance the long-term value of the company.

1. Board of Directors

a) Composition of the Board of Directors

The Board consists of optimum combination of executive and nonexecutive/ independent directors in conformity with Regulation 17 of the SEBI Listing Regulations. During the financial year the board was consisting of 6 (six) members, of whom 5 (five) members are nonexecutive directors and out of them 2 (two) are independent directors. All directors including the nonexecutive directors are suitably qualified, experienced and competent.

None of the directors on the board hold directorships in more than eight public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a director. Necessary disclosures regarding committee positions in other public companies as on 31st March 2022 have been made by the directors.

Independent directors are non-executive directors as defined under Section 149 of the Companies Act, 2013 (“Companies Act”) read with Regulation 16 of the SEBI Listing Regulations. The maximum tenure of the independent directors is in compliance with the Companies Act. All the Independent Directors have confirmed that they meet the required criteria of independence. The terms and conditions of appointment of the independent directors are disclosed on the website of the company at www.beardsell.co.in

b) Matrix on skill sets required to be possessed by Board of Directors

We recognize the importance of having a Board comprising of directors who have a range of experiences, capabilities and diverse points of view. This helps to create an effective and well-rounded board. In terms of the requirement of Listing Regulations, the Board has identified the following core skills / expertise / competencies of the Directors in the context of the Company’s business for effective functioning as given below:

Business Leadership: Leadership experience including in areas of business development, strategic planning, succession planning, driving change and long-term growth and guiding the Company and its senior management towards its vision and values.

Personal values: Personal characteristics matching the Company’s values, such as integrity, accountability, and high performance standards.

Technology & Innovations: Experience or knowledge of emerging areas of technology, including the digital platform for its efficient functioning and profitability in the business, ability to anticipate technological driven changes and disruption which may impact the business.

Financial Proficiency: Knowledge and skills in handling and understanding of accounting and financial statements, financial management, financial reporting, cost analysis / reduction, problem-solving approach.

Corporate Governance: Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the company and protecting stakeholder’s interest.



Risk Management: Ability to understand and assess the key risks to the organization, legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted.

Name of the Director	Business Leadership	Personal values	Technology & Innovations	Financial Proficiency	Corporate Governance	Risk Management
Mr.R Gowrishanker, Chairman and Non-executive Director DIN: 00104597	√	√	√	√	√	√
Mr. A V Rammohan Independent Director DIN: 02093767	√	√	√	√	√	√
Mr. Gurram Jagannatha Reddy, Independent Director DIN: 07472109	√	√	√	√	√	√
Mr. Jeyapaul Singh, Non-executive Director DIN: 03129164	√	√	√	√	√	√
Mrs.Anumolu Jayasree, Non-executive Director DIN: 00845666	√	√	√	√	√	√
Mr. Amrith Anumolu Executive Director DIN: 03044661	√	√	√	√	√	√

Note - Each Director may possess varied combinations of skills/ expertise within the described set of parameters and it is not necessary that all Directors possess all skills/ expertise listed therein.

c) Functioning of the Board and attendance by directors at meetings

The chairperson is responsible for Boards' effectiveness and conduct. The non-executive independent directors play a pivotal role in corporate accountability and provide unbiased and independent views and judgement to the Board's deliberation and decision making process. They ensure that the matters and issues brought up to the Board are fully discussed and examined, taking into account the interest of all stakeholders.

The Board has full and unrestricted access to all information pertaining to the businesses and affairs of the company as well as services of the Company Secretary to enable them to discharge their duties effectively. The Company Secretary also ensures that the Board is supplied with all necessary information in a reliable and timely manner and acts as communication link between the Board, the Committees and the senior management. The Board may also seek external independent professional advice at the company's expense.

The Board meets at least once in every quarter and on other occasions as and when necessary. The agenda papers normally get circulated prior to the meeting. The Company Secretary attends all board meetings and committee meetings and ensures that proceedings of the meetings and resolutions passed thereat are properly recorded. Minutes of the meetings are circulated among the directors and committee members to provide an opportunity to review prior to confirmation.

During the financial year nine (9) board meetings were held, on 7th May 2021, 30th June 2021, 7th August 2021, 13th August 2021, 25th October 2021, 12th November 2021, 11th December 2021, 22nd January 2022 and 12th February 2022. The necessary quorum was present for all the meetings.

The names and categories of the directors on the board, their attendance at board meetings held during the year and the number of directorships and committee chairmanships / memberships held by them in other public companies as on 31st March 2022 are given in table below.


Composition of Board of Directors and Attendance:

Name and designation	Attendance at Board Meetings		Attendance at AGM held on 15 th September 2021	Number of directorships and Committee membership / chairmanship in other Indian Public Limited Companies and Name of Listed entities where they are directors along with category of directorship				
	Held	Attended		Other Directorship	Name of Listed Entity	Category of Directorship	Committee Positions	
							Member	Chairman
Mr.R Gowrishanker, Chairman and Non-executive Director DIN: 00104597	9	8	Yes	--	--	--	--	--
Mr. A V Rammohan Independent Director DIN: 02093767	9	9	Yes	--	--	--	--	--
Mr. Gurram Jagannatha Reddy, Independent Director DIN: 07472109	9	9	Yes	--	--	--	--	--
Mr. Jeyapaul Singh, Non-executive Director DIN: 03129164	9	9	Yes	--	--	--	--	--
Mrs.Anumolu Jayasree, Non-executive Director DIN: 00845666	9	7	Yes	--	--	--	--	--
Mr. Amrith Anumolu Executive Director DIN: 03044661	9	9	Yes	--	--	--	--	--

Other directorships do not include directorships of private limited companies, Section 8 companies and foreign companies. Chairmanships / memberships of board committees include only audit committee and stakeholders' relationship committee. None of the directors related to any other director, except the following, Mr.Amrith Anumolu, Executive Director is son of Mrs.Anumolu Jayasree, Non-executive Director.

Pursuant to Regulation 25 of the Listing Regulations, a meeting of Independent Directors is required to be held once in a year inter alia, to:

- Review the performance of Non-Independent Directors and the Board as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Meeting of Independent Directors of the Company was held on 21st March 2022 without the presence of Non-Independent Directors and Members of the Management.

The Independent Directors are familiarized of their roles, rights, and responsibilities in the Company, nature of industry in which the Company operates and business model of the Company.

d) Code of conduct for Board of Directors and Senior Management Personnel

The company has adopted a code of conduct ("The Code") for Board of Directors and Senior Management Personnel. The code has been communicated to Directors and the members of the Senior Management. The code has also been displayed on the company's website, www.beardsell.co.in Board members and senior management staff have confirmed compliance with the code for the year ended 31st March 2022. The Annual report contains a declaration to this effect signed by the Chairperson & Managing Director.



e) Prohibition of Insider Trading

In terms of SEBI (Prohibition of Insider Trading) Regulations, 2015, the company has framed the following codes:

- (i) Code of practice and procedure for fair disclosure of unpublished price sensitive information (Fair Disclosure Code)
- (ii) Code of conduct to regulate, monitor and report trading by employees and other connected persons (Insider Trading Code)

2. Board Committees

a) Audit Committee

The audit committee is constituted in line with the provisions of Regulation 18 of the SEBI Listing Regulations read with Section 177 of the Companies Act.

Audit Committee provides direction to the audit and risk management function in the Company and monitors the quality of internal audit and it functions as per the terms of reference made to it, which, *inter-alia*, includes: overseeing the financial reporting process to ensure proper disclosure of financial statements; recommending appointment / removal of statutory auditors, fixing their remuneration, review and monitor their independence and performance; reviewing the annual financial statements before submission to the Board; review and monitor of reviewing adequacy of internal control systems, recommending appointment and remuneration of internal auditors, reviewing findings in the internal audit report, discussing the scope of audit with auditors; review and approval of transactions with related parties; review functioning of whistle blower policy, etc. The terms of reference to the audit committee is published in the website of the company at www.beardsell.co.in

The representatives of the Statutory Auditors, Internal Auditors are permanent invitees to the Audit Committee meetings held quarterly, to approve financial statements. The Executive Director, Senior Management of the Company also attend the meetings as invitee.

During the financial year the Audit Committee has met six (6) times, on 30th June 2021, 7th August 2021, 13th August 2021, 12th November 2021, 11th December 2021 and 12th February 2022. Necessary quorum was present for all meetings. Minutes of each meeting was placed before the board and discussed. The Chief Financial Officer, representatives of Internal Auditors / Statutory Auditors were also invited to the meetings. Company Secretary acts as secretary to the committee.

Composition of the Audit Committee and attendance during the financial year:

Name	Designation	No of meetings during the year	
		Held	Attended
Mr.A V Rammohan	Chairman	6	6
Mr.Gurram Jagannatha Reddy	Member	6	6
Mr.R Gowrishanker	Member	6	5

All the members of the Audit committee are financially literate, and the Chairman is equipped with sound knowledge in financial management and accounting.

b) Stakeholders' Relationship Committee

The Stakeholders Relationship Committee is constituted in line with the provisions of Regulation 20 of the SEBI Listing Regulations read with Section 178 of the Companies Act, to look into various aspects of interest, *inter alia*, the investor grievances such as transfer or credit of shares, non-receipt of dividend / notices / annual reports, etc.



The role of the committee shall *inter-alia* the following:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

During the year the committee has met once, on 28th March 2022. The requisite quorum was present for the meeting.

Composition of the Stakeholders' Relationship Committee and attendance during the year:

Name	Designation	Number of meetings during the year	
		Held	Attended
Mr.Gurram Jagannatha Reddy	Chairman	1	1
Mr.R Gowrishanker	Member	1	1
Mr.Jeyapaul Singh	Member	1	1
Mr.Amirth Anumolu	Member	1	0

Chairman of the committee is a nonexecutive independent director. As on closure of the year under report, no complaint was pending.

Name, Designation and address of Compliance Officer:

Mr.K Murali, was the Company Secretary and Compliance Officer during the financial year, who has resigned with effective from 31st March 2022, and in his place Mr. Kanhu Charan Sahu has been appointed with effect from 11th April 2022, as Company Secretary and Compliance Officer.

Address:

Beardsell Limited
 No.47, Greams Road, Chennai – 600006
 Phone – 044 2829 3296 / 0900; Email for investor grievances – igrc@beardsell.co.in

c) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee is constituted in line with the provisions of Regulation 19 of the SEBI Listing Regulations read with Section 178 of the Companies Act. The committee was comprising of four (4) non-executive directors of whom two (2) were independent directors.

During the year the committee has met three (3) time on 7th May 2021, 12th February 2022 and 28th March 2022. The requisite quorum was present for the meeting.

Composition of the Nomination & Remuneration Committee and attendance during the year:

Name	Designation	Number of meetings during the year	
		Held	Attended
Mr.Gurram Jagannatha Reddy	Chairman	3	3
Mr.A V Rammohan	Member	3	3
Mr.Jeyapaul Singh	Member	3	3
Mrs.Anumolu Jayasree	Member	3	3



Roles and responsibilities of the nomination and remuneration committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Recommendation on whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- recommend to the board, all remuneration, in whatever form, payable to senior management.

The nomination and remuneration policy of the Company along with terms of reference to the committee is published on website of the Company at www.beardsell.co.in The Company follows a performance based remuneration policy, which enables to attract, retain and motivate the employees to create high performance culture. Whole-time executive directors only receive regular remuneration. All directors are entitled for sitting fees for attending board / committee meetings.

Details of remuneration paid to directors for financial year ended 31st March 2022:

Name	Particulars	Amount (Rs.)
<i>Executive Director</i>		
Mr.Amrith Anumolu	Salary	28,80,000
	Perquisites	1,79,650
	Contribution to Provident Fund and Superannuation Fund	4,86,000
	Sitting Fees, including conveyance charges	2,50,000
	Total	37,95,650
<i>Non-executive Directors</i>		
Mr.Gurram Jagannatha Reddy	Sitting Fees, including conveyance charges	4,55,000
Mr.A V Rammohan	Sitting Fees, including conveyance charges	4,45,000
Mr.Jeyapaul Singh	Sitting Fees, including conveyance charges	3,45,000
Mrs.Anumolu Jayasree	Sitting Fees, including conveyance charges	2,40,000
Mr.R Gowrishanker	Sitting Fees, including conveyance charges	3,05,000

d) Corporate Social Responsibility Committee:

Your Company regularly undertakes Corporate Social Responsibility (CSR) Activities, and formed a Committee to oversee the CSR Activities. During the year the committee has met once, on 28th March 2022, composition of the Committee and attendance during the year:

Name	Designation	Number of meetings during the year	
		Held	Attended
Mrs.Anumolu Jayasree	Chairperson	1	1
Mr.Gurram Jagannatha Reddy	Member	1	1
Mr.Jeyapaul Singh	Member	1	1
Mr.Amrith Anumolu	Member	1	1



The details of CSR activities undertaken by the Company during the year is as below:

1	A BRIEF OUTLINE OF THE Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and the projects or programs and the composition of the CSR Committee.	The Company's focus on CSR is towards providing quality education for needy and poor children
2	Average Net Profits of the Company for the last three years.	Rs.50.81 Lacs
3	Prescribed CSR expenditure (two percent of the amount mentioned in item No.2 above).	Not Applicable
4	Details of CSR spend during the financial year.	
	Total amount to be spent for the financial year	Not Applicable
	Amount actually spent.	Rs.3.00 Lacs
	Manner in which amount spent during the financial year.	Details given below

S. No	CSR Project or activity identified	Sector in which the project is covered	Area where programme undertaken	Amount of Outlay (Rs. In Lacs)	Amount Spent (Rs. In Lacs)	Cumulative expenditure upto the reporting period (FY 2021-22) (Rs. In Lacs)	Amount spent Direct or Implementing agency
1	Rotary Club of Madras Charitable Trust	To help in education and medical facilities to the needy persons.	Chennai	3.00	3.00	Not Applicable	Implementing Agency

3. General Body Meeting

a) Details of last three Annual General Meeting:

Year	Date	Time	Venue	No of Special Resolutions Passed
2021	15 th September 2021	10:00 A.M.	In view of the COVID – 19 outbreak, the meeting was held through VC/OAVM at the Registered Office of the Company.	NIL
2020	30 th September 2020	10:00 A.M.	In view of the COVID – 19 outbreak, the meeting was held through VC/OAVM at the Registered Office of the Company.	NIL
2019	30 th September 2019	10:00 A.M.	Hindustan Chamber of Commerce, HC Kothari Memorial Hall, "GreamsDugar", South Wing, 5th Floor, 149 Greams Road, Chennai 600 006"	2

b) Details of the special resolution passed at the above stated annual general meetings:

At the Annual General Meeting held on 30th September 2019

- Reappointment of Mr.Jeyapaul Singh as Independent Director
- Reappointment of Mr.R Gowrishanker as Independent Director

c) No extraordinary general meeting of the members were held during the financial year



d) During the year, no special resolution has been passed through the exercise of postal ballot. None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot.

4. Disclosures:

a) Related party transactions

In the ordinary course of business, the company enters into transactions with related parties. The transactions are done at arm's length. Details of "Related Parties Disclosure" in compliance with Accounting Standards are provided in the notes to the financial statements. None of the transactions was in conflict with interests of company. The board has approved a policy for related party transactions which has been published on the Company's website www.beardsell.co.in

b) Compliances by the company

The company has taken enough care to comply with corporate governance specified in regulation 17 to 27 and clauses (b) to (i) of sub - regulation (2) of regulation 46 of the SEBI Listing Regulations. No penalties were imposed on any matter related to capital market during last three financial years.

c) Whistle Blower Policy

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behavior, same has been published in the company's website www.beardsell.co.in As per the policy the Chairman of the Audit Committee is the nodal point for receiving, assessing and placing complaints before the Audit Committee, and the Audit Committee disposes the complaint on a best suitable manner either by referring to a concerned department head or any member of the Audit Committee to investigate the matter. No person has been denied access to the chairman of the audit committee. During the reporting period no complaint had been received under the policy.

d) Prevention of Sexual Harassment at Workplace Policy

The Company has in place Prevention of Sexual Harassment at Workplace Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, Redressal) Act, 2013 and the Rules made thereunder. The Company has zero tolerance towards any action on the part of any executive which may fall under the ambit of "Sexual Harassment" at workplace and is fully committed to uphold and maintain the dignity of every executive working in the Company. The Policy provides for protection against sexual harassment at workplace and for prevention and redressal of such complaints. There was no such complaints were pending at the beginning of the financial year 2021-22, further no complaints were received during the year.

e) Management Discussion and Analysis

A detailed Management Discussion and Analysis is published as a part of the Annual Report.

f) CEO/ CFO Certification

Copy of the compliance certificate submitted to the Board by the Chairperson & Managing Director and the Chief Financial Officer under Regulation 17(8) of the SEBI Listing Regulations is included in this Annual Report.

g) Succession Policy

The company has put in place succession policy for appointment to the Board and to senior management, same is available in the company's website www.beardsell.co.in



h) Total Fees (paid to statutory auditors and network entities)

- I. Fees paid to the statutory auditors M/s.S R Batliboi & Associates LLP for all services rendered to the Company during the financial year is provided below:
 - i. Statutory audit fees - Rs.12,00,000/- (Rupees twelve lakh only)
 - ii. Limited review of quarterly results (three quarters) as required under the Listing Regulations – Rs.9,00,000/- (Rupees nine lakh only)
 - iii. Tax audit fees - Rs.1,00,000/- (Rupees one lakh only)
 - iv. Certifications for rights issue – Rs.41,00,000/- (Rupees forty one lakh only)
 - v. Other Certification Fees - Rs.50,000/- (Rupees fifty thousand only)
- II. Fees paid to network entities of statutory auditors during the financial year is provided below:
 - i. M/s.Ernst & Young LLP – Tax consultancy fees Rs.4,48,000/- (Rupees four lakh forty eight thousand only)

The above stated fees are exclusive of Taxes and Out of pocket Expenses. The statutory auditors or any other entity in their network have not rendered any service to the subsidiary company during the financial year.

i) Disclosure with respect to Demat Suspense Account/ Unclaimed Suspense Account

During the year under review, there were no shares in Demat Suspense Account or Unclaimed Suspense Account of the Company.

5. Means of Communication

The financial results of the Company were published in English and Tamil Newspapers, posted on the Company's website www.beardsell.co.in and also disbursed through NSE and BSE.

6. General Shareholders Information

- | | | | |
|----|--|---|--|
| a) | Date, time and venue of Annual General Meeting | : | 30 th September 2022, at 10:00 a.m., at the Registered Office of the Company through Video Conferencing / Other Audio Visual Means |
| b) | Financial Calendar 2022-23 | : | <ol style="list-style-type: none"> i. First quarter (April – June) Result – by second week of August 2022 ii. Second quarter (July – September) Result – by second week of November 2022 iii. Third quarter (October – December) Result – by second week of February 2023 iv. Fourth quarter (January – March) Result – by fourth week of May 2023 |
| c) | Date of Book Closure | : | 24 th September 2022 to 30 th September 2022 (both days inclusive) |
| d) | Dividend payment date | : | The Dividend, if declared at AGM, will be paid on or before 29 th October 2022 |
| e) | Listing on Stock Exchanges | : | Shares of the company are listed in – National Stock Exchange of India Limited (NSE) BSE Limited (BSE) |
| f) | Stock Code | : | BSE – 539447
NSE – BEARDSELL |
| g) | Listing Fees | : | Listing fees as applicable have been paid. |
| h) | Registered Office/Address for communication | : | Beardsell Limited
No.47, Greams Road, Chennai – 600006
Phone – 044 2829 3296 / 0900 |



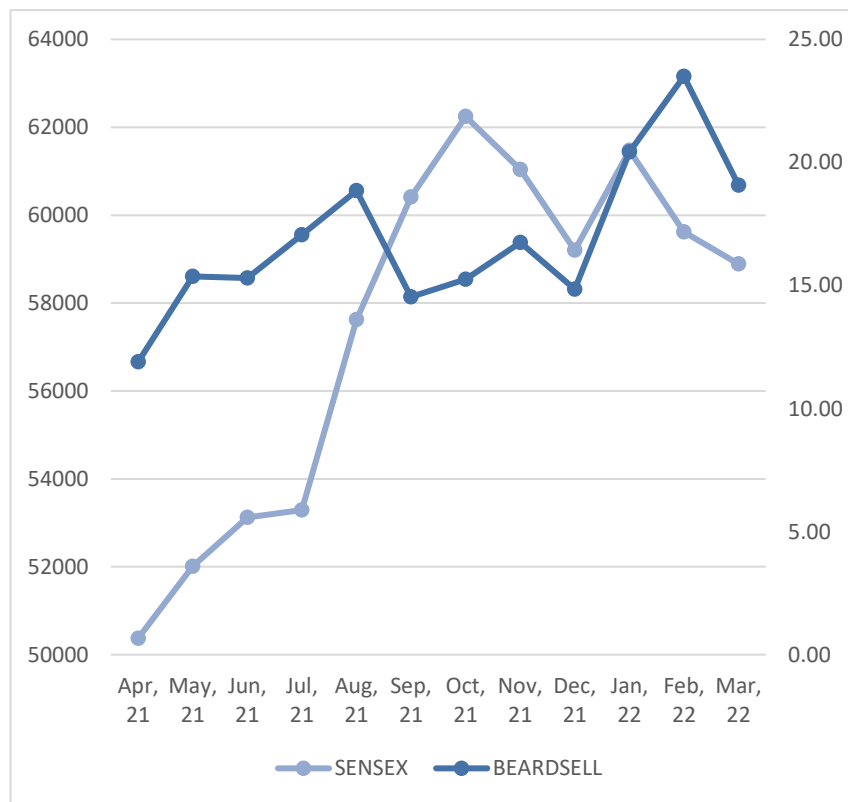
i) Stock Market Data :

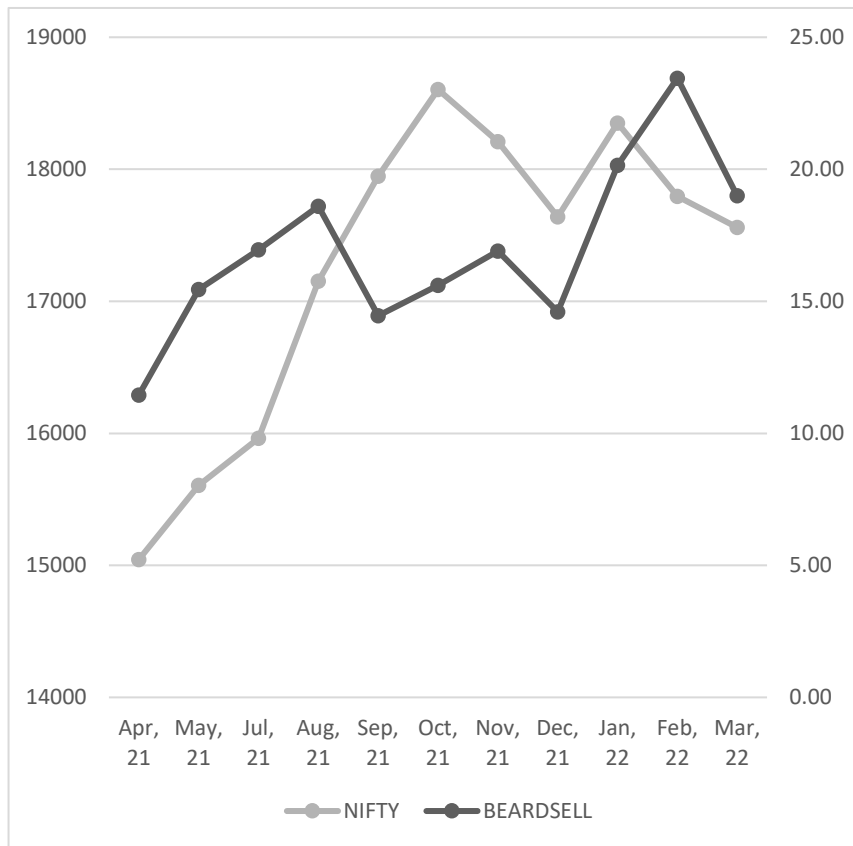
Monthly high and low quotations as well as the volume of shares traded during each month from April 2021 to March 2022 on NSE and BSE :

PERIOD	BSE			NSE		
	High Price (Rs.)	Low Price (Rs.)	Total number of Shares traded	High Price (Rs.)	Low Price (Rs.)	Total number of Shares traded
April, 2021	11.90	8.55	30,680	11.45	8.00	3,51,655
May, 2021	15.37	9.02	3,65,791	15.45	9.25	18,19,152
June, 2021	15.30	13.00	1,19,323	--	--	--
July, 2021	17.06	12.40	3,30,774	16.95	13.20	2,76,576
August, 2021	18.85	13.20	1,79,040	18.60	13.40	5,02,339
September, 2021	14.54	12.60	1,46,772	14.45	12.35	2,92,467
October, 2021	15.25	12.60	67,128	15.60	12.60	3,79,988
November, 2021	16.74	12.35	84,949	16.90	11.95	5,03,783
December, 2021	14.85	11.35	20,62,810	14.60	11.35	42,04,064
January, 2022	20.42	13.91	15,22,577	20.15	14.00	29,94,629
February, 2022	23.50	12.30	21,27,891	23.45	12.30	55,27,728
March, 2022	19.07	14.85	9,55,108	19.00	14.85	22,06,808

Sources: www.bseindia.com; www.nseindia.com

j) Performance in comparison to Stock Exchange Indexes





- k) Registrar & Share Transfer : M/s. Cameo Corporate Services Limited,
 Agent
 Subramanian Building,
 No.1, Club House Road,
 Chennai – 600002
 Phone No.+91-44-28460390/91/92/93/94
 Fax No. +91-44-2846 0129
 e-mail – cameo@cameoindia.com

l) Share Transfer System

Transfer of shares held in electronic form is done through depositories without involvement of the company. In case of transfer of share held in physical form, the transfer documents can be lodged with the company's Registrar and Share Transfers Agents at the given address. If the documents lodged are complete in all respects, transfer of shares held in physical form, are normally effected within 7 days from the date of lodgment.

With effects from 1st April 2019, SEBI has amended Regulation 40 of the Listing Regulations, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

- m) Shareholdings as on 31st March 202



(i) Distribution of shareholding:

Shareholding	Shareholders Accounts		Shares	
	Number	Percentage	Number	Percentage
Upto 2500	9,647	92.41	34,90,960	9.32
2501 – 5000	411	3.94	15,37,197	4.10
5001 – 10000	184	1.76	13,20,758	3.53
10001 – 15000	58	0.56	7,45,425	1.99
15001 – 20000	32	0.31	5,64,038	1.51
20001 – 25000	23	0.22	5,36,657	1.43
25001 – 50000	39	0.37	13,37,449	3.57
50001 and above	45	0.43	2,79,32,860	74.55
Total	10,439	100.00	3,74,65,344	100.00

(ii) Category-wise Shareholding Pattern:

Category	No of shares	Voting Strength (%)
Promoters & Promoters Group	1,98,52,895	52.99
Banks / Financial Institutions	24,240	0.06
Central / State Governments	1,08,000	0.29
Bodies Corporate	7,86,992	2.10
NRIs/ OCBs/ Foreign Nationals	6,27,224	1.67
Clearing Member	29,218	0.08
HUF	6,29,128	1.68
Individuals and others general public	1,54,07,647	41.13
TOTAL	3,74,65,344	100.00

(iii) Shareholding by directors:

Name	Number of shares	Percentage
Mr.Amirth Anumolu	Nil	0
Mr.Gurram Jagannatha Reddy	Nil	0
Mr.A V Rammohan	Nil	0
Mr.Jeyapaul Singh	Nil	0
Mrs.Anumolu Jayasree	1,35,36,352	36.13
Mr.R Gowrishanker	10,703	0.03
TOTAL	1,35,47,055	36.16

n) Dematerialization of Shares and Liquidity

Equity shares of the company are regularly traded on NSE and BSE in electronic form. As on 31st March 2022 total no of shares in dematerialized form was 3,50,29,904 representing 93.50% of the total share capital. These shares are held in both the depositories in India viz. National Securities Depository Limited and Central Depositories Services (India) Limited. The International Securities Identification Number (ISIN) allotted to equity shares of the company is INE520H01022.

o) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

The company has not issued any Global depository receipt /American Depository Receipt /warrant or any convertible instrument which is likely to have impact on the company's equity.



p) 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, PO. Umbaraj, Karad, Taluka Karad, Dist. Satara Maharashtra 415 019.

