



BEARDELL LIMITED

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5th August 2025

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

Dear Madam / Sir,

Subject: Credit Rating by CARE

Pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, this is to inform that M/s.CARE Ratings Limited (CARE) has upgraded the ratings for the bank facilities/FD Program of the Company as detailed below.

Facilities / Instrument	Amount (Rs. Crore)	Rating	Rating Action
Long Term Bank Facilities	29.20 (Reduced from 30.32)	CARE BBB; Stable	Upgraded from CARE BBB-; Positive
Short Term Bank Facilities	30.00	CARE A3+	Upgraded from CARE A3
Fixed Deposit	5.00	CARE BBB; Stable	Upgraded from CARE BBB-; Positive

The Rating letter provided by CARE is attached herewith and available on the website of the Company at www.beardsell.co.in

We request you to kindly take the above on record.

Thanking you,

Yours faithfully,
For BEARDELL LIMITED

Company Secretary & Compliance Officer

Beardsell Limited

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
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Short-term bank facilities	30.00	CARE A3+	Upgraded from CARE A3
Fixed deposit	5.00	CARE BBB; Stable	Upgraded from CARE BBB-; Positive

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Revision in ratings assigned to bank facilities of Beardsell Limited (BSL) factors in sustained growth in scale of operation, while sustaining operating margin and improvement in capital structure in the last three years. Ratings continue to derive strength from the experience of promoters and the company's long track record in thermal insulation products and engineering industry and long-standing relationships with clients facilitating renewal of contracts. However, ratings are constrained by relatively moderate profitability margins, susceptibility to volatile raw material prices, and highly competitive and cyclical industry.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in scale of operations ranging above ₹350 crore with profit before interest, lease rentals, depreciation, and taxation (PBILDT) margin in the range of 9-10% on a sustained basis.
- Improvement in total debt to gross cash accruals (TD/GCA) below 1.50x.

Negative factors

- Declining PBILDT margin below 5% on a sustained basis.
- Elongating receivables, stretching the liquidity position.

Analytical approach: Consolidated

CARE Ratings Limited (CareEdge Ratings) has analysed BSL's credit profile by considering the consolidated financial statements (comprising BSL and its wholly owned subsidiary, Sarovar Insulation Private Limited and Controlled entity: Saideep Polythermal) owing to financial and operational linkages between the parent and its subsidiary. Companies are engaged in similar/same line of business and are run by a common management. Details of subsidiaries are listed under Annexure 6.

Outlook: Stable

CareEdge Ratings believes that BSL shall sustain its performance in the medium term and maintain a comfortable financial credit risk profile.

Detailed description of key rating drivers:

Key strengths

Sustained growth in scale of operations and stable operating margins

BSL has demonstrated steady upward trajectory in its scale of operation, growing from ₹132 crore in FY21 to ₹268 crore in FY25, recording a compound annual growth rate (CAGR) of 13%. Despite drop in realisation, followed by easing raw material cost, the company achieved 9% growth in total operating income (TOI) in FY25. Growth was supported by improved order flow especially from public sector undertakings (PSU) customers with higher proportion of orders covering installation and annual maintenance. The company's expanded polystyrene (EPS) segment witnessed an upward trend, with sales growing by 14% to ₹110.21 crore in FY25 (PY: ₹96.04 crore), while Prefab Panels and work contract income together grew by 7% in FY25 ₹139.87 crore (PY ₹130.23 crore). Despite pricing pressures from intensified competition, especially from unorganised players, the company maintained a stable PBILDT margin at 8.64% in FY25 (PY: 8.86%). Resilience in profitability was supported by a higher contribution from

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

installation and annual maintenance contract (AMC) services, which offer better margins compared to the standalone product supply.

Improved capital structure and debt coverage indicators

The company's capital structure improved aided by reduced debt level and improved accretion. The company's overall gearing improved to 0.47x (PY: 0.65x) and total outside liabilities to total net worth (TOL/TNW) improved to 1.19x (PY: 1.31x) as on March 31, 2025. Debt coverage indicators also improved marked by interest coverage ratio of 6.02x (PY: 3.97x) and TD/GCA of 2.12x (PY: 2.82x) in FY25. In FY25, the company planned to relocate the Thane plant and enhance EPS capacity through a capex of ₹10–15 crore including a proposed term loan of ₹5 crore, the plan was deferred due to lower-than-expected EPS demand. The project is expected to be launched on H2FY26. With anticipated improvement in accruals, the company is expected to maintain its comfortable capital structure going forward.

Extensive experience of promoters and management

Incorporated in 1936, BSL holds a legacy of eight decades in the trading and manufacturing industry. BSL's day-to-day operations are currently managed by Amrith Anumolu, Executive Director, and part of the promoter family. He has two decades of experience in the engineering industry. Anumolu is assisted by a team of well-qualified professionals heading functional departments.

Long track record of operations in manufacturing of thermal insulations products

BSL started operations as a trading company in 1936 and in 1967, diversified into the production of a thermal insulation product, EPS. The EPS division manufactures custom designed packaging materials catering to consumer durables (refrigerators, microwave ovens, and washing machines among others), entertainment electronics, pharmaceuticals, and food products. This division accounted for 41% of the TOI in FY25. The company offers two engineering products in the Prefab segment – Isobuild and Quikbuild panels. Isobuild division manufactures panels that are used for cold storage, blast freezers, and clean rooms. Quikbuild division is a modular construction system that uses prefabricated panels, which are erected on a plinth and plastered with sand or cement to form walls to create buildings. The company also undertakes installation and maintenance under work contracts for PSUs in the prefab panels division. The prefab segment (Isobuild & Quikbuild) accounts for 52% of TOI in FY25. The company is also engaged in trading electric motors being the channel partner of Siemens Motors in Tamil Nadu. Trading division accounts for 6% of TOI in FY25.

