

ABEE INFO-CONSUMABLES LTD.



19TH ANNUAL REPORT - 2010-11

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Badrinarayan B. Somani	:	Chairman & Managing Director
Mrs. Priya B. Somani	:	Whole Time Director
Mrs. Radhika Joglekar	:	Executive Director
Mr. Purushottam Kabra	:	Independent Director
Mr. Shamsunder Bhandari	:	Independent Director
Gen. Prabhakar Deshpande	:	Independent Director

AUDIT COMMITTEE

Mr. Purushottam Kabra	:	Chairman
Mrs. Radhika Joglekar	:	Member
Gen. Prabhakar Deshpande	:	Member

SHAREHOLDERS GRIEVANCE COMMITTEE

Mr. Purushottam Kabra	:	Chairman
Mrs. Radhika Joglekar	:	Member
Mrs. Priya B. Somani	:	Member

REMUNERATION COMMITTEE

Mr. Shamsunder Bhandari	:	Chairman
Gen. Prabhakar Deshpande	:	Member
Mr. Purushottam Kabra	:	Member
Mr. Badrinarayan B. Somani	:	Member

COMPANY SECRETARY

CS Ankita Rathod

AUDITORS

M/s. Pawar & Associates.
127, B- Wing, Jai Ganesh Vision, Akurdi Chowk, Pune- 35

REGISTRAR & TRANSFER AGENTS

Link Intime India Pvt. Ltd.
Block No. 202, Akshay Complex, Off Dhole Patil Rd, Pune – 411001

BANKERS

HDFC Bank Ltd., Pune;
HDFC Bank Ltd., Kalka;
ICICI Bank Ltd., Pune

WORKS/FACTORIES

1. Gat No. 699/2, Koregaon Bhima, Taluka- Shirur, District- Pune, Maharashtra.
2. 1st Floor, Monnal Palace, Sector-2, Kasauli Road, Parwanoo, Himachal Pradesh.

REGISTERED OFFICE

3RD Floor, 'Akshay', 156/1-B, Mangalwar Peth, Barne Road, Pune- 411011

LISTING

Pune Stock Exchange, Ahmedabad Stock Exchange and Bombay Stock Exchange

NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the members of the Abee Info-Consumables Limited will be held on Friday, the 30th day of September, 2011 at 4.00 pm at the Registered Office of the company situated at 3rd Floor, Akshay Complex, 156-1/B, Mangalwar Peth, Barne Road, Pune- 411011 to transact the following business;

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet for the year ended 31st March, 2011 and the Profit & Loss Account as on that date together with schedules, notes and Cash Flow statement attached thereto, alongwith the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Purushottam Kabra, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Shamsunder Bhandari, who retires by rotation and being eligible offers himself for re-appointment.
4. To re-appoint M/s. Pawar & Associates, Chartered Accountants, Pune as the Statutory Auditors of the company to hold Office from the conclusion of this Annual General meeting until the conclusion of the next Annual General Meeting on such remuneration as shall be fixed by the Board of Directors.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

ALTERATION IN THE ARTICLES OF ASSOCIATION

"RESOLVED THAT pursuant to the provisions of Section 31 and other relevant provisions of the Companies Act, 1956 in consonance with applicable provisions of the Information Technology Act, 2000 and the Circulars issued by the Ministry of Corporate Affairs and other provisions of Sections, Rules, Regulations issued by any Statutory Authority, the Articles of Association of the Company be altered as under;

