

## **NOTICE**

Notice is hereby given that the Eighteenth Annual General Meeting of the Members of the Abee Info Consumables Limited will be held on Thursday the 30<sup>th</sup> day of September 2010 at 3.00 p.m. at Regd. Office -156-1/B,"Akshay", 3<sup>rd</sup> Floor, Mangalwar Peth, Pune-411011, to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider, approve and adopt the Profit & Loss Account for the year ended 31<sup>st</sup> March 2010, Balance - Sheet as on that date together with the Directors' Report and Auditors Report thereon.
2. To re-appoint Mrs. Priya Somani, Director who retires by rotation and being eligible offers herself for re-appointment.
3. To re-appoint Maj. Gen. Prabhakar Deshpande, Director who retires by rotation and being eligible offers himself for re-appointment.
4. To re-appoint M/s Pawar & Associates, Chartered Accountants, Pune as Statutory Auditors of the Company from conclusion this meeting until the conclusion of next Annual General Meeting and to fix their remuneration

### **SPECIAL BUSINESS**

5. Appointment of Mr. Purushottam Kabra as Director of the Company

"RESOLVED THAT Mr. Purushottam Kabra who was appointed as an Additional Director in terms of provisions of Section 260 of the Companies Act, 1956 and Article 118 of the Articles of Association of the Company and is eligible for appointment and in respect of whom the company has received notice in writing from a member proposing his candidature for the office of the Director be and is hereby appointed as Director of the Company liable to retire by rotation."

6. Appointment of Mr. Shamsunder Bhandari as a Director of the Company

"RESOLVED THAT Mr. Shamsunder Bhandari who was appointed as an Additional Director in terms of provisions of Section 260 of the Companies Act, 1956 and Article 118 of the Articles of Association of the Company and is eligible for appointment and in respect of whom the company has received notice in writing from a member proposing his candidature for the office of the Director be and is hereby appointed as Director of the Company liable to retire by rotation."

7. Re-appointment of Mr. Badrinarayan Somani as Managing Director of the Company

"RESOLVED THAT subject to provisions of Section 198, 269,309,310 ,Schedule XIII of Companies Act,1956 and provisions of any other statute as may be applicable re-appointment of Mr.Badrinarayan Somani as Managing Director for period of 3 years

w.e.f 25/09/2007 be hereby ratified and consent of the members of company be and is hereby accorded for re-appointment of Mr. Badrinarayan Somani as Managing Director of the Company for a period of five years w.e.f 30/09/2010 without any change in terms and conditions. of original appointment by members of the company except at revised remuneration of Rs.1,25,000/- per month.

IT IS FURTHER RESOLVED THAT consent be and is hereby accorded to revise remuneration to Rs. 1, 25,000/- p.m.”

**8. Increase in remuneration of Mrs. Priya B. Somani, Whole-Time Director of the Company**

“RESOLVED THAT subject to the provisions of Section 198,309,310,311,314, 269,Schedule XIII of the Companies Act,1956 and any other applicable provisions if any, consent be and is hereby accorded to revise salary payable to Mrs. Priya B. Somani, Whole Time Director of the Company to Rs. 1,00,000/- P.M. inclusive of salary & perquisites w.e.f. 01/09/2010.”

**9. Disposal of Some of the Assets of the Company**

“RESOLVED THAT Pursuant to Section 293(1)(a) of the Companies Act,1956 consent of the company be and is accorded to the Board of Directors to dispose off some/all the assets of the company, subject to fulfilling the requirement of Banks to which the Particular Property is mortgaged.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all things, deeds, acts as may be necessary to give effect to the resolution.”

**NOTES:**

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT TO BE MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE. MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.
- 2) The Register of Members and Share Transfer Books of the Company shall remain closed from 25.09.2010 to 29.09.2010.