For and on behalf of the Board of Directors

Amrith Anumolu
(DIN : 03044661)
Executive Director
Hyderabad
12th August 2022

R Gowrishanker
(DIN : 00104597)
Chairman
Chennai
12th August 2022

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Beardsell Limited
47, Greams Road
Chennai – 600 006

We have examined the compliance on the conditions of Corporate Governance by **Beardsell Limited ('the Company')** for the year ended on March 31, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**SEBI Listing Regulations**').

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. 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, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended March 31, 2022.

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

Place: Chennai
Date: 10th August 2022

Rabindra Kumar Samal
Practicing Company Secretary
FCS No.: 7649 CP No.: 18278
UDIN-F007649D000846190


CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
 The Members
 Beardsell Limited
 47, Greams Road
 Chennai – 600 006

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. Beardsell Limited** having CIN: L65991TN1936PLC001428 and having registered office at 47, Greams Road, Chennai – 600 006 (hereinafter referred to as ‘**the Company**’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (**DIN**) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company *
1	Amrith Anumolu	03044661	12.08.2010
2	Anumolu Jayashree	00845666	31.03.2015
3	Gurram Jagannatha Reddy	07472109	28.06.2019
4	Gowrishanker Ramasamy	00104597	21.10.2019
5	Rammohan Anappathur Vanchi	02093767	21.10.2019
6	Jeyapaul Singh	03129164	21.10.2019

*The date of appointment is as per the MCA Portal.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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.

Place: Chennai
 Date: 10th August 2022

Rabindra Kumar Samal
 Practicing Company Secretary
 FCS No.:7649 CP No.: 18278
 UDIN-F007649D000846168

Declaration pursuant to Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding adherence to the Code of Conduct by the Board Members and Senior Management Personnel

This is to confirm that the company had adopted a Code of Conduct for its board members and senior employees including the Managing Director and Executive Directors. The Code is available on the Company's website.

I confirm that in respect of the financial year ended 31st March 2022, the Senior Management Personnel of the Company and Members of the Board of Directors have affirmed about compliance with the Code of Conduct as applicable to them.

Amrith Anumolu
(DIN : 03044661)
Executive Director
Hyderabad
12th August 2022

CERTIFICATION BY THE EXECUTIVE DIRECTOR AND THE CHIEF FINANCIAL OFFICER

To,
The Board of Directors,
Beardsell Limited

We, Amrith Anumolu, Executive Director and V. V. Sridharan, Chief Financial Officer of M/s. Beardsell Limited, certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2022 and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the company's affairs and are in compliance with applicable accounting standards, laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting. This is monitored by Internal Audit, which encompasses the examination and evaluation of the adequacy and effectiveness of internal control system of the company pertaining to financial reporting. Internal Auditors report significant issues to the Audit Committee. The Auditors and Audit Committee are apprised of any corrective action taken with regard to significant deficiencies and material weaknesses of such internal controls.
4. We have indicated to the Auditors and the Audit committee:
 - a) significant changes, if any, in internal control over financial reporting;
 - b) significant changes, if any, in accounting policies and that the same has been disclosed in the notes to the financial statements.
5. No instance of significant fraud had come to our knowledge requiring information to Auditors and Audit Committee and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Amrith Anumolu
Executive Director
Place : Hyderabad
Date : 28th May 2022

V. V. Sridharan
Chief Financial Officer
Place : Chennai
Date : 28th May 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Beardsell Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Beardsell Limited (“the Company”), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Standalone Financial Statements’ section of our report. We are independent of the Company in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

Key audit matters	How our audit addressed the key audit matter
Timing of Revenue recognition <i>(as described in Note 2.3.h of the Standalone Financial Statements)</i>	
The Company has revenue from sale of products from multiple locations geographically spread across India and it currently has a decentralized accounting system. Revenue is recognized based on the	Our audit response included the following: <ul style="list-style-type: none"> We read, understood and evaluated the accounting policy for recognition of revenue and assessed compliance with the policies in terms of Ind AS 115 – Revenue from Contract with Customers.

Key audit matters	How our audit addressed the key audit matter
<p>accounting policies disclosed in the note 2.3.h to the Standalone Financial Statements.</p> <p>The Company recognizes revenue from sale of goods at a point in time based on the terms of the contract with customers which may vary case to case. Terms of sales arrangements with various customers, including Incoterms determine the timing of transfer of control and require judgment in determining timing of revenue recognition.</p> <p>Due to the judgement relating to determination of point of time in satisfaction of performance obligations with respect to sale of products, this matter is considered as Key Audit Matter.</p>	<ul style="list-style-type: none"> • We understood the Company's Revenue process across all product segments in each location, to gain an understanding of revenue recognition process including the design and implementation of controls to address the relevant risks in relation to revenue recognition and tested the operating effectiveness of such controls in relation to Revenue Recognition. • On a sample basis, we tested the revenue transactions to the contracts with customers (including purchase orders issued by customer) and sales order raised by the Company to determine the timing of transfer of control along with the pricing terms and the timing of revenue recognition in respect of such contracts. • We performed analytical review procedures including analysing revenue transactions near reporting date to decide the nature and extent of our testing at each location and tested the timing of revenue was recognized in the appropriate period with reference to shipping records, Gate registers, etc. for sample transactions. • Assessed the disclosures for compliance with the applicable accounting standards.
Physical Verification of Inventories (as described in Note 2.3.g of the Standalone Financial Statements)	
<p>Total Inventory of Rs 1,518.64 lakhs which represents 13.01% of total assets of the Company as at March 31, 2022. Inventory is held across 6 factories and 9 branches as at the reporting date.</p> <p>Considering the number of locations and the level of inventory held across its factories and branches, the criticality of inventory physical verification to the Company's financial reporting processes, this is a significant area of audit importance. Accordingly, the above issue has been considered as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We understood the Company's process for establishing the existence of inventories including the design and implementation of monthly controls in relation to physical verification of inventories performed by management at various locations and tested the operating effectiveness of such controls. • We observed the physical verification of Inventory conducted by management in certain significant locations selected by us. Our procedures in this regard included <ul style="list-style-type: none"> - Inquiring that the stock count instructions were sent by management to appropriate personnel in the relevant location and steps taken by management to ascertain the existence inventory on the date of the count (including identification of non-moving, obsolete / damaged inventory); - Performing independent inventory counts on sample basis and reconciling the same to the management counts; - On a sample basis, testing the reconciliation of the differences in inventory between the physical count and the books of accounts, including accounting of such variances basis management approval; and • We performed analytical reviews of purchases and inventory during the audit period to identify any unusual trends for further testing. • On a sample basis, we performed tests of purchase and sales transactions made near the reporting date to assess

Key audit matters	How our audit addressed the key audit matter
	whether transactions are recorded in the correct period by testing shipping records, sales / purchase invoices (as applicable).

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The financial statements of the Company includes the Company's share of net loss of Rs. 24.57 lakhs for the year ended March 31, 2022, on its investment in a partnership firm based on financial statements and other financial information reviewed by the independent auditors. The independent auditor's report on interim financial results of this partnership firm have been furnished to us by the Management, and our opinion on the Statement, in so far as it relates to the Company's share of net loss from the firm is based solely on the reports of such auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (iii) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (iv) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (v) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (vi) With respect to the adequacy of the internal financial controls with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (vii) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
 - (viii) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements – Refer Note 49(b) to the Standalone Financial Statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. Following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Nature of amount	Amount involved	Due date	Transfer date
Unclaimed dividend relating to financial year 2013-14	219,518	December 31, 2021	May 26, 2022
Unclaimed Public Deposits	5,000 49,000	May 2, 2021 December 31, 2021	May 20, 2022

- iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 57(iv) to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 57(v) to the Standalone Financial Statements, no funds have been received by the Company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. As stated in note 19(c)(ii) to the Standalone Financial Statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Aravind K

Partner

Membership Number: 221268

UDIN: 22221268AJUCVD6153

Place of Signature: Chennai

Date: May 28, 2022

Annexure ‘1’ referred to in paragraph under the heading “Report on other legal and regulatory requirements” of our report of even date

Re: Beardsell Limited (‘the Company’)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment
- (a)(B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) included in property, plant and equipment are pledged with a bank and not available with the Company. The same has been independently confirmed by the bank.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification and have been properly dealt with in the books of account.
- (b) As disclosed in note 24(i) to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements in respect of Inventory and Receivables filed by the Company with such banks are in agreement with the books of accounts of the Company.
- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans and securities given in respect of which provisions of Sections 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon. In our opinion and according to the information and explanations given to us, provisions of Section 186 of the Act in respect of investments made and guarantee given have been complied with by the Company.
- (v) In respect of deposits accepted, in our opinion and according to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, to the extent applicable, have been complied with, except for non-filing of the return of public deposits with registrar as required under Rule 16 of the Companies (Acceptance of Deposits) Rules, 2014 (as amended) till date. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal, Reserve Bank of India or any Court or any other Tribunal.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of Plastics and Polymers, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, cess and other statutory dues except in respect to the undisputed dues to goods and services tax, employees' state insurance, income tax and professional tax, wherein the dues have not been regularly deposited with appropriate authorities and there have been serious delays in large number of cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount * (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Sales Tax Acts of various states	Sales tax	15.01	1995-96 2000-01 2001-02 2003-04 2015-16	Deputy Commissioner, Assistant Commissioner & other appellate authorities
Central Sales Tax Act, 1956	Central sales tax	517.03	1995-96, 2003-04, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15	High Court, Deputy Commissioner & CTO of various states.
Service Tax Act, 1994	Service tax	0.58	2015-16	Deputy Commissioner (appeals) SGST, Thrissur

* Net of Rs. 1.92 lakhs sales tax, Rs. 57.50 lakhs central tax and Rs. 0.15 lakhs service tax paid under protest.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender other than to Banks and Financial Institutions. The Company has fully / partly settled loans from related parties in advance during the current year amounting to Rs. 600 Lakhs. During the current year, the Company has taken a loan of Rs. 100 Lakhs which was repaid during the year. Loans amounting to Rs. 22 Lakhs outstanding as at the beginning of the year are repayable on demand and the terms and conditions for payment of interest thereon have not been stipulated. Such loans were demanded for repayment and was paid in the financial year. Loans amounting to Rs. 20 Lakhs taken in the current year are repayable on demand and the terms and conditions for payment of interest thereon have not been stipulated. Such loans and interest thereon have not been demanded for repayment during the relevant financial year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor / secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

- (xix) On the basis of the financial ratios disclosed in note 55 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Aravind K

Partner

Membership Number: 221268

UDIN: 22221268AJUCVD6153

Place of Signature: Chennai

Date: May 28, 2022

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BEARDSELL LIMITED**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to Standalone Financial Statements of Beardsell Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to these Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these Standalone Financial Statements.

Meaning of Internal Financial Controls with Reference to these Standalone Financial Statements

A company's internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company

are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Aravind K

Partner

Membership Number: 221268

UDIN: 22221268AJUCVD6153

Place of Signature: Chennai

Date: May 28, 2022

**Beardsell Limited**

CIN : L65991TN1936PLC001428

Standalone Balance Sheet as at March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Notes	March 31, 2022	March 31, 2021
ASSETS			
Non current assets			
Property, plant and equipment	3a	2,954.92	3,030.83
Capital work in progress	3a	13.49	50.50
Intangible assets	3b	38.77	61.13
Right-of-use assets	48	245.73	367.25
Financial assets			
Investments in subsidiaries	4	29.97	29.68
Investments in controlled entity	4	462.15	462.15
Other investments	4	52.65	45.05
Loans	5	15.55	22.16
Trade receivables	6	56.91	34.82
Bank balances other than cash and cash equivalents	7	280.96	280.40
Others	8	122.04	123.04
Non-current tax assets (net)	9	9.13	21.09
Deferred tax assets (net)	23	55.89	66.57
Other non-current assets	10	25.03	0.84
		4,363.19	4,595.51
Current assets			
Inventories	11	1,518.64	1,245.03
Financial assets			
Trade receivables	12	3,977.41	3,627.91
Cash and cash equivalents	13	123.83	148.85
Bank Balances other than cash and cash equivalents	14	72.49	73.34
Loans	15	19.24	23.15
Others	16	64.90	55.11
Other current assets	17	1,530.11	1,422.37
		7,306.62	6,595.76
Total assets		11,669.81	11,191.27
EQUITY and LIABILITIES			
Equity			
Equity share capital	18	749.31	561.98
Other equity	19	4,363.64	3,427.64
Total equity		5,112.95	3,989.62
Liabilities			
Non current liabilities			
Financial liabilities			
Borrowings	20	594.43	1,290.79
Lease liabilities	21	100.17	222.74
Other financial liabilities	22	0.03	2.14
		694.63	1,515.67
Current liabilities			
Financial liabilities			
Borrowings	24	1,402.60	1,464.71
Trade payables	25		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,154.67	2,814.42
Lease liabilities	26	143.02	138.00
Other financial liabilities	27	287.55	366.89
Other current liabilities	28	668.24	677.18
Provisions	29	118.50	129.67
Current tax liabilities (net)	30	87.65	95.11
		5,862.23	5,685.98
Total equity and liabilities		11,669.81	11,191.27

Summary of significant accounting policies

2.3

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors

Beardsell Limited**per Aravind K**

Partner

Membership no.: 221268

Place: Chennai

Amrith Anumolu

Executive Director

DIN:03044661

Place: Hyderabad

A V Ram Mohan

Independent Director

DIN:02093767

Place: Chennai

V V Sridharan

Chief Financial Officer

Place: Chennai

Kanhu Charan Sahu

Company Secretary

Place: Chennai

Date: May 28, 2022

Date: May 28, 2022

Date: May 28, 2022



Beardsell Limited

CIN : L65991TN1936PLC001428

Standalone Statement of Profit and Loss for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
I. Income			
Revenue from contracts with customers	31	17,279.74	12,062.84
Other income	32	250.48	82.45
Finance income	33	28.86	21.21
Total income		17,559.08	12,166.50
II. Expenses			
Cost of raw material and components consumed	34	9,392.81	5,916.48
Direct costs of projects	35	1,720.59	1,180.99
Purchase of traded goods	36	1,834.10	1,002.47
Changes in inventories of finished goods, work-in-progress and traded goods	37	(254.88)	21.29
Employee benefits expense	38	1,345.87	1,296.92
Depreciation and amortisation expense	39	511.87	525.33
Finance costs	40	401.28	429.92
Other expenses	41	2,206.17	1,747.27
Total expense		17,157.81	12,120.67
Profit / (loss) before tax		401.27	45.83
Tax expense			
Current tax	44	158.21	130.50
Adjustment of tax relating to earlier periods		(54.78)	21.45
Deferred tax		(11.02)	(94.52)
Deferred tax - earlier years		21.52	11.75
Total tax expense		113.93	69.18
Profit / (loss) for the year		287.34	(23.35)
Other comprehensive income (OCI)			
Items not to be reclassified to profit or loss in subsequent periods			
Gain / (loss) on equity instruments through OCI	42	0.71	0.35
Income tax effect		(0.18)	(0.09)
Re-measurement gains / (losses) on defined benefit plans		10.72	(19.34)
Income tax effect		(2.70)	4.87
Other comprehensive income for the year, net of tax		8.55	(14.21)
Total comprehensive income/(loss) for the year, net of tax		295.89	(37.56)
Earnings Per Equity Share Rs. 2/- each fully paid (March 31, 2021: Rs. 2/- each fully paid)			
Computed on the basis of total profit/(loss) for the year	43		
Basic (Rs.)		0.96	(0.08)
Diluted (Rs.)		0.96	(0.08)
Summary of Significant Accounting Policies	2.3		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors

Beardsell Limited

per Aravind K

Partner

Membership no.: 221268

Place: Chennai

Amrith Anumolu

Executive Director

DIN:03044661

Place: Hyderabad

A V Ram Mohan

Independent Director

DIN:02093767

Place: Chennai

V V Sridharan

Chief Financial Officer

Place: Chennai

Kanhu Charan Sahu

Company Secretary

Place: Chennai

Date: May 28, 2022

Date: May 28, 2022

Date: May 28, 2022



Beardsell Limited

CIN : L65991TN1936PLC001428

Standalone Statement of Changes in Equity for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

a. Equity Share Capital

Equity Shares of Rs.2/- each issued, subscribed and fully paid	Number of	Rs. In Lakhs
	shares	
At April 01, 2020	28,099,008	561.98
Increase/(decrease) during the year	-	-
At March 31, 2021	28,099,008	561.98
Increase/(decrease) during the year (Refer note 18.6 (c))	9,366,336	187.33
At March 31, 2022	37,465,344	749.31

b. Other Equity

Particulars	Reserves and surplus			Items of OCI	Total other equity
	Securities premium (Note 19)	General Reserve (Note 19)	Retained earnings (Note 19)	FVTOCI reserve (Note 19)	
As at April 01, 2020	555.65	484.61	2,448.23	4.81	3,493.30
Profit / (loss) for the year	-	-	(23.35)	-	(23.35)
Other comprehensive income (Note 42)	-	-	(14.47)	0.26	(14.21)
Total Comprehensive Income	555.65	484.61	2,410.41	5.07	3,455.74
Cash dividends	-	-	(28.10)	-	(28.10)
As at March 31, 2021	555.65	484.61	2,382.31	5.07	3,427.64
Profit / (loss) for the year	-	-	287.34	-	287.34
Securities premium on rights issue (Refer note 18.6 (c))	749.31	-	-	-	749.31
Expense on issue of equity shares (Refer note 18.6 (c))	(81.10)	-	-	-	(81.10)
Other comprehensive income (Note 42)	-	-	8.02	0.53	8.55
Total Comprehensive Income	1,223.86	484.61	2,677.67	5.60	4,391.74
Cash dividends	-	-	(28.10)	-	(28.10)
As at March 31, 2022	1,223.86	484.61	2,649.57	5.60	4,363.64

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors

Beardsell Limited

per Aravind K

Partner

Membership no.: 221268

Place: Chennai

Amrith Anumolu

Executive Director

DIN:03044661

Place: Hyderabad

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Independent Director

DIN:02093767

Place: Chennai

V V Sridharan

Chief Financial Officer

Place: Chennai

Kanhu Charan Sahu

Company Secretary

Place: Chennai

Date: May 28, 2022

Date: May 28, 2022

Date: May 28, 2022



Beardsell Limited

CIN : L65991TN1936PLC001428

Standalone Statement of Cash Flows for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash flow from operating activities		
Profit/ (loss) before tax	401.27	45.83
Adjustments for:		
Depreciation and amortisation expenses	511.87	525.33
Loss / (gain) on disposal of property, plant and equipment (net)	23.91	(5.12)
Finance income	(28.86)	(21.21)
Liabilities / provisions no longer required written back	(99.68)	(4.42)
Allowance for credit loss (including Bad debts written off)	47.99	81.45
Share of (profit) / loss from controlled entity	24.57	39.04
Finance costs	401.28	429.92
Unrealised foreign exchange differences	0.29	(12.40)
Operating profit before working capital changes	1,282.64	1,078.42
Movement in working capital:		
(Increase) / Decrease in inventories	(273.61)	(150.06)
(Increase) / Decrease in current and non-current trade receivables	(418.04)	(240.32)
(Increase) / Decrease in current and non-current financial assets	1.67	50.17
(Increase) / Decrease in other assets	(141.11)	42.31
(Decrease) / Increase in trade payables	439.93	244.64
(Decrease) / Increase in financial, non-financial liabilities and provisions	(78.00)	288.12
Cash generated from operations	813.48	1,313.28
Income tax paid (net of refunds)	(111.58)	(206.08)
Net cash flows (used in) / from operating activities (A)	701.90	1,107.20
B. Cash flow (used in)/ from investing activities		
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(354.42)	(173.94)
Proceeds from sale of property, plant and equipment	85.38	10.76
Deposits made during the year	(0.29)	(165.29)
Proceeds from deposits during the year	-	65.00
Purchase of investments	(6.89)	-
Finance income received	25.17	18.06
Net cash flow (used in) / from investing activities (B)	(251.05)	(245.41)
C. Cash flows (used in)/ from financing activities		
Proceeds from issue of equity shares through right issue (net of share issue expenses: Rs. 81.10 Lakhs (March 31, 2021 - Rs. Nil))	855.54	-
Proceeds from long-term borrowings	179.50	953.90
Repayment of long-term borrowings	(1,090.87)	(382.70)
Proceeds / (repayment) of short - term borrowings (net)	32.91	(249.85)
Dividend paid (including dividend distribution tax, where applicable)	(28.95)	(26.82)
Payment of principal portion of lease liabilities	(151.68)	(129.33)
Interest paid on lease liabilities	(28.66)	(29.42)
Interest paid	(363.65)	(402.37)
Net cash flows (used in) / from financing activities (C)	(595.86)	(266.59)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(145.01)	595.20
Cash and cash equivalents at the beginning of the year	(688.97)	(1,284.17)
Cash and cash equivalents at the end of the year	(833.98)	(688.97)
Components of cash and cash equivalents (Refer note 13)		
Cash on hand	3.56	3.80
Balances with banks		
On current accounts	120.27	145.05
Less: Cash Credit (refer note 24)	(957.81)	(837.82)
Total cash and cash equivalents	(833.98)	(688.97)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors

Beardsell Limited

per Aravind K

Partner

Membership no.: 221268

Place: Chennai

Amrith Anumolu

Executive Director

DIN:03044661

Place: Hyderabad

A V Ram Mohan

Independent Director

DIN:02093767

Place: Chennai

V V Sridharan

Chief Financial Officer

Place: Chennai

Date: May 28, 2022

Kanhu Charan Sahu

Company Secretary

Place: Chennai

Date: May 28, 2022

Date: May 28, 2022



Beardsell Limited

CIN: L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

1. 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 major manufacturing facilities in Thane, Chennai, Hyderabad, Karad, Malur & Hapur and branches with geographical spread across India. In addition, the Company has trading operations in domestic and international market. These standalone financial statements were authorised for issue in accordance with a resolution of the directors on May 28, 2022.

2. Significant accounting policies

2.1. Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III (as amended)), as applicable.

The standalone financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities which have been measured at fair value (refer accounting policy regarding financial instruments)

The Standalone financial statements are presented in INR and all values are rounded off to the nearest lakhs, except when otherwise indicated.

2.2. Impact of COVID-19 Pandemic

The Company has considered the possible effects that may result from COVID-19 in the preparation of these standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of COVID-19, the Company has, at the date of approval of these standalone financial statements, used internal and external sources of information which are relevant and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any and make any necessary adjustments in the relevant financial period.

2.3. Summary of significant accounting policies

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle
- ii. Held primarily for the purpose of trading
- iii. Expected to be realised within twelve months after the reporting period, or



Beardsell Limited

CIN: L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle
- ii. It is held primarily for the purpose of trading
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products/activities, the Company has determined its operating cycle as twelve months for the above purpose of classification as current and non-current.

b) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use but excludes duties and taxes that are recoverable from tax authorities. Any trade discounts and rebates are deducted in arriving at the purchase price.

Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably

Material replacement cost is capitalized provided (a) it is probable that future economic benefits associated with the item will flow to the entity and (b) the cost of the item can be measured reliably. When replacement cost is eligible for capitalization, the carrying amount of those parts that are replaced is derecognized. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful life.

Property, plant and equipment 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 in the Balance Sheet.

The Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

**Beardsell Limited****CIN: L65991TN1936PLC001428**

Notes to Standalone Financial Statements for the year ended March 31, 2022

Capital Work-in-Progress: Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and attributable interest. Once it becomes available for use, their cost is re-classified to appropriate caption and subjected to depreciation.

c) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

d) Depreciation and amortisation

Depreciation & amortization is provided using the Straight-Line Method as per the useful lives of the assets estimated by the management:

Asset description	Useful Lives (Years)
Property, plant and equipment	
Plant & Machinery	7.5 - 15
Building	30 - 60
Computers	3
Vehicles	8 - 10
Office Equipment	5
Leasehold improvements	5 or term of lease (whichever is lower)
Furniture and fittings	8 - 10

Leasehold assets are amortised using the straight-line method over the remainder of primary lease period.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Property, Plant and Equipment and Intangibles are depreciated / amortised based on their useful lives which are in line with Schedule II of Companies Act, 2013

e) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.



Beardsell Limited

CIN: L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i). Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Asset Description	Useful Lives (Years)
Plant & Machinery	5
Leasehold land	99
Building	1 – 6

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (f) Impairment of non-financial assets.

(ii). Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii). Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of buildings, machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Beardsell Limited****CIN: L65991TN1936PLC001428**Notes to Standalone Financial Statements for the year ended March 31, 2022

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Sale and lease back arrangements

Profit or loss on sale and lease back arrangements resulting in operating leases is recognized immediately in case the transaction is established at fair value. If the sale price is below fair value, any profit or loss is recognised immediately except that, if the loss is compensated by future lease payments at below market price, it is deferred and amortised in proportion to the lease payments over the period for which the asset is expected to be used. If the sale price is above fair value, the excess over the fair value is deferred and amortized over the period for which the asset is expected to be used. The sale and lease back arrangements entered in by the Company which result in operating lease wherever applicable are as per the standard commercial terms prevalent in the industry. The Company does not have an option to buy back the asset, nor does it have an unilateral option to renew or extend the lease after the expiry of the lease.

f) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.



Beardsell Limited

CIN: L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

Impairment including impairment on inventories, are recognized in the statement of profit and loss. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

g) Inventories

Raw materials and stores & spare parts are valued at lower of weighted average cost and estimated net realisable value. Cost includes freight, taxes and duties and is net of credit under GST, VAT, CENVAT scheme, where applicable.

Work-in-progress and finished goods are valued at lower of weighted average cost and estimated net realisable value. Cost includes all direct costs and appropriate proportion of overheads to bring the goods to the present location and condition.

Due allowance is made for slow/non-moving items. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be used are expected to be sold at or above cost.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Cost of traded goods includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in first out basis.

h) Revenue from contracts with customers and Other income

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

However, Goods and Service tax (GST) are not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition Criteria described below must also be met before revenue is recognised.

i. Sale of products/ goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customers. The normal credit term is in the range of 30 to 90 days upon delivery except for some customers who are on advance payment terms. Revenue from sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component



Beardsell Limited

CIN: L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

ii. Service Income

Revenue from rendering of services is recognized with reference to the stage of completion determined based on estimate of work performed, and when the outcome of the transaction can be estimated reliably.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract assets are subject to impairment assessment. Refer to accounting policies of financial assets in section (s) Financial instruments – initial recognition and subsequent measurement.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (s) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

Cost to obtain a contract

The Company pays sales commission to agents for obtaining the contract. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions because the amortisation period of the asset that the Company otherwise would have used is one year or less.

iii. Interest income

Revenue is recognised on a time proportion basis using the effective interest rate (EIR). Interest income is included in finance income in the statement of profit and loss.

iv. Dividend income

Dividend income is accounted for when the right to receive it is established.

v. Rental Income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit and loss due to its operating nature.

i) Foreign currency transactions

The financial statements are presented in Indian Rupees, which is the functional currency of the Company.



Beardsell Limited

CIN: L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

Initial recognition: Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date the transaction first qualifies for the recognition.

Measurement as at Balance Sheet date: Foreign currency monetary items of the Company outstanding at the Balance Sheet date are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Treatment of Exchange Differences: Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in profit or loss.

j) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant or subsidy from the Government relates to an expense item, it is recognised as income on a systematic basis in the statement of profit and loss over the period necessary to match them with the related costs, which they are intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset, i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value of the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

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

k) Research and development

Revenue expenditure on research and development is expensed when incurred. Capital expenditure on research and development is capitalised under Property, Plant and Equipment and depreciated in accordance with the entity's accounting policy on depreciation.

l) Retirement and other employee benefits

Retirement benefit in the form of 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. There are no other obligations other than the contribution payable to the respective fund.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit method made at the end of each financial year.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit


Beardsell Limited
CIN: L65991TN1936PLC001428

 Notes to Standalone Financial Statements for the year ended March 31, 2022

to retained earnings through OCI in the period in which they occur. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated absences, which are expected to occur within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats compensated absences expected not to occur within twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

m) Taxes

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in equity.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

**Beardsell Limited****CIN: L65991TN1936PLC001428**Notes to Standalone Financial Statements for the year ended March 31, 2022

The carrying amount of deferred tax assets is reviewed at each reporting date and written off to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if and only if it has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

n) Provisions

Provisions are recognized when an enterprise has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on 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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions for warranty-related costs are recognized when the product is sold or service provided. Provision is estimated based on historical experience and technical estimates. The estimate of such warranty-related costs is reviewed annually.

o) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

p) 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 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. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decisionmaker (CODM).



