

BEARDELL LIMITED

Seventy Eighth Annual Report & Accounts

2014 - 2015



BEARDSSELL LIMITED



G+1 House at Marathahalli (QuikBuild) - Bangalore



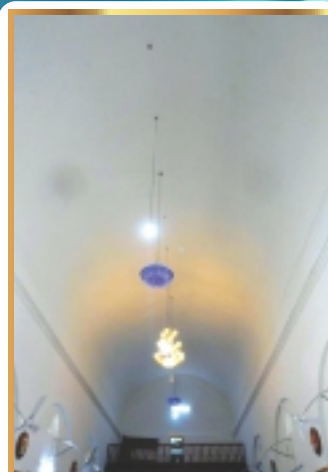
Himalaya Drugs - Office Room (QuikBuild) - Bangalore



Farm House (QuikBuild) - Hyderabad



Port Guest House (QuikBuild) - Krishnapatnam



Church Roof Interior(QuikBuild)-Vember



Church Roof Exterior(QuikBuild)-Vember

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Directors

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

Chief Financial Officer

Mr. Y. Mukthar Basha

Company Secretary

Mr. K.Murali

Auditors

M/s. Deloitte Haskins & Sells

Bankers

Bank of India

Registered Office

47 Graemes Road
Chennai 600 006
Phone : 044 - 2829 3296 / 2829 0901
CIN No. : L65991TN1936PLC001428
Fax : 044 - 2829 0391
E-mail : ho@beardsell.co.in
Website : www.beardsell.co.in

NOTICE IS HEREBY GIVEN that the Seventy Eighth Annual General Meeting of the Company will be held on Thursday, the 13th August, 2015 at 10.00 A.M. at “Mini Hall” Satguru Gnananada Hall, Naradaganasabha, 314, T.T.K. Road, Chennai 600 018 to transact the following business:

AS ORDINARY BUSINESS

1. ADOPTION OF ACCOUNTS

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

“RESOLVED THAT the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss of the Company with the Schedules and Cash Flow Statement for the year ended 31st March, 2015 together with the Directors Report and the Auditors' Report thereon, be and are hereby approved and adopted.”

2. TO DECLARE A DIVIDEND

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

“RESOLVED THAT pursuant to the recommendation of the Board of Directors, Dividend at the rate of Re.1/- (10 percent) per share be paid as Dividend for the year ended 31st March, 2015 to those share holders whose name appears in the Register of Members on 6th August, 2015.”

3. APPOINTMENT OF DIRECTOR

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

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

4. RATIFICATION OF APPOINTMENT OF AUDITORS

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

“RESOLVED THAT the Auditors of the Company, Messrs. Deloitte Haskins & Sells (DHS), Chartered Accountants, Chennai (ICAI Registration Number of the firm is 008072S) who were appointed as Statutory Auditors to hold office for a period of Three years till the completion of 80th Annual General Meeting on a remuneration as the Board of Directors of the Company may determine, in addition to traveling and out of pocket expenses be and is hereby ratified ”

**AS SPECIAL BUSINESS
ORDINARY RESOLUTION**

5. APPOINTMENT OF DIRECTOR

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

“RESOLVED THAT Mrs.Anumolu Jayasree, be and is hereby appointed as a Director of the Company whose period of office will be liable to retire by rotation.”

6. INCREASE IN REMUNERATION TO Mr. AMRITH ANUMOLU, EXECUTIVE DIRECTOR.

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

“RESOLVED THAT subject to the provisions of Section 188, 197, 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, to increase in remuneration payable to Mr. Amrith Anumolu, Executive Director for a period of Three years with effect from 1st April, 2015 as recommended by the Nomination and Remuneration Committee on 29th May, 2015 and approved by the Board of Directors on 29th May, 2015 be and is hereby approved and confirmed as under”

- a) Salary : Rs. 1,60,000 Per month
- b) Perquisites : Perquisites are classified into Three Categories A, B and C as follows:

CATEGORY A

HOUSING

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

GAS, ELECTRICITY AND WATER

Reimbursement of Expenditure incurred on gas, electricity and water.

MEDICAL REIMBURSEMENT

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

LEAVE TRAVEL CONCESSION

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

CLUB FEES

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

PERSONAL ACCIDENT INSURANCE

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

CATEGORY “B”

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

CATEGORY “C”

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

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

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

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

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

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

7. TO ACCEPT / RENEW UNSECURED DEPOSITS FROM SHAREHOLDERS:

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

“RESOLVED THAT pursuant to section 73(2) read with Chapter V of the Companies (Acceptance of Deposits) Rules, 2014 and all other applicable provisions, if any, of the Companies Act 2013, the Company be and is hereby authorised to accept / renew unsecured deposits from shareholders not exceeding 25% of the aggregate of the paid up capital and free reserves of the Company as per the latest audited accounts as of 31/03/2015 amounting to Rs.813.33 lacs including deposits outstanding as on the date of the issue of the Circular”.

“RESOLVED FURTHER THAT Mr. K. Murali, Company Secretary be and is hereby authorised to sign and file the necessary forms / documents with all statutory authorities to give effect to the above resolution”.