Key weaknesses

Volatility in profitability margins susceptible to change in raw material prices

The company's margins are significantly influenced by petroleum-based raw materials price volatility, such as EPS resins and other chemicals, which are essential for production. The company faces challenges in passing on increased raw material costs to customers due to stiff competition in the industry. With the increased focus on works contracts by undertaking installation and maintenance, and the product supply expected to support the business' profitability margins.

Stiff competition due to fragmented industry structure

BSL has two major business segments – thermocol packaging and prefabricated panel products – which form a major part of the revenue. The end-user industry primarily includes consumer durables, pharma companies, engineering, and construction sector. This keeps BSL's operations cyclical, depending on the demand from end-user industries. As entry and exit barriers in this industry are low, the industry has several organised and unorganised players, which puts pressure on margins.

Liquidity: Adequate

The company's working capital cycle remained nearly stable in the last four years at ~30 days. Average working capital utilisation was ~72% for 11 months ended May 31, 2025. The company has GCA of ₹17.51 crore in FY25 and cash and bank balance of ₹5.73 crore as on March 31, 2025, against the estimated debt repayment and deposit maturity of ₹5.40 crore in FY26.

Applicable criteria

[Consolidation](#)

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Diversified	Diversified	Diversified	Diversified

BSL was incorporated in 1936 as a trading company, which eventually diversified into manufacturing a variety of industrial products serving different customer segments. The company has three divisions, EPS products, Isobuild, and Quikbuild. The company is also engaged in trading electric motors from Siemens. BSL has eight manufacturing units in Chennai, Thane, Bengaluru, Karad, Hyderabad, Hapur, Kochi, and Coimbatore (including the subsidiary and controlled entity). The company has an installed capacity of producing 3,720 metric tonnes (MT) of EPS, 5,76,000 sq.mt of Isobuild and 2,89,000 sq.mt of Quikbuild as on March 31, 2025.

Consolidated

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	232.01	245.10	268.51
PBILDT	18.19	21.72	23.21
PAT	8.50	8.23	9.83
Overall gearing (times)	0.90	0.65	0.47
Interest coverage (times)	4.18	3.97	6.02

A: Audited; Note: these are latest available financial results

Status of non-cooperation with previous CRA:

BSL has not co-operated with ICRA Limited (ICRA), where it has classified the issuer as 'non-cooperative' vide its press release dated July 16, 2025. The reason provided by ICRA Ratings was non-furnishing of sufficient information towards monitoring ratings.

BSL has not co-operated with CRISIL Ratings Limited (CRISIL), where it has classified the issuer as 'non-cooperative' vide its press release dated December 27, 2024. The reason provided by CRISIL Ratings was non-furnishing of sufficient information towards monitoring ratings.

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fixed Deposit		-	-	Up to three years	5.00	CARE BBB; Stable
Fund-based - LT-Cash Credit		-	-	-	20.00	CARE BBB; Stable
Fund-based - LT-Term Loan		-	-	30-10-2030	9.20	CARE BBB; Stable

Non-fund-based - ST-BG/LC		-	-	-	30.00	CARE A3+
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Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Cash Credit	LT	-	-	-	-	-	1)CARE BB+; Stable (26-Dec-22) 2)Withdrawn (26-Dec-22) 3)CARE BB+; Stable (13-Oct-22)
2	Fund-based - LT-Term Loan	LT	-	-	-	-	-	1)Withdrawn (26-Dec-22) 2)CARE BB+; Stable (26-Dec-22) 3)CARE BB+; Stable (13-Oct-22)
3	Non-fund-based - ST-BG/LC	ST	-	-	-	-	-	1)CARE A4+ (26-Dec-22) 2)Withdrawn (26-Dec-22) 3)CARE A4+ (13-Oct-22)
4	Fund-based - LT-Cash Credit	LT	20.00	CARE BBB; Stable	-	1)CARE BBB-; Positive (09-Aug-24)	1)CARE BBB-; Stable (31-Oct-23)	-
5	Non-fund-based - ST-BG/LC	ST	30.00	CARE A3+	-	1)CARE A3 (09-Aug-24)	1)CARE A3 (31-Oct-23)	-
6	Fund-based - LT-Term Loan	LT	9.20	CARE BBB; Stable	-	1)CARE BBB-; Positive (09-Aug-24)	1)CARE BBB-; Stable (31-Oct-23)	-

7	Fixed Deposit	LT	5.00	CARE BBB; Stable	-	1)CARE BBB-; Positive (09-Aug- 24)	-	-
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LT: Long term; ST: Short term.

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fixed Deposit	Simple
2	Fund-based - LT-Cash Credit	Simple
3	Fund-based - LT-Term Loan	Simple
4	Non-fund-based - ST-BG/LC	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Sarovar Insulation Private Limited	Full	Similar line of business or requires support
2	Saideep Polytherm		

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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About us:

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