Beardsell Limited

CIN: L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

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”.

q) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalisation of Borrowing Costs is suspended and charged to the statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are expensed in the period they occur.

r) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- a) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- b) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- c) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



Beardsell Limited

CIN: L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

s) **Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- i. Financial assets at amortised cost (debt instruments)
- ii. Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- iii. Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- iv. Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial assets at fair value through OCI (FVTOCI) (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.



Beardsell Limited

CIN: L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

Financial assets designated at fair value through OCI (Equity Instruments)

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's standalone balance sheet) when:

- i. The rights to receive cash flows from the asset have expired, or
- ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.



Beardsell Limited

CIN: L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and Credit risk exposure:

- i. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- ii. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in Credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets, the Company determines that whether there has been a significant increase in the Credit risk since initial recognition. If Credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if Credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, Credit quality of the instrument improves such that there is no longer a significant increase in Credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected Credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original EIR. When estimating the cash flows, the Company is required to consider:

- i. All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company is required to use the remaining contractual term of the financial instrument
- ii. Cash flows from the sale of collateral held or other Credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- i. Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off Criteria, the Company does not reduce impairment allowance from the gross carrying amount.

**Beardsell Limited****CIN: L65991TN1936PLC001428**Notes to Standalone Financial Statements for the year ended March 31, 2022

For assessing increase in Credit risk and impairment loss, the Company combines financial instruments on the basis of shared Credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in Credit risk to be identified on a timely basis.

Financial liabilities**Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include loans and borrowings including bank overdrafts, financial guarantee contracts, trade and other payables.

Subsequent measurement**Financial liabilities at fair value through profit and loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the Criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own Credit risks are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

**Beardsell Limited****CIN: L65991TN1936PLC001428**Notes to Standalone Financial Statements for the year ended March 31, 2022

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

t) Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

u) Use of estimates

The preparation of Standalone Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, like provision for employee benefits, provision for doubtful trade receivables/advances/contingencies, provision for warranties, allowance for slow/non-moving inventories, useful life of Property, Plant and Equipment, provision for taxation, etc., during and at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

v) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

w) Dividend

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.



Beardsell Limited

CIN: L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

x) Earnings Per Share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

y) Equity Investment in Subsidiaries and Controlled entities

Investment in Subsidiaries and Controlled entities are carried at cost in the Separate Financial Statements as permitted under Ind AS 27.

2.4 New and amended Standards

Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116: Interest Rate Benchmark Reform – Phase 2

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the standalone financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While the Framework is primarily meant for the standard setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS includes amendment of the footnote to the definition of an equity instrument in Ind AS 102 - Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

**Beardsell Limited****CIN: L65991TN1936PLC001428**Notes to Standalone Financial Statements for the year ended March 31, 2022

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021.

These amendments had no impact on the standalone financial statements of the Company.

Amendments to Ind AS 116: COVID-19-Related Rent Concessions

MCA issued an amendment to Ind AS 116 COVID19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021.

Amendments to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of “Recoverable amount” is amended such that the words “the higher of an asset’s fair value less costs to sell and its value in use” are replaced with “higher of an asset’s fair value less costs of disposal and its value in use”. The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the standalone financial statements of the Company.

Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

3a Property, plant and equipment

Particulars	Freehold land	Buildings on Leasehold Land	Buildings on Freehold Land	Plant and Equipment	Computer	Furniture, Fixtures & Office Equipment	Leasehold Improvements	Vehicles	Total property, plant and equipment	Capital work-in-progress (refer note (iii) below)
Gross block*										
As at April 01, 2020	503.69	337.66	627.52	2,426.99	39.62	61.33	10.01	425.20	4,432.02	111.54
Additions	-	11.37	22.81	188.24	3.26	1.32	-	16.17	243.17	182.13
Disposals	-	-	-	(12.05)	-	(0.16)	-	(6.63)	(18.84)	-
Capitalisation	-	-	-	-	-	-	-	-	-	(243.17)
As at March 31, 2021	503.69	349.03	650.33	2,603.18	42.88	62.49	10.01	434.74	4,656.35	50.50
Additions	-	-	29.14	306.83	6.98	5.67	2.11	16.51	367.24	330.23
Disposals	(100.27)	(5.33)	-	(1.98)	-	(0.08)	-	(27.18)	(134.84)	-
Capitalisation	-	-	-	-	-	-	-	-	-	(367.24)
As at March 31, 2022	403.42	343.70	679.47	2,908.03	49.86	68.08	12.12	424.07	4,888.75	13.49
Depreciation										
As at April 01, 2020	-	48.33	103.54	849.31	34.01	31.75	3.91	203.06	1,273.91	-
Charge for the year	-	16.19	22.83	259.91	3.95	6.13	0.93	54.87	364.81	-
Disposals	-	-	-	(6.61)	-	(0.16)	-	(6.43)	(13.20)	-
As at March 31, 2021	-	64.52	126.37	1,102.61	37.96	37.72	4.84	251.50	1,625.52	-
Charge for the year	-	14.94	24.12	241.44	4.29	6.62	1.10	45.20	337.71	-
Disposals	-	(0.96)	-	(1.20)	-	(0.06)	-	(27.18)	(29.40)	-
As at March 31, 2022	-	78.50	150.49	1,342.85	42.25	44.28	5.94	269.52	1,933.83	-
Net carrying value										
As at March 31, 2021	503.69	284.51	523.96	1,500.57	4.92	24.77	5.17	183.24	3,030.83	50.50
As at March 31, 2022	403.42	265.20	528.98	1,565.18	7.61	23.80	6.18	154.55	2,954.92	13.49

*On transition to Ind AS (i.e. 1 April 2016), the Company had elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

(i) Charge on assets

The Rupee term loans from Bank of India are secured by equitable mortgage over the land and buildings there on at Karad (4.10 acres), Coimbatore (3.50 acres), Bonthapally (1.40 acres), Chennai -Thiruvallur (6.98 acres) and Thane (1.85 acres). The Company has deposited the original title deeds of all the above mentioned properties with the Bank. In addition to the above the Company has also hypothecated its Inventory and Trade receivables.

(ii) Hire purchase arrangements

The carrying value of vehicles held under hire purchase contracts at March 31, 2022 was Rs. 71.29 (March 31, 2021: Rs. 100.32). Additions during the year include Rs. 16.51 (March 31, 2021: Rs. 16.17) of vehicles under hire purchase contracts. Assets under hire purchase contracts are hypothecated as security for the related hire purchase liabilities.



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

3a Property, plant and equipment (continued)**(iii) Capital work-in-progress (CWIP) ageing schedule****As at March 31, 2022**

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	13.49	-	-	-	13.49
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2021

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	23.21	11.54	13.18	2.57	50.50
Projects temporarily suspended	-	-	-	-	-

Note:

There are no overdue projects as at March 31, 2022. Following are the overdue projects as at March 31, 2021:

CWIP	To be completed in				
	<1 year	1-2 years	2-3 years	> 3 years	Total
(i). Solar shed 1 & 2 construction at Chennai Factory	16.88	-	-	-	16.88
(ii). Building renovation at Hyderabad Factory	2.75	-	-	-	2.75
(iii). Boiler ducting project	0.76	-	-	-	0.76
(iv). Ejector rod fixing project	1.35	-	-	-	1.35
(v). Electrical wire revamping project	0.35	-	-	-	0.35

3b Intangible assets

Particulars	Software	Total Intangible assets
Gross block		
As at April 01, 2020	104.93	104.93
Additions	2.30	2.30
Disposals	-	-
As at March 31, 2021	107.23	107.23
Additions	-	-
Disposals	-	-
As at March 31, 2022	107.23	107.23
Depreciation		
As at April 01, 2020	23.42	23.42
Charge for the year	22.68	22.68
Disposals	-	-
As at March 31, 2021	46.10	46.10
Charge for the year	22.36	22.36
Disposals	-	-
As at March 31, 2022	68.46	68.46
Net carrying value		
As at March 31, 2021	61.13	61.13
As at March 31, 2022	38.77	38.77

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

4 Non-current investments (fully paid up)

	March 31, 2022	March 31, 2021
A Investment in subsidiaries (Unquoted equity instruments at cost)		
- 20,100 (March 31, 2021 : 20,100) equity shares of Rs. 100/- each fully paid up in Sarovar Insulation Private Limited*	29.97	29.68
Total Investment in subsidiaries (A)	29.97	29.68
B Investment in controlled entity (Capital contribution at cost)		
- Share of profits for the year ended March 31, 2022 : 100% (March 31, 2021 : 100%) in Saideep Polytherm	462.15	462.15
Total Investment in controlled entity (B)	462.15	462.15
C Other investments		
<i>(Un-quoted equity instruments at fair value through OCI)</i>		
- 18,000 (March 31, 2021 : 18,000) equity shares of Rs. 10/- each fully paid up in Hyderabad EPS Products Private Limited (At cost less provision for impairment allowance Rs. 180,000 (March 31, 2021 : Rs. 180,000))	-	-
- 5,300 (March 31, 2021 : 5,300) equity shares of Rs. 100/- each fully paid up in Pink Packaging & Moulding Private Limited (At cost less provision for impairment allowance Rs. 750,000 (March 31, 2021 : Rs. 750,000))	-	-
- 6,000 (March 31, 2021 : 6,000) equity shares of Rs. 10/- each fully paid up in Sure Energy Systems Private Limited	25.00	25.00
- 237,378 (March 31, 2021 : 169,878) equity shares of Rs. 10/- each fully paid up in Frontline Power Corporation Limited	26.24	19.35
Total of un-quoted equity instruments at fair value through OCI (i)	51.24	44.35
<i>(Quoted equity instruments at fair value through OCI)</i>		
- 1,000 (March 31, 2021 : 1,000) equity shares of Rs. 2/- each fully paid up in Nava Bharat Ventures Limited	1.41	0.70
Total of quoted equity instruments at fair value through OCI (ii)	1.41	0.70
Total other investments (C = (i)+ (ii))	52.65	45.05
Total Investments (A+B+C)	544.77	536.88
Aggregate book value of quoted investments	1.49	1.49
Aggregate market value of quoted investment	1.41	0.70
Aggregate value of unquoted investments	60.54	53.65
Aggregate amount of impairment in value of investments	(9.30)	(9.30)

*The investment in subsidiaries include fair value of the corporate guarantee for an amount of Rs. 200 (March 31, 2021 - Rs. 200) against the credit availed from DBS Bank.

Investments at fair value through OCI (fully paid) reflect investment in quoted and unquoted equity securities . These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company. Thus, disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding. Refer Note 52 for determination of their fair values.

5 Loans (non-current)

	March 31, 2022	March 31, 2021
Loans to employees - secured, considered good	3.49	4.57
Loans to employees - unsecured, considered good	12.06	17.59
Total	15.55	22.16

Loans to employees are non-derivative financial assets which generate interest income for the Company. Vehicle loans to employees are secured by hypothecation of vehicles acquired out of the loan.

6 Trade receivables (non-current)

(Unsecured, considered good unless otherwise stated)

	March 31, 2022	March 31, 2021
Trade receivables	56.91	34.82
Total	56.91	34.82

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

7 Bank balances other than cash and cash equivalents (non-current)		
	March 31, 2022	March 31, 2021
In earmarked accounts		
Balances held as margin money	280.96	280.40
Total	280.96	280.40
8 Other non-current financial assets		
(Unsecured, considered good unless otherwise stated)		
	March 31, 2022	March 31, 2021
Security Deposits	122.04	123.04
Total	122.04	123.04
9 Non-current tax assets (net)		
(Unsecured, considered good unless otherwise stated)		
	March 31, 2022	March 31, 2021
Advance income tax net of provision for tax	9.13	21.09
Total	9.13	21.09
10 Other non-current assets		
(Unsecured, considered good unless otherwise stated)		
	March 31, 2022	March 31, 2021
Capital advances	25.03	0.84
Total	25.03	0.84
11 Inventories		
(Cost or net realisable value whichever is lower)		
	March 31, 2022	March 31, 2021
Raw materials and packing materials	663.12	638.46
Work-in-progress	94.67	79.47
Finished goods	336.89	236.40
Stock-in-trade (acquired for trading)	355.06	215.87
Stores and spares	68.90	74.83
Total	1,518.64	1,245.03

During the year ended March 31, 2022, Rs.29.87 (March 31, 2021 : Rs.12.35) was recognised as an expense for inventories carried at net realisable value.

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

12 Trade Receivables

(Unsecured, considered good unless otherwise stated)

	March 31, 2022	March 31, 2021
Trade receivables	2,879.76	2,749.87
Receivables from related parties (refer note 47)	1,097.65	878.04
Total trade receivables (net)	3,977.41	3,627.91
Break up for security details:		
Trade receivables		
Considered good	3,977.41	3,627.91
Trade Receivables which have significant increase in credit Risk	15.00	28.56
Trade Receivables - credit impaired	627.89	808.56
Total trade receivables	4,620.30	4,465.03
Impairment Allowance (allowance for bad and doubtful debts)		
Trade Receivables which have significant increase in credit Risk	(15.00)	(28.56)
Trade Receivables - credit impaired	(627.89)	(808.56)
Total impairment allowance	(642.89)	(837.12)
Total trade receivables (net)	3,977.41	3,627.91

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

For terms and conditions relating to related party receivables, refer note 47

Trade Receivables are non-interest bearing and generally have credit period ranging from 30 - 90 days.

Reconciliation of Provision / Impairment for Receivables

	March 31, 2022	March 31, 2021
Opening Balance as at beginning of the year	837.12	750.90
Created/ (reversed) during the year (Net)	(194.23)	86.22
Closing Balance as at end of the year	642.89	837.12

Break-up of trade receivables as at March 31, 2022

Particulars	Current but not due	Outstanding for the following periods from due date of payment					Total
		< 6 months	6 months to 1 year	1-2 years	2-3 years	> 3 years	
Undisputed Trade Receivables – considered good	2,337.95	821.81	264.99	280.18	272.48	-	3,977.41
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	7.86	7.14	-	-	15.00
Undisputed Trade receivable – credit impaired	27.95	9.83	17.89	79.48	134.25	314.91	584.31
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	1.57	-	11.04	30.97	43.58
Total	2,365.90	831.64	292.31	366.80	417.77	345.88	4,620.30

Break-up of trade receivables as at March 31, 2021

Particulars	Current but not due	Outstanding for the following periods from due date of payment					Total
		< 6 months	6 months to 1 year	1-2 years	2-3 years	> 3 years	
Undisputed Trade Receivables – considered good	1,978.66	657.82	205.53	738.35	47.21	0.34	3,627.91
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	12.35	16.21	-	-	28.56
Undisputed Trade receivable – credit impaired	14.01	19.49	59.29	234.76	228.02	195.30	750.87
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	1.57	-	-	11.04	-	45.08	57.69
Total	1,994.24	677.31	277.17	1,000.36	275.23	240.72	4,465.03



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

13 Cash and cash equivalents

	March 31, 2022	March 31, 2021
Balances with Banks		
On current accounts	120.27	145.05
Cash on hand	3.56	3.80
Total	123.83	148.85

As at 31st March 2022, the Company had undrawn committed borrowing facilities of Rs. 553.19 (31st March 2021 - Rs. 767.18).

Changes in liabilities arising from financing activities**Year ended March 31, 2022**

Particulars	As at March 31, 2021	Effect of reclassification	Cash inflows/ (outflows)	As at March 31, 2022
Non-current Financial liabilities - Borrowings				
Indian Rupee loans from banks (Secured)	388.20	(237.72)	150.00	300.48
Obligations under hire purchase contracts (Secured)	27.75	(26.99)	26.50	27.26
Unsecured deposits from members - others	99.84	(74.04)	65.89	91.69
Unsecured inter corporate deposits	400.00	-	(225.00)	175.00
Unsecured loans and advances from related parties (refer note 47)	375.00	-	(375.00)	-
Current Financial liabilities - Borrowings				
Unsecured inter corporate deposits	22.00	-	(2.00)	20.00
Unsecured loans and advances from related parties (refer note 47)	87.75	-	(8.00)	79.75
Unsecured deposits from members - related parties (refer note 47)	90.83	-	15.35	106.18
Unsecured deposits from members - others	6.87	-	27.56	34.43
Current maturities of long term borrowings	308.46	237.72	(431.98)	114.20
Current maturities of hire purchase loans	29.81	26.99	(30.55)	26.25
Current maturities of unsecured deposits from members - related parties (refer note 47)	20.00	-	(20.00)	-
Current maturities of unsecured deposits from members - others	61.17	74.04	(71.23)	63.98
Total	1,917.68	-	(878.46)	1,039.22

Year ended March 31, 2021

Particulars	As at March 31, 2020	Effect of reclassification	Cash inflows/ (outflows)	As at March 31, 2021
Non-current Financial liabilities - Borrowings				
Indian Rupee loans from banks (Secured)	252.15	(341.20)	477.25	388.20
Obligations under hire purchase contracts (Secured)	30.21	(16.30)	13.84	27.75
Unsecured deposits from members - related parties (refer note 47)	20.00	(20.00)	-	-
Unsecured deposits from members - others	82.30	(3.66)	21.20	99.84
Unsecured inter corporate deposits	250.00	150.00	-	400.00
Unsecured loans and advances from related parties (refer note 47)	-	125.00	250.00	375.00
Current Financial liabilities - Borrowings				
Unsecured inter corporate deposits	22.00	-	-	22.00
Unsecured loans and advances from related parties (refer note 47)	390.75	(125.00)	(178.00)	87.75
Unsecured deposits from members - related parties (refer note 47)	5.00	-	85.83	90.83
Unsecured deposits from members - others	39.55	-	(32.68)	6.87
Current maturities of long term borrowings	72.28	341.20	(105.02)	308.46
Current maturities of hire purchase loans	33.30	16.30	(19.79)	29.81
Current maturities of unsecured deposits from members - related parties (refer note 47)	80.18	20.00	(80.18)	20.00
Current maturities of unsecured deposits from members - others	68.61	3.66	(11.10)	61.17
Current maturities of unsecured inter corporate deposits	250.00	(150.00)	(100.00)	-
Total	1,596.33	-	321.35	1,917.68



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

14 Bank Balances other than cash and cash equivalents

	March 31, 2022	March 31, 2021
In earmarked accounts		
Unclaimed dividend accounts*	18.99	19.84
Others (refer note below)#	53.50	53.50
Total	72.49	73.34

* There are restrictions on the bank balances held in unpaid dividend accounts.

Other earmarked accounts represent fixed deposits made in pursuance of Rule 13 of the Companies (Acceptance of Deposits) Rules 2014.

15 Loans (Current)

(Unsecured, considered good unless stated otherwise)

	March 31, 2022	March 31, 2021
Loans to employees - secured	1.35	2.45
Loans to employees - unsecured	17.89	20.70
Total	19.24	23.15

Loans to employees are non-derivative financial assets which generate interest income for the Company. Vehicle loans to employees are secured by hypothecation of vehicles acquired out of the loan.

16 Others current financial assets

(Unsecured, considered good unless stated otherwise)

	March 31, 2022	March 31, 2021
Security deposits	64.01	53.53
Interest receivable	0.89	0.95
Derivative instrument at fair value through profit or loss		
Derivatives not designated as hedges		
Foreign exchange forward contracts	-	0.63
Total	64.90	55.11

Breakup of financial assets

	March 31, 2022	March 31, 2021
At amortised cost		
Non-current and current loans	34.79	45.31
Non-current and current trade receivables	4,034.32	3,662.73
Cash and cash equivalents	123.83	148.85
Non-current and current Bank balances other than cash and cash equivalents	353.45	353.74
Other non-current and current financial assets	186.94	177.52
Total financial assets carried at amortised cost	4,733.33	4,388.15

17 Other current assets

(Unsecured, considered good unless otherwise stated)

	March 31, 2022	March 31, 2021
Advance paid for jobs in progress		
- Considered good	325.43	266.75
- Considered doubtful	125.20	116.20
Advances for supply and services		
- Considered good	230.12	203.70
- Considered doubtful	24.37	-
Advances for supply and services - to related parties	708.22	736.75
Prepayments	75.77	72.87
Balances with Statutory/Government Authorities	98.56	79.78
Surplus gratuity fund balance (refer note 45)	51.41	26.85
Other advances	40.60	35.67
	1,679.68	1,538.57
Less: Allowance for credit loss against doubtful advances	(149.57)	(116.20)
Total	1,530.11	1,422.37

Reconciliation of allowance for credit loss against doubtful advances

	March 31, 2022	March 31, 2021
Opening Balance as at beginning of the year	116.20	120.96
Created during the year (Net)	33.37	(4.76)
Closing Balance as at end of the year	149.57	116.20



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

18 Share capital**18.1 Authorised share capital**

Equity shares of Rs. 2/- each (March 31, 2021 : Rs. 2/- each)

	Number of shares	Rs. in lakhs
At April 1, 2020	50,000,000	1,000.00
Increase/(decrease) during the year	-	-
At March 31, 2021	50,000,000	1,000.00
Increase/(decrease) during the year	-	-
At March 31, 2022	50,000,000	1,000.00

18.2 Issued, Subscribed and Paid-up Capital

Equity shares of Rs. 2/- each (March 31, 2021 : Rs. 2/- each) issued, subscribed and fully paid

	Number of shares	Rs. in lakhs
At April 1, 2020	28,099,008	561.98
Increase/(decrease) during the year	-	-
At March 31, 2021	28,099,008	561.98
Increase/(decrease) during the year	9,366,336	187.33
At March 31, 2022	37,465,344	749.31

18.3 Terms/ rights attached to shares

The Company has issued only one class of equity shares having a par value of Rs.2/- 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.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

18.4 Details of shareholders holding more than 5% shares in the Company

	March 31, 2022		March 31, 2021	
	Number of shares held	% holding	Number of shares held	% holding
Mrs.Jayasree Anumolu	13,536,352	36.13%	9,091,614	32.36%
Mr.Bharat Anumolu	-	0.00%	3,800,694	13.53%
Gunnam Subba Rao Insulation Private Limited	4,968,478	13.26%	3,328,320	11.84%

As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

18.5 Details of shares held by promoters

March 31, 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% change during the year
Mrs.Jayasree Anumolu	9,091,614	4,444,738	13,536,352	36.13%	48.89%
Mr.Bharat Anumolu	3,800,694	(3,800,694)	-	0.00%	(100.00)%
Mrs.Lalithamba Panda	600	-	600	0.00%	0.00%
Gunnam Subba Rao Insulation Private Limited	3,328,320	1,640,158	4,968,478	13.26%	49.28%
Villasini Real Estate Private Limited	1,010,749	336,716	1,347,465	3.60%	33.31%
Total	17,231,977	2,620,918	19,852,895	52.99%	15.21%

March 31, 2021

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% change during the year
Mrs.Jayasree Anumolu	9,091,614	-	9,091,614	32.36%	0.00%
Mr.Bharat Anumolu	5,558,848	(1,758,154)	3,800,694	13.53%	(31.63)%
Mrs.Lalithamba Panda	600	-	600	0.00%	0.00%
Gunnam Subba Rao Insulation Private Limited	3,328,320	-	3,328,320	11.84%	0.00%
Villasini Real Estate Private Limited	1,011,073	(324)	1,010,749	3.60%	(0.03)%
Total	18,990,455	(1,758,478)	17,231,977	61.33%	(9.26)%

18.6 Aggregate number of bonus shares, shares issued on rights basis, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

(a) On May 05, 2017, one equity share of face value Rs. 10/- each was split into five equity shares of Rs. 2/- each. Accordingly, 1,00,00,000 authorised equity shares of Rs. 10/- each were sub-divided into 5,00,00,000 authorised equity shares of Rs.2/- each and 46,83,168 fully paid up shares of Rs.10/- each were sub-divided into 2,34,15,840 fully paid up shares of Rs.2/- each.

(b) On May 06, 2017, the Company issued bonus shares to the existing shareholders, in the ratio of 1:5. The Securities premium account was utilised to the extent of Rs. 93.66 for the issue of said bonus shares.

(c) On January 22, 2022 (Record Date), the Company issued 9,366,336 equity shares of face value of Rs. 2 each on rights basis to the existing shareholders, in the ratio of 1:3, for an amount aggregating to Rs. 936.63 Lakhs. The shares were issued at a premium of Rs. 8 per share and consequently the securities premium account was credited by Rs. 749.31 during the year. The Securities premium account was utilised to the extent of Rs. 81.10 towards expenses incurred for the issue of said shares on rights basis.



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

19 Other equity

	March 31, 2022	March 31, 2021
Reserves and Surplus		
(a) Securities premium account		
Balance at the beginning of the year	555.65	555.65
Add: Issuance of share capital on rights basis (Refer note 18.6 (c))	749.31	-
Less: Transaction costs for issued share capital (Refer note 18.6 (c))	(81.10)	-
Balance at the end of the year	1,223.86	555.65
(b) General reserve		
Balance at the beginning of the year	484.61	484.61
Balance at the end of the year	484.61	484.61
(c) Retained earnings		
Balance at the beginning of the year	2,382.31	2,448.23
Add: Profit / (loss) for the year	287.34	(23.35)
Re-measurement gain / (loss) on Defined Benefit Obligations (net of tax impact) (refer note 42)	8.02	(14.47)
Less: Cash dividend	(28.10)	(28.10)
Balance at the end of the year	2,649.57	2,382.31
Distribution made and proposed		
i). Dividends on equity shares declared and paid		
Final dividend for the year ended March 31, 2021: Rs.0.10 per share (paid in FY 2021-22) (March 31, 2020: Rs.0.10 per share - paid in FY 2020-21)	28.10	28.10
Dividend distribution tax	-	-
Total cash dividend including dividend distribution tax	28.10	28.10
ii). Proposed dividend on equity shares		
Proposed dividend for the year ended March 31, 2022: Rs. 0.10 per share (March 31, 2021: Rs.0.10 per share)	37.47	28.10
Dividend distribution tax	-	-
Total proposed dividend including dividend distribution tax	37.47	28.10
Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as on March 31.		
With effect from April 1, 2020, the Dividend Distribution Tax ('DDT') payable by the company under section 115O of Income Tax Act was abolished and a withholding tax was introduced on the payment of dividend. As a result, dividend is now taxable in the hands of the recipient.		
(d) FVTOCI reserve		
Balance at the beginning of the year	5.07	4.81
Add: Other comprehensive income for the year	0.53	0.26
Balance at the end of the year	5.60	5.07
Total other equity	4,363.64	3,427.64

Nature and purpose of reserves**(a) Securities premium account**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(b) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(c) Retained earnings

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013.

(d) FVTOCI reserve

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Equity instruments through Other Comprehensive Income within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

20 Borrowings (non-current)

	March 31, 2022	March 31, 2021
Term loans		
Indian Rupee loans from banks (Secured) (refer note (i) below)	300.48	388.20
Long term maturities of finance lease obligation		
Obligations under hire purchase contracts (Secured) (refer note (ii) below)	27.26	27.75
Unsecured loans from others		
Unsecured deposits from members - others (refer note (iii) below)	91.69	99.84
Unsecured inter corporate deposits (refer note (iv) below)	175.00	400.00
Unsecured loans and advances from related parties (refer note 47 and note (v) below)	-	375.00
Total	594.43	1,290.79

(i) The Indian rupee term loan from banks include:

(a) Covid Emergency Support Scheme (CESS) term loan (Rs. 160) from Bank of India repayable over a period of 18 months at an average interest rate of 7.35% (PY 7.95%)

(b) Guaranteed Emergency Credit Loan (GECL) (Rs. 310) from Bank of India repayable over a period of 3 years at an average interest rate of 7.50%

(c) Guaranteed Emergency Credit Loan - Extension (GECL - Extension) (Rs. 150) from Bank of India repayable over a period of 3 years at an average interest rate of 7.50%.

(ii) Hire purchase loans are secured by hypothecation of vehicles acquired out of the loan repayable over a period of 35 months to 84 months and taken at an interest rate of 6.95% to 10.00%.

(iii) Deposits from members are accepted at an interest rate of 9.75% to 10.59% (PY - 9.75% to 10.75%) repayable over a period of 1 year to 3 years.

(iv) Inter corporate deposits are accepted at an interest rate of 11.00%. This is repayable by way of monthly instalments starting April 30, 2023 and the final instalment falls due on December 30, 2023.

(v) Loans and advances from related parties are at an interest rate of 12.00% which is repaid in the current year

(vi) The Company has not defaulted on any loans payable during the year.