By order of the Board

Chennai
May 29, 2015

K. Murali
Company Secretary

NOTES

1. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the Special Business set out in Item no. 5, 6, & 7 annexed here to.
2. A member entitled to attend and vote at the Meeting is entitled to appoint a Proxy or Proxies to attend and vote instead of himself and such Proxy or Proxies must be a member or members of the Company. The Proxy form, duly signed, must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting.
3. A Proxy form shall be in Form No.MGT11 of the Companies Act, 2013.
4. As mandated by SEBI, Members are provided e-voting facility and the rules for e-voting is annexed.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 7th August, 2015 to 13th August, 2015 (both days inclusive).
6. Members are requested to intimate change, if any, in their address immediately.
7. Section 124 (5) of the Companies Act, 2013 mandates that Companies should transfer dividend that has been unclaimed for a period of seven years from the unpaid dividend account to the Investor Education Protection Fund (IEPF). The dividend for the



years mentioned below, if unclaimed with in a period of seven years, will be transferred to IEPF in accordance with the following schedule:

| S.No | Financial Year | Date of Declaration of Dividend | % of Dividend | Date of Transfer to unpaid Dividend Account | Date of Transfer to Central Government to Investor Education and Protection Fund |
|------|----------------|---------------------------------|---------------|---|--|
| 1 | 2007-2008 | 27/08/2008 | 15% | 06/09/2008 | 05/10/2015 |
| 2 | 2011-2012 | 29/09/2012 | 10% | 10/10/2012 | 08/11/2019 |
| 3 | 2012-2013 | 13/08/2013 | 10% | 16/08/2013 | 14/09/2020 |
| 4 | 2013-2014 | 13/08/2014 | 10% | 19/08/2014 | 17/09/2021 |

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

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

| | | |
|---|--|-----------------------------|
| a | Name | Mr.V.Thirumal Rao |
| b | Brief Resume | |
| | i Age | 70 years |
| | ii Qualification | B.Com, L.L.B |
| | iii Experience in Specific Functional Area | 44 Years |
| | iv Date of Appointment on the Board of the Company (BEARDELL LIMITED) | 19/01/1986 |
| c | Nature of Expertise in Specific Functional Area | Legal |
| d | Name(s) of other Companies in which Directorships held (as per section 165 of the Companies Act, 2013) | NIL |
| e | Name(s) of Companies in which Committee Membership(s)/ Chairman ship (s) Held | NIL |
| f | No. of Shares of Rs.10/- each held by the - Director | NIL |
| | - his Relatives | 200 nos |
| | - Total | 200 nos |
| g | Relationship between Directors inter se (As per Section 2 (77) of the Companies Act,2013) | Mr. M. Uttam Reddi Director |

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

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

ITEM NO.(5)

The Special Business relates to appointment of Mrs. Anumolu Jayasree as a non executive Director. The Board of Directors in their meeting held on 31st March 2015 approved the appointment.

Mrs Jayasree is from a family of industrialists and has a rich experience of over 20 years in business. Mrs Jayasree is the daughter of our late Chairman and Managing Director Mr P Punniiah.

Mrs Anumolu Jayasree is interested in the resolution.

No other Director expect Mr Bharat Anumolu, Managing Director and Mr Amrith Anumolu, Executive Director relatives of Mrs Anumolu Jayasree are interested.

ITEM NO.(6)

The Special Business relates to increase in remuneration of Mr Amrith Anumolu, Executive Director. The increase in remuneration was approved by the Nomination and Remuneration Committee and the Board of Directors on 29th May 2015.

Mr Amrith Anumolu graduated his Bachelor of Science in Electrical Engineering from Virginia Tech and Master Education in Industrial Engineering from Georgia Tech. After completing his eduction he worked in various positions for companies like Ericsson Inc and Panasonic Corp. His experience ranges from product design and development to business process improvements and re-engineering.

Mr Amrith Anumolu is interested in this resolution.

No other Director except Mr Bharat Anumolu, Managing Director and Mrs Anumolu Jayasree, Director, relatives of Mr Amrith Anumolu are interested.

ITEM NO.(7)

The special business relates to seeking members' approval for acceptance / renewal of unsecured deposits from shareholders. The Board of Directors , on 29th May 2015, has approved the acceptance / renewal of unsecured deposits from shareholders subject to your approval. The Circular in Form DPT-1 inviting / accepting unsecured deposits from shareholders is annexed.

None of the Directors of the Company is interested or concerned in the above resolution. The purpose for accepting / renewing unsecured deposits from Members is to fund the Development of Patalganga Project and augment the working capital needs of the Company.

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 web: 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 Textiles, Electric Motors, Exports and Technical Consultancy Services. | |
| | Manufacturing units | | Chennai, Thane, Karad and Hyderabad | |
| | Branches | | Ahmedabad, Bangalore, Chennai, Coimbatore, Hyderabad, Kochi, Mumbai, New Delhi and Vizag | |
| d. | Brief particulars of the management of the company; | | Company is Managed by Managing Director and Executive Director under direction, control and supervision of the Board of Directors of the Company | |
| e. | Names, addresses, DIN and occupation of the DIRECTORS | | | |
| | Name and Address | Designation | Occupation | Din Number |
| | Mr Bharat Anumolu Plot No.303, Fortune Enclave Road No.12, Banjara Hills, Hyderabad - 500 034 | Managing Director | Industrialist | 02660220 |
| | Mr S V Narasimha Rao New No.11 Nakshtra Apts, Block no. 2, Krishnapuram St Royapettah, Chennai - 600 014 | Executive Director | Industrialist | 00025635 |
| | Mr Amrith Anumolu Plot No.12, Park View Enclave, Road No.2, Banjara Hills, Hyderabad - 500 034 | Executive Director | Industrialist | 03044661 |
| | Mr M Uttam Reddi No.26 Anderson Road, Opp to Shastri Bhavan, Chennai - 600 006 | Director | Advocate | 00025755 |
| | Mr V Thirumal Rao No.G-3 Elite Empire, Ground Floor, 317, Village Road, Nungambakkam, Chennai - 600 034 | Director | Advocate | 00018346 |
| | Mr R Gowri Shanker 4/241 M G R Salai, Palavakkam Chennai - 600 041 | Director | Industrialist | 00104597 |