On behalf of the Board,

**FOR ABEE INFO-CONSUMABLES LIMITED**

**Sd/-**

**B.B.SOMANI**

**(CHAIRMAN & MANAGING DIRECTOR)**

**Place: Pune**

**Date: 07.09.2010**

## **Explanatory Statement Pursuant to Section 173**

### **Item No. 5**

Mr. Purushottam Kabra was appointed as an Additional Director of the Company in the Board Meeting dated 15<sup>th</sup> March 2010 in terms of Section 260 of the Companies Act, 1956 and Article 118 of the Articles of Associations, he would hold office upto the date of this Annual General Meeting and is eligible to be appointed as Director of the Company.

In terms of the provisions of Section 257 of the Companies Act, 1956 notice has been received from the member, of his intention to propose the appointment of Mr. Purushottam Kabra as Director of the Company at the forthcoming Annual General Meeting alongwith a deposit of Rs. 500/-.

Mr. Purushottam Kabra has wide experience in Accountancy and Finance field and the Company would benefit from his expertise.

The Board recommends the proposal for approval by the members.

None of the Directors except Mr. Purushottam Kabra is interested in the resolution.

### **Item No. 6**

Mr. Shamsunder Bhandari was appointed as an Additional Director of the Company in the Board Meeting dated 15<sup>th</sup> March 2010 in terms of Section 260 of the Companies Act, 1956 and Article 118 of the Articles of Associations, he would hold office upto the date of this Annual General Meeting and is eligible to be appointed as Director of the Company.

In terms of the provisions of Section 257 of the Companies Act, 1956 notice has been received from the member, of his intention to propose the appointment of Mr. Shamsunder Bhandari as Director of the Company at the forthcoming Annual General Meeting along with a deposit of Rs. 500/-.

Mr. Shamsunder Bhandari has wide experience in respective field and the Company would benefit from his expertise.

The Board recommends the proposal for approval by the members.

None of the Directors except Mr. Shamsunder Bhandari is interested in the resolution.

### **Item No. 7**

Mr. Badrinarayan Somani was re-appointed as Managing Director of the company at AGM dated 25/09/2002 to hold office for five years w.e.f 25/09/2002. In terms of provisions of Section 317 of the Companies Act, 1956 Managing Director not to be appointed for more than five years. However, he has worked as Managing Director w.e.f 25/09/2007, so it is proposed to ratify re-appointment for 3 years period upto 25/09/2010 and further it is proposed to re-appoint Mr. Badrinarayan Somani as Managing Director of the company for period five years w.e.f 30/09/2010 at an increased remuneration of Rs.1, 25,000/- p.m. However, no remuneration is provided to Mr. Badrinarayan Somani from the company. It is only proposed to revise remuneration.

The Board recommends the proposal for approval by the members.

None of the Directors except Mr. Badrinarayan Somani is interested in the resolution.

**Item No. 8**

Mrs. Priya B. Somani is Whole Time Director of the Company and looking after day to day operations and management of the Company. It is proposed to pay revised remuneration of Rs. 100,000/- p.m. to Mrs. Priya B. Somani w.e.f 01/09/2010. Payment of the remuneration has been approved at Remuneration Committee meeting held on 07/09/2010 after considering Performance Appraisal Report.

The Board recommends the proposal for approval by the members.

None of the Directors except Mrs. Priya B. Somani and Mr. Badrinarayan Somani is interested in resolution.

**Item No. 9**

To repay Secured Loans of the Company outstanding for longer time, the Board proposes to dispose off some/all assets of the Company subject to fulfilling of requirement of the Banks to which particular property is mortgaged. Consent of the members of the Company in general meeting is required to the Board to dispose off assets of the Company.

The Board recommends the proposal for approval by the members.

None of the Directors is interested in the resolution.

**FOR ABEE INFO-CONSUMABLES LIMITED**

**Sd/-**

**B.B.SOMANI**

**(CHAIRMAN & MANAGING DIRECTOR)**

**Place: Pune**

**Date: 07.09.2010**

## **DIRECTORS' REPORT**

Your Board of Directors are presenting the Eighteenth Annual Report together with the Audited Statement of Accounts for the year ended 31.03.2010.