21 Finance lease liabilities (non current)

	March 31, 2022	March 31, 2021
Long term maturities of finance lease obligation		
Lease liabilities (refer note 48)	100.17	222.74
Total	100.17	222.74

22 Other financial liabilities (non current)

	March 31, 2022	March 31, 2021
Interest accrued but not due on deposits from others	0.03	0.83
Financial guarantee contracts (refer note 49 c)	-	1.31
Total	0.03	2.14

23 Deferred tax liability / (asset) (Net)

	March 31, 2022	March 31, 2021
Deferred tax liability relating to		
On difference between book balance and tax balance of Property, plant & equipment	234.73	254.27
Deferred tax impact on fair valuation of Investments	2.79	2.61
(A)	237.52	256.88
Deferred tax asset relating to		
Provision for compensated absences & bonus	79.03	66.69
Provision for impairment allowance on financial assets	201.02	243.33
Leases - Ind AS 116 adjustments	13.36	13.43
(B)	293.41	323.45
Deferred tax liability/ (asset) (Net)	(55.89)	(66.57)

For the year ended March 31, 2022	Opening Balance	Recognised in profit & loss	Recognised in OCI	Closing balance
Property, plant and equipment	254.27	(19.54)	-	234.73
Provision for compensated absences	(66.69)	(12.34)	-	(79.03)
Provision for impairment allowance on financial assets	(243.33)	42.31	-	(201.02)
Leases - Ind AS 116 adjustments	(13.43)	0.07	-	(13.36)
FVTOCI reserve	2.61	-	0.18	2.79
	(66.57)	10.50	0.18	(55.89)
For the year ended March 31, 2021	Opening Balance	Recognised in profit & loss	Recognised in OCI	Closing balance
Property, plant and equipment	277.54	(23.27)	-	254.27
Provision for compensated absences	(37.13)	(29.56)	-	(66.69)
Provision for impairment allowance on financial assets	(222.83)	(20.50)	-	(243.33)
Leases - Ind AS 116 adjustments	(3.99)	(9.44)	-	(13.43)
FVTOCI reserve	2.52	-	0.09	2.61
	16.11	(82.77)	0.09	(66.57)



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

24 Borrowings (Current)

	March 31, 2022	March 31, 2021
Cash credit from banks (secured) (refer note (i) below)	957.81	837.82
Unsecured inter corporate deposits (refer note (ii) below)	20.00	22.00
Unsecured loans and advances from related parties (refer note 47 and note (iii) below)	79.75	87.75
Unsecured deposits from members - related parties (refer note 47 and note (iv) below)	106.18	90.83
Unsecured deposits from members - others (refer note (iv) below)	34.43	6.87
Current maturities of long term borrowings (refer note (iv) below)	114.20	308.46
Current maturities of hire purchase loans (refer note (iv) below)	26.25	29.81
Current maturities of unsecured deposits from members - related parties (refer note 47 and note (iv) below)	-	20.00
Current maturities of unsecured deposits from members - others (refer note (iv) below)	63.98	61.17
Total	1,402.60	1,464.71

(i) The interest rate on the cash credit is 10.85% (March 31, 2021 - 12.10% to 13.10%). Refer note 3a(i) for details of security.

(ii) Inter corporate deposits are accepted at an interest rate of 11.00%. This is repayable on demand.

(iii) Related party loans are accepted at an interest rate of 12.00%. This is repayable on demand.

(iv) Refer note under non-current borrowings for details of security and terms of repayment.

25 Trade payables

	March 31, 2022	March 31, 2021
Outstanding dues of micro enterprises and small enterprises	-	-
Outstanding dues to creditors other than micro enterprises and small enterprises	3,154.67	2,814.42
Total	3,154.67	2,814.42

Trade payables Ageing Schedule**As at March 31, 2022**

	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,041.74	30.38	39.16	43.39	3,154.67
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	3,041.74	30.38	39.16	43.39	3,154.67

As at March 31, 2021

	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,613.15	71.41	65.82	64.04	2,814.42
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	2,613.15	71.41	65.82	64.04	2,814.42

There are no "unbilled" trade payables, hence the same are not disclosed in the ageing schedule.

Based on the information available with the Company, there are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, as at March 31, 2022 (March 31, 2021: Nil). Further, the Company has not paid any interest to any Micro and Small Enterprises during the current and previous year.

Terms and conditions of the above financial liabilities:

Trade payables are non interest bearing and carry a credit period generally between 30 and 60 days

For explanations on the Company's credit risk management processes, refer to Note 51(iii).



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

26 Finance lease liabilities (current)		
	March 31, 2022	March 31, 2021
Current maturities of finance lease obligation		
Lease liabilities (refer note 48)	143.02	138.00
Total	143.02	138.00
27 Other financial liabilities (current)		
	March 31, 2022	March 31, 2021
Unclaimed dividend	18.99	19.84
Interest accrued but not due on deposits from members #		
- From related parties	0.83	0.48
- From others	0.29	0.82
Financial guarantee contracts (refer note 49 c)	-	2.44
Security deposits	28.84	20.35
Payable to employees	238.60	322.96
Total	287.55	366.89
# Interest payable is normally settled monthly/ quarterly throughout the financial year.		
28 Other current liabilities		
	March 31, 2022	March 31, 2021
Statutory liabilities	111.95	131.63
Advances received from customers	407.83	322.85
Deferred revenue	79.76	70.80
Others	68.70	151.90
Total	668.24	677.18
29 Provisions (current)		
	March 31, 2022	March 31, 2021
Provision for compensated absences (refer note 45)	112.24	116.15
Provision for differential sales tax (refer note a below)	6.26	13.52
Total	118.50	129.67
(a) Provision for differential sales tax		
	March 31, 2022	March 31, 2021
At the beginning of the year	13.52	13.52
Created/ (utilized) during the year	-	-
Reversed during the year*	(7.26)	-
At the end of the year	6.26	13.52
*Comprises of provision created towards uncollected C-Forms/ F-Forms from customers. Current year reversals are on account of collection of C-Forms/ F-Forms amounting to Rs. 7.26 (PY - Nil).		
30 Current tax liabilities		
	March 31, 2022	March 31, 2021
Provision for income taxes (net of advance taxes)	87.65	95.11
Total	87.65	95.11
Breakup of financial liabilities		
	March 31, 2022	March 31, 2021
At amortised cost		
Non current borrowings	594.43	1,290.79
Current borrowings	1,402.60	1,464.71
Non current lease liabilities	100.17	222.74
Current lease liabilities	143.02	138.00
Trade Payables	3,154.67	2,814.42
Other non-current and current financial liabilities	287.58	369.03
Total financial liabilities carried at amortised cost	5,682.47	6,299.69

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

31 Revenue from contracts with customers

	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Sale of Products		
Finished goods	12,798.48	9,193.04
Traded goods	2,388.19	1,440.39
Sale of services	2,008.42	1,375.80
Other operating revenue		
Scrap sales	84.65	53.61
Total revenue from operations	17,279.74	12,062.84

Disaggregated revenue information

Set out below is the disaggregation of the Company revenue from contracts with customers

Reconciliation of the revenue from contract with customers with the amounts disclosed in the segment information (Note 46)

Particulars	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Insulation	15,370.55	10,977.66
Trading	1,909.19	1,085.18
Total revenue from contracts with customers	17,279.74	12,062.84

Timing of revenue recognition

	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Goods transferred at a point in time	15,271.32	10,687.04
Services transferred over time	2,008.42	1,375.80
Total revenue from contracts with customers	17,279.74	12,062.84

Contract balances

Trade receivables	4,034.32	3,662.73
Contract liabilities	407.83	322.85

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Contract assets represents unbilled revenues.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier).

Set out below is the amount of revenue recognised from:

	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Amounts included in contract liabilities at the beginning of the year	322.85	242.45
Performance obligations satisfied in previous years	-	-

Reconciling the amount of revenue recognised in the statement of profit and loss with the contract price

Due to Company's nature of business and the type of contracts entered with the customers, the company does not have any difference between the amount of revenue recognized in the statement of profit and loss and the contracted price.

Performance obligation

Information about the Company's performance obligations are summarised below:

a) Insulation

The revenue from sale of finished goods is recognised at a point in time coinciding with the transfer of control over goods and in case of contracts, revenue is recognised over a period of time based on progress of performance certified by the customer in line with the requirements of Ind AS 115.

b) Trading

The revenue from sale of traded goods is recognised at a point in time coinciding with the transfer of control over goods as per Ind AS 115.

32 Other income

	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Rental income from operating leases	38.01	36.47
Net gain on disposal of property, plant and equipment	-	5.12
Foreign exchange fluctuation (net)	10.43	12.40
Bad debts recovered	2.85	-
Liabilities/ provisions no longer required written back	99.68	4.42
Other non-operating income	99.51	24.04
Total	250.48	82.45

33 Finance income

	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Interest income on		
- Bank deposits	16.79	15.08
- Income tax refund	8.82	2.18
- Others	0.70	0.43
Guarantee income	2.55	3.52
Total	28.86	21.21



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

34 Cost of raw material and components consumed		
	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Inventory at the beginning of the year	638.46	472.49
Add: Purchases	9,417.47	6,082.45
	10,055.93	6,554.94
Less : Inventory at the end of the year	663.12	638.46
Cost of raw material and components consumed	9,392.81	5,916.48
35 Direct costs of projects		
	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Direct costs of projects	1,720.59	1,180.99
Total	1,720.59	1,180.99
36 Purchase of traded goods		
	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Stock-in-trade - Motors	1,834.10	1,002.47
Total	1,834.10	1,002.47
37 Changes in inventories of finished goods, work-in-progress and traded goods		
	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Opening stock		
Finished goods	236.40	242.92
Work-in-Progress	79.47	91.49
Stock-in-trade	215.87	218.62
	531.74	553.03
Closing stock		
Finished goods	336.89	236.40
Work-in-Progress	94.67	79.47
Stock-in-trade	355.06	215.87
	786.62	531.74
Decrease/ (increase) in inventories of finished goods, work-in-progress and traded goods	(254.88)	21.29
38 Employee benefits expense		
	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Salaries, allowances and wages	1,128.97	1,149.53
Contribution to provident fund and other funds	135.47	82.13
Gratuity expense (refer note 45)	20.44	19.94
Staff welfare expenses	60.99	45.32
Total	1,345.87	1,296.92
The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.		
39 Depreciation and amortisation expense		
	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Depreciation of property, plant and equipment (refer note 3a)	337.71	364.81
Amortization of intangible assets (refer note 3b)	22.36	22.68
Depreciation of Right-of-use assets (refer note 48)	151.80	137.84
Total	511.87	525.33
40 Finance costs		
	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Interest expense on		
Term loans and working capital loans	173.01	223.81
On deposits from members and other deposits	122.65	119.08
On hire purchase contracts	3.93	4.49
Delayed payment of Income Tax	9.95	-
Lease liabilities	28.66	29.42
Others	11.09	-
Other Borrowing Costs #	51.99	53.12
Total	401.28	429.92

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



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

41 Other expenses

	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Consumption of stores and spares	129.87	83.52
Contract labour cost	522.80	396.04
Power and Fuel	747.85	485.67
Repairs & maintenance		
Plant and machinery	43.55	21.26
Buildings	8.12	5.63
Furniture and Equipment	11.58	9.85
Rent	22.33	30.27
Rates and taxes	43.95	24.17
Advertising and sales promotion	6.01	5.10
Vehicle maintenance	40.06	29.85
Insurance	72.06	91.43
Printing and stationery	1.82	1.31
Consultancy and other professional charges	119.01	80.77
Travelling and conveyance	72.00	42.25
Communication expenses	19.59	20.26
Allowance for credit loss (including bad debts written off)*	47.99	178.91
Freight and forwarding charges	157.03	122.14
Share of loss from partnership firm	24.57	39.04
Donations	3.06	5.10
Sitting fees paid to Directors	16.15	10.50
Bank charges	6.32	5.56
Net loss on sale of property, plant and equipment	20.06	-
Loss on termination of lease	3.85	-
Miscellaneous Expenses	66.54	58.64
Total	2,206.17	1,747.27

* includes bad debts written off amounting to INR 216.11 (PY - 97.46)

Payment to auditor (included under consultancy and other professional charges)

As auditor		
-Audit fees	12.00	12.00
-Limited review	9.00	9.00
-Tax audit fee	1.00	1.50
In other capacity		
-Other services (certification fees)	0.50	0.50
-Reimbursement of expenses	0.10	0.10
Total	22.60	23.10

Payment to auditor (adjusted against Securities Premium)

In other capacity		
-Assurance Services in connection with the Rights Issue	41.00	-
Total	41.00	-

42 Other comprehensive income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below

	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
FVTOCI reserve		
Gain/(loss) on equity instruments through OCI	0.71	0.35
Deferred tax effect on the gain/(loss) on equity instruments through OCI	(0.18)	(0.09)
Retained earnings		
Re-measurement gains / (losses) on defined benefit plans	10.72	(19.34)
Deferred tax effect on remeasurement costs on net defined benefit liability	(2.70)	4.87
Total	8.55	(14.21)

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

43 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the profit and share data used in the basic and diluted EPS computations

	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Profit/(loss) available for equity shareholders	287.34	(23.35)
Weighted average number of equity shares in computing basic and diluted EPS	29,869,630	28,099,008
Face value of each equity share (Rs.)	2.00	2.00
Earnings per share		
- Basic (Rs.)	0.96	(0.08)
- Diluted (Rs.)	0.96	(0.08)

44 Income taxes

The major components of income tax expense for the years ended March 31, 2022 and March 31, 2021 are:

(i) Profit or loss section

	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Current income tax:		
Current income tax charge	158.21	130.50
Adjustments in respect of current income tax of previous year	(54.78)	21.45
Deferred tax:		
Relating to origination and reversal of temporary differences	(11.02)	(94.52)
Adjustments in respect of deferred tax of previous year	21.52	11.75
Income tax expense reported in the statement of profit and loss	113.93	69.18

(ii) OCI Section

	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Tax related to items recognised in OCI during in the year:		
Net (gain) / loss on FVTOCI financial assets	0.18	0.09
Net (gain) / loss on remeasurement of defined benefit plans	2.70	(4.87)
Income tax charged to OCI	2.88	(4.78)

Reconciliation of tax expense and the accounting profit multiplied by Corporate Income tax rate applicable for March 31, 2022 and March 31, 2021:

The Company exercised the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019, in the earlier years. Accordingly, the Company has recognized Provision for Income Tax for the year and re-measured its Deferred tax asset (or/and deferred tax liability) basis the rate prescribed in the said section. The tax on the Company's profit before tax differs from the theoretical amount that would arise on using the standard rate of corporation tax in India (25.168%) as follows:

	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Accounting profit before income tax (A)	401.27	45.83
Enacted tax rate in India (B)	25.17%	25.17%
Profit before income tax multiplied by standard rate of Corporate tax in India (C = A*B)	100.99	11.53
Adjustments		
50% of donation	0.77	0.64
Loss/(profit) from partnership firm	6.18	9.83
Current tax and deferred tax relating to earlier years	33.26	-
Interest on income tax	2.50	7.29
Others	3.48	6.69
Total (D)	46.20	24.45
Expected tax expenses after adjustments (C+D)	147.19	35.98
Total tax expense for current year (excluding earlier year tax adjustments)	147.19	35.98



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

45 Employee benefits**A. Defined contribution plans**

The Company makes contributions to Provident Fund, Superannuation Fund and Employee State Insurance Scheme which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 75.19 (March 31, 2021: Rs. 41.78) for Provident Fund contributions, Rs. 58.04 (March 31, 2021: Rs. 38.17) for Superannuation Fund contributions and Rs. 2.24 (March 31, 2021: Rs. 2.18) 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 Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service subject to a maximum of Rs. 20. The Company has invested the plan assets with the insurer managed funds (Life Insurance Corporation). 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 components of gratuity cost recognised in the statement of profit and loss for the years ended March 31, 2022 and March 31, 2021 consist of the following

	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost	23.57	23.48
Interest cost (net)	(3.13)	(3.54)
Gratuity cost recognised in statement of profit and loss	20.44	19.94
Actuarial (gains) / losses due to demographic changes in DBO	-	-
Return on plan assets (greater)/less than discount rate	0.44	47.26
Actuarial (gains) / losses due to changes in financial assumptions	(6.76)	(6.13)
Experience adjustments	(4.40)	(21.79)
Components of defined benefit costs recognised in other comprehensive income	(10.72)	19.34

	As at March 31, 2022	As at March 31, 2021
Details of the employee benefits obligations and plan assets are provided below		
Defined benefit obligation	402.96	394.91
Fair value of plan assets	454.37	421.76
Net defined benefit (asset) / liability recognised	(51.41)	(26.85)

Details of changes in the present value of defined benefit obligations are as follows

Opening defined benefit obligation	394.91	425.71
Current service cost	23.57	23.48
Interest cost	27.04	28.40
Remeasurement gains/(losses) on obligation	(11.16)	(27.92)
Benefits paid	(31.40)	(54.76)
Defined benefit obligations at the end of the year	402.96	394.91

Details of changes in the fair value of plan assets are as follows

Fair value of plan assets at the beginning of the year	421.76	458.92
Expected return on plan assets	30.17	31.94
Employer contributions	34.28	32.92
Benefits paid	(31.40)	(54.76)
Remeasurement gains/(losses) on plan assets	(0.44)	(47.26)
Plan assets at the end of the year	454.37	421.76

The principal actuarial assumptions used in determining gratuity obligation for the Company are shown below

	Year ended March 31, 2022	Year ended March 31, 2021
Discount rate	7.49%	7.13%
Rate of return of plan assets	7.13%	7.13%
Attrition rate	6.00%	6.00%
Future Salary Increase (%)	6.00%	6.00%



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

45 Employee benefits (continued)

Sensitivity Analysis: Impact on defined benefit obligation

	Year ended March 31, 2022	Year ended March 31, 2021
(a) Effect of 1% change in assumed discount rate		
- 1% increase	(18.73)	(18.83)
- 1% decrease	21.22	21.37
(b) Effect of 1% change in assumed salary escalation rate		
- 1% increase	21.30	21.42
- 1% decrease	(19.12)	(19.19)
(c) Effect of 1% change in assumed attrition rate		
- 1% increase	0.68	0.20
- 1% decrease	(0.74)	(0.21)

The expected future cash flows in respect of gratuity were as follows

	Year ended March 31, 2022	Year ended March 31, 2021
Expected future benefit payments		
Within next year	38.36	57.15
Between 2 and 5 years	104.87	120.18
Between 6 and 10 years	154.99	132.60
More than 10 years	367.79	331.08

The average duration of the defined benefit plan obligation at the end of the reporting period is 11.67 years (31 March 2021: 11.80 years).

Notes:

- (i). The entire Plan Assets are invested in insurer managed funds with Life Insurance Corporation of India (LIC).
- (ii). The expected/ actual return on Plan Assets is as furnished by LIC.
- (iii). The estimate of future salary increase takes into account inflation, likely increments, promotions and other relevant factors.

C. Long Term Compensated Absences

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

Assumptions	As at March 31, 2022	As at March 31, 2021
Discount Rate	7.49%	7.13%
Future Salary Increase (%)	6.00%	6.00%
Attrition Rate	6.00%	6.00%



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

46 Segment information**Primary segment**

Based on internal reporting provided to the chief operating decision maker, insulation and trading are two reportable segments for the Company. Insulation Business includes manufacturing of EPS Products / prefabricated panels and related service activities. Trading includes motors, export of fabrics, telemedicine equipment's, Information Technology Products etc. The above segments have been identified taking into account the organisation structure as well as differing risks and returns of these segments. Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. All expenses which are not attributable or allocable to 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.

For the year ended March 31, 2022

Particulars	Insulation	Trading	Total
Revenue	15,370.55	1,909.19	17,279.74
Segment result	1,203.87	154.05	1,357.92
Less: Finance costs			(401.28)
Less: Unallocable corporate expenses (net of unallocable income)			(555.37)
Profit before taxes			401.27
Less: Tax expenses			(113.93)
Net profit / (loss) for the year			287.34
As at year ended March 31, 2022			
Segment assets	10,151.68	516.22	10,667.90
Unallocable corporate assets			1,001.91
Total Assets			11,669.81
Segment liabilities	4,294.35	81.88	4,376.23
Unallocable corporate liabilities			2,180.63
Total liabilities			6,556.86

For the year ended March 31, 2021

Particulars	Insulation	Trading	Total
Revenue	10,977.66	1,085.18	12,062.84
Segment result	657.84	113.75	771.59
Less: Finance costs			(429.92)
Less: Unallocable corporate expenses (net of income)			(295.84)
Profit before taxes			45.83
Less: Tax expenses			(69.18)
Net profit / (loss) for the year			(23.35)
As at year ended March 31, 2021			
Segment assets	9,510.44	487.50	9,997.94
Unallocable corporate assets			1,193.33
Total Assets			11,191.27
Segment liabilities	4,339.96	93.75	4,433.71
Unallocable corporate liabilities			2,767.94
Total liabilities			7,201.65

Capital expenditure

Particulars	March 31, 2022	March 31, 2021
Insulation	367.24	243.17
Trading	-	-
Unallocable	-	2.30
Total	367.24	245.47

Depreciation/ amortisation

Particulars	March 31, 2022	March 31, 2021
Insulation	303.94	328.33
Trading	33.77	36.48
Unallocable	174.16	160.52
Total	511.87	525.33

Revenue from external customers

Particulars	March 31, 2022	March 31, 2021
India	17,279.74	12,062.84
Outside India	-	-

The revenue information above is based on the location of the customers. There are no sales to external customers more than 10% of total revenue.

Non Current Assets

Particulars	March 31, 2022	March 31, 2021
India	3,252.91	3,509.71
Outside India	-	-

Non-current assets for this purpose consist of property, plant and equipment, capital work in progress, intangible assets and right-of-use assets

**Beardsell Limited****CIN : L65991TN1936PLC001428****Notes to Standalone Financial Statements for the year ended March 31, 2022**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

47 Related Party Transactions

Enterprises that are controlled by the Company	M/s Saideep Polytherm (Partnership Firm)- Controlled Entity M/s Sarovar Insulation Private Limited - wholly owned subsidiary
Key Management Personnel (KMP) and their relatives	Mr. Amrith Anumolu - Executive Director Mrs. Jayasree Anumolu - Director / Relative of KMP Mrs. Lalithamba Panda - Relative of KMP Mr. R Gowrishanker - Director Mr. V J Singh - Director Mr. Gurram Jagannathan Reddy - Independent Director Mr. A V Ram Mohan - Independent Director Mr. Bharath Anumolu - Relative of KMP Mr. V V Sridharan - Chief Financial Officer Mr. K Murali - Company Secretary (till May 31, 2020 and re-appointed from May 01, 2021 till March 31, 2022) Ms. T Anantha Jothi - Company Secretary (from June 01, 2020 till April 30, 2021) Mrs. S N Radha - Relative of KMP
Enterprises over which parties above or their relatives have control / significant influence ('Affiliates')	M/s Gunnam Subba Rao Insulation Private Limited M/s Korean Painting and Plating Pvt Ltd (Formerly "Panda Solar Energy Pvt Ltd") M/s Villasini Real Estate Private Limited

Related party transactions for the year ended March 31, 2022

Particulars	Controlled entity	Wholly owned subsidiary	Affiliates	Key Managerial Personnel & their Relatives
Transactions during the year				
Sale of products	370.07	147.93	9.47	-
Purchase of materials	567.56	915.05	-	-
Lease rent income	-	12.00	3.47	-
Financial guarantee income	-	2.55	-	-
Lease rent expense/ Principal payment of lease liabilities	-	15.01	50.40	-
Interest expense on lease liabilities	-	2.49	-	-
Share of loss	24.57	-	-	-
Consultancy & professional charges	-	1.65	-	-
Purchase of property, plant and equipment	-	165.12	-	-
Loss on termination of lease	-	3.85	-	-
Issue of shares on rights basis	-	-	-	697.51
Managerial remuneration paid				
Mr. Amrith Anumolu	-	-	-	35.46
Mr. V V Sridharan	-	-	-	24.57
Mr. K Murali	-	-	-	13.92
Mrs. T Anantha Jothi	-	-	-	1.02
Sitting fees & conveyance charges paid to Directors				
Mr. Amrith Anumolu	-	-	-	2.50
Mrs. Jayasree Anumolu	-	-	-	2.40
Mr. Gowrishanker	-	-	-	3.05
Mr. V J Singh	-	-	-	3.45
Mr. Gurram Jagannathan Reddy	-	-	-	4.55
Mr. A V Ram Mohan	-	-	-	4.45
Unsecured Loan received				
Mrs. Jayasree Anumolu	-	-	-	100.00
Mr. Amrith Anumolu	-	-	-	17.00
Unsecured Loan repaid				
Mrs. Jayasree Anumolu	-	-	-	475.00
Mr. Amrith Anumolu	-	-	-	25.00
Public deposits repaid				
Mrs. Lalithamba Panda	-	-	-	100.18
Mrs. S N Radha	-	-	-	5.45
Public deposits received				
Mrs. Lalithamba Panda	-	-	-	100.18
Mrs. S N Radha	-	-	-	6.00
Finance cost during the year on loans				
Mr. V J Singh	-	-	-	0.84
Mr. Amrith Anumolu	-	-	-	1.36
Mrs. Jayasree Anumolu	-	-	-	40.72
Mrs. Lalithamba Panda	-	-	-	9.81
Mr. Bharat Anumolu	-	-	-	8.73
Mrs. S N Radha	-	-	-	0.56
Mrs. T Anantha Jothi	-	-	-	0.04



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

47 Related Party Transactions (continued)

Particulars	Controlled entity	Wholly owned subsidiary	Affiliates	Key Managerial Personnel
Balance outstanding as at the year end				
Trade receivable	827.38	-	270.27	-
Advances for supply and services	-	708.22	-	-
Trade payables	-	-	110.26	-
Salary payable				
Mr. Amrith Anumolu	-	-	-	0.62
Mr. V V Sridharan	-	-	-	0.78
Mr. K Murali	-	-	-	0.69
Unsecured loan from Mr. Bharat Anumolu	-	-	-	72.75
Unsecured loan from Mr. V J Singh	-	-	-	7.00
Public deposits from Mrs. Lalithamba Panda	-	-	-	100.18
Public deposits from Mrs. S N Radha	-	-	-	6.00
Interest accrued on Public Deposit - Mrs. S.N.Radha	-	-	-	0.29

Related party transactions for the year ended March 31, 2021

Particulars	Controlled entity	Wholly owned subsidiary	Affiliates	Key Managerial Personnel
Transactions during the period				
Sale of products	156.36	203.24	-	-
Purchase of materials	372.99	667.51	-	-
Lease rent income	-	12.00	4.80	-
Financial guarantee income	-	3.52	-	-
Lease rent expense	-	21.00	48.60	-
Interest expense on lease liabilities	-	1.26	-	-
Share of loss	39.04	-	-	-
Sale of property, plant and equipment	0.48	-	-	-
Managerial remuneration paid				
Mr. Amrith Anumolu	-	-	-	35.30
Mr. V V Sridharan	-	-	-	19.36
Mr. K Murali	-	-	-	5.95
Mrs. T Anantha Jothi	-	-	-	8.53
Sitting fees & conveyance charges paid to Directors				
Mr. Amrith Anumolu	-	-	-	2.40
Mrs. Jayasree Anumolu	-	-	-	1.20
Mr. Gowrishanker	-	-	-	2.80
Mr. V J Singh	-	-	-	2.20
Mr. Gurram Jagannathan Reddy	-	-	-	2.60
Mr. A V Ram Mohan	-	-	-	2.80
Unsecured loan received				
Mrs. Jayasree Anumolu	-	-	-	250.00
Unsecured Loan repaid				
Mr. Amrith Anumolu	-	-	-	8.00
Mr. Gowrishanker	-	-	-	170.00
Public deposits repaid				
Mrs. Lalithamba Panda	-	-	-	80.18
Mrs. S N Radha	-	-	-	5.00
Public deposits received				
Mrs. Lalithamba Panda	-	-	-	80.18
Mrs. S N Radha	-	-	-	5.45
Mrs. T Anantha Jothi	-	-	-	5.20
Capital contributed	350.00	-	-	-
Finance cost during the year on loans				
Mr. V J Singh	-	-	-	0.84
Mr. Amrith Anumolu	-	-	-	1.38
Mr. Gowrishanker	-	-	-	1.21
Mrs. Jayasree Anumolu	-	-	-	22.44
Mrs. Lalithamba Panda	-	-	-	10.42
Mr. Bharat Anumolu	-	-	-	8.75
Mrs. S N Radha	-	-	-	0.57
Ms. T Anantha Jothi	-	-	-	0.22



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

47 Related Party Transactions (continued)

Particulars	Controlled entity	Wholly owned subsidiary	Affiliates	Key Managerial Personnel
Balance outstanding as at the year end				
Trade receivable	876.25	-	1.79	-
Advances for supply and services	-	736.75	-	-
Trade payables	-	-	15.00	-
Lease liabilities	-	60.89	-	-
Other financial liabilities - financial guarantee contracts	-	3.75	-	-
Unsecured loan from Mr. Bharat Anumolu	-	-	-	72.75
Unsecured loan from Mr. V J Singh	-	-	-	7.00
Unsecured loan from Mrs. Jayasree Anumolu	-	-	-	375.00
Unsecured loan from Mr. Amrith Anumolu	-	-	-	8.00
Public deposits from Mrs. Lalithamba Panda	-	-	-	100.18
Public deposits from Mrs. S N Radha	-	-	-	5.45
Public deposits from Ms. T Anantha Jothi	-	-	-	5.20
Interest accrued on Public Deposit - Ms. T Anantha Jothi	-	-	-	0.22
Interest accrued on Public Deposit - Mrs. S.N.Radha	-	-	-	0.26

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2022 and March 31, 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (Refer Note 12).