| | | | | | | |
|-----------|--|--|---|---|--|-----------------------|
| | Mr V J Singh 1/4, Teppakula Street, Subramaniapuram, Palayamkottai, Thirunelveli - 627 002 | Director | Retired From LIC | 03129164 | | |
| | Mrs Anumolu Jayasree Plot No.12, Park View enclave Road No.2, Banjara Hills, Hyderabad - 500 034 | Director | Industrialist | 00845666 | | |
| 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. | | | |
| g. | Details of default, including the amount involved, duration of default and present status, in repayment of - | | | | | |
| | i) Statutory Dues | | Paid within the stipulated due dates: | | | |
| | ii) debentures and interest thereon; | | Not Applicable | | | |
| | iii) loan from any bank or financial institution and interest thereon; | | Paid within the stipulated due dates: | | | |
| 2. | | | | | | |
| a. | Date of passing board resolution; | | 29th May, 2015 | | | |
| b. | Date of passing of resolution in the general meeting authorizing the invitation of such deposits; | | 13th August, 2015 | | | |
| c. | Type of deposits, i.e., whether secured or unsecured; | | Unsecured Deposits | | | |
| | | | (Rs. In Lakhs) | | | |
| d. | | | Public | Share Holders | | |
| | Amount which the company can raise by way of deposits as per the Act and the rules made there under; | | NIL | 813.33 | | |
| | Aggregate of deposits actually held on the last day immediately preceding financial year | | 110.50 | 150.00 | | |
| | Aggregate of deposits actually held on the date of issue of Circular or advertisement (as on 29/05/2015) | | 97.84 | 150.00 | | |
| | Amount of deposits proposed to be raised | | - | 500.00 | | |
| | Amount of Deposits repayable in Next Twelve months | | 73.41 | 150.00 | | |
| | e. | Terms of raising of Deposits | | | | |
| | RATE OF INTEREST | PERIOD IN YEARS | Monthly Interest Scheme, Minimum Deposit Rs.10000/- | Quarterly Interest Scheme, Minimum Deposit Rs.5000/- | Cumulative Interest Scheme, Minimum Deposit Rs.5000/- | |
| | | | | | Maturity Value | Yield in % |
| | | 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 % |
| | Mode of payment and repayment | Account Payee Cheque (or) Demand Draft | | | | |

| | | | | |
|--|---|---|----------------------------------|-------------------------|
| f. | 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 | 13th August, 2015 | | |
| | Validity of the circular or advertisement | Date of next AGM or 6 Months from the Close of Financial Year 2015 -2016 | | |
| g. | Reasons or objects of raising the deposits; | The Purpose of Unsecured Loans from Members is to fund the Development of Patalganga Project in Maharashtra and Augment long term working capital needs of the Company. | | |
| h. | Credit rating Obtained; | | | |
| | Name of the Credit Rating Agencies | CRISIL LIMITED | | |
| | Meaning of the rating obtained | "FB+ /STABLE" | | |
| | Date on which rating was obtained | 26th February, 2015 | | |
| i. | Extent of deposit insurance | Not Applicable – Beardsell Limited Undertakes to Provide necessary Insurance Coverage once the Product is available in the Market | | |
| | Terms of the insurance coverage | | | |
| | Duration of coverage | | | |
| | Extent of coverage | | | |
| | Procedure for claim in case of default etc. | | | |
| j. | Short particulars of the charge created or to be created for securing such deposits, if any; | Not Applicable – As the deposits are unsecured | | |
| k. | 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 OUTSTADTING DEPOSITS | | | |
| | a. Amount Outstanding (as on 31/03/2015) | Rs. 2,60,50,000/- | | |
| | b. Date of Acceptance ; | No Acceptance made after 29/08/2013 | | |
| | c. Total Amount Accepted; | - | | |
| | d. Rate of Interest | AT DIFFERENT RATES | | |
| | e. Total of Number of Depositors; | 229 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 advertisement (Rs. In Lakhs) | | | | |
| | FOR THE YEAR ENDED | PROFIT / LOSS BEFORE TAX | PROFIT / LOSS AFTER TAX | |
| | 31.03.2013 | 505.93 | 294.05 | |
| | 31.03.2014 | 202.36 | 129.12 | |
| | 31.03-2015 | (5.22) | (9.83) | |
| | | | | |
| 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 |
| | 31.03.2013 | 46.83 | 10 % | 3.66 |
| | 31.03.2014 | 46.83 | 10 % | 2.48 |
| | 31.03.2015 | 46.83 | 10 % | - |