- A. Including the following clarification at the end of the existing Article 78;**
Subject to applicable laws, the members may be present and shall participate in the General Meeting by electronic mode or by such other means as may be approved and allowed under the applicable law from time to time.
- B. Including the following clarification at the end of the existing Article 83;**
Subject to the applicable laws, such notice and/or any other documents, Annual Reports, Accounts, Director's Report, Auditor's Report, Proposals and Intimations may be sent by the Company to the Members and any other persons entitled to receive the same by electronic mode or by any such other means as may be approved and allowed under applicable law from time to time.
- C. Including the following at the end of the existing Article 144:**
The Directors may be present and shall participate in the meeting of the Board or any Committee or any such other meeting thereof by electronic mode or by such other means as may be approved and allowed under the applicable law from time to time.
- D. Including the following clarification at the end of the existing Article 145;**
Subject to applicable laws, such notice and/or any other documents, Annual Reports, Accounts, Director's Report, Auditor's Report, Proposals and Intimations may be sent by the Company to the Directors, Auditors and such other persons as may be entitled to receive the same by electronic mode or by such other means as may be approved and allowed under applicable law from time to time.

FURTHER RESOLVED THAT any of the Directors of the company and/or Ms. Ankita Rathod, Company Secretary be and are hereby authorized to make the necessary alterations in the Articles of Association, file requisite form and do all such acts, deeds, matters, and things as may be necessary to give effect to this resolution."

**BY ORDER OF THE BOARD
FOR ABEE INFO-CONSUMABLES LIMITED,**

Date: 05.09.2011
Place: Pune

SD/-
**BADRINARAYAN SOMANI
CHAIRMAN & MANAGING DIRECTOR**

Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956

ITEM No. 5

The Ministry of Corporate Affairs ("MCA") has recently adopted a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies after considering the provisions of the Information Technology Act, 2000. Considering the various clarifications issued by the MCA, it is proposed to amend the Articles of Association of the Company to expressly allow:

Participation in the meetings of the Board, Committees or General / Shareholders meeting by electronic mode or by such other means as may be approved and allowed under law from time to time.

Sending notices, annual reports, accounts, director's report, auditor's report, proposals, circulars, intimations and any such other document/s as may be required to be sent by the Company to the members, directors, auditors and other persons entitled to receive it by electronic mode or by such other means as may be approved and allowed under applicable law from time to time.

The above shall require alteration of the Articles of Association of the Company as detailed in the Notice.

The copies of existing and revised Articles of Association of the Company are available for inspection of the Members at the registered office of the Company.

Your Directors recommends the resolution for your approval.

None of the Directors of the Company are interested or concerned in this resolution

**BY ORDER OF THE BOARD
FOR ABEE INFO-CONSUMABLES LIMITED,**

**Date: 05.09.2011
Place: Pune**

**SD/-
BADRINARAYAN SOMANI
CHAIRMAN & MANAGING DIRECTOR**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The enclosed proxy form, if intended to be used, should reach the registered office of the company duly completed, stamped and signed not less than forty eight hours before the time fixed for the meeting.
3. The Explanatory Statement as required u/s Section 173(2) of the Companies Act, 1956, relating to the Special Business is annexed hereto and forms part of the notice.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from 26.09.2011 to 29.09.2011 (both dates inclusive)
5. Details of the Directors seeking re-appointment at the 19th Annual General Meeting (AGM) (In pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Mr. Purushottam Kabra	Mr. Shamsunder Bhandari
Position in the Company	Independent Director	Independent Director
Date of Appointment	15.03.2010 as an Additional Director and the Directorship was regularized at the Annual General Meeting held on 30.09.2010	15.03.2010 as an Additional Director and the Directorship was regularized at the Annual General Meeting held on 30.09.2010
Qualification	F. Y. BSC.	BSC (Mathematics)
Experience	Enriched experience in the field of Corporate Affairs and Financial, Accounting and Audit matters.	Enriched experience in the field of Management Finance, Taxation, Audit, Costing and also allied knowledge in the current activities of the company.
Directorship in other Companies	NIL	SoftByte (India) Pvt Ltd
Committee Positions in Abee Info- Consumables Limited	Chairman- Audit Committee; Chairman- Shareholder's Grievance Committee; Member- Remuneration Committee.	Chairman- Remuneration Committee
Committee Positions in other Companies	None	None
Relation between Directors	NIL	NIL
Number of Shares held in Abee Info- Consumables Limited	1100 Equity Shares	500 Equity Shares

**BY ORDER OF THE BOARD
FOR ABEE INFO-CONSUMABLES LIMITED,**

**Date: 05.09.2011
Place: Pune**

**SD/-
BADRINARAYAN SOMANI
CHAIRMAN & MANAGING DIRECTOR**

DIRECTORS REPORT

To,
The Members,
ABEE INFO-CONSUMABLES LIMITED.