Details of remuneration to key managerial personnel are give below:

Particulars	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Salaries and allowances	55.89	55.76
Provident fund and superannuation	9.24	1.47
Perquisites	2.42	3.32
Incentives	7.42	8.59
Total	74.97	69.14

The above figures do not include provisions for compensated absences and gratuity as separate actuarial valuation report is not available

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

48 Leases

Company as a lessee

The Company has lease contracts for rent of building and plant & machinery used in its operations. Leases of building used for office purpose have lease terms between 1 and 6 years, and plant & machinery generally have lease terms for 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and sub-leasing the leased assets.

The Company also has certain leases of buildings and vehicles with lease terms of 12 months or less and leases with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Building	Leasehold land	Plant & machinery	Total
As at April 1, 2020	378.24	32.58	80.52	491.34
Additions	13.75	-	-	13.75
Depreciation expense	(120.07)	(0.41)	(17.36)	(137.84)
As at March 31, 2021	271.92	32.17	63.16	367.25
Additions	80.00	-	-	80.00
Deletions	-	-	(49.72)	(49.72)
Depreciation expense	(137.95)	(0.41)	(13.44)	(151.80)
As at March 31, 2022	213.97	31.76	-	245.73

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	As at March 31, 2022	As at March 31, 2021
Opening Balance	360.74	476.32
Additions	80.00	13.75
Deletions	(45.87)	-
Accretion of interest	28.66	29.42
Payments	(180.34)	(158.75)
Closing Balance	243.19	360.74
Current	143.02	138.00
Non-current	100.17	222.74

Maturity Analysis of Lease Liability

Year ended	< 1 year	1 - 5 years	> 5 years
March 31, 2022	113.09	142.94	0.66
March 31, 2021	160.29	243.08	-

The effective interest rate for lease liabilities is 8% to 10% (PY 8%), with maturity between 2021-2026.

The following are the amounts recognised in profit or loss:

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation expense of right-of-use assets	151.80	137.84
Interest expense on lease liabilities	28.66	29.42
Expense relating to short-term leases and leases of low-value assets (included in other expenses - Rent)	22.33	30.27
Total amount recognised in profit or loss	202.79	197.53

The Company had total cash outflows for leases of Rs. 180.34 in March 31, 2022 (Rs. 158.75 in March 31, 2021).

Company as Lessor

The Company has entered into operating leases for the sub-lease of buildings and plant & machinery having lease term of less than 1 year. Rental income recognised by the Company during the year is Rs. 38.01 (Previous Year - Rs. 36.47).

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

49 Commitments and contingent liabilities

a. Commitments

The estimated amount of contracts, net of advances remaining to be executed on capital account and not provided is Rs. Nil (March 31, 2021 : Rs. Nil).

b. Contingent liabilities

Note i.

- a) Matters wherein management has concluded the Company's liability to be probable have accordingly been provided for in the books. Also refer Note 29.
 b) Matters wherein management has concluded the Company's liability to be possible have accordingly been disclosed under Note 49b(ii) Contingent liabilities below.
 c) Matters wherein management is confident of succeeding in these litigations and have concluded the Company's liability to be remote. This is based on the relevant facts of judicial precedents and as advised by legal counsel which involves various legal proceedings and claims, in different stages of process.

Note ii.

	March 31, 2022	March 31, 2021
(a) Claims against the Company not acknowledged as debts	23.69	23.69
(b) Sales tax demands against which the Company has filed appeals	592.19	611.09
	615.88	634.78

Particulars	March 31, 2022	March 31, 2021	Period to which the amount relates	Forum where dispute is pending
Under Sales Tax Acts of various states				
Amount under dispute	16.93	16.93	1995-96 2000-01 2001-02	Deputy Commissioner, Assistant
Amount paid	1.92	1.92	2003-04 2015-16	Commissioner & other appellate authorities
Net Amount	15.01	15.01		
Under Central Sales Tax Act, 1956				
Amount under dispute	574.53	594.16	1995-96, 2003-04, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15	High Court, Deputy Commissioner & CTO of various states
Amount paid	57.50	58.15		
Net Amount	517.03	536.01		
Under Service Tax Act, 1994				
Amount under dispute	0.73	-	2015-16	Deputy Commissioner (appeals) SGST, Thrissur
Amount paid	0.15	-		
Net Amount	0.58	-		

Based on its evaluation (including expert advice obtained wherever applicable), the Company believes there it has a strong case on merits and is confident that the demand will not be sustained therefore, no consequential adjustments (including related provision) are considered necessary in the financial statements in this regard.

c. Financial guarantees

Guarantee on the bank overdraft & term loan availed from DBS Bank by the wholly owned subsidiary to a maximum amount of Rs. Nil (31 March 2021: Rs. 200), (carrying amounts of the related financial guarantee contracts were Rs. Nil and Rs. 3.75 at 31 March 2022 and 31 March 2021, respectively).

d. Petition filed with National Company Law Tribunal

The erstwhile Managing Director of the Company had filed petition with National Company Law Tribunal ("NCLT") under sections 241 to 244 of the Companies Act, 2013 during financial year 2018-19. He has sought certain relief and action against the directors. The Company has intimated to the stock exchange about the matter filed with the NCLT by the erstwhile Managing Director. The matter is pending before NCLT and there have been no material updates to this matter. Based on the review of the petition, the Board is of the view that these matters have no effect on financial statements of the Company.



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

50 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

(i) Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company.

(ii) Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 45.

(iii) Allowance for slow/ non-moving inventory and obsolescence

An allowance for Inventory is recognised for cases where the realisable value is estimated to be lower than the inventory carrying value. The inventory allowance is estimated taking into account various factors, including prevailing sales prices of inventory item, gross margins and losses associated with obsolete / slow-moving / redundant inventory items. The Company has, based on these assessments, made adequate provision in the books.

(iv) Allowance for expected credit loss of trade receivables (ECL Provision)

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. The Company undertakes a detailed review of the credit worthiness of clients before extending credit. Outstanding customer receivables are regularly monitored. Management monitors the Company's net liquidity position through rolling forecasts based on expected cash flows.

Trade receivables comprise a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation, credit limit of each customer is defined. Net Trade receivables as on March 31, 2022 is Rs.4,034.32 (March 31, 2021 - 3,662.73). The Company believes the concentration of risk with respect to trade receivables is low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The Company uses the expected credit loss model as per Ind AS 109 – 'Financial Instruments' to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix considers available external and internal credit risk factors and the Company's historical experience in respect of customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 12



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

50 Significant accounting judgements, estimates and assumptions (continued)**(v) Leases - estimating the incremental borrowing rate**

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

(vi) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

51 Financial risk management objectives and policies

The Company's principal financial liabilities comprise of bank and other borrowings, deposits, lease liabilities, trade and other payables and financial guarantee contracts. The main purpose of these financial liabilities is to finance and support the entity's operations. The entity's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations.

The entity is exposed to market risk, credit risk and liquidity risk. The entity's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The entity's exposure to the risk of changes in market interest rates relates primarily to the entity's long-term debt obligations with floating interest rates. The entity manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the entity's profit before tax is affected through the impact on floating rate borrowings, as follows

Particulars	March 31, 2022		March 31, 2021	
	+1%	-1%	+1%	-1%
Increase / decrease in interest rate				
Impact on profit before tax	(13.72)	13.72	(15.34)	15.34

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Company has not hedged any portion of its expected foreign currency sales as at March 31, 2022 and March 31, 2021.

Foreign currency sensitivity

The following demonstrates the sensitivity to a reasonably possible change in the foreign currency exchange rates for Rs., with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The sensitivity analysis includes only outstanding unhedged foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates.

Particulars	Currency	March 31, 2022	March 31, 2021
Trade payables	USD	-	425,156.00

Particulars	Forex currency	Change in forex rate(%)	Effect on profit before tax (in Rs.)	Effect on pre-tax equity (in Rs.)
March 31, 2021 - Trade payables	EURO	5% Increase	(1,562,548)	(1,562,548)
		5% Decrease	1,562,548	1,562,548

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

51 Financial risk management objectives and policies (continued)**(iii). Credit risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Company only deals with parties which has good credit rating/ worthiness given by external rating agencies or based on management's internal assessment. The maximum exposure to the credit risk is equal to the carrying amount of financial assets as of March 31, 2022 and March 31, 2021 respectively.

(iv). Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

	Within 1 year	1 to 5 years	After 5 years	Total
Year ended March 31, 2022				
Borrowings	1,464.14	643.33	0.08	2,107.55
Lease liabilities	113.09	142.94	0.66	256.69
Other financial liabilities	287.55	0.03	-	287.58
Trade payables	3,154.67	-	-	3,154.67
	5,019.45	786.30	0.74	5,806.49
Year ended March 31, 2021				
Borrowings	1,606.60	1,387.14	-	2,993.74
Lease liabilities	160.29	243.08	-	403.37
Other financial liabilities	366.89	2.14	-	369.03
Trade payables	2,814.42	-	-	2,814.42
	4,948.20	1,632.36	-	6,580.56

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

52 Fair value measurements

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities.

Particulars	Carrying value		Fair value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Financial assets				
Other investments	52.65	45.05	52.65	45.05
Trade receivables	4,034.32	3,662.73	4,034.32	3,662.73
Cash and cash equivalents	123.83	148.85	123.83	148.85
Bank balances other than cash and cash equivalents	353.45	353.74	353.45	353.74
Loans	34.79	45.31	34.79	45.31
Other financial assets	186.94	178.15	186.94	178.15
Total	4,785.98	4,433.83	4,785.98	4,433.83
Financial liabilities				
Borrowings	1,997.03	2,755.50	1,947.83	2,576.63
Lease liabilities	243.19	360.74	243.19	360.74
Trade payables	3,154.67	2,814.42	3,154.67	2,814.42
Other financial liabilities	287.58	369.03	287.58	369.03
Total	5,682.47	6,299.69	5,633.27	6,120.82

The management assessed that cash and cash equivalents, trade receivables, loans, current investments, other financial assets, short term borrowings, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of quoted equity investments are derived from quoted market prices in active markets.
- The fair values of certain unquoted equity investments have been estimated using Discounted Cash-flow Model (DCF). The valuation is based on certain assumptions like forecast cash-flows, discount rate, etc.
- The fair value of borrowings is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return, adjusted for the Credit spread considered by the lenders for instruments of the similar maturity.
- Derivatives are fair valued using market observable rates and published prices.

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

53 Fair value hierarchy

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values. The management assessed that the cash and cash equivalents, trade receivables, trade payables, fixed deposits, bank overdrafts and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2022:

Particulars	March 31, 2022			
	Total amount	Fair value		
		Level 1	Level 2	Level 3
Asset measured at fair value:				
Equity Investments at fair value through OCI				
Unquoted instruments	51.24	-	-	51.24
Quoted instruments	1.41	1.41	-	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2022:

Particulars	March 31, 2022			
	Total amount	Fair value		
		Level 1	Level 2	Level 3
Long Term Borrowings including current maturities	749.66	-	749.66	-

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2021:

Particulars	March 31, 2021			
	Total amount	Fair value		
		Level 1	Level 2	Level 3
Asset measured at fair value:				
Equity Investments at fair value through OCI				
Unquoted instruments	44.35	-	-	44.35
Quoted instruments	0.70	0.70	-	-
Derivative instrument not designated as hedge at fair value through profit or loss				
Foreign exchange forward contracts	0.63	-	0.63	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2021:

Particulars	March 31, 2021			
	Total amount	Fair value		
		Level 1	Level 2	Level 3
Long Term Borrowings including current maturities	1,531.36	-	1,531.36	-

Notes

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

There have been no transfers between the levels during the period.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate.

They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

54 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company. The Company determines the amount of capital required on the basis of annual operating plans and long-term fleet expansion plans. The funding requirements are met through internal accruals and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings. The Company monitors capital employed using a Debt equity ratio, which is total debt divided by total equity and maturity profile of the overall debt portfolio of the Company.

	March 31, 2022	March 31, 2021
Borrowings	1,997.03	2,755.50
Less: Cash and short term deposits	(196.32)	(222.19)
Net debt	1,800.71	2,533.31
Equity	749.31	561.98
Other equity	4,363.64	3,427.64
Total Equity	5,112.95	3,989.62
Gearing ratio	35%	63%

In order to achieve this overall objective, the entity's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current and previous periods. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

55 Financial Ratios

	Ratio	March 31, 2022	March 31, 2021	% of Change	Remarks
(i)	Current Ratio (Current Assets / Current Liabilities)	1.25	1.16	7.45%	-
(ii)	Debt Service Coverage Ratio [(Net profit after tax + Depreciation & Amortization + Finance Cost - Other Income) / (Interest & Lease payouts + Principal repayment on long term borrowing during the year)]	0.58	0.90	(35.43)%	Repayment of borrowings out of proceeds from rights issue
(iii)	Inventory Turnover Ratio [Cost of goods sold including purchase of stock-in-trade / average inventory]	9.19	6.94	32.33%	Due to increase in purchases with increase in business activities
(iv)	Trade Payables Turnover Ratio [Net Credit Purchases (Purchase of raw materials and stock-in-trade) / Average Trade Payables]	4.35	2.99	45.33%	Due to increase in purchases with increase in business activities
(v)	Debt-Equity Ratio [Debt / Equity]	0.35	0.63	(44.54)%	Repayment of borrowings out of proceeds from rights issue
(vi)	Return on Equity Ratio [(Net Profit after Taxes Less Preference Dividend) / Average Shareholder's Equity]	0.016	(0.001)	1187.59%	Increase in profits with improved business scenario and on account of rights issue
(vii)	Trade Receivables Turnover Ratio [Total Revenue from operations / Average Trade Receivables]	4.49	3.19	40.62%	Delays in collection during previous year on account of Covid
(viii)	Net Capital Turnover Ratio [Total revenue from operations / Working Capital (where Working Capital = Current Assets Less Current Liabilities)]	11.96	13.26	(9.77)%	-
(ix)	Return on Capital Employed [Profit Before Interest and Tax / Average Capital Employed]	0.04	0.03	49.09%	Increase in profits with improved business scenario
(x)	Net Profit ratio [Net Profit After Tax / Total Revenue from operations]	0.017	(0.002)	959.06%	Increase in profits with improved business scenario
(xi)	Return on Investment - Long Term [(Share price movement + Dividend Income) / Total Cost of Quoted Investments]	0.0005	0.0002	102.27%	Higher market returns due to increase in share price
(xii)	Return on Investment - Short Term	NA	NA	NA	-



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Standalone Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

56 Standards issued but not yet effective

Ministry of Corporate affairs has issued Companies (Indian Accounting Standards) Amendment rules, 2022 on March 23, 2022, which contains various amendments to IndAS. Management has evaluated these and have concluded that there is no material impact on Company's financial statement.

57 Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- (ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- (iv) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (v) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vi) The Company has not made any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provision of the Income Tax Act, 1961).
- (vii) The Company do not have any transactions with companies struck off.

58 Prior year comparatives

The figures of previous year have been regrouped/reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors

Beardsell Limited

per Aravind K

Partner

Membership no.: 221268

Place: Chennai

Amrith Anumolu

Executive Director

DIN:03044661

Place: Hyderabad

A V Ram Mohan

Independent Director

DIN:02093767

Place: Chennai

V V Sridharan

Chief Financial Officer

Place: Chennai

Kanhu Charan Sahu

Company Secretary

Place: Chennai

Date: May 28, 2022

Date: May 28, 2022

Date: May 28, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Beardsell Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Beardsell Limited (hereinafter referred to as “the Holding Company”), its subsidiary and controlled entity (the Holding Company and its subsidiary and controlled entity together referred to as “the Group”) comprising of the consolidated Balance sheet as at March 31, 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the Consolidated Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiary and controlled entity, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements’ section of our report. We are independent of the Group in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Key audit matters	How our audit addressed the key audit matter
Timing of Revenue recognition (as described in Note 2.4.h of the Consolidated Financial Statements)	
<p>The Holding Company has revenue from sale of products from multiple locations geographically spread across India and it currently has a decentralized accounting system. Revenue is recognized based on the accounting policies disclosed in the note 2.4.h to the Consolidated Financial Statements.</p> <p>The Holding Company recognizes revenue from sale of goods at a point in time based on the terms of the contract with customers which may vary case to case. Terms of sales arrangements with various customers, including Incoterms determine the timing of transfer of control and require judgment in determining timing of revenue recognition.</p> <p>Due to the judgement relating to determination of point of time in satisfaction of performance obligations with respect to sale of products, this matter is considered as Key Audit Matter.</p>	<p>Our audit response included the following:</p> <ul style="list-style-type: none"> • We read, understood and evaluated the accounting policy for recognition of revenue and assessed compliance with the policies in terms of Ind AS 115 – Revenue from Contract with Customers. • We understood the Holding Company’s Revenue process across all product segments in each location, to gain an understanding of revenue recognition process including the design and implementation of controls to address the relevant risks in relation to revenue recognition and tested the operating effectiveness of such controls in relation to Revenue Recognition. • On a sample basis, we tested the revenue transactions to the contracts with customers (including purchase orders issued by customer) and sales order raised by the Holding Company to determine the timing of transfer of control along with the pricing terms and the timing of revenue recognition in respect of such contracts. • We performed analytical review procedures including analysing revenue transactions near reporting date to decide the nature and extent of our testing at each location and tested the timing of revenue was recognized in the appropriate period with reference to shipping records, Gate registers, etc. for sample transactions. • Assessed the disclosures for compliance with the applicable accounting standards.
Physical Verification of Inventories (as described in Note 2.4.g of the Consolidated Financial Statements)	
<p>Total Inventory of Rs 1,518.64 lakhs which represents 13.01% of total assets of the Holding Company as at March 31, 2022. Inventory is held across 6 factories and 9 branches as at the reporting date.</p> <p>Considering the number of locations and the level of inventory held across its factories and branches, the criticality of inventory physical verification to the Holding Company’s financial reporting processes, this is a significant area of audit importance. Accordingly, the above issue has been considered as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We understood the Holding Company’s process for establishing the existence of inventories including the design and implementation of monthly controls in relation to physical verification of inventories performed by management at various locations and tested the operating effectiveness of such controls. • We observed the physical verification of Inventory conducted by management in certain significant locations selected by us. Our procedures in this regard included <ul style="list-style-type: none"> - Inquiring that the stock count instructions were sent by management to appropriate personnel in the relevant location and steps taken by management to ascertain the existence inventory on the date of the count (including identification of non-moving, obsolete / damaged inventory); - Performing independent inventory counts on sample basis and reconciling the same to the management counts; - On a sample basis, testing the reconciliation of the differences in inventory between the

Key audit matters	How our audit addressed the key audit matter
	<p>physical count and the books of accounts, including accounting of such variances basis management approval; and</p> <ul style="list-style-type: none"> • We performed analytical reviews of purchases and inventory during the audit period to identify any unusual trends for further testing. • On a sample basis, we performed tests of purchase and sales transactions made near the reporting date to assess whether transactions are recorded in the correct period by testing shipping records, sales / purchase invoices (as applicable).

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors / management of the entities included in the Group, as the case may be, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors / management of the entities included in the Group, as the case may be, are responsible for assessing the ability of the Group to

continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors / management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors / management of the entities included in the Group, as the case may be, are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding,

among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information, in respect of a subsidiary and controlled entity whose financial statements include total assets of Rs. 3,469.41 Lakhs as at March 31, 2022, and total revenues of Rs. 3,334.22 Lakhs and net cash inflows of Rs. 168.76 Lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and controlled entity, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and controlled entity, are based solely on the report(s) of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary incorporated in India, as noted in the 'Other Matter' paragraph, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xx1) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiary company incorporated in India, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company, its subsidiary incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary, as noted in the 'Other matter' paragraph:
- i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Company and its subsidiary in its Consolidated Financial Statements – Refer Note 50(b) to the Consolidated Financial Statements;
 - ii. The Company and its subsidiary did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;
 - iii. Following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

Nature of amount	Amount involved	Due date	Transfer date
Unclaimed dividend relating to financial year 2013-14	219,518	December 31, 2021	May 26, 2022
Unclaimed Public Deposits	5,000 49,000	May 2, 2021 December 31, 2021	May 20, 2022

There are no amounts which were required to be transferred to Investor Education and Protection Fund by the Subsidiary during the year ended March 31, 2022.

- iv. a) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of its knowledge and belief, as disclosed in the note 58(iv) to the Consolidated Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of its knowledge and belief, as disclosed in the note 58(v) to the Consolidated Financial Statements, no funds have been received by the respective Holding Company or any of such subsidiary from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend. No Dividend has been declared or paid during the year by the subsidiary. As stated in note 19(c)(ii) to the Consolidated Financial Statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aravind K
Partner
Membership Number: 221268

UDIN: 22221268AJUDBR3394

Place of Signature: Chennai
Date: May 28, 2022

Annexure 1 referred to in paragraph under the heading “Report on other legal and regulatory requirements” of our report of even date

Re: Beardsell Limited (“the Holding Company”)

In terms of the information and explanations sought by us and given by the Holding Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief and consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary company incorporated in India, we state that:

(xxi) Adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the Consolidated Financial Statements are:

S No.	Name	CIN	Relation	Clause number of the CARO report which is adverse
1	Beardsell Limited	L65991TN1936PLC001428	Holding Company	(v) and (vii)(a)

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Aravind K

Partner

Membership Number: 221268

UDIN: 22221268AJUDBR3394

Place of Signature: Chennai

Date: May 28, 2022

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BEARDSELL LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Beardsell Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable

assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, in so far as it relates to a subsidiary incorporated in India, and audited by other auditor, is based on the corresponding reports of the auditors of such subsidiary company incorporated in India.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Aravind K

Partner

Membership Number: 221268

UDIN: 22221268AJUDBR3394

Place of Signature: Chennai

Date: May 28, 2022

**Beardsell Limited**

CIN : L65991TN1936PLC001428

Consolidated Balance Sheet as at March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Notes	March 31, 2022	March 31, 2021
ASSETS			
Non current assets			
Property, plant and equipment	3a	4,430.40	4,790.23
Capital work in progress	3a	26.09	63.10
Goodwill	3b	242.12	242.12
Other intangible assets	3c	38.77	61.13
Right-of-use assets	49	421.93	480.29
Financial assets			
Investments	4	53.41	45.81
Loans	5	15.55	22.16
Trade receivables	6	56.91	34.82
Bank balances other than cash and cash equivalents	7	280.96	280.40
Others	8	124.94	125.94
Non-current tax assets (net)	9	12.58	23.76
Deferred tax assets (net)	24	55.89	62.29
Other non-current assets	10	25.03	0.84
		5,784.58	6,232.89
Current assets			
Inventories	11	2,005.57	1,717.28
Financial assets			
Trade receivables	12	3,535.97	3,183.54
Cash and cash equivalents	13	164.49	158.95
Bank Balances other than cash and cash equivalents	14	91.05	86.90
Loans	15	19.24	23.15
Others	16	91.54	81.50
Other current assets	17	1,070.30	893.08
		6,978.16	6,144.40
Total assets		12,762.74	12,377.29
EQUITY and LIABILITIES			
Equity			
Equity share capital	18	749.31	561.98
Other equity	19	4,316.10	3,386.40
Equity attributable to equity holders of the parent		5,065.41	3,948.38
Non-controlling interests		-	-
Total equity		5,065.41	3,948.38
Liabilities			
Non current liabilities			
Financial liabilities			
Borrowings	20	758.43	1,488.02
Lease liabilities	21	100.17	179.72
Other financial liabilities	22	112.05	0.83
Provisions	23	28.75	23.96
		999.40	1,692.53
Current liabilities			
Financial liabilities			
Borrowings	25	1,822.44	2,052.18
Trade payables	26	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,504.62	3,209.20
Lease liabilities	27	143.02	120.13
Other financial liabilities	28	287.55	365.82
Other current liabilities	29	686.72	695.03
Provisions	30	165.93	198.91
Current tax liabilities (net)	31	87.65	95.11
		6,697.93	6,736.38
Total equity and liabilities		12,762.74	12,377.29
Summary of significant accounting policies	2.4		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors

Beardsell Limited**per Aravind K**

Partner

Membership no.: 221268

Place: Chennai

Amrith Anumolu

Executive Director

DIN:03044661

Place: Hyderabad

A V Ram Mohan

Director

DIN:02093767

Place: Chennai

V V Sridharan

Chief Financial Officer

Place: Chennai

Kanhu Charan Sahu

Company Secretary

Place: Chennai

Date: May 28, 2022

Date: May 28, 2022

Date: May 28, 2022

Beardsell Limited

CIN : L65991TN1936PLC001428

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
I. Income			
Revenue from contracts with customers	32	18,613.37	13,225.21
Other income	33	241.67	72.57
Finance income	34	26.32	17.71
Total income		18,881.36	13,315.49
II. Expenses			
Cost of raw material and components consumed	35	9,795.02	6,158.70
Direct costs of projects	36	1,720.59	1,180.99
Purchase of traded goods	37	1,834.10	1,002.47
Changes in inventories of finished goods, work-in-progress and traded goods	38	(277.18)	18.18
Employee benefits expense	39	1,540.93	1,464.11
Depreciation and amortisation expense	40	635.76	647.17
Finance costs	41	478.34	526.83
Other expenses	42	2,762.95	2,283.92
Total expenses		18,490.51	13,282.37
Profit/(loss) before tax		390.85	33.12
Tax expense	45		
Current tax		158.21	130.50
Adjustment of tax relating to earlier periods		(54.78)	21.45
Deferred tax		(15.30)	(90.25)
Deferred tax - earlier years		21.52	11.75
Total tax expense		109.65	73.45
Profit/(loss) for the year		281.20	(40.33)
Other comprehensive income (OCI)	43		
Items not to be reclassified to profit or loss in subsequent periods			
Gain / (loss) on equity instruments through OCI		0.71	0.35
Income tax effect		(0.18)	(0.09)
Re-measurement gains / (losses) on defined benefit plans		10.72	(19.34)
Income tax effect		(2.70)	4.87
Other comprehensive income for the year, net of tax		8.55	(14.21)
Total comprehensive income / (loss) for the year, net of tax		289.75	(54.54)
Earnings Per Equity Share Rs. 2/- each fully paid (March 31, 2021: Rs. 2/- each fully paid)	44		
Computed on the basis of total profit / (loss) for the year			
Basic (Rs.)		0.94	(0.14)
Diluted (Rs.)		0.94	(0.14)
Summary of Significant Accounting Policies	2.4		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors

Beardsell Limited**per Aravind K**

Partner

Membership no.: 221268

Place: Chennai

Amrith Anumolu

Executive Director

DIN:03044661

Place: Hyderabad

A V Ram Mohan

Director

DIN:02093767

Place: Chennai

V V Sridharan

Chief Financial Officer

Place: Chennai

Kanhu Charan Sahu

Company Secretary

Place: Chennai

Date: May 28, 2022

Date: May 28, 2022

Date: May 28, 2022



Beardsell Limited

CIN : L65991TN1936PLC001428

Consolidated Statement of Changes in Equity for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

a. Equity Shares of Rs.2/- Each (March 31, 2021: Rs.2/- each), subscribed and fully paid up	Number of shares	Rs. In Lakhs
As at April 1, 2020	28,099,008	561.98
Increase/(decrease) during the year	-	-
At March 31, 2021	28,099,008	561.98
Increase/(decrease) during the year (Refer note 18.6 (c))	9,366,336	187.33
At March 31, 2022	37,465,344	749.31

b. Other Equity

Particulars	Reserves and surplus			Items of OCI	Total
	Securities premium (Note 19)	General Reserve (Note 19)	Retained earnings (Note 19)	FVTOCI reserve (Note 19)	
As at April 1, 2020	555.65	484.61	2,423.97	4.81	3,469.04
Profit / (loss) for the year	-	-	(40.33)	-	(40.33)
Other comprehensive income	-	-	(14.47)	0.26	(14.21)
Total Comprehensive Income	555.65	484.61	2,369.17	5.07	3,414.50
Cash dividends	-	-	(28.10)	-	(28.10)
As at March 31, 2021	555.65	484.61	2,341.07	5.07	3,386.40
Profit / (loss) for the year	-	-	281.20	-	281.20
Securities premium on rights issue (Refer note 18.6 (c))	749.31	-	-	-	749.31
Expense on issue of equity shares (Refer note 18.6 (e))	(81.10)	-	-	-	(81.10)
Other comprehensive income (Note 43)	-	-	7.86	0.53	8.39
Total Comprehensive Income	1,223.86	484.61	2,630.13	5.60	4,344.20
Cash dividends	-	-	(28.10)	-	(28.10)
As at March 31, 2022	1,223.86	484.61	2,602.03	5.60	4,316.10