### **1) PERFORMANCE**

Due to change in printing technology and the increase in demand of Laser / Inkjet printers and the heavy competition from unorganized sector coupled with escalating input costs and drastic reduction in demand for Dot Matrix printers, the margins of the company have been squeezed which resulted in decrease in turnover of the Company. During the year under review, the Company recorded sales turnover of Rs. 559.62 lakhs as against Rs. 133.39 lakhs during the last year. Coupled with the said reasons, the Company incurred a net loss before taxes amounting to Rs.0.97 lakhs as against Rs.21.18 lakhs in the last year. The provision of depreciation amounted to Rs.14.43 lakhs as against Rs.14.45 lakhs in the last year.

### **2) DIVIDEND:**

In absence of profits, your directors do not recommend the dividend during the year under review.

### **3) PUBLIC DEPOSITS:**

Your company has not accepted any deposits in the current year from public within the meaning of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 and as such, the information relating to unclaimed / unpaid deposits is not applicable.

### **4) PARTICULARS OF EMPLOYEES U/S 217(2A) OF THE COMPANIES ACT.**

As none of the employees is drawing remuneration in excess of the prescribed limits during the year under review, the particulars required to be given as per Section 217 (2- A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not applicable and hence, not given.

### **5) DETAILS OF CONSERVATION OF ENERGY, FOREIGN EXCHANGE EARNINGS & OUTGO AND RESEARCH & DEVELOPMENT U/S 217(1)(e) OF THE COMPANIES ACT.**

The prescribed information in respect of Foreign Exchange and Outgo, Conservation of Energy and Research and Development is given by way of Annexure No. I, which forms part of this report.

## **6) DIRECTORS**

Mr.Purushottam Kabra and Mr. Shamsunder Bhandari were co-opted as Additional Directors at the meeting of the Board of Directors held on 15<sup>th</sup> March 2010 to hold office up to the ensuing Annual General Meeting in terms of provisions of Section 260 of the Companies Act, 1956. The company has received notice in terms of provisions of Section 257 of the Companies Act, 1956 proposing the candidature of Mr.Purushottam Kabra and Mr.Shamsunder Bhandari as Directors of the Company.

In terms of provisions of Section 255 and 256 of the Companies Act, 1956 Mrs. Priya Somani and Maj. Gen. Prabhakar Deshpande, Directors retire by rotation and being eligible, offers themselves for re-appointment.

## **7) AUDITORS**

M/s Shah Khandelwal Jain & Associates, Statutory Auditors resigned from office on 18<sup>th</sup> May 2010 and M/s Pawar & Associates, Chartered Accountants, Pune appointed to fill casual vacancy at the extra – ordinary general meeting held on 25<sup>th</sup> June 2010 to hold office up to the ensuing Annual General Meeting and being eligible offers themselves for re-appointment.

## **8) DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the requirements under the Section 217(2AA) of the Companies Act 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed

- (i) that in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed.
- (ii) that the directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- (iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- (iv) that the directors have prepared the Annual Accounts on a going concern basis.

## **9) Corporate Governance**

Company is committed to support sustainable business growth through better corporate governance practices and fair and transparent disclosures and practices. During the year under review the company has constituted Audit Committee, Remuneration Committee and Shareholders' Grievance Committee comprising of appropriate mix of Executive and

Independent Directors in compliance with provisions of Clause 49 of the Listing Agreement. A separate report on Corporate Governance compliances is included as part of the Annual Report. The Certificate from the Statutory Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with stock exchanges is annexed to this report.

The Managing Director and Executive Director, Finance have certified to the Board regarding matters to be stated in Financial Statements are true and fair. The Company has also framed code of conduct for all its Board members and senior management of the company.