| | | | | |
|---|--|---|------------|------------|
| 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 | 31.03.2015 | 31.03.2014 | 31.03.2013 |
| | A. EQUITY AND LIABILITIES | | | |
| | Share Holders’ Fund | 3253.32 | 3325.29 | 3250.96 |
| | Non Current Liabilities | 1781.23 | 1564.73 | 783.87 |
| | Current Liabilities | 4448.90 | 3509.57 | 2976.10 |
| | TOTAL EQUITY AND LIABILITES | 9483.45 | 8399.59 | 7010.93 |
| | B. ASSETS | | | |
| | Non – Current Assets | 4784.32 | 4554.68 | 3627.86 |
| | Current Assets | 4699.13 | 3844.91 | 3383.07 |
| | TOTAL ASSETS | 9483.45 | 8399.59 | 7010.93 |
| D. Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement; | | | | |
| | PARTICULARS | 31.03.2015 | 31.03.2014 | 31.03.2013 |
| | Cash Flow From Operating Activities | 105.71 | 146.65 | 428.33 |
| | Cash Flow From Investing Activities | (400.09) | (968.33) | (393.70) |
| | Cash Flow From Financing Activities | 123.85 | 1043.78 | (25.58) |
| | Net Increase / (Decrease) in Cash and Cash Equivalents | (170.53) | 222.10 | 9.55 |
| | 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 pari passu 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 29th May, 2015. A Copy of this Advertisement signed by a majority of the Directors of the Company 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

(BY ORDER OF THE BOARD)

FOR BEARDELL LIMITED,

Place : Chennai
Date : 29th May, 2015

K. MURALI
Company Secretary

Rules for Voting through electronic means

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

The instructions for members for voting electronically are as under:

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

| | | |
|-------------------------|--|---|
| | For Members holding shares in Demat Form | For Members holding shares in Physical Form |
| User ID | For NSDL : 8 Character DP ID followed by 8 Digit Client ID | Folio Number registered with the Company. |
| | For CDSL : 16 Digits beneficiary ID | |
| PAN* | Enter your 10 digit alpha-numeric * PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both Demat Shareholders as well as physical Shareholders) <small>*Members who have not updated their PAN with the Company/Depository participant are requested to use the first two letters of their name and 8 digits of the sequence number in the PAN field 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.</small> | |
| DOB# | Enter the date of birth as recorded in your Demat Account or in the Company records for the said Demat Account or folio in DD/MM/YYYY format. | |
| Dividend Bank Details # | Enter the Dividend Bank Details as recorded in your Demat Account or in the company records for the said Demat Account or folio. <small># Please enter DOB or Bank Details in order to login. If the details are not recorded with the depository or company please enter the member ID / Folio No. in the Dividend Bank details field.</small> | |

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

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

- (x) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- (xi) After selecting the resolution you have decided to vote on, clickon “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
In case of members receiving the physical copy of Notice of AGM (for members whose e-mail IDs are not registered with the company/depository participant(s) or requesting physical copy):

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

| | | |
|-----------|------------------|------------------|
| Evsn** | User ID | Password |
| 150704013 | xxxxxxxxxxxxxxxx | xxxxxxxxxxxxxxxx |

(Folio No./DP Client ID) (Existing Password or Pan No with Bank A/c.No. or DOB)

**(Electronic Voting Sequence Number)

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

General

- a) Institutional shareholders (i.e.other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and POA in favour of the Custodian who they have authorised to vote on their behalf, in PDF format in the system for the scrutinizer to verify the vote.
- b) The voting period begins on **10th August, 2015 (10.00 AM) and ends on 12th August, 2015 (5.00 PM)** During this period shareholders of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 6th August, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- c) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date is 6th August, 2015.
- d) Mrs. Lakshmmi Subramanian, Practising Company Secretary, Chennai has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- e) The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- f) The results of the e-voting along with the scrutinizer's report shall be placed in the Company's website www.beardsell.co.in and on the website of CDSL within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.
- g) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help Section or write an email to helpdesk.evoting@cdslindia.com.



REPORT OF BOARD OF DIRECTORS

Your Directors present the 78th Annual Report of the Company together with the Audited Accounts for the Financial Year ended 31.03.2015.

PERFORMANCE / OPERATIONS

FINANCIAL RESULTS

(Rs. In Lakhs)

| | Year Ended 31.03.2015 | Year Ended 31.03.2014 |
|--|--------------------------|--------------------------|
| Gross Revenue | 13202.42 | 10704.20 |
| Profit before interest & Depreciation | 762.14 | 663.14 |
| Finance Cost | 462.86 | 238.26 |
| Profit before Depreciation | 299.28 | 424.88 |
| Depreciation | 304.50 | 222.52 |
| Profit / (LOSS) before tax | (5.22) | 202.36 |
| Profit / (LOSS) after taxation | (9.83) | 129.12 |
| Surplus in Statement of Profit & Loss Account from Last Year | 1723.05 | 1648.72 |
| Less: Depreciation on transition to Schedule II of The Companies Act, 2013 on tangible fixed assets with nil remaining useful life | (5.78) | - |
| Appropriations | | |
| Proposed Dividend on Equity Shares | 46.83 | 46.83 |
| Tax on Dividend | 9.53 | 7.96 |
| Surplus carried to Balance Sheet | 1651.08 | 1723.05 |

Consolidated Financial Statements

In accordance with the Accounting Standard (AS)-21 on Consolidated Financial Statements, the audited consolidated financial statement is provided in the Annual Report.