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors

Beardsell Limited

per Aravind K

Partner

Membership no.: 221268

Place: Chennai

Amrith Anumolu

Executive Director

DIN:03044661

Place: Hyderabad

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Director

DIN:02093767

Place: Chennai

V V Sridharan

Chief Financial Officer

Place: Chennai

Kanhu Charan Sahu

Company Secretary

Place: Chennai

Date: May 28, 2022

Date: May 28, 2022

Date: May 28, 2022

**Beardsell Limited**

CIN : L65991TN1936PLC001428

Consolidated Statement of Cash Flows for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash flow from operating activities		
Profit / (loss) before tax	390.85	33.12
Adjustments for		
Depreciation and amortisation expense	635.76	647.17
Loss / (gain) on disposal of property, plant and equipment (net)	20.06	(4.76)
Finance income	(26.32)	(17.71)
Liabilities / provisions no longer required written back	(99.68)	(4.42)
Allowance for credit loss (including Bad debts written off)	47.99	81.45
Finance costs	478.34	526.83
Net unrealised foreign exchange differences	(0.16)	(12.40)
Operating profit before working capital changes	1,446.84	1,249.28
Movement in working capital		
(Increase) / Decrease in inventories	(288.29)	(189.87)
(Increase) / Decrease in current and non-current trade receivables	(396.40)	43.72
(Increase) / Decrease in current and non-current financial assets	1.42	50.17
(Increase) / Decrease in other assets	(210.59)	19.27
(Decrease) / Increase in trade payables	395.10	(8.75)
(Decrease) / Increase in financial, non-financial liabilities and provisions	16.26	267.04
Cash generated from operations	964.34	1,430.86
Income tax paid (net of refunds)	(112.37)	(206.39)
Net cash flow from operating activities (A)	851.97	1,224.47
B. Cash flow (used in)/ from investing activities		
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(207.83)	(173.75)
Proceeds from sale of property, plant and equipment	85.38	11.30
Deposits made during the year	(4.71)	(165.29)
Proceeds from deposits during the year	-	65.00
Purchase of Investments	(6.89)	-
Finance income received	26.38	17.65
Net cash flow (used in) / from investing activities (B)	(107.67)	(245.09)
C. Cash flows (used in)/ from financing activities		
Proceeds from issue of equity shares through right issue (net of share issue expenses: Rs. 81.10 Lakhs (March 31, 2021 - Rs. Nil))	855.54	-
Proceeds from long-term borrowings	259.50	953.90
Repayment of long-term borrowings	(1,233.53)	(468.35)
Proceeds / (repayment) of short - term borrowings (net)	32.91	(249.85)
Dividend paid (including dividend distribution tax, where applicable)	(28.95)	(26.82)
Payment of lease liabilities	(136.66)	(109.59)
Interest paid on lease liabilities	(26.17)	(28.16)
Interest paid	(443.19)	(500.54)
Net cash flows (used in) / from financing activities (C)	(720.55)	(429.41)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	23.75	549.97
Cash and cash equivalents at the beginning of the year	(1,194.55)	(1,744.52)
Cash and cash equivalents at the end of the year	(1,170.80)	(1,194.55)
Components of cash and cash equivalents (Refer note 13)		
Cash on hand	11.20	9.96
Balances with banks		
On current accounts	153.29	148.99
Less: Cash Credit (refer note 25)	(1,335.29)	(1,353.50)
Total cash and cash equivalents	(1,170.80)	(1,194.55)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors

Beardsell Limited**per Aravind K**

Partner

Membership no.: 221268

Place: Chennai

Amrith Anumolu

Executive Director

DIN:03044661

Place: Hyderabad

A V Ram Mohan

Director

DIN:02093767

Place: Chennai

V V Sridharan

Chief Financial Officer

Place: Chennai

Kanhu Charan Sahu

Company Secretary

Place: Chennai

Date: May 28, 2022

Date: May 28, 2022

Date: May 28, 2022

 **Beardsell Limited**

CIN: L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

1. Corporate information

The consolidated financial statements comprise consolidated financial statements of Beardsell Limited (the Company) and its subsidiary and controlled entity (collectively, the Group) for the year ended March 31, 2022.

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

These consolidated financial statements were authorised for issue in accordance with a resolution of the directors on May 28, 2022.

2. Significant accounting policies

2.1. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III (as amended)), as applicable.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

The consolidated financial statements are presented in INR and all values are rounded off to the nearest lakh, except when otherwise indicated.

2.2. Impact of Covid-19 Pandemic

The Group has considered the possible effects that may result from COVID-19 in the preparation of these consolidated financial statements including the recoverability of carrying amounts of financial and nonfinancial assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of COVID-19, the Group has, at the date of approval of these consolidated financial statements, used internal and external sources of information which are relevant and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these consolidated financial statements. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Group will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any and make any necessary adjustments in the relevant financial period.

2.3. Basis of consolidation

The consolidated financial statements comprise the consolidated financial statements of the Company and its subsidiary and controlled entity as at March 31, 2022 as mentioned in Group information. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)



Beardsell Limited

CIN: L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

- (ii) Exposure, or rights, to variable returns from its involvement with the investee, and
- (iii) The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

The contractual arrangement with the other vote holders of the investee

- (i) Rights arising from other contractual arrangements
- (ii) The Company's voting rights and potential voting rights
- (iii) The size of the Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's consolidated financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the holding company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the consolidated financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- (i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (ii) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the consolidated financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

 **Beardsell Limited**

CIN: L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

2.4. Summary of significant accounting policies

a) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle
- ii. Held primarily for the purpose of trading
- iii. Expected to be realised within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle
- ii. It is held primarily for the purpose of trading
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products/activities, the Group has determined its operating cycle as twelve months for the above purpose of classification as current and non-current.

b) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use but excludes duties and taxes that are recoverable from tax authorities. Any trade discounts and rebates are deducted in arriving at the purchase price.

Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably

Material replacement cost is capitalized provided (a) it is probable that future economic benefits associated with the item will flow to the entity and (b) the cost of the item can be measured reliably. When replacement cost is eligible for capitalization, the carrying amount of those parts that are replaced is derecognized. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful life.

Property, plant and equipment 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 in the Balance Sheet.

Beardsell Limited

CIN: L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

The Group identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Capital Work-in-Progress: Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and attributable interest. Once it has become available for use, their cost is re-classified to appropriate caption and subjected to depreciation.

c) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

d) Depreciation and amortisation

Depreciation & amortization is provided using the Straight-Line Method as per the useful lives of the assets estimated by the management:

Asset description	Useful Lives (Years)
Property, plant and equipment	
Plant & Machinery	7.5 – 15
Building	30 – 60
Computers	3
Vehicles	8 -10
Office Equipment	5
Leasehold improvements	5 or term of lease (whichever is lower)
Furniture and fittings	8 – 10

Leasehold assets are amortised using the straight-line method over the remainder of primary lease period.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Property, Plant and Equipment and Intangibles are depreciated/- amortised based on their useful lives which are in line with Schedule II of Companies Act, 2013.

e) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

✦ **Beardsell Limited**

CIN: L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

Group as lessee

The Group applies a single recognition and measurement approach for all leases. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term as follows:

Asset Description	Useful Lives (Years)
Plant & Machinery	5
Leasehold land	99
Building	1 – 6

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Group as lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Sale and lease back arrangements

Profit or loss on sale and lease back arrangements resulting in operating leases is recognized immediately in case the transaction is established at fair value. If the sale price is below fair value, any profit or loss is recognised immediately except that, if the loss is compensated by future lease payments at below market price, it is deferred and amortised in



Beardsell Limited

CIN: L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

proportion to the lease payments over the period for which the asset is expected to be used. If the sale price is above fair value, the excess over the fair value is deferred and amortized over the period for which the asset is expected to be used. The sale and lease back arrangements entered in by the Group which result in operating lease wherever applicable are as per the standard commercial terms prevalent in the industry. The Group does not have an option to buy back the asset, nor does it have an unilateral option to renew or extend the lease after the expiry of the lease.

f) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment including impairment on inventories, are recognized in the statement of profit and loss. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

g) Inventories

Raw materials and stores & spare parts are valued at lower of weighted average cost and estimated net realisable value. Cost includes freight, taxes and duties and is net of credit under GST, VAT, CENVAT scheme, where applicable.

Work-in-progress and finished goods are valued at lower of weighted average cost and estimated net realisable value. Cost includes all direct costs and appropriate proportion of overheads to bring the goods to the present location and condition.


Beardsell Limited
CIN: L65991TN1936PLC001428

 Notes to Consolidated Financial Statements for the year ended March 31, 2022

Due allowance is made for slow/non-moving items. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be used are expected to be sold at or above cost.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Cost of traded goods includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in first out basis.

h) Revenue from contracts with customers and Other income

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

However, Goods and Service tax (GST) are not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition Criteria described below must also be met before revenue is recognised.

i. Sale of products/ goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customers. The normal credit term is in the range of 30 to 90 days upon delivery except for some customers who are on advance payment terms. Revenue from sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Generally, the Group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

ii. Service Income

Revenue from rendering of services is recognized with reference to the stage of completion determined based on estimate of work performed, and when the outcome of the transaction can be estimated reliably.

Contract balances
Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (s) Financial instruments – initial recognition and subsequent measurement.


Beardsell Limited
CIN: L65991TN1936PLC001428

 Notes to Consolidated Financial Statements for the year ended March 31, 2022

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Cost to obtain a contract

The Group pays sales commission to agents for obtaining the contract. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commissions because the amortisation period of the asset that the Group otherwise would have used is one year or less.

iii. Interest income

Revenue is recognised on a time proportion basis using the effective interest rate (EIR). Interest income is included in finance income in the statement of profit and loss.

iv. Dividend income

Dividend income is accounted for when the right to receive it is established.

v. Rental Income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit and loss due to its operating nature.

i) Foreign currency transactions

The financial statements are presented in Indian Rupees, which is the functional currency of the Group.

Initial recognition: Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date the transaction first qualifies for the recognition.

Measurement as at Balance Sheet date: Foreign currency monetary items of the Group outstanding at the Balance Sheet date are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Treatment of Exchange Differences: Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Group are recognised as income or expense in profit or loss.

j) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant or subsidy from the Government relates to an expense item, it is recognised as income on a systematic basis in the statement of profit and loss over the period necessary to match them with the related costs, which they are intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.



Beardsell Limited

CIN: L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset, i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value of the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

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

k) Research and development

Revenue expenditure on research and development is expensed when incurred. Capital expenditure on research and development is capitalised under Property, Plant and Equipment and depreciated in accordance with the entity's accounting policy on depreciation.

l) Retirement and other employee benefits

Retirement benefit in the form of 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. There are no other obligations other than the contribution payable to the respective fund.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit method made at the end of each financial year.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated absences, which are expected to occur within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats compensated absences expected not to occur within twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

m) Taxes

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in equity.


Beardsell Limited
CIN: L65991TN1936PLC001428

 Notes to Consolidated Financial Statements for the year ended March 31, 2022

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax Credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax Credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and written off to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

n) Provisions

A provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on 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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.


Beardsell Limited
CIN: L65991TN1936PLC001428

 Notes to Consolidated Financial Statements for the year ended March 31, 2022

Provisions for warranty-related costs are recognized when the product is sold or service provided. Provision is estimated based on historical experience and technical estimates. The estimate of such warranty-related costs is reviewed annually.

o) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

p) Segment reporting

The Group 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 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 Group. 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 Group as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.

q) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalisation of Borrowing Costs is suspended and charged to the statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are expensed in the period they occur.

r) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability
- iii. The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

✦ **Beardsell Limited**

CIN: L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

s) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- i. Debt instruments at amortised cost
- ii. Debt instruments at fair value through other comprehensive income (FVTOCI)
- iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

✦ **Beardsell Limited**

CIN: L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Equity Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

- i. The rights to receive cash flows from the asset have expired, or
- ii. The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of Financial Assets

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and Credit risk exposure:

- i. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- ii. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions



Beardsell Limited

CIN: L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Group to track changes in Credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets, the Group determines that whether there has been a significant increase in the Credit risk since initial recognition. If Credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if Credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, Credit quality of the instrument improves such that there is no longer a significant increase in Credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected Credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original EIR. When estimating the cash flows, the Group is required to consider:

- i. All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Group is required to use the remaining contractual term of the financial instrument
- ii. Cash flows from the sale of collateral held or other Credit enhancements that are integral to the contractual terms

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- i. Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off Criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in Credit risk and impairment loss, the Group combines financial instruments on the basis of shared Credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in Credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include loans and borrowings, trade and other payables.

**Beardsell Limited****CIN: L65991TN1936PLC001428**Notes to Consolidated Financial Statements for the year ended March 31, 2022

Subsequent measurement**Financial liabilities at fair value through profit and loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the Criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own Credit risks are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

t) Derivative financial instruments

The Group enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

u) Use of estimates

The preparation of Consolidated Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, like provision for employee benefits, provision for doubtful trade receivables/advances/contingencies, provision for warranties, allowance for slow/non-moving inventories, useful life of Property, Plant and Equipment, provision for taxation, etc., during and at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

v) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

w) Cash dividend

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

x) Earnings Per Share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

y) Changes in accounting policies and disclosures**New and amended standards and interpretations****Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116: Interest Rate Benchmark Reform – Phase 2**

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS includes amendment of the footnote to the definition of an equity instrument in Ind AS 102 - Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021. These amendments had no impact on the consolidated financial statements of the Group.

Amendments to Ind AS 116: COVID-19-Related Rent Concessions

MCA issued an amendment to Ind AS 116 COVID19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021.

Amendments to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of “Recoverable amount” is amended such that the words “the higher of an asset’s fair value less costs to sell and its value in use” are replaced with “higher of an asset’s fair value less costs of disposal and its value in use”. The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28. These amendments had no impact on the consolidated financial statements of the Group.



Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

3a Property, plant and equipment

Particulars	Freehold land	Buildings on Leasehold Land	Buildings on Freehold Land	Plant and Equipment	Computer	Furniture, Fixtures & Office Equipment	Leasehold Improvements	Vehicles	Total property, plant and equipment	Capital work-in-progress (refer note iii)
Gross block										
As at April 01, 2020	530.63	748.08	748.58	4,181.19	42.20	68.84	10.01	475.78	6,805.31	124.14
Additions	-	11.37	22.81	210.19	4.13	1.32	-	16.17	265.99	127.56
Disposals	-	-	-	(12.05)	(2.80)	(2.98)	-	(6.63)	(24.46)	-
Capitalisation	-	-	-	-	-	-	-	-	-	(188.60)
As at March 31, 2021	530.63	759.45	771.39	4,379.33	43.53	67.18	10.01	485.32	7,046.84	63.10
Additions	-	-	29.14	159.48	7.34	5.67	2.11	16.91	220.65	330.23
Disposals	(100.27)	(5.33)	-	(1.98)	-	(0.08)	-	(27.18)	(134.84)	-
Capitalisation	-	-	-	-	-	-	-	-	-	(367.24)
As at March 31, 2022	430.36	754.12	800.53	4,536.83	50.87	72.77	12.12	475.05	7,132.65	26.09
Depreciation										
As at April 01, 2020	-	65.29	175.15	1,220.04	36.03	45.77	3.91	224.32	1,770.51	-
Charge for the year	-	16.19	42.05	368.57	4.84	6.93	0.93	64.50	504.01	-
Disposals	-	-	1.83	(8.20)	(2.69)	(2.43)	-	(6.43)	(17.92)	-
As at March 31, 2021	-	81.48	219.03	1,580.41	38.18	50.27	4.84	282.39	2,256.60	-
Charge for the year	-	14.94	42.18	349.45	5.09	7.43	1.10	54.85	475.04	-
Disposals	-	(0.96)	-	(1.20)	-	(0.06)	-	(27.18)	(29.40)	-
As at March 31, 2022	-	95.46	261.21	1,928.66	43.27	57.64	5.94	310.06	2,702.24	-
Net carrying value										
As at March 31, 2021	530.63	677.96	552.36	2,798.92	5.35	16.91	5.17	202.93	4,790.23	63.10
As at March 31, 2022	430.36	658.65	539.32	2,608.17	7.60	15.13	6.18	164.99	4,430.40	26.09

*On transition to Ind AS (i.e. 1 April 2016), the Group had elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

(i) Charge on assets

a) The Rupee term loans from Bank of India are secured by equitable mortgage over the land and buildings there on at Karad (4.10 acres), Coimbatore (3.50 acres), Bonthapally (1.40 acres), Chennai -Thiruvallur (6.98 acres) and Thane (1.85 acres). The Group has deposited the original title deeds of all the above mentioned properties with the Bank. In addition to the above the Group has also hypothecated its stocks and book debts.

b) The Rupee term loans from Saraswat Bank are secured by equitable mortgage over the land and buildings there on at SUPA. The Group has deposited the original title deeds of all the above mentioned properties with the Bank. In addition to the above the Group has also hypothecated the Subsidiary Company's Inventory and Trade receivables.

(ii) Hire purchase arrangements

The carrying value of vehicles held under hire purchase contracts at March 31, 2022 was Rs. 71.29 (March 31, 2021: Rs. 100.32). Additions during the year include Rs. 16.51 (March 31, 2021: Rs. 16.17) of vehicles under hire purchase contracts. Assets under hire purchase contracts are hypothecated as security for the related hire purchase liabilities.

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

3a Property, plant and equipment (continued)**(iii) Capital work-in-progress (CWIP) ageing schedule**

As at March 31, 2022

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	13.49	-	-	-	13.49
Projects temporarily suspended	-	-	-	12.60	12.60

As at March 31, 2021

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	23.21	11.54	13.18	2.57	50.50
Projects temporarily suspended	-	-	-	12.60	12.60

Note:

There are no overdue projects as at March 31, 2022. Following are the overdue projects as at March 31, 2021:

CWIP	To be completed in				
	<1 year	1-2 years	2-3 years	> 3 years	Total
(i). Solar shed 1 & 2 construction at Chennai Factory	16.88	-	-	-	16.88
(ii). Building renovation at Hyderabad Factory	2.75	-	-	-	2.75
(iii). Boiler ducting project	0.76	-	-	-	0.76
(iv). Ejector rod fixing project	1.35	-	-	-	1.35
(v). Electrical wire revamping project	0.35	-	-	-	0.35

3b Goodwill

Particulars	March 31, 2022	March 31, 2021
Opening balance at the beginning of the year	242.12	242.12
Movement during the year	-	-
Closing balance at the end of the year	242.12	242.12
Impairment		
Opening balance at the beginning of the year	-	-
Movement during the year	-	-
Closing balance at the end of the year	-	-
Goodwill as at end of the year	242.12	242.12

Goodwill recognized at the time of acquisition of Saideep Polytherm (controlled entity)

The Goodwill recognised at the time of acquisition of Saideep Polytherm represents the total Goodwill carried by the Group. The recoverable amount has been determined based on Value in Use calculation using cash flow projections from financial budgets approved by the senior management covering a five year period. The cash flow projections have been updated to reflect the impact of COVID-19. The discount rate applied to cash flow projections for Impairment testing during the current year is 15% and cash flow beyond the five years are extrapolated using a growth rate of 4% that is the same as the long term average growth rate for the industry in which the Group operates. It was concluded that the fair value less costs of disposal did not exceed the value in use and the recoverable amounts exceeded their carrying amount. The calculation of value in use for Saideep Polytherm is relatively sensitive to the assumptions relating to gross margin, discount rate and growth rate.

3c Other Intangible assets

Particulars	Software	Total other intangible assets
Gross block		
As at April 01, 2020	104.93	104.93
Additions	2.30	2.30
Disposals	-	-
As at March 31, 2021	107.23	107.23
Additions	-	-
Disposals	-	-
As at March 31, 2022	107.23	107.23
Depreciation		
As at April 01, 2020	23.42	23.42
Amortisation for the year	22.68	22.68
Disposals	-	-
As at March 31, 2021	46.10	46.10
Amortisation for the year	22.36	22.36
Disposals	-	-
As at March 31, 2022	68.46	68.46
Net carrying value		
As at March 31, 2021	61.13	61.13
As at March 31, 2022	38.77	38.77



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

4 Non-current investments

	March 31, 2022	March 31, 2021
Investments		
<i>(Un-quoted equity instruments at fair value through OCI)</i>		
- 18,000 (March 31, 2021 : 18,000) equity shares of Rs. 10/- each fully paid up in Hyderabad EPS Products Private Limited (At cost less provision for impairment allowance Rs. 180,000 (March 31, 2021 : Rs. 180,000))	-	-
- 5,300 (March 31, 2021 : 5,300) equity shares of Rs. 100/- each fully paid up in Pink Packaging & Moulding Private Limited (At cost less provision for impairment allowance Rs. 750,000 (March 31, 2021 : Rs. 750,000))	-	-
- 6,000 (March 31, 2021 : 6,000) equity shares of Rs. 10/- each fully paid up in Sure Energy Systems Private Limited	25.00	25.00
- 1,000 (March 31, 2021 : 1,000) equity shares of Rs. 10/- each fully paid up in Ahmednagar Merchant Co-operative Bank	0.01	0.01
- 7,500 (March 31, 2021 : 7,500) equity shares of Rs. 10/- each fully paid up in Saraswat Co-operative Bank Ltd	0.75	0.75
- 237,378 (March 31, 2021 : 169,878) equity shares of Rs. 10/- each fully paid up in Frontline Power Corporation Limited	26.24	19.35
Total of un-quoted equity	52.00	45.11
<i>(Quoted equity instruments at fair value through OCI)</i>		
- 1,000 (March 31, 2021 : 1,000) equity shares of Rs. 2/- each fully paid up in Nava Bharat Ventures Limited	1.41	0.70
Total of quoted equity instruments at fair value through OCI (ii)	1.41	0.70
Total Investments (i)+(ii)	53.41	45.81
	March 31, 2022	March 31, 2021
Aggregate book value of quoted investments	1.41	0.70
Aggregate market value of quoted investment	1.41	0.70
Aggregate value of unquoted investments	42.70	54.41
Aggregate amount of impairment in value of investments	(9.30)	(9.30)

Investments at fair value through OCI (fully paid) reflect investment in quoted and unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Group. Thus, disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding. Refer Note 55 for determination of their fair values.

5 Loans (non-current)

	March 31, 2022	March 31, 2021
Loans to employees - secured, considered good	3.49	4.57
Loans to employees - unsecured, considered good	12.06	17.59
Total	15.55	22.16

Loans to employees are non-derivative financial assets which generate interest income for the Group. Vehicle loans to employees are secured by hypothecation of vehicles acquired out of the loan.

6 Trade receivables (non-current)

(Unsecured, considered good unless otherwise stated)

	March 31, 2022	March 31, 2021
Trade receivables	56.91	34.82
Total	56.91	34.82

No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person.

7 Bank balances other than cash and cash equivalents (non-current)

	March 31, 2022	March 31, 2021
In earmarked accounts		
Balances held as margin money	280.96	280.40
Total	280.96	280.40

8 Other non-current financial assets

(Unsecured, considered good unless otherwise stated)

	March 31, 2022	March 31, 2021
Security deposits	124.94	125.94
Total	124.94	125.94

9 Non-current tax assets (net)

(Unsecured, considered good unless otherwise stated)

	March 31, 2022	March 31, 2021
Advance income tax net of provision for tax	12.58	23.76
Total	12.58	23.76

10 Other non-current assets

(Unsecured, considered good unless otherwise stated)

	March 31, 2022	March 31, 2021
Capital advances	25.03	0.84
Total	25.03	0.84



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

11 Inventories

(Cost or net realisable value whichever is lower)

	March 31, 2022	March 31, 2021
Raw materials and packing materials	762.92	746.39
Work-in-progress	112.90	98.07
Finished goods	695.89	572.73
Stock-in-trade (acquired for trading)	355.06	215.87
Stores and spares	78.80	84.22
Total	2,005.57	1,717.28

During the year ended March 31, 2022, Rs.29.87 (March 31, 2021 : Rs.12.35) was recognised as an expense for inventories carried at net realisable value.

12 Trade Receivables

(Unsecured, considered good unless otherwise stated)

	March 31, 2022	March 31, 2021
Trade receivables	3,265.70	3,181.75
Receivables from related parties (Refer note 48)	270.27	1.79
Total trade receivables	3,535.97	3,183.54

Trade receivables

Considered good	3,535.97	3,183.54
Trade Receivables which have significant increase in credit Risk	15.00	28.56
Trade Receivables - credit impaired	627.89	808.56
Total trade receivables	4,178.86	4,020.66

Impairment Allowance (allowance for bad and doubtful debts)

Trade Receivables which have significant increase in credit Risk	(15.00)	(28.56)
Trade Receivables - credit impaired	(627.89)	(808.56)
Total impairment allowance	(642.89)	(837.12)
Total trade receivables (net)	3,535.97	3,183.54

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade Receivables are non-interest bearing and generally have credit period ranging from 30 - 90 days. For terms and conditions relating to related party receivables, refer note 48

Reconciliation of Provision / Impairment for Receivables

	March 31, 2022	March 31, 2021
Opening Balance as at beginning of the year	837.12	750.90
Created during the year (Net)	(194.23)	86.22
Closing Balance as at end of the year	642.89	837.12

Break-up of trade receivables as at March 31, 2022

Particulars	Current but not due	Outstanding for the following periods from due date of payment					Total
		< 6 months	6 months to 1 year	1-2 years	2-3 years	> 3 years	
Undisputed Trade Receivables – considered good	2,188.83	732.80	71.14	16.63	272.48	254.09	3,535.97
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	7.86	7.14	-	-	15.00
Undisputed Trade receivable – credit impaired	27.95	9.83	17.89	79.48	134.25	314.91	584.31
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	1.57	-	11.04	30.97	43.58
Total	2,216.78	742.63	98.46	103.25	417.77	599.97	4,178.86

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

12 Trade Receivables (continued)**Break-up of trade receivables as at March 31, 2021**

Particulars	Current but not due	Outstanding for the following periods from due date of payment					Total
		< 6 months	6 months to 1 year	1-2 years	2-3 years	> 3 years	
Undisputed Trade Receivables – considered good	1,989.36	824.92	92.51	14.75	7.57	254.43	3,183.54
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	12.35	16.21	-	-	28.56
Undisputed Trade receivable – credit impaired	14.01	19.49	59.29	234.76	228.02	195.30	750.87
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	1.57	-	-	11.04	-	45.08	57.69
Total	2,004.94	844.41	164.15	276.76	235.59	494.81	4,020.66

13 Cash and cash equivalents

	March 31, 2022	March 31, 2021
Balances with Banks		
On current accounts	153.29	148.99
Cash on hand	11.20	9.96
Total	164.49	158.95

As at 31st March 2022, the Company had undrawn committed borrowing facilities of Rs. 575.71 (31st March 2021 - Rs. 772.38).