**10) Suspension of Trading Activity in Bombay Stock Exchange:**

As informed earlier, Bombay Stock Exchange has suspended the company scrip since 01/01/2008. Despite of several reminders and follow ups by letters, mails, yet no positive response is received from Bombay Stock Exchange. Since scrip is suspended, your directors are initiating all effective steps for commencement of trading of the scrip and have made final application to BSE. Directors are hopeful about withdrawal of suspension from BSE in near future and regret inconvenience caused to the members and investors for the reasons beyond control of the management.

**11) ACKNOWLEDGMENT:**

Your directors would like to place on record their sincere appreciation for the co-operation extended by the Banks, Creditors, suppliers and all employees in all cadres throughout the year under review.

On behalf of the Board,  
**FOR ABEE INFO - CONSUMABLES LIMITED**

**Sd/-**  
**B. B. SOMANI**  
**(CHAIRMAN & MANAGING DIRECTOR)**  
**Place: Pune**  
**Date: 07.09.2010**

## **AUDITOR'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

### **To the members of Abee Info – Consumables Ltd.**

We have examined the compliance by Abee Info-Consumables Ltd ('the Company') of the requirements under Clause 49 of the Listing Agreement, entered into by the Company with the Stock Exchanges, for the year ended 31<sup>st</sup> March, 2010.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the guidance Note on Certification of Corporate Governance (as stipulated in clause 49 of the listing agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement(s). The Company has appointed independent director and constituted various committees on 15<sup>th</sup> March, 2010 but Company has not held any meetings of the committees during the year.

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

**For Pawar & Associates**  
**Chartered Accountant**

**CA P. J. Pawar**  
**Proprietor**  
**Membership No. 132557**



## Corporate Governance Report

Corporate Governance is about maintaining appropriate balance of power and accountability between three key players viz; Company's Shareholders i.e. owners, Board of Directors whom the shareholders elect and Management of the Company whom the Board appoints.

Company's Philosophy on Corporate Governance is to attain higher levels of accountability, transparency, true and fairness in disclosures. Company remains committed towards highest standards of growth of organization and long term value to the stakeholders, including society.

### **Board of Directors**

Company believes that the core of its Corporate Governance practice is the Board which oversees how the management serves and protects long-term interests of all the stakeholders. Company Board comprise of appropriate balance of Executive and Non-Executive Directors. It comprises of fifty percent of Non-executive Independent Directors, Chairman being Executive Director.

### **Composition of Board of Directors**

Name of Directors	Date of Appointment	Category	No. Equity Shares held by Directors
Mr.Badrinarayan Somani	23/12/1992	Promoter, Chairman & Managing Director	4,39,517
Mrs. Priya B. Somani	23/12/1992	Promoter & Whole Time Director	14,885
Maj.Gen.Prabhakar Deshpande	21/01/2003	Non-executive Independent Director	-
Mrs. Radhika Joglekar	22/01/2005	Executive Director	-
Mr. Purushottam Kabra	15/03/2010	Non-executive Independent Director	1,100
Mr.Shamsunder Bhandari	15/03/2010	Non-executive Independent Director	500

The Board met Ten times during the Financial year 2009-10 and the gap between two meetings did not exceed four months. The dates of meetings held were as follows:

29<sup>th</sup> April 2009,31<sup>st</sup> July 2009,30<sup>th</sup> August 2009,15<sup>th</sup> October 2009,31<sup>st</sup> October 2009,30<sup>th</sup> November 2009,29<sup>th</sup> January 2010,30<sup>th</sup> January 2010, 2<sup>nd</sup> February 2010 & 15<sup>th</sup> March 2010.

Directors	Board Meetings held during the year	Meetings Attended
Mr.Badrinarayan Somani	10	09
Mrs. Priya B. Somani	10	09
Maj. Gen. Prabhakar Deshpande	10	01
Mrs. Radhika Joglekar	10	10