DIVIDEND:

The Board of Directors wishes to inform the shareholders that the Dividend at the rate of Re.1/- (10 percent) per share is proposed to be paid as Dividend for the year ended 31st March, 2015 to those share holders whose name appears in the Register of Members on 6th August, 2015, subject to the approval of the shareholders in the ensuing Annual General Meeting.

REVIEW OF OPERATIONS

A) PACKAGING PRODUCTS

Our EPS Packaging products are accepted throughout various industry sectors due to our emphasis on quality and our adherence to production schedules. Although our turn over is increasing, our profitability for this product line is severely impacted by the continuous increase in raw material prices.

B) PREFABRICATED PANEL PRODUCTS

Our Isobuild product line has performed well. SteelWallz which is marketed as a superior building system has made substantial progress during this year.

C) CONTRACTS & EXPORTS

Our contracting division continues to execute insulation contracts for major public sector companies. We are striving to increase revenues in this segment by marketing across regions. The exports division has successfully won several global tenders and are in the process of implementing those contracts. The exports teams is doing remarkably well.

CHANGE IN THE NATURE OF BUSINESS, IF ANY: There is no change in the nature of business.

Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Financial Statements relate and the date of the report: Nil

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future : Nil

Details in respect of adequacy of internal financial controls with reference to the Financial Statements : Adequate internal financial controls are in place and they are working effectively and efficiently.

Details of Associate Companies: Nil

Fixed Deposits

The details relating to deposits, covered under Chapter V of the Act:

| | | |
|-----|--|---|
| (a) | Accepted During the year | NIL |
| (b) | Remained un paid or unclaimed as at the end of the year | Rs.147000/- |
| (c) | Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved | There was no default In repayment of deposits or payment of interest thereon. |
| (d) | At the beginning of the year Maximum during the year At the End of the year The details of deposits which are not in compliance with the requirements of Chapter V of the Act | NIL NIL NIL NIL |

STATUTORY AUDITORS

Messrs. Deloitte Haskins & Sells (DHS), Chartered Accountants, Chennai (ICAI Registration Number of the firm is 008072S) were appointed as Statutory Auditors of the Company in our Seventy Seventh Annual General Meeting held on 13th August 2014 and they hold office till the conclusion of our Eightieth Annual General Meeting on a remuneration as the Board of Directors of the Company may determine, in addition to travelling and out of pocket expenses.

INTERNAL AUDITORS

Mr .V.V Sridharan (Membership Number FCA 24801) is the Internal Auditor of our Company.

EXTRACT OF THE ANNUAL RETURN

The extract of the annual return in Form No.MGT-9 forms part of this Board's Report.

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

Information Under Section 134 (3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and forming part of Directors Report for the year ended 31st March 2015.

Research and Development, Technology Absorption and Conservation of Energy

The main focus of the Company's Research and Development effort is on Energy Conservation, process upgradation and environmental preservation
Better utility of Resources, to minimize cost & wastage.
Continuous efforts are on to reduce wastage in use of Power and Fuel.

Foreign Exchange Earnings And Outgo

During the year under review, Foreign Exchange Earnings amounted to Rs.1266.48 Lakhs as against Rs.51.26 Lakhs during previous year.
The total Foreign Exchange Outgo during the year under review was Rs.1392.67 Lakhs as against Rs.504.13 Lakhs during previous year.

DIRECTORS

APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

Mrs Jayasree Anumolu was appointed as a Director with effect from 31st March 2015. The appointment is subject to the approval and confirmation of the shareholders in the ensuing Annual General Meeting.

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

DECLARATION BY INDEPENDENT DIRECTORS:

The declaration given by the Independent Directors are hosted in our website www.beardsell.co.in

FORMAL ANNUAL EVALUATION BY BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

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.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the financial year 2014-15 Six Board Meetings were held on 29/05/2014, 13/08/2014, 12/11/2014, 20/01/2015, 13/02/2015 and 31/03/2015.

AUDIT COMMITTEE

During the financial year 2014-15 Four Audit Committee Meetings were held on 29/05/2014, 13/08/2014, 12/11/2014 and 13/02/2015.

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

| S.No | Member | Designation | No. of meetings attended |
|------|------------------------|--------------------|--------------------------|
| 1 | Mr. M. Uttam Reddi | Independent | 3 |
| 2 | Mr. V. Thirumal Rao | Non-Executive | 4 |
| 3 | Mr. R. Gowri Shanker | Independent | 3 |
| 4 | Mr. V.J. Singh | Independent | 4 |
| 5 | Mr. S.V. Narasimha Rao | Executive Director | 4 |

VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Company has established a vigil mechanism for directors and employees to report genuine concerns and the same is hosted in our wesite www.beardsell.co.in.