Your Directors hereby present the Nineteenth Annual Report together with the Audited Accounts of your Company for the year ended March 31, 2011.

1. FINANCIAL RESULTS:

The summarized financial results for the year ended 31st March, 2011 are as under:

PARTICULARS	FOR THE YEAR ENDED 31.03.2011	FOR THE YEAR ENDED 31.03.2010
Income	10186,230.00	57774,307.00
Less: Expenditure	16570,072.00	57871,412.00
Net Profit / (Loss) Before Tax	(6383,841.00)	(97,105.00)
Less: Provision for Tax	0.00	0.00
Less: Deferred Income Tax	(177,416.00)	(149,634.00)
Profit / (Loss) after Tax before extraordinary items	(6206,425.00)	52,529.00
Less: Extraordinary items	72,184.00	12461,745.00
PLoss after extraordinary items	(6278,609.00)	(12409,216.00)
Add: Opening balance of General Reserves	(66952,557.00)	(54543,342.00)
Balance Carried over to Balance Sheet	(73231,166.00)	(66952,557.00)
Earnings per Share	(0.63)	(1.24)

2. ANNUAL PERFORMANCE & FUTURE PROSPECTS:

During the period under review, the company has incurred losses of Rs. 6278,609/-. The Company has relatively strived to reduce the losses this year as compared to the earlier year's losses which were Rs. 12409,216/-. The company's turnover has basically reduced due to the change in printing technology and reduction in the usage of Dot Matrix Printers and heavy competition from the unorganized sectors.

Your Directors are continuously looking for avenues for future growth and development of the Company

3. DIVIDEND:

In absence of Profits, Your Directors do not recommend any dividend for the year ended 31st March, 2011.

4. BOARD OF DIRECTORS:

During the period under review, the following changes in the composition of the Board of Directors took place;

- Mr. Badrinarayan Somani was re-appointed as the Managing Director of the company w.e.f 30th September, 2010 for a term of 5 years.
- Mr. Shamsunder Bhandari and Mr. Purushottam Kabra were regularized as the Independent Directors of the company w.e.f 30th September, 2010.
- Mrs. Priya Somani and Gen. Prabhakar Deshpande, who were liable to retire by rotation at the Annual General Meeting held on 30th September, 2010 were reappointed as the Directors of the company.

In accordance with the provisions of the Companies Act, 1956, Mr. Purushottam Kabra and Mr. Shamsunder Bhandari, Directors of the company retire by rotation at the ensuing Annual General Meeting. The Company has received consent letters from the said Directors offering themselves for reappointment as the Directors of the company.

5. COMMITTEES OF THE BOARD OF DIRECTORS:

In pursuance to complying with the Listing Agreement, your Company has various Committees. The Details of the Committee are as follows;

Name Of The Committee		Current Constitution Of The Committee	
Audit Committee	1	Mr. Purushottam Kabra	Independent Director
	2	Mrs. Radhika Joglekar	Independent Director
	3	Gen. Prabhakar Deshpande	Executive Director
Shareholders Grievance Committee	1	Mr. Purushottam Kabra	Independent Director
	2	Mrs. Radhika Joglekar	Executive Director
	3	Mrs. Priya B. Somani	Whole Time Director
Remuneration Committee	1	Mr. Shamsunder Bhandari	Independent Director
	2	Gen. Prabhakar Deshpande	Independent Director
	3	Mr. Purushottam Kabra	Independent Director
	4	Mr. Badrinarayan B. Somani	Chairman & Managing Director

6. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Board of Directors of the Company hereby confirms that;

- i. in preparation of the Annual Accounts, the applicable accounting standards have been followed;
- ii. the Directors had 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. the Directors had 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 had prepared the Annual Accounts on a going concern basis.