Changes in liabilities arising from financing activities**Year ended March 31, 2022**

Particulars	As at March 31, 2021	Effect of reclassification	Cash inflows/ (outflows)	As at March 31, 2022
Non-current Financial liabilities - Borrowings				
Indian Rupee loans from banks (Secured)	585.43	(270.95)	150.00	464.48
Obligations under hire purchase contracts (Secured)	27.75	(26.99)	26.50	27.26
Unsecured deposits from members - others	99.84	(74.04)	65.89	91.69
Unsecured inter corporate deposits	400.00	-	(225.00)	175.00
Unsecured loans and advances from related parties (refer note 48)	375.00	-	(375.00)	-
Current Financial liabilities - Borrowings				
Unsecured inter corporate deposits	22.00	-	(2.00)	20.00
Unsecured loans and advances from related parties (refer note 48)	87.75	-	(8.00)	79.75
Unsecured deposits from members - related parties (refer note 48)	90.83	-	15.35	106.18
Unsecured deposits from members - others	6.87	-	27.56	34.43
Current maturities of long term borrowings	380.25	270.95	(494.64)	156.56
Current maturities of hire purchase loans	29.81	26.99	(30.55)	26.25
Current maturities of unsecured deposits from members - related parties (refer note 48)	20.00	-	(20.00)	-
Current maturities of unsecured deposits from members - others	61.17	74.04	(71.23)	63.98
Total	2,186.70	-	(941.12)	1,245.58

Year ended March 31, 2021

Particulars	As at March 31, 2020	Effect of reclassification	Cash inflows/ (outflows)	As at March 31, 2021
Non-current Financial liabilities - Borrowings				
Indian Rupee loans from banks (Secured)	494.47	(386.29)	477.25	585.43
Obligations under hire purchase contracts (Secured)	30.21	(16.30)	13.84	27.75
Unsecured deposits from members - related parties (refer note 48)	20.00	(20.00)	-	-
Unsecured deposits from members - others	82.30	(3.66)	21.20	99.84
Unsecured inter corporate deposits	250.00	150.00	-	400.00
Unsecured loans and advances from related parties (refer note 48)	-	125.00	250.00	375.00
Current Financial liabilities - Borrowings				
Unsecured inter corporate deposits	22.00	-	-	22.00
Unsecured loans and advances from related parties (refer note 48)	390.75	(125.00)	(178.00)	87.75
Unsecured deposits from members - related parties (refer note 48)	5.00	-	85.83	90.83
Unsecured deposits from members - others	39.55	-	(32.68)	6.87
Current maturities of long term borrowings	184.63	386.29	(190.67)	380.25
Current maturities of hire purchase loans	33.30	16.30	(19.79)	29.81
Current maturities of unsecured deposits from members - related parties (refer note 48)	80.18	20.00	(80.18)	20.00
Current maturities of unsecured deposits from members - others	68.61	3.66	(11.10)	61.17
Current maturities of unsecured inter corporate deposits	250.00	(150.00)	(100.00)	-
Total	1,951.00	-	235.70	2,186.70

**Beardsell Limited**

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

14 Bank Balances other than cash and cash equivalents

	March 31, 2022	March 31, 2021
In earmarked accounts		
Unclaimed dividend accounts*	18.99	19.84
Others #	72.06	67.06
Total	91.05	86.90

* There are restrictions on the bank balances held in unpaid dividend accounts.

Other earmarked accounts represent fixed deposits made in pursuance of Rule 13 of the Companies (Acceptance of Deposits) Rules 2014.

15 Loans (Current)

(Unsecured, considered good unless stated otherwise)

	March 31, 2022	March 31, 2021
Loans to employees - secured, considered good	1.35	2.45
Loans to employees - unsecured	17.89	20.70
Total	19.24	23.15

Loans to employees are non-derivative financial assets which generate interest income for the Group. Vehicle loans to employees are secured by hypothecation of vehicles acquired out of the loan.

16 Others current financial assets

(Unsecured, considered good unless stated otherwise)

	March 31, 2022	March 31, 2021
Security deposits	90.65	79.92
Interest receivable	0.89	0.95
Derivative instrument at fair value through profit or loss		
Derivatives not designated as hedges		
Foreign exchange forward contracts	-	0.63
Total	91.54	81.50

Breakup of financial assets

	March 31, 2022	March 31, 2021
At amortised cost		
Non-current and current loans	34.79	45.31
Trade receivables	3,592.88	3,218.36
Cash and cash equivalents	164.49	158.95
Non-current and current Bank balances other than cash and cash equivalents	372.01	367.30
Other non-current and current financial assets	216.48	206.81
Total financial assets carried at amortised cost	4,380.65	3,996.73

17 Other current assets

(Unsecured, considered good unless otherwise stated)

	March 31, 2022	March 31, 2021
Advance paid for jobs in progress		
- Considered good	325.43	266.75
- Considered doubtful	125.20	116.20
Advances for supply and services		
- Considered good	406.11	347.76
- Considered doubtful	24.37	-
Prepayments	80.76	74.43
Balances with Statutory/Government Authorities (net)	161.88	137.29
Surplus gratuity fund balance (refer note 46)	51.41	26.85
Other advances	44.71	40.00
	1,219.87	1,009.28
Less: Allowance for credit loss against doubtful advances	(149.57)	(116.20)
Total	1,070.30	893.08

Reconciliation of allowance for credit loss against doubtful advances

	March 31, 2022	March 31, 2021
Opening Balance as at beginning of the year	116.20	120.96
Created during the year (net)	33.37	(4.76)
Closing Balance as at end of the year	149.57	116.20

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

18 Share capital**18.1 Authorised share capital**

Equity shares of Rs. 2/- each (March 31, 2021 : Rs. 2/- each)

	Number of shares	Rs. in lakhs
At April 1, 2020	50,000,000	1,000.00
Increase/(decrease) during the year	-	-
At March 31, 2021	50,000,000	1,000.00
Increase/(decrease) during the year	-	-
At March 31, 2022	50,000,000	1,000.00

18.2 Issued, Subscribed and Paid-up Capital

Equity shares of Rs. 2/- each (March 31, 2021 : Rs. 2/- each) issued, subscribed and fully paid

	Number of shares	Rs. in lakhs
At April 1, 2020	28,099,008	561.98
Increase/(decrease) during the year	-	-
At March 31, 2021	28,099,008	561.98
Increase/(decrease) during the year	9,366,336	187.33
At March 31, 2022	37,465,344	749.31

18.3 Terms/ rights attached to shares

The Company has issued only one class of equity shares having a par value of Rs.2/- 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.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

18.4 Details of shareholders holding more than 5% shares in the Company

	March 31, 2022		March 31, 2021	
	Number of shares held	% holding	Number of shares held	% holding
Mrs.Jayasree Anumolu	13,536,352	36.13%	9,091,614	32.36%
Mr.Bharat Anumolu	-	0.00%	3,800,694	13.53%
Gunnam Subba Rao Insulation Private Limited	4,968,478	13.26%	3,328,320	11.84%

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

18.5 Details of shares held by promoters**March 31, 2022**

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% change during the year
Mrs.Jayasree Anumolu	9,091,614	4,444,738	13,536,352	36.13%	48.89%
Mr.Bharat Anumolu	3,800,694	(3,800,694)	-	0.00%	(100.00)%
Mrs.Lalithamba Panda	600	-	600	0.00%	0.00%
Gunnam Subba Rao Insulation Private Limited	3,328,320	1,640,158	4,968,478	13.26%	49.28%
Villasini Real Estate Private Limited	1,010,749	336,716	1,347,465	3.60%	33.31%
Total	17,231,977	2,620,918	19,852,895	52.99%	15.21%

March 31, 2021

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% change during the year
Mrs.Jayasree Anumolu	9,091,614	-	9,091,614	32.36%	0.00%
Mr.Bharat Anumolu	5,558,848	(1,758,154)	3,800,694	13.53%	(31.63)%
Mrs.Lalithamba Panda	600	-	600	0.00%	0.00%
Gunnam Subba Rao Insulation Private Limited	3,328,320	-	3,328,320	11.84%	0.00%
Villasini Real Estate Private Limited	1,011,073	(324)	1,010,749	3.60%	(0.03)%
Total	18,990,455	(1,758,478)	17,231,977	61.33%	(9.26)%

18.6 Aggregate number of bonus shares, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

(a) On May 05, 2017, one equity share of face value Rs. 10/- each was split into five equity shares of Rs. 2/- each. Accordingly, 1,00,00,000 authorised equity shares of Rs. 10/- each were sub-divided into 5,00,00,000 authorised equity shares of Rs.2/- each and 46,83,168 fully paid up shares of Rs.10/- each were sub-divided into 2,34,15,840 fully paid up shares of Rs.2/- each.

(b) On May 06, 2017, the Company issued bonus shares to the existing shareholders, in the ratio of 1:5. The Securities premium account was utilised to the extent of Rs. 93.66 for the issue of said bonus shares.

(c) On January 22, 2022 (Record Date), the Company issued 9,366,336 equity shares of face value of Rs. 2 each on rights basis to the existing shareholders, in the ratio of 1:3, for an amount aggregating to Rs. 936.63 Lakhs. The shares were issued at a premium of Rs. 8 per share and consequently the securities premium account was credited by Rs. 749.31 during the year. The Securities premium account was utilised to the extent of Rs. 81.10 towards expenses incurred for the issue of said shares on rights basis.



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

19 Other equity

	March 31, 2022	March 31, 2021
Reserves and Surplus		
(a) Securities premium account		
Balance at the beginning of the year	555.65	555.65
Add: Issuance of share capital on rights basis (Refer note 18.6 (c))	749.31	-
Less: Transaction costs for issued share capital (Refer note 18.6 (c))	(81.10)	-
Balance at the end of the year	1,223.86	555.65
(b) General reserve		
Balance at the beginning of the year	484.61	484.61
Balance at the end of the year	484.61	484.61
(c) Surplus in the statement of profit and loss		
Balance at the beginning of the year	2,341.07	2,423.97
Add: Profit/ (loss) for the year	281.20	(40.33)
Re-measurement gain/(loss) on Defined Benefit Obligations (net of tax impact) (refer note 43)	7.86	(14.47)
Less: Cash dividend*	(28.10)	(28.10)
Balance at the end of the year	2,602.03	2,341.07
*Distribution made and proposed		
i). Dividends on equity shares declared and paid		
Final dividend for the year ended March 31, 2021: Rs.0.10 per share (paid in FY 2021-22) (March 31, 2020: Rs.0.10 per share - paid in FY 2020-21)	28.10	28.10
Dividend distribution tax	-	-
Total cash dividend including dividend distribution tax	28.10	28.10
ii). Proposed dividend on equity shares		
Proposed dividend for the year ended March 31, 2022: Rs. 0.10 per share (March 31, 2021: Rs.0.10 per share)	37.47	28.10
Dividend distribution tax	-	-
Total proposed dividend including dividend distribution tax	37.47	28.10
Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including dividend distribution tax thereon) as on March 31.		
With effect from 1 April 2020, the Dividend Distribution Tax ('DDT') payable by the company under section 115O of Income Tax Act was abolished and a withholding tax was introduced on the payment of dividend. As a result, dividend is now taxable in the hands of the recipient.		
(d) FVTOCI reserve		
Balance at the beginning of the year	5.07	4.81
Add: Other comprehensive income for the year	0.53	0.26
Balance at the end of the year	5.60	5.07
Total other equity	4,316.10	3,386.40

Nature and purpose of reserves**(a) Securities premium account**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(b) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Group for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(c) Retained earnings

The amount that can be distributed by the Group as dividends to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013.

(d) FVTOCI reserve

The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Equity instruments through Other Comprehensive Income within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

20 Borrowings (non-current)

	March 31, 2022	March 31, 2021
Term loans		
Indian Rupee loans from banks (Secured) (a) (refer note (i) below)	464.48	585.43
Long term maturities of finance lease obligation		
Obligations under hire purchase contracts (Secured) (a) (refer note (ii) below)	27.26	27.75
Unsecured loans from others		
Unsecured deposits from members - others (refer note (iii) below)	91.69	99.84
Unsecured inter corporate deposits (refer note (iv) below)	175.00	400.00
Unsecured loans and advances from related parties (Refer note 48 and note (v) below)	-	375.00
Total	758.43	1,488.02

(i) The Indian rupee term loan from banks include:

(a). Covid Emergency Support Scheme (CESS) term loan (Rs. 160) from Bank of India repayable over a period of 18 months at an average interest rate of 7.35% (PY 7.95%)

(b). Guaranteed Emergency Credit Loan (GECL) (Rs. 310) from Bank of India repayable over a period of 3 years at an average interest rate of 7.50%

(c). Guaranteed Emergency Credit Loan - Extension (GECL - Extension) (Rs. 150) from Bank of India repayable over a period of 3 years at an average interest rate of 7.50%

(d) Term loan from Saraswat Co-operative Bank Limited 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. These term loans are repayable over a period of 7 years and the average floating interest rate is 10.60% (previous year - 10.60%)

(ii) Hire purchase loans are secured by hypothecation of vehicles acquired out of the loan repayable over a period of 35 months to 84 months and taken at an interest rate of 6.95% to 10.00%.

(iii) Deposits from members are accepted at an interest rate of 9.75% to 10.59% (PY - 9.75% to 10.75%) repayable over a period of 1 year to 3 years.

(iv) Inter corporate deposits are accepted at an interest rate of 11.00%. This is repayable by way of monthly instalments starting April 30, 2023 and the final instalment falls due on December 30, 2023.

(v) Loans and advances from related parties are at an interest rate of 12.00% which is repaid in the current year

(vi) The Company has not defaulted on any loans payable during the year.

21 Finance lease liabilities (non current)

	March 31, 2022	March 31, 2021
Long term maturities of finance lease obligation		
Lease liabilities (refer note 49)	100.17	179.72
Total	100.17	179.72

22 Other financial liabilities (non current)

	March 31, 2022	March 31, 2021
Interest accrued but not due on deposits from others	0.03	0.83
Deferred income	112.02	-
Total	112.05	0.83

23 Provisions (non-current)

	March 31, 2022	March 31, 2021
Provision for gratuity (refer note 46)	28.75	23.96
Total	28.75	23.96

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

24 Deferred tax liability / (asset) (Net)

		March 31, 2022	March 31, 2021
Deferred tax liability relating to			
On difference between book balance and tax balance of Property, plant & equipment and Intangible assets		234.73	258.55
Deferred tax impact on fair valuation of Investments		2.79	2.61
	(A)	<u>237.52</u>	<u>261.16</u>
Deferred tax asset relating to			
Provision for compensated absences & bonus		79.03	66.69
Provision for impairment allowance on financial assets		201.02	243.33
Leases - Ind AS 116 adjustments		13.36	13.43
	(B)	<u>293.41</u>	<u>323.45</u>
Deferred tax liability (Net)	(A-B)	<u>(55.89)</u>	<u>(62.29)</u>

For the year ended March 31, 2022	Opening Balance	Recognised in profit & loss	Recognised in OCI	Closing balance
Property, plant & equipment and Intangible assets	258.55	(23.82)	-	234.73
Provision for compensated absences & bonus	(66.69)	(12.34)	-	(79.03)
Provision for impairment allowance on financial assets	(243.33)	42.31	-	(201.02)
Leases - Ind AS 116 adjustments	(13.43)	0.07	-	(13.36)
FVTOCI reserve	2.61	-	0.18	2.79
	<u>(62.29)</u>	<u>6.22</u>	<u>0.18</u>	<u>(55.89)</u>

For the year ended March 31, 2021	Opening Balance	Recognised in profit & loss	Recognised in OCI	Closing balance
Property, plant & equipment and Intangible assets	277.54	(18.99)	-	258.55
Provision for compensated absences & bonus	(37.13)	(29.56)	-	(66.69)
Provision for impairment allowance on financial assets	(222.83)	(20.50)	-	(243.33)
Leases - Ind AS 116 adjustments	(3.98)	(9.45)	-	(13.43)
FVTOCI reserve	2.52	-	0.09	2.61
	<u>16.12</u>	<u>(78.50)</u>	<u>0.09</u>	<u>(62.29)</u>

The Group has tax losses which arose in India of Rs. 1,106.59 (31 March 2021: Rs. 1,071.96) that are available for offsetting for eight years against future taxable profits of the companies in which the losses arose. Majority of these losses will expire in March 2029.

Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group, they have arisen in subsidiary and controlled entity that have been loss-making for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Group were able to recognise all unrecognised deferred tax assets, the profit would increase by Rs. 336.43 (March 31, 2021 - Rs. 330.18).

25 Borrowings (Current)

	March 31, 2022	March 31, 2021
Cash credit from banks (secured) (refer note (i) below)	1,335.29	1,353.50
Unsecured inter corporate deposits (refer note (ii) below)	20.00	22.00
Unsecured loans and advances from related parties (refer note 48 and note (iii) below)	79.75	87.75
Unsecured deposits from members - related parties (refer note 48 and note (iv) below)	106.18	90.83
Unsecured deposits from members - others (refer note (iv) below)	34.43	6.87
Current maturities of long term debt (refer note (iv) below)	156.56	380.25
Current maturities of hire purchase loans (refer note (iv) below)	26.25	29.81
Current maturities of unsecured deposits from members - related parties (refer note 48 and note (iv) below)	-	20.00
Current maturities of unsecured deposits from members - others (refer note (iv) below)	63.98	61.17
Total	<u>1,822.44</u>	<u>2,052.18</u>

(i) The interest rate on the cash credit is 10.60% to 10.85% (March 31, 2021 - 12.10% to 13.10%). Refer note 3a(i) for details of security.

(ii) Inter corporate deposits are accepted at an interest rate of 11.00%. This is repayable on demand.

(iii) Related party loans are accepted at an interest rate of 12.00%. This is repayable on demand.

(iv) Refer note under non-current borrowings for details of security and terms of repayment.

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

26 Trade payables

	March 31, 2022	March 31, 2021
Outstanding dues of micro enterprises and small enterprises	-	-
Outstanding dues to creditors other than micro enterprises and small enterprises	3,504.62	3,209.20
Total	3,504.62	3,209.20

Trade payables Ageing Schedule

As at March 31, 2022

	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,381.49	30.38	39.16	53.59	3,504.62
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	3,381.49	30.38	39.16	53.59	3,504.62

As at March 31, 2021

	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,997.73	71.41	65.82	74.24	3,209.20
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	2,997.73	71.41	65.82	74.24	3,209.20

There are no "unbilled" trade payables, hence the same are not disclosed in the ageing schedule.

Based on the information available with the Group, there are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, as at March 31, 2022 (March 31, 2021: Nil). Further, the Group has not paid any interest to any Micro and Small Enterprises during the current and previous year.

Terms and conditions of the above financial liabilities

Trade payables are non interest bearing and carry a credit period generally between 30 and 60 days

For explanations on the Group's credit risk management processes, refer to Note 53(iii).

27 Finance lease liabilities (current)

	March 31, 2022	March 31, 2021
Current maturities of finance lease obligation		
Lease liabilities (refer note 49)	143.02	120.13
Total	143.02	120.13

28 Other financial liabilities (current)

	March 31, 2022	March 31, 2021
Unclaimed dividend	18.99	19.84
Interest accrued but not due on deposits from members #		
- From related parties	0.83	0.48
- From others	0.29	0.82
Interest accrued but not due on borrowings	-	1.37
Security deposits on sub-lease	28.84	20.35
Payable to employees	238.60	322.96
Total	287.55	365.82

Interest payable is normally settled monthly/ Periodly throughout the financial year.

29 Other current liabilities

	March 31, 2022	March 31, 2021
Statutory liabilities	118.55	142.82
Advances received from customers	425.36	329.51
Deferred revenue	79.76	70.80
Others	63.05	151.90
Total	686.72	695.03



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

30 Provisions (current)

	March 31, 2022	March 31, 2021
Provision for compensated absences (refer note 46)	112.24	116.15
Provision for differential sales tax (refer note a below)	6.26	13.52
Other provisions	47.43	69.24
Total	165.93	198.91

(a) Provision for differential sales tax

	March 31, 2022	March 31, 2021
At the beginning of the year	13.52	13.52
Created/ (utilized) during the year	-	-
Reversed during the year*	(7.26)	-
At the end of the year	6.26	13.52

*Comprises of provision created towards uncollected C-Forms/ F-Forms from customers. Current year reversals are on account of collection of C-Forms/ F-Forms amounting to Rs. 7.26 (PY - Nil).

31 Current tax liabilities

	March 31, 2022	March 31, 2021
Provision for income taxes (net of advance taxes)	87.65	95.11
Total	87.65	95.11

Breakup of financial liabilities

	March 31, 2022	March 31, 2021
At amortised cost		
Non current borrowings	758.43	1,488.02
Current borrowings	1,822.44	2,052.18
Non-current lease liabilities	100.17	179.72
Current lease liabilities	143.02	120.13
Trade Payables	3,504.62	3,209.20
Other non-current and current financial liabilities	399.60	366.65
Total financial liabilities carried at amortised cost	6,728.28	7,415.90

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

32 Revenue from contracts with customers

	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Products		
Finished goods	14,611.11	10,710.62
Traded goods	1,909.19	1,085.18
Sale of services	2,008.42	1,375.80
Other operating revenue		
Scrap sales	84.65	53.61
Total revenue from operations	18,613.37	13,225.21

Disaggregated revenue information**Reconciliation of the revenue from contract with customers with the amounts disclosed in the segment information (Note 47)**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Insulation	16,704.18	12,140.03
Trading	1,909.19	1,085.18
Total revenue from contracts with customers	18,613.37	13,225.21

Timing of revenue recognition

	For the year ended March 31, 2022	For the year ended March 31, 2021
Goods transferred at a point in time	16,604.95	11,849.41
Services transferred over time	2,008.42	1,375.80
	18,613.37	13,225.21

Contract balances

	As at March 31, 2022	As at March 31, 2021
Trade receivables	3,592.88	3,218.36
Contract liabilities	425.36	329.51

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Contract assets represents unbilled revenues.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier).

Set out below is the amount of revenue recognised from:

	For the year ended March 31, 2022	For the year ended March 31, 2021
Amounts included in contract liabilities at the beginning of the year	329.51	245.15
Performance obligations satisfied in previous years	-	-

Reconciling the amount of revenue recognised in the statement of profit and loss with the contract price

Due to Group's nature of business and the type of contracts entered with the customers, the Group does not have any difference between the amount of revenue recognized in the statement of profit and loss and the contracted price.

Performance obligation

Information about the Company's performance obligations are summarised below:

a) Insulation

The revenue from sale of finished goods is recognised at a point in time coinciding with the transfer of control over goods and in case of contracts, revenue is recognised over a period of time based on progress of performance certified by the customer in line with the requirements of Ind AS 115.

b) Trading

The revenue from sale of traded goods is recognised at a point in time coinciding with the transfer of control over goods as per Ind AS 115.

33 Other income

	For the year ended March 31, 2022	For the year ended March 31, 2021
Rental income from operating leases	26.01	24.47
Net gain on sale of property, plant and equipment	-	4.76
Foreign exchange fluctuation (net)	10.43	12.40
Bad debts recovered	2.85	-
Liabilities no longer required written back	99.68	4.42
Other non-operating income	102.70	26.52
Total	241.67	72.57

34 Finance income

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Income on		
- Bank Deposits	16.79	15.10
- Income tax refund	8.82	2.18
- Others	0.71	0.43
Total	26.32	17.71



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

35 Cost of raw material and components consumed

	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventory at the beginning of the year	746.39	548.27
Add: Purchases	9,811.55	6,356.82
	10,557.94	6,905.09
Less : Inventory at the end of the year	762.92	746.39
Cost of raw material and components consumed	9,795.02	6,158.70

36 Direct costs of projects

	For the year ended March 31, 2022	For the year ended March 31, 2021
Direct costs of projects	1,720.59	1,180.99
Total	1,720.59	1,180.99

37 Purchase of traded goods

	For the year ended March 31, 2022	For the year ended March 31, 2021
Stock-in-trade - Motors	1,834.10	1,002.47
Total	1,834.10	1,002.47

38 Changes in inventories of finished goods, work-in-progress and traded goods

	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock		
Finished goods	572.73	585.20
Work-in-Progress	98.07	101.03
Stock-in-trade	215.87	218.62
	886.67	904.85
Closing stock		
Finished goods	695.89	572.73
Work-in-Progress	112.90	98.07
Stock-in-trade	355.06	215.87
	1,163.85	886.67
Decrease/ (increase) in inventories of finished goods, work-in-progress and traded goods	(277.18)	18.18

39 Employee benefits expense

	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, allowances and wages	1,293.38	1,241.31
Contribution to provident fund and other funds	143.17	96.15
Gratuity expense (refer note 46)	25.23	21.63
Staff welfare expenses	79.15	105.02
Total	1,540.93	1,464.11

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

40 Depreciation and amortisation expense

	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation of property, plant and equipment (refer note 3a)	475.04	504.01
Amortization of intangible assets (refer note 3b)	22.36	22.68
Depreciation of Right-of-use assets (refer note 49)	138.36	120.48
Total	635.76	647.17

41 Finance costs

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense on		
Term loans and working capital loans	252.55	321.97
On deposits from members and other deposits	122.65	119.08
On hire purchase contracts	3.93	4.49
Delayed payment of Income Tax	9.96	0.01
Lease liabilities	26.17	28.16
Others	11.09	-
Other Borrowing Costs #	51.99	53.12
Total	478.34	526.83

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



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

42 Other expenses

	For the year ended March 31, 2022	For the year ended March 31, 2021
Consumption of stores and spares	148.41	109.00
Contract labour cost	644.49	511.02
Power and fuel	961.32	687.55
Repairs & maintenance		
Plant and machinery	56.59	31.61
Buildings	25.72	12.88
Furniture and equipment	11.68	10.07
Rent	24.75	32.29
Rates and taxes	61.35	26.79
Advertising and sales promotion	8.52	5.41
Vehicle maintenance	40.06	29.85
Insurance	88.91	103.44
Printing and stationery	2.61	2.88
Consultancy and other professional charges	132.84	110.47
Travelling and conveyance	81.92	46.46
Communication expenses	21.61	22.11
Allowance for credit loss (including bad debts written off)*	47.99	178.91
Freight and forwarding charges	272.71	224.67
Donations	3.06	5.10
Sitting fees paid to Directors	16.15	10.65
Bank charges	7.34	7.10
Net loss on sale of property, plant and equipment	20.06	-
Miscellaneous expenses	84.86	115.66
Total	2,762.95	2,283.92

* includes bad debts written off amounting to INR 216.11 (PY - 97.46)

43 Other comprehensive income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below

	For the year ended March 31, 2022	For the year ended March 31, 2021
FVTOCI reserve		
Gain/(loss) on equity instruments through OCI	0.71	0.35
Deferred tax effect on the gain/(loss) on equity instruments through OCI	(0.18)	(0.09)
Retained earnings		
Re-measurement gains / (losses) on defined benefit plans (refer note 46)	10.72	(19.34)
Deferred tax effect on remeasurement costs on net defined benefit liability	(2.70)	4.87
Total	8.55	(14.21)

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

44 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the profit and share data used in the basic and diluted EPS computations

	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Profit/(loss) available for equity shareholders	281.20	(40.33)
Weighted average number of equity shares in computing basic and diluted EPS	29,869,630	28,099,008
Face value of each equity share (Rs.)	2.00	2.00
Earnings per share		
- Basic (Rs.)	0.94	(0.14)
- Diluted (Rs.)	0.94	(0.14)

45 Income taxes

The major components of income tax expense for the years ended March 31, 2022 and March 31, 2021 are:

(i) Profit or loss section

	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Current income tax:		
Current income tax charge	158.21	130.50
Adjustments in respect of current income tax of previous year	(54.78)	21.45
Deferred tax:		
Relating to origination and reversal of temporary differences	(15.30)	(90.25)
Adjustments in respect of deferred tax of previous year	21.52	11.75
Income tax expense reported in the statement of profit and loss	109.65	73.45

(ii) OCI Section

	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Tax related to items recognised in OCI during in the year:		
Net (gain) / loss on FVTOCI financial assets	0.18	0.09
Net (gain) / loss on remeasurement of defined benefit plans	2.70	(4.87)
Income tax charged to OCI	2.88	(4.78)

Reconciliation of tax expense and the accounting profit multiplied by Corporate Income tax rate applicable for March 31, 2022 and March 31, 2021:

The Group exercised the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019, in the earlier years. Accordingly, the Group has recognized Provision for Income Tax for the year and re-measured its Deferred tax asset (or / and deferred tax liability) basis the rate prescribed in the said section. The tax on the Group's profit before tax differs from the theoretical amount that would arise on using the standard rate of corporation tax in India (25.168%) as follows:

	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Accounting profit before income tax (A)	390.85	33.12
Enacted tax rate in India (B)	25.17%	25.17%
Profit before income tax multiplied by standard rate of Corporate tax in India (C = A*B)	98.37	8.34
Adjustments		
50% of donation	0.77	0.64
Loss / (profit) from partnership firm	6.18	9.83
Current tax and deferred tax relating to earlier years	33.26	-
Interest on income tax	2.50	7.29
Others	1.83	14.15
Total (D)	44.54	31.91
Expected tax expenses after adjustments (C+D)	142.91	40.25
Total tax expense for current year (excluding earlier year tax adjustments)	142.91	40.25



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

46 Employee benefits**A. Defined contribution plans**

The Group makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised Rs.80.65 (March 31, 2021: Rs.49.96) for Provident Fund contributions, Rs.58.04 (March 31, 2021: Rs.41.78) for Superannuation Fund contributions and Rs.4.48 (March 31, 2021: Rs.4.41) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

B. Defined benefit plans*Gratuity*

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service subject to a maximum of Rs. 20. The Group has invested the plan assets with the insurer managed funds (Life Insurance Corporation). 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 components of gratuity cost recognised in the statement of profit and loss for the years ended March 31, 2022 and March 31, 2021 consist of the following

	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost	26.14	24.38
Interest cost (net)	(0.91)	(2.75)
Gratuity cost recognised in statement of profit and loss	25.23	21.63
Actuarial (gains) / losses due to demographic changes in DBO	-	-
Return on plan assets (greater)/less than discount rate	0.44	47.26
Actuarial (gains) / losses due to changes in financial assumptions	(6.76)	(6.13)
Experience adjustments	(4.40)	(21.79)
Components of defined benefit costs recognised in other comprehensive income	(10.72)	19.34

	As at March 31, 2022	As at March 31, 2021
Details of the employee benefits obligations and plan assets are provided below		
Defined benefit obligation	431.71	418.87
Fair value of plan assets	454.37	421.76
Net defined benefit (asset) / liability recognised	(22.66)	(2.89)

Details of changes in the present value of defined benefit obligations are as follows

Opening defined benefit obligation	418.87	447.98
Current service cost	26.14	24.38
Interest cost	29.26	29.19
Remeasurement gains/(losses) on obligation	(11.16)	(27.92)
Benefits paid	(31.40)	(54.76)
Defined benefit obligations at the end of the year	431.71	418.87

Details of changes in the fair value of plan assets are as follows

Fair value of plan assets at the beginning of the year	421.76	458.92
Expected return on plan assets	30.17	31.94
Employer contributions	34.28	32.92
Benefits paid	(31.40)	(54.76)
Remeasurement gains/(losses) on plan assets	(0.44)	(47.26)
Plan assets at the end of the year	454.37	421.76

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

46 Employee benefits (continued..)

The principal actuarial assumptions used in determining gratuity obligation for the Group are shown below

	Year ended March 31, 2022	Year ended March 31, 2021
Discount rate	7.26% - 7.49%	7.13% - 7.16%
Rate of return of plan assets	7.13%	7.13%
Attrition rate	5% - 6%	5% - 6%
Rate of compensation increase	6.00%	6.00%

Sensitivity Analysis: Impact on defined benefit obligation

	Year ended March 31, 2022	Year ended March 31, 2021
(a) Effect of 1% change in assumed discount rate		
- 1% increase	(20.84)	(20.64)
- 1% decrease	23.61	23.42
(b) Effect of 1% change in assumed salary escalation rate		
- 1% increase	23.63	23.42
- 1% decrease	(21.21)	(20.98)
(c) Effect of 1% change in assumed attrition rate		
- 1% increase	0.76	0.25
- 1% decrease	(0.82)	(0.26)

The expected future cash flows in respect of gratuity were as follows

	Year ended March 31, 2022	Year ended March 31, 2021
Expected future benefit payments		
Within next year	40.15	58.67
Between 2 and 5 years	113.21	127.40
Between 6 and 10 years	172.24	143.56
Beyond 10 years	396.86	406.32

The average duration of the defined benefit plan obligation at the end of the reporting period is 10.57 years to 11.67 years (31 March 2021: 10.97 years to 11.80 years).