NOMINATION AND REMUNERATION COMMITTEE

During the financial year 2014-15 one Committee meeting was held on 19/05/2014.

| S.No | Member | Designation | No. of meetings attended |
|------|----------------------|---------------|--------------------------|
| 1 | Mr. M. Uttam Reddi | Independent | 1 |
| 2 | Mr. V. Thirumal Rao | Non-Executive | 1 |
| 3 | Mr. R. Gowri Shanker | Independent | 1 |
| 4 | Mr. V.J. Singh | Independent | 1 |

CORPORATE SOCIAL RESPONSIBILITY REPORTING (CSR)

CSR Reporting forms part of this Report.

CSR COMMITTEE COMPRISES OF THE FOLLOWING DIRECTORS :

| S.No | Member | Designation | No. of meetings attended |
|------|--------------------|----------------------|--------------------------|
| 1 | Mr Bharat Anumolu | Managing Director | 1 |
| 2 | Mr.Amrith Anumolu | Executive Director | 1 |
| 3 | Mr.R.Gowri Shanker | Independent Director | 1 |

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT 2013:

- (i) Loans : Rs.372.70 lacs
- (ii) Guarantees : Nil
- (iii) Investments : Rs.138.08 lacs

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

Form No. AOC-2: (Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014).

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

| | |
|---|--|
| Details of contracts or arrangements or transactions not at arm's length basis | : NIL |
| Details of material contracts or arrangements or transactions at arm's length basis | : |
| 1. Name of the related party and nature of relationship | : Sarovar Insulation Pvt Ltd |
| (i) Nature of contracts/arrangements/transactions | : Processor and seller of EPS Products and Purchaser of EPS Resins |
| (ii) Duration of contracts/arrangements/transactions | : Ongoing |
| (iii) Salient terms of contract including value | : Processing charges : Rs.15.98 lacs; Sale of EPS Products : Rs.935.62 lacs; Purchase of EPS Resins : Rs.129.52 lacs |
| (iv) Date of approval by Board, if any | : 12th November 2014 |
| (v) Amount paid as advances, if any | : Nil |
| 2. Name of the related party and nature of relationship | : Gunnam Subbarao Insulation Pvt Ltd |
| (i) Nature of contracts / arrangements / transactions | : Processor of EPS & Quikbuild products |
| (ii) Duration of contracts/arrangements/transactions | : Ongoing |
| (iii) Salient terms of contract including value | : Processing charges: Rs.175.00 lacs |
| (iv) Date of approval by Board, if any | : 12th November 2014 |
| (v) Amount paid as advances, if any | : Nil |

Particulars of Employees and related disclosures

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, none of the employee is drawing remuneration in excess of the limits set out in the said rules.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. The Full Annual Report including the aforesaid information is being sent electronically to all those members who have registered their email addresses and is available on the Company's website.

SECRETARIAL AUDIT:

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rule 2014, your Company engaged the services of Messrs. Lakshmmi Subramanian & Associates, Practicing Company Secretaries, Chennai to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2015.

The Secretarial Audit Report (in Form MR -3) is attached as Annexure to this Report.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE:

M/s Deloitte Haskins & Sells, Chartered Accountants, Chennai have given a certificate regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and the same is annexed to this report.

RISK MANAGEMENT POLICY:

The Company has developed and implemented a risk management policy including identification therein the elements of risk which in the opinion of the Board may threaten the existence of the company.

COST AUDIT

Your company has appointed Mr M. Krishnaswamy, Practicing Cost Accountant, Chennai (FCMA No.5944) as Cost Auditor for the financial year 2015-16 with the consent of the Central Government for the Audit of Cost Accounts maintained by the Company.

EMPLOYEE RELATIONS

The relations between the employees and management continued to be cordial during the year.

DIRECTORS' RESPONSIBILITY STATEMENT:

As required by Sec. 134 (3) [c] of the Companies Act, 2013, your Directors further report that:

- I In preparation of the annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures;
- II The Directors have selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2015 and of the Profit / (Loss) of the Company for financial year ended 31st March, 2015;
- III The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV The Directors have prepared the Annual Accounts on a going concern basis.

MANAGEMENT DISCUSSIONS AND ANALYSIS

Industry Structure & Development

The prefab building elements manufactured by your Company finds applications in cold storages, Food Processing Plants, Pharmaceuticals and Roofing applications.Expanded Polystyrene has varied applications in insulation and packaging. SteilWallz panels finds applications in construction of low cost housing. Your Company also undertakes Contracts with in-house /outsourced materials.

Outlook on Opportunities and Threats

With increased industrial construction and retail business activities and Government of India's thrust and encouraging policies on cold storages with latest technologies for improving post harvest infrastructure, there is likely to be increase in demand for your Company's products.

Fluctuating raw material prices can have negative impact on operations. Major raw materials are:

- a) Expanded Polystyrene (a petroleum derivative): Increase in petroleum prices impacts this raw material price.

- V The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- VI The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

REMUNERATION POLICY OF THE COMPANY

The Remuneration policy of the Company Comprising the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company including criteria for determining qualifications, positive attributes, independence of a Director and other related matters has been hosted in our website www.beardsell.co.in .

CORPORATE GOVERNANCE

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

ACKNOWLEDGEMENT

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

For and on behalf of the Board

Chennai
May 29, 2015

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

- b) Steel: The upward trend in the global steel market has pushed up the price of steel, a major component in Isobuild Prefab Panels.

Segment wise Performance

Insulation division which comprises manufacture of EPS Products / Prefab Panels and related Contracting activities earned a revenue of Rs. 10906.50 Lakhs 83.71% of the total revenue.