7. CASH FLOW STATEMENT:

In conformity with the provisions of Clause 32 of the Listing Agreement, the cash flow statement for the year ended 31st March, 2011 is annexed hereto.

8. AUDITORS:

M/s. Pawar & Associates, Chartered Accountants, Pune retire as the Statutory Auditors of the company at the ensuing Annual General Meeting and being eligible offer themselves for reappointment. As required under the provisions of Section 224(1B) of the Companies Act, 1956, the company has obtained a written certificate from them to the effect that their reappointment, if made, would be in conformity with the limits specified in the said section.

9. AUDITORS REPORT:

The comments of the Directors to the Remarks made by the Auditors in the Auditors Report have been given in Annexure 1 which forms a part of this Report.

10. PUBLIC DEPOSITS:

During the period under review, the company has not accepted any Deposits falling within the meaning of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975. The company had no unpaid / unclaimed deposit(s) as on March 31, 2011.

11. PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956:

The company does not have any employee in the company drawing remuneration in excess of the prescribed limits as given under the provisions of the Companies Act, 1956. Thus no particulars are required to be given as per Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

12. DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Details pertaining to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo have been given in Annexure 2 which forms a part of this Report.

13. CORPORATE GOVERNANCE AND REPORT THEREON:

The Company is committed to maintain the sustainable business growth through standards of Corporate Governance. The Directors adhere to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices. The Managing Director of the company has certified that the matters stated in the Financial Statement are fair and true. The Report on Corporate Governance and the Management Discussion and Analysis Report as on 31st March, 2011 as stipulated under Clause 49 of the Listing Agreement forms part of this Report.

The requisite Certificate has been obtained from the Statutory Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the Clause 49 of Listing Agreement forms a part of this Annual Report.

14. GREEN INITIATIVE:

As a good Corporate Governance and Environment friendly method, your company has decided to initiate the procedure for issuing Reports/ Notices and servicing of other documents to its Members, Directors, Auditors and all the persons entitled to receive the same through electronic mode. For the same purpose the company has also issued letters to all the Shareholders of the company for communicating us their email Id. The Management requests all the shareholders to provide their email Id's to the company, So that the company can look forward to the GREEN INITIATIVE. We are sure that you would appreciate the "Green Initiative" taken by MCA (Ministry of Corporate Affairs and your company's desire to participate in such initiative.

15. SUSPENSION OF TRADING ACTIVITY IN BOMBAY STOCK EXCHANGE:

As per our earlier communication to all the Shareholders of the company, Bombay Stock Exchange has suspended the trading of Shares of the company since 01.01.2008. After the said suspension, the company has taken all necessary steps to comply with the requisite provisions of the Companies Act, 1956 as well as the Listing Agreement. The Company has been continuously replying to all the queries of the Stock Exchange. Despite of such continuous follow ups, mails and reminders; no reply relating to the revocation of such suspension has been received from the Stock Exchange. The Company is taking continuous efforts and is attempting to revoke the suspension at the earliest and the Directors are hopeful to get the company re-listed in the near future.

The Directors whole-heartedly regret the inconvenience caused to the members and Investors of the company. But the reasons for the same are beyond the control of the management.

16. INVESTORS' RELATION AND GRIEVANCES:

Investors' relations have been cordial during the year. As a part of compliance, the Company also has Shareholders' Grievance Committee to deal with the issues relating to investors grievances and redressals. There are no pending investors' grievances as on 31st March, 2011. A confirmation to this effect has been received from the Company's Registrar and Share Transfer Agent.

17. ACKNOWLEDGMENTS:

Your Directors place on record their gratitude and appreciation for the continued support extended during the year by the company's clients, business associates, bankers and government authorities. Your Directors also place on record their appreciation of the dedication and contributions made by employees at all levels including the workmen, who through their commitