BEARDSELL 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

CIRCULAR RESOLUTION 122 dated 26th February, 2015

FOR THE APPROVAL TO CRISIL RATING LETTER, TO CONDUCT EGM FOR ACCEPTANCE / RENEWAL OF UNSECURED DEPOSIT FROM SHARE HOLDERS AND APPOINTMENT OF Mrs.LAKSHMI SUBRAMANIAN, Practising Company Secretary as Scrutinizer for e-voting

Chairman informed to the members of the Board that in the Board Meeting held on 20th January, 2015, acceptance / renewal of unsecured Deposits from Members (Shareholders) was approved and the following resolutions were passed.

- "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, subject to the approval of Shareholders in the ensuing General Meeting of the Company, 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 31/03/2014 amounting to Rs.831.32 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".
- "RESOLVED THAT the Draft Notice of the Extra – Ordinary General Meeting of the Company placed in this Meeting and initialed by the Chairman for the purpose of Identification be and is hereby approved subject to finalization of the date, time and venue of the Meeting to be decided after receipt of the Fixed Deposit Rating Letter From CRISIL Limited"

Chairman Further informed that we are in receipt of rating Letter from CRISIL Limited vide their letter No.BEARLTD/125440/FD/021501280 dated 26th February, 2015 and the rating given is "FB+/Stable". (Copy of the Letter is enclosed) Hence as discussed in the Board Meeting held on 20th January, 2015 following details has to be approved, the following Resolutions Passed.

A) **TO consider and approve the text of advertisement in 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} (details available in the Annexure) and fixing the Date Time and Venue for the Meeting :**

"RESOLVED THAT the following documents

- rating Letter from CRISIL Limited vide their letter No.BEARLTD/125440/FD/021501280 dated 26th February, 2015 and the rating given is "FB+/Stable"
- Draft Notice of the Extra– Ordinary General Meeting (EGM) along with its annexures as detailed below :
  - Rules for E- Voting
  - text of advertisement in 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}

duly initialed by the chairman for the purpose of identification be and is hereby approved"

BEARDSELL LIMITED * CHENNAI-600006 *

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"RESOLVED FURTHER THAT the Extra-Ordinary General Meeting (EGM) of the Company be convened on Thursday, the 2nd April, 2015 at 10.00 a.m. at Mini Hall, Sathguru Gnanananda Hall, Narada Gana Sabha, 314, T.T.K.Road, Chennai-600018."

"RESOLVED FUTHER THAT to avail e-voting facility from Central Depository Services Ltd., for passing of resolution at the above said EGM to be held 2nd April, 2015.

"RESOLVED FURTHER THAT Mrs.Lakshmi Subramanian, Practicing Company Secretary, be and is hereby authorized to be appointed as Scrutinizer for conducting the e-voting process in a fair and transparent manner.

"RESOLVED FURTHER that e-voting will be open from 9.00 A.M. on the 26th March, 2015 to 6.00 P.M. on 28th March, 2015 and the cut-off date for members eligible to cast their vote electronically will be 27th February, 2015.

B. Approval of the Fixed Deposit Scheme

"RESOLVED THAT Fixed Deposit Scheme (as detailed below) be and is hereby approved"

The Company Accepts/ Renews Unsecured Deposits from Share Holders

FIXED DEPOSIT SCHEME

A) Monthly Interest Scheme	Interest Payable Monthly	
	Period Years	Rate of Interest
Minimum Deposit - Rs.10000/- Additional in multiples of Rs.1000/-	1	9.75%
	2	10.25%
	3	10.50%

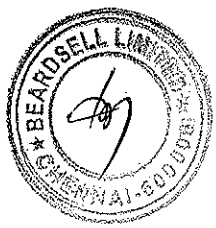
B) Quarterly Interest Scheme	Interest Payable Quarterly	
	Period Years	Rate of Interest
Minimum Deposit - Rs.10000/- Additional in multiples of Rs.1000/-	1	9.83%
	2	10.34%
	3	10.59%

C) Cumulative Interest Scheme	Interest Compounded Monthly	
	Period	Maturity Value
Minimum Deposit - Rs.5000/- Additional in multiples of Rs.1000/-	1	Rs.5509/-
	2	Rs.6132/-
	3	Rs.6842/-

D. Post dated Interest Warrants will be given in advance.
E. Deposit received is not transferable.
F. Amount will be accepted by Cheque / drafts made in favour of **BEARDSELL LIMITED, CHENNAI.**
G. Company reserves the right of acceptance or rejection or renewal of any deposit without assigning any reason.

"RESOLVED FURTHER THAT Mr.Bharat Anumolu, Managing Director, Mr.S.V.Narasimha Rao, Executive Director, Mr.Y.Mukthar Basha, Chief Financial Officer and Mr.K.Murali, Company Secretary, be and are hereby severally authorized to sign Fixed Deposit Receipts on behalf of the Company"

"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".



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Annexure

FORM DPT-1
CIRCULAR OR CIRCULAR IN THE FORM OF ADVERTISEMENTINVITING 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		BEARDSELL LIMITED 47, Greams Road Chennai 600006. web: www.beardsell.co.in ; email: ho@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 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	Industriallst	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 Rd, 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 ¼ Teppakula Street, Subramaniapuram, Palayamkottai, Thirunelveli - 627 002	Director	Retired From LIC	03129164

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	B . Dividends Declared by the Company in Respect of the Said Three Financial Years : Interest Coverage Ration 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
	31.03.2012	46.83	10%	4.18
	31.03.2013	46.83	10%	3.66
	31.03.2014	46.83	10%	2.48

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

	PARTICULARS	31.03.2014	31.03.2013	31.03.2012
	A. EQUITY AND LIABILITIES		(RS.IN LAKHS)	
	Share Holder's Fund	3325.29	3250.96	3011.70
	Non Current Liabilities	1564.73	783.87	720.60
	Current Liabilities	3509.57	2976.10	3011.40
	TOTAL EQUITY AND LIABILITES	**8399.59**	**7010.93**	**6473.70**
	B. ASSETS			
	Non – Current Assets	4554.68	3627.86	3101.38
	Current Assets	3844.91	3383.07	3642.32
	TOTAL ASSETS	**8399.59**	**7010.93**	**6473.70**

D)	Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement;			
		31.03.2014	31.03.2013	31.03.2012
	Cash Flow From Operating Activities	146.65	428.33	397.67
	Cash Flow From Investing Activities	(968.33)	(393.70)	(775.90)
	Cash Flow From Financing Activities	1043.78	(25.58)	343.27
	Net Increase / (Decrease) in Cash and Cash Equivalents	**222.10**	**9.55**	**(34.96)**
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		

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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	**DEATAILS OF ANY OUTSTATDING DEPOSITS**		
	a. Amount Outstanding (as on 31/01/2015)		Rs.2,64,80,000/-
	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;		238 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		

FOR THE YEAR ENDED	PROFIT / LOSS BEFORE TAX	PROFIT / LOSS AFTER TAX
31.03.2012	350.74	235.25
31.03.2013	505.93	294.05
31.03.2014	202.36	129.12

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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;		26th February, 2015			
b	Date of passing of resolution in the general meeting authorizing the invitation of such deposits;		2nd APRIL, 2015			
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		831.32	
	Aggregate of deposits actually held on the last day immediately preceding financial year		130.78		150.40	
	Aggregate of deposits actually held on the date of issue of Circular or advertisement (as on 31/01/2015)		114.80		150.00	
	Amount of deposits proposed to be raised		-		500.00	
	Amount of Deposits repayable in Next Twelve months		62.06		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		2nd April, 2015			
	Validity of the circular or advertisement		Date of next AGM or 6 Months from the Close of Financial Year 2014 -2015			

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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 26th February, 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 BEARDSELL LIMITED,
K.MURALI
Company Secretary

Place : Chennai
Date : 26th February, 2015

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

Sd/-
Directors

//CERTIFIED TRUE COPY//

For BEARDSELL LIMITED,

K.Murali
Company Secretary

CRISIL RATINGS

CONFIDENTIAL

BEARLTD/125440/FD/021501280
February 26, 2015

Mr. Y. Mukthar Basha
Chief Financial Officer
Beardsell Limited
47, Greams Road
Chennai - 600006

Dear Mr. Y. Mukthar Basha,

Re: CRISIL Rating on the Rs. 50 Million Fixed Deposits of Beardsell Limited

We refer to your request for a rating for the captioned Fixed Deposits.

CRISIL has, after due consideration, assigned its "FB+/Stable" (pronounced as F B plus rating with Stable outlook) rating to the captioned debt programme. This rating indicates inadequate safety of timely payment of interest and principal. Such issues are less susceptible to default than fixed deposits rated below this category, but the uncertainties that the issuer faces could lead to inadequate capacity to make timely interest and principal payments.

As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to suspend, withdraw, or revise the rating / outlook assigned to the captioned programme at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL believes may have an impact on the rating.

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Venkata Shantaram Kakulavarapu
Associate Director - CRISIL Ratings

Nivedita Shibu
Manager - CRISIL Ratings



A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301.