Notes:

- (i). The entire Plan Assets are invested in insurer managed funds with Life Insurance Corporation of India (LIC).
- (ii). The expected/ actual return on Plan Assets is as furnished by LIC.
- (iii). The estimate of future salary increase takes into account inflation, likely increments, promotions and other relevant

C. Long term compensated absence

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

Assumptions	As at	As at
	March 31, 2022	March 31, 2021
Discount Rate	7.49%	7.13%
Future Salary Increase (%)	6.00%	6.00%
Attrition Rate	6.00%	6.00%

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

47 Segment information**Primary segment**

Based on internal reporting provided to the chief operating decision maker, insulation and trading are two reportable segments for the Group. Insulation Business includes manufacturing of EPS Products/ prefabricated panels and related service activities. Trading includes motors, export of fabrics, telemedicine equipment's, Information Technology Products etc. The above segments have been identified taking into account the organisation structure as well as differing risks and returns of these segments. Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. All expenses which are not attributable or allocable to 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.

For the year ended March 31, 2022

Particulars	Insulation	Trading	Total
Revenue	16,704.18	1,909.19	18,613.37
Segment result	1,270.51	154.05	1,424.56
Less: Finance costs			(478.34)
Less: Unallocable corporate expenses (net of income)			(555.37)
Profit before taxes			390.85
Less: Tax expenses			(109.65)
Net profit for the year			281.20
As at year ended March 31, 2022			
Segment assets	11,244.61	516.22	11,760.83
Unallocable assets			1,001.91
Total Assets			12,762.74
Segment liabilities	5,434.82	81.88	5,516.70
Unallocable liabilities			2,180.63
Total liabilities			7,697.33

For the year ended March 31, 2021

Particulars	Insulation	Trading	Total
Revenue	12,140.03	1,085.18	13,225.21
Segment result	742.04	113.75	855.79
Less: Finance costs			(526.83)
Less: Unallocable corporate expenses (net of income)			(295.84)
Profit before taxes			33.12
Less: Tax expenses			(73.45)
Net profit for the year			(40.33)
As at year ended March 31, 2021			
Segment assets	10,696.46	487.50	11,183.96
Unallocable assets			1,193.33
Total Assets			12,377.29
Segment liabilities	5,567.22	93.75	5,660.97
Unallocable liabilities			2,767.94
Total liabilities			8,428.91

Capital expenditure

Particulars	March 31, 2022	March 31, 2021
Insulation	220.65	265.99
Trading	-	-
Unallocable	-	2.30
Total	220.65	268.29

Depreciation/ amortisation

Particulars	March 31, 2022	March 31, 2021
Insulation	427.83	456.98
Trading	33.77	30.84
Unallocable	174.16	159.35
Total	635.76	647.17

Revenue from external customers

Particulars	March 31, 2022	March 31, 2021
India	18,613.37	13,225.21
Outside India	-	-

The revenue information above is based on the location of the customers. There are no sales to external customers more than 10% of total revenue.

Non current assets

Particulars	March 31, 2022	March 31, 2021
India	4,917.19	5,394.75
Outside India	-	-

Non-current assets for this purpose consist of property, plant and equipment, capital work in progress, intangible assets and right-of-use assets



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

48 Related Party Transactions

Key Management Personnel (KMP) and their relatives

Mr. Amrith Anumolu - Executive Director
 Mrs. Jayasree Anumolu - Director / Relative of KMP
 Mrs. Lalithamba Panda - Relative of KMP
 Mr. R Gowrishanker - Director
 Mr. V J Singh - Director
 Mr. Gurram Jagannathan Reddy - Independent Director
 Mr. A V Ram Mohan - Independent Director
 Mr. Bharath Anumolu - Relative of KMP
 Mr. V V Sridharan - Chief Financial Officer
 Mr. K Murali - Company Secretary (till May 31, 2020 and re-appointed from May 01, 2021 till March 31, 2022)
 Mrs. T Anantha Jothi - Company Secretary (from June 01, 2020 till April 30, 2021)
 Mrs. S N Radha - Relative of KMP

Enterprises over which parties above or their relatives have control / significant influence ('Affiliates')

M/s Gunnam Subba Rao Insulation Private Limited
 M/s Korean Painting and Plating Pvt Ltd (Formerly "Panda Solar Energy Pvt Ltd")
 M/s Villasini Real Estate Private Limited

Related party transactions for the year ended March 31, 2022

Particulars	Affiliates	Key Managerial Personnel & their Relatives
Transactions during the year		
Sale of products	9.47	-
Lease rent income	3.47	-
Lease rent expense/ Principal payment of lease liabilities	50.40	-
Issue of shares on rights basis	-	697.51
Managerial remuneration paid		
Mr. Amrith Anumolu	-	35.46
Mr. V V Sridharan	-	24.57
Mr. K Murali	-	13.92
Mrs. T Anantha Jothi	-	1.02
Sitting fees & conveyance charges paid to Directors		
Mr. Amrith Anumolu	-	2.50
Mrs. Jayasree Anumolu	-	2.40
Mr. Gowrishanker	-	3.05
Mr. V J Singh	-	3.45
Mr. Gurram Jagannathan Reddy	-	4.55
Mr. A V Ram Mohan	-	4.45
Unsecured Loan received		
Mrs. Jayasree Anumolu	-	100.00
Mr. Amrith Anumolu	-	17.00
Unsecured Loan repaid		
Mrs. Jayasree Anumolu	-	475.00
Mr. Amrith Anumolu	-	25.00
Public deposits repaid		
Mrs. Lalithamba Panda	-	100.18
Mrs. S N Radha	-	5.45
Public deposits received		
Mrs. Lalithamba Panda	-	100.18
Mrs. S N Radha	-	6.00
Finance cost during the year on loans		
Mr. V J Singh	-	0.84
Mr. Amrith Anumolu	-	1.36
Mrs. Jayasree Anumolu	-	40.72
Mrs. Lalithamba Panda	-	9.81
Mr. Bharat Anumolu	-	8.73
Mrs. S N Radha	-	0.56
Mrs. T Anantha Jothi	-	0.04



Beardsell Limited
CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

48 Related Party Transactions (continued)

Particulars	Affiliates	Key Managerial Personnel
Balance outstanding as at the year end		
Trade receivable	270.27	-
Trade payables	110.26	-
Salary payable		
Mr. Amrith Anumolu	-	0.62
Mr. V V Sridharan	-	0.78
Mr. K Murali	-	0.69
Unsecured loan from Mr. Bharat Anumolu	-	72.75
Unsecured loan from Mr. V J Singh	-	7.00
Public deposits from Mrs. Lalithamba Panda	-	100.18
Public deposits from Mrs. S N Radha	-	6.00
Interest accrued on Public Deposit - Mrs. S.N.Radha	-	0.29

Related party transactions for the year ended March 31, 2021

Particulars	Affiliates	Key Managerial Personnel
Transactions during the year		
Lease rent income	4.80	-
Lease rent expense	48.60	-
Managerial remuneration paid		
Mr. Amrith Anumolu	-	35.30
Mr. V V Sridharan	-	19.36
Mr. K Murali	-	5.95
Mrs. T Anantha Jothi	-	8.53
Sitting fees & conveyance charges paid to Directors		
Mr. Amrith Anumolu	-	2.40
Mrs. Jayasree Anumolu	-	1.20
Mr. Gowrishanker	-	2.80
Mr. V J Singh	-	2.20
Mr. Gurram Jagannathan Reddy	-	2.60
Mr. A V Ram Mohan	-	2.80
Public deposits received		
Mrs. Lalithamba Panda	-	80.18
Mrs. S N Radha	-	5.45
Mrs. T Anantha Jothi	-	5.20
Unsecured loan received		
Mrs. Jayasree Anumolu	-	250.00
Unsecured Loan repaid		
Mr. Amrith Anumolu	-	8.00
Mr. Gowrishanker	-	170.00
Public deposits repaid		
Mrs. Lalithamba Panda	-	80.18
Mrs. S N Radha	-	5.00
Finance cost during the year on loans		
Mr. V J Singh	-	0.84
Mr. Amrith Anumolu	-	1.38
Mr. Gowrishanker	-	1.21
Mrs. Jayasree Anumolu	-	22.44
Mrs. Lalithamba Panda	-	10.42
Mr. Bharat Anumolu	-	8.75
Mrs. S N Radha	-	0.57
Mrs. T Anantha Jothi	-	0.22
Balance outstanding as at the year end		
Trade receivable	1.79	-
Trade payables	15.00	-
Unsecured loan from Mr. Bharat Anumolu	-	72.75
Unsecured loan from Mr. V J Singh	-	7.00
Unsecured loan from Mrs. Jayasree Anumolu	-	375.00
Unsecured loan from Mr. Amrith Anumolu	-	8.00
Public deposits from Mrs. Lalithamba Panda	-	100.18
Public deposits from Mrs. S N Radha	-	5.45
Public deposits from Mrs. T Anantha Jothi	-	5.20
Interest accrued on Fixed Deposit - Mrs. S N Radha	-	0.22
Interest accrued on Public Deposit - Mrs. S.N.Radha	-	0.26



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2022 and March 31, 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (Refer Note 12).

Details of remuneration to key managerial personnel are give below:

Particulars	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Salaries and allowances	55.89	55.76
Provident fund and superannuation	9.24	1.47
Perquisites	2.42	3.32
Incentives	7.42	8.59
Total	74.97	69.14

The above figures do not include provisions for compensated absences and gratuity as separate actuarial valuation report is not available

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**Beardsell Limited**

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

49 Leases**Group as a lessee**

The Group has lease contracts for rent of building and plant & machinery used in its operations. Leases of building used for office purpose have lease terms between 1 and 6 years, and plant & machinery generally have lease terms for 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and sub-leasing the leased assets.

The Group also has certain leases of buildings and vehicles with lease terms of 12 months or less and leases with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Building	Leasehold land	Total
As at April 1, 2020	378.24	208.78	587.02
Additions	13.75	-	13.75
Depreciation expense	(120.07)	(0.41)	(120.48)
As at March 31, 2021	271.92	208.37	480.29
Additions	80.00	-	80.00
Depreciation expense	(137.95)	(0.41)	(138.36)
As at March 31, 2022	213.97	207.96	421.93

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	As at March 31, 2022	As at March 31, 2021
Opening Balance	299.85	395.69
Additions	80.00	13.75
Accretion of interest	26.17	28.16
Payments	(162.83)	(137.75)
Closing Balance	243.19	299.85
Current	143.02	120.13
Non-current	100.17	179.72

Maturity Analysis of Lease Liability

Year ended	< 1 year	1 - 5 years	> 5 years
March 31, 2022	113.09	142.94	0.66
March 31, 2021	160.29	243.08	-

The effective interest rate for lease liabilities is 8% to 10% (PY 8%), with maturity between 2021-2026.

The following are the amounts recognised in profit or loss:

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation expense of right-of-use assets	138.36	120.48
Interest expense on lease liabilities	26.17	28.16
Expense relating to short-term leases and leases of low-value assets (included in other expenses - Rent)	24.75	32.29
Total amount recognised in profit or loss	189.28	180.93

The Group had total cash outflows for leases of Rs. 162.83 in March 31, 2022 (Rs. 137.75 in March 31, 2021).

Group as Lessor

The Group has entered into operating leases for the sub-lease of buildings and plant & machinery having lease term of less than 1 year. Rental income recognised by the Group during the year is Rs. 26.01 (Previous Year - Rs. 24.47).

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

50 Commitments and contingent liabilities

a. Commitments

The estimated amount of contracts, net of advances remaining to be executed on capital account and not provided is Rs. Nil (March 31, 2021 : Rs.Nil).

b. Contingent liabilities

Note i.

a) Matters wherein management has concluded the Group's liability to be probable have accordingly been provided for in the books. Also refer Note 30.

b) Matters wherein management has concluded the Group's liability to be possible have accordingly been disclosed under Note 50b(ii) Contingent liabilities below.

c) Matters wherein management is confident of succeeding in these litigations and have concluded the Group's liability to be remote. This is based on the relevant facts of judicial precedents and as advised by legal counsel which involves various legal proceedings and claims, in different stages of process.

Note ii.

	March 31, 2022	March 31, 2021
(a) Claims against the Group not acknowledged as debts	23.69	23.69
(b) Sales tax demands against which the Group has filed appeals	592.19	611.09

Particulars	March 31, 2022	March 31, 2021	Period to which the amount relates	Forum where dispute is pending
Under Sales Tax Acts of various states				
Amount under dispute	16.93	16.93	1995-96 2000-01	Deputy Commissioner, Assistant Commissioner & other appellate authorities
Amount paid	1.92	1.92	2001-02 2003-04	
Net Amount	15.01	15.01	2015-16	
Under Central Sales Tax Act, 1956				
Amount under dispute	574.53	594.16	1995-96, 2003-04, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15	High Court, Deputy Commissioner & CTO of various states
Amount paid	57.50	58.15		
Net Amount	517.03	536.01		
Under Service Tax Act, 1994				
Amount under dispute	0.73	-	2015-16	Deputy Commissioner (appeals) SGST, Thrissur
Amount paid	0.15	-		
Net Amount	0.58	-		

Based on its evaluation (including expert advice obtained wherever applicable), the Group believes there it has a strong case on merits and is confident that the demand will not be sustained therefore, no consequential adjustments (including related provision) are considered necessary in the restated consolidated summary statements in this regard.

c. Petition filed with National Company Law Tribunal

The erstwhile Managing Director of the Company had filed petition with National Company Law Tribunal ("NCLT") under sections 241 to 244 of the Companies Act, 2013 during financial year 2018-19. He has sought certain relief and action against the directors. The Company has intimated to the stock exchange about the matter filed with the NCLT by the erstwhile Managing Director. The matter is pending before NCLT and there have been no material updates to this matter. Based on the review of the petition, the Board is of the view that these matters have no financial effect on financial statements for the year ended March 31, 2022.

51 Standards issued but not yet effective

Ministry of Corporate Affairs has issued Companies (Indian Accounting Standards) Amendment Rules, 2022 on March 23, 2022, which contains various amendments to Ind AS. Management has evaluated these and have concluded that there is no material impact on the Group's consolidated financial statements.

52 Significant accounting judgements, estimates and assumptions

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

In the process of applying the Group's accounting policies, management has not made any judgement, which has significant effect on the amounts recognised in the interim condensed consolidated financial statements.

(i) Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the interim condensed consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(i) Impairment of non-financial assets including goodwill

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

(ii) Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 46.

(iii) Allowance for slow/ non-moving inventory and obsolescence

An allowance for Inventory is recognised for cases where the realisable value is estimated to be lower than the inventory carrying value. The inventory allowance is estimated taking into account various factors, including prevailing sales prices of inventory item, gross margins and losses associated with obsolete / slow-moving / redundant inventory items. The Group has, based on these assessments, made adequate provision in the books.

(iv) Allowance for expected credit loss (ECL provision)

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. The Group undertakes a detailed review of the credit worthiness of clients before extending credit. Outstanding customer receivables are regularly monitored. Management monitors the Group's net liquidity position through rolling forecasts based on expected cash flows.

Trade receivables comprise a large number of customers. The Group has credit evaluation policy for each customer and based on the evaluation, credit limit of each customer is defined. Net Trade receivables as on March 31, 2022 is Rs. 3,592.88 (March 31, 2021 - Rs. 3,218.36). The Group believes the concentration of risk with respect to trade receivables is low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The Group uses the expected credit loss model as per Ind AS 109 – 'Financial Instruments' to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix considers available external and internal credit risk factors and the Group's historical experience in respect of customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 12.

(v) Leases - estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

(vi) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

53 Financial risk management objectives and policies

The Group's principal financial liabilities comprise of bank and other borrowings, deposits, lease liabilities, trade and other payables and financial guarantee contracts. The main purpose of these financial liabilities is to finance and support the Group's operations. The Group's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Board of Directors of the Holding Company reviews and agrees policies for managing each of these risks, which are summarised below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the entity's long-term debt obligations with floating interest rates. The group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the group's profit before tax is affected through the impact on floating rate borrowings, as follows

Particulars	March 31, 2022		March 31, 2021	
	+1%	-1%	+1%	-1%
Increase / decrease in interest rate				
Impact on profit before tax	(19.56)	19.56	(23.19)	23.19

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency). The Group has not hedged any portion of its expected foreign currency sales as at March 31, 2022 and March 31, 2021.

Foreign currency sensitivity

The following demonstrates the sensitivity to a reasonably possible change in the foreign currency exchange rates for Rs., with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The sensitivity analysis includes only outstanding unhedged foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates.

Particulars	Currency	March 31, 2022		March 31, 2021	
Trade payables	USD	-			425,156.00

Particulars	Forex currency	Change in forex rate(%)	Effect on profit before	Effect on pre-tax equity
			tax (in Rs.)	(in Rs.)
March 31, 2021 - Trade payables	EURO	5% Increase	(1,562,548)	(1,562,548)
		5% Decrease	1,562,548	1,562,548

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

(iii) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group only deals with parties which has good credit rating/ worthiness given by external rating agencies or based on management's internal assessment. The maximum exposure to the credit risk is equal to the carrying amount of financial assets as of March 31, 2022 and March 31, 2021 respectively.

(iv) Liquidity Risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments (including interest payments)

	Within 1 year	1 to 5 years	After 5 years	Total
Year ended March 31, 2022				
Borrowings	1,883.98	807.33	0.08	2,691.39
Lease liabilities	113.09	142.94	0.66	256.69
Other financial liabilities	287.55	112.05	-	399.60
Trade payables	3,504.62	-	-	3,504.62
	5,789.24	1,062.32	0.74	6,852.30
Year ended March 31, 2021				
Borrowings	2,194.07	1,584.37	-	3,778.44
Lease liabilities	160.29	243.08	-	403.37
Other financial liabilities	365.82	0.83	-	366.65
Trade payables	3,209.20	-	-	3,209.20
	5,929.38	1,828.28	-	7,757.66



Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

54 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Group. The Group determines the amount of capital required on the basis of annual operating plans and long-term fleet expansion plans. The funding requirements are met through internal accruals and other long-term/short-term borrowings. The Group's policy is aimed at combination of short-term and long-term borrowings. The Group monitors capital employed using a Debt equity ratio, which is total debt divided by total equity and maturity profile of the overall debt portfolio of the Group.

	March 31, 2022	March 31, 2021
Borrowings	2,580.87	3,540.20
Less: Cash and short term deposits	(255.54)	(245.85)
Net debt	2,325.33	3,294.35
Equity	749.31	561.98
Other equity	4,316.10	3,386.40
Total Equity	5,065.41	3,948.38
Gearing ratio	46%	83%

In order to achieve this overall objective, the entity's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current and previous periods. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

55 Fair value measurements

The carrying value of financial instruments by categories is as follows

Particulars	Carrying value		Fair value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Financial assets				
Other investments	53.41	45.81	53.41	45.81
Trade receivables	3,592.88	3,218.36	3,592.88	3,218.36
Cash and cash equivalents	164.49	158.95	164.49	158.95
Bank balances other than cash and cash equivalents	372.01	367.30	372.01	367.30
Loans	34.79	45.31	34.79	45.31
Other financials assets	216.48	207.44	216.48	207.44
Total	4,434.06	4,043.17	4,434.06	4,043.17
Financial liabilities				
Borrowings	2,580.87	3,540.20	2,531.67	3,361.33
Lease liabilities	243.19	299.85	243.19	299.85
Trade payables	3,504.62	3,209.20	3,504.62	3,209.20
Other financial liabilities	399.60	366.65	399.60	366.65
Total	6,728.28	7,415.90	6,679.08	7,237.03

The management assessed that cash and cash equivalents, trade receivables, loans, current investments, other financial assets, short term borrowings, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of quoted equity investments are derived from quoted market prices in active markets.
- The fair values of certain unquoted equity investments have been estimated using Discounted Cash-flow Model (DCF). The valuation is based on certain assumptions like forecast cash-flows, discount rate, etc.
- The fair value of borrowings is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return, adjusted for the Credit spread considered by the lenders for instruments of the similar maturity.
- Derivatives are fair valued using market observable rates and published prices.

56 Fair value hierarchy

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values. The management assessed that the cash and cash equivalents, trade receivables, trade payables, fixed deposits, bank overdrafts and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2022:

Particulars	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Asset measured at fair value:				
Equity Investments at fair value through OCI				
Unquoted instruments	52.00	-	-	52.00
Quoted instruments	1.41	1.41	-	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2022:

Particulars	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Long Term Borrowings including current maturities	956.02	-	956.02	-

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2021:

Particulars	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Asset measured at fair value:				
Equity Investments at fair value through OCI				
Unquoted instruments	45.11	-	-	45.11
Quoted instruments	0.70	0.70	-	-
Derivative instrument not designated as hedge at fair value through profit or loss				
Foreign exchange forward contracts	0.63	-	0.63	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2021:

Particulars	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Long Term Borrowings including current maturities	1,800.38	-	-	-

Notes

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

There have been no transfers between the levels during the period.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate.

They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

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Beardsell Limited

CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

57 Financial Ratios

Ratio	March 31, 2022	March 31, 2021	% of Change	Remarks
(i) Current Ratio (Current Assets / Current Liabilities)	1.04	0.91	14.22%	-
(ii) Debt Service Coverage Ratio [(Net profit after tax + Depreciation & Amortization + Finance Cost - Other Income) / (Interest & Lease payouts + Principal repayment on long term borrowing during the year)]	0.63	0.96	(34.60)%	Repayment of borrowings out of proceeds from rights issue
(iii) Inventory Turnover Ratio [Cost of goods sold including purchase of stock-in-trade / average inventory]	1.76	1.29	36.28%	Due to increase in purchases with increase in business activities
(iv) Trade Payables Turnover Ratio [Net Credit Purchases (Purchase of raw materials and stock-in-trade) / Average Trade Payables]	1.00	0.65	53.17%	Due to increase in purchases with increase in business activities
(v) Debt-Equity Ratio [Debt / Equity]	0.46	0.83	(44.98)%	Repayment of borrowings out of proceeds from rights issue
(vi) Return on Equity Ratio [(Net Profit after Taxes Less Preference Dividend) / Average Shareholder's Equity]	0.016	(0.003)	717.23%	Increase in profits with improved business scenario and on account of rights issue
(vii) Trade Receivables Turnover Ratio [Total Revenue from operations / Average Trade Receivables]	1.37	1.01	35.59%	Delays in collection during previous year on account of Covid
(viii) Net Capital Turnover Ratio [Total revenue from operations / Working Capital (where Working Capital = Current Assets Less Current Liabilities)]	66.42	(22.34)	397.31%	Increase in working capital requirements with increase in business activities
(ix) Return on Capital Employed [Profit Before Interest and Tax / Average Capital Employed]	0.05	0.04	37.41%	Increase in profits with improved business scenario
(x) Net Profit Margin [Net Profit After Tax / Total Revenue from operations]	0.015	(0.003)	595.41%	Increase in profits with improved business scenario
(xi) Return on Investment - Long Term [(Share price movement + Dividend Income) / Total Cost of Quoted Investments]	0.0005	0.0002	102.27%	Higher market returns due to increase in share price
(xii) Return on Investment - Short Term [Investment Income / Average Investment]	NA	NA	NA	-

58 Other Statutory Information

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- (ii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- (iv) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (v) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vi) The Group has not made any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provision of the Income Tax Act, 1961).
- (vii) The Group do not have any transactions with companies struck off.

 **Beardsell Limited**
CIN : L65991TN1936PLC001428

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

59 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 as at and for the year ended March 31, 2022 and March 31, 2021

Year Ended 31st March 2022

S.No	Name of the Entities	Net Assets		Share in Profit and Loss		Other Comprehensive		Total Comprehensive Income	
		As % of Consolidated Net Assets	Amount	As % of Consolidated Profit and Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
I.	Parent Beardsell Limited	111.83%	5,664.64	110.83%	311.64	100.00%	8.55	110.51%	320.19
II.	Subsidiary Sarovar Insulation Private Limited	(4.75)%	(240.40)	(2.09)%	(5.87)	0.00%	-	(2.03)%	(5.87)
III.	Controlled Entity Saideep Polytherm	(7.08)%	(358.83)	(8.74)%	(24.57)	0.00%	-	(8.48)%	(24.57)
	Total		5,065.41		281.20		8.55		289.75

Year Ended 31st March 2021

S.No	Name of the Entities	Net Assets		Share in Profit and Loss		Other Comprehensive		Total Comprehensive Income	
		As % of Consolidated Net Assets	Amount	As % of Consolidated Profit and Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
I.	Parent Beardsell Limited	114.41%	4,517.17	(23.38)%	9.43	100.00%	(14.21)	8.76%	(4.78)
II.	Subsidiary Sarovar Insulation Private Limited	(5.94)%	(234.53)	26.61%	(10.73)	0.00%	-	19.67%	(10.73)
III.	Controlled Entity Saideep Polytherm	(8.47)%	(334.26)	96.78%	(39.03)	0.00%	-	71.56%	(39.03)
	Total		3,948.38		(40.33)		(14.21)		(54.54)

60 Prior year comparatives

The figures of previous year have been regrouped/reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors

Beardsell Limited

per Aravind K

Partner

Membership no.: 221268

Place: Chennai

Amrith Anumolu

Executive Director

DIN:03044661

Place: Hyderabad

A V Ram Mohan

Director

DIN:02093767

Place: Chennai

V V Sridharan

Chief Financial Officer

Place: Chennai

Kanhu Charan Sahu

Company Secretary

Place: Chennai

Date: May 28, 2022

Date: May 28, 2022

Date: May 28, 2022