Trading and others Segment which comprises Motors and Exports earned a revenue of Rs 2122.72 Lakhs 16.29% of the total revenue.

Internal Control System

Your Company has an effective Internal Control System and this is periodically reviewed for effectiveness. The Board of Directors have constituted an Audit Committee. The Audit Committee reviews the Internal Audit reports and their observations at regular intervals.

Material Development in Human Resources

Your Company believes that human resources are the main assets of the Company and the Company's Policy is framed in this direction.



ANNEXURE REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY

The Company strives towards ensuring transparency and professionalism in all decisions and spheres of operation, achieving excellence in Corporate Governance by confirming to the prevalent mandatory guidelines on Corporate Governance and to enhance shareholder value through sound business decisions driving the organisation forward without undue restraints along with prudent framework of accountability and financial management.

2. BOARD OF DIRECTORS

a) Composition

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

| Name of Director | Category | Attendance in Previous AGM held on 13/08/2014 | Attendance in Board Meetings | No. of Directorships held in Other Public Limited Companies | | Committee position held in other Companies | |
|------------------------|------------------------------|---|------------------------------|---|----------|--|----------|
| | | | | Director | Chairman | Member | Chairman |
| Mr. Bharat Anumolu | Managing Director, Promoter | Present | 4 | Nil | Nil | Nil | Nil |
| Mr. S.V. Narasimha Rao | Executive Director | Present | 6 | 1 | Nil | 2 | 1 |
| Mr. M. Uttam Reddi | Non-Executive Independent | Present | 6 | Nil | Nil | Nil | Nil |
| Mr. V. Thirumal Rao | Non-Executive | Present | 6 | Nil | Nil | Nil | Nil |
| Mr. R. Gowrishanker | Non-Executive Independent | Present | 5 | 1 | Nil | 1 | Nil |
| Mr. Amrith Anumolu | Executive Director, Promoter | Present | 4 | Nil | Nil | Nil | Nil |
| Mr. V.J. Singh | Non-Executive Independent | Present | 6 | Nil | Nil | Nil | Nil |
| Mrs. Anumolu Jayasree* | Non-Executive, Promoter | - | - | Nil | Nil | Nil | Nil |

* Appointed As a director with effect from 31/03/2015

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

During the Financial Year 2014-2015, six Board Meetings were held on 29/05/2014, 13/08/2014, 12/11/2014, 20/01/2015, 13/02/2015 and 31/03/2015.

3. AUDIT COMMITTEE

I Terms of Reference

The role, terms of reference and authority and powers of this committee are in conformity with the Listing Agreement. The essential functions of the committee include review of systems and procedures, overseeing the functioning of internal audit, the effectiveness of controls and regulatory compliances. It also reviews with management, Company's financial statements, and financial reporting process, disclosure of financial information and observations of auditors before submission to the Board. It recommends the appointment of statutory auditors and their fees.

II Composition and attendance Audit Committee Meeting

During the financial year 2014-2015, Four Audit Committee meetings were held on 29/05/2014, 13/08/2014, 12/11/2014 and 13/02/2015.

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

| Sl. No | Member | Designation | No. of meetings attended |
|--------|------------------------|--------------------|--------------------------|
| 1 | Mr. M. Uttam Reddi | Independent | 4 |
| 2 | Mr. V. Thirumal Rao | Non-Executive | 4 |
| 3 | Mr. R. Gowri Shanker | Independent | 4 |
| 4 | Mr. V.J. Singh | Independent | 4 |
| 5 | Mr. S.V. Narasimha Rao | Executive Director | 4 |

4. NOMINATION AND REMUNERATION COMMITTEE

The Company is having a Nomination and Remuneration Committee in line with the amended Listing Agreement, which is responsible for all matters concerning appointment and recommending the remuneration payable to Directors. The Committee comprises Mr.M.Uttam Reddi, Mr.V.Thirumal Rao, Mr.R.Gowri Shanker (Chairman) and Mr.V.J.Singh Directors. The Committee met once during the year on 19-05-2014 and all committee members were present at the meeting.

a) SITTING FEES PAID TO DIRECTORS FOR THE FINANCIAL YEAR 2014-2015

(Rs. In Lakhs)

| Sl. No | Directors | Sitting Fees |
|--------|----------------------|--------------|
| 1 | Mr.M.Uttam Reddi | 1.80 |
| 2 | Mr.V.Thirumal Rao | 1.65 |
| 3 | Mr.R.Gowri Shanker | 1.65 |
| 4 | Mr.V.J.Singh | 1.80 |
| 5 | Mr.S.V.Narasimha Rao | 1.50 |
| 6 | Mr. Bharat Anumolu | 0.60 |
| 7 | Mr. Amrith Anumolu | 0.60 |
| | TOTAL | 9.60 |

b) REMUNERATION PAID TO WHOLE TIME DIRECTORS

(Rs. in Lakhs)

| Sl. No | Name | Salary | Perquisites and Allowances | Commission to be paid* | Contribution to Provident Fund and Super Annuation Funds | Total |
|--------|------------------------|--------------|----------------------------|------------------------|--|--------------|
| 1 | Mr. Bharat Anumolu | 18.62 | 11.40 | 5.18 | 6.42 | 41.62 |
| 2 | Mr. S.V. Narasimha Rao | 11.12 | 7.53 | 2.38 | 3.64 | 24.67 |
| 3 | Mr. Amrith Anumolu | 8.40 | 6.73 | 2.87 | 3.04 | 21.04 |
| | | 38.14 | 25.66 | 10.43 | 13.10 | 87.33 |

* Commission is to be paid only in the Current Financial Year. A provision for the same has been made in the Financial Statement for the year ending 31st March, 2015.

c) M/s.Rao and Associates are the legal advisors of the Company where in Mr.V.Thirumal Rao is a Partner. The Company has paid the firm during the financial year, a sum of Rs.8.50 Lakhs for Professional advice and services rendered.

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

CSR COMMITTEE COMPRISES OF THE FOLLOWING DIRECTORS :

| S.No | Member | Designation | No. of meetings attended |
|------|--------------------|----------------------|--------------------------|
| 1 | Mr Bharat Anumolu | Managing Director | 1 |
| 2 | Mr.Amrith Anumolu | Executive Director | 1 |
| 3 | Mr.R.Gowri Shanker | Independent Director | 1 |

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company is having a Stakeholders Relationship Committee in line with the amended Listing Agreement, which is responsible for all matters concerning the share transfers, transmissions, issue of duplicate Share Certificates and redressal of Investor's Grievances. The Committee comprises Mr.M.Uttam Reddi, Mr.V.Thirumal Rao (Chairman) and Mr.V.J.Singh Directors. Mr.K.Murali, Company Secretary, is the Compliance Officer.

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

| Opening Balance | Received during the Financial Year 2014-15 | Resolved during the Financial Year 2014-15 | Closing Balance |
|-----------------|--|--|-----------------|
| NIL | NIL | NIL | NIL |



7. ANNUAL GENERAL MEETINGS

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

| Financial Year | AGM | Location | Date | Time |
|----------------|------|--|------------|------------|
| 2013-14 | 77th | Narada Gana Sabha, 314, TTK Salai, Chennai-600018 | 13/08/2014 | 10.00 A.M. |
| 2012-13 | 76th | Narada Gana Sabha, 314, TTK Salai, Chennai-600018 | 13/08/2013 | 10.00 A.M. |
| 2011-12 | 75th | Narada Gana Sabha, 314, TTK Salai, Chennai-600018 | 29/09/2012 | 10.00 A.M. |

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

| Year | Date | Special Resolution Considered |
|-----------|------------|-------------------------------|
| 2013-2014 | 13/08/2014 | 1 |
| 2012-2013 | 13/08/2013 | - |
| 2011-2012 | 29/09/2012 | 2 |

During the financial year 2014-15, no special resolutions were passed through postal ballot. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing of resolution through postal ballot.

8. Prevention of Insider Trading

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

9. DISCLOSURE

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

10. CODE OF CONDUCT

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

11. COMPLIANCE WITH CORPORATE GOVERNANCE NORMS

The Company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges. The Company has submitted the compliance report in the prescribed format to the stock exchanges for the quarters ended June 30, 2014, September 30, 2014, December 31, 2014 and March 31, 2015.

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

12. CEO/CFO CERTIFICATION

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

13. MEANS OF COMMUNICATION

In compliance with the requirements of Listing Agreements, Company regularly submits un-audited as well as audited financial results to the Stock Exchange. These financial results are normally published in Trinity Mirror English and Makkal Kural Tamil.

14. GENERAL SHARE HOLDERS INFORMATION

a) General Body Meeting

The 78th Annual General Meeting of the Company will be held on Thursday, the 13th August, 2015 at 10.00 A.M. at "Mini Hall" Satguru Gnananada Hall, Naradaganasabha, 314, T.T.K Road, Chennai 600 018.

b) Financial Calendar

The Next Financial Year covers the period from 1st April, 2015 to 31st March, 2016.

| Results for the Period | Expected date of Completion |
|------------------------------|-----------------------------|
| First Quarter | August, 2015 |
| Second Quarter & Half-Yearly | November, 2015 |
| Third Quarter | February, 2016 |
| Fourth Quarter | May, 2016 |

c) Date of Book Closure

7th August, 2015 to 13th August, 2015 (both days inclusive).

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

Payment Date - Payable on or before 11th September, 2015

e) (i) Shareholding Pattern as on 31st March, 2015

| | Category | No. of Shares Holders | No. of Shares Held | Percentage Of Share Holding |
|----------|--|-----------------------|--------------------|-----------------------------|
| A | Promoter and Promoters Group | | | |
| | Indian | | | |
| | a. Individuals | 3 | 2956144 | 63.12 |
| | b. Central Government and State Government | - | - | - |
| | c. Bodies Corporate | 1 | 554720 | 11.85 |
| | d. Foreign Promoters | - | - | - |
| | Total Share Holding of Promoter and Promoter Group | 4 | 3510864 | 74.97 |
| B | Public Share Holding | | | |
| | 1. INSTITUTIONS | | | |
| | a. Mutual Funds | - | - | - |
| | b. Bank, Financial Institutions, Insurance Companies (Central / State Govt. Institutions) | 7 | 22040 | 0.47 |
| | c. Foreign Institutional Investors | - | - | - |
| | Sub Total B(1) | 7 | 22040 | 0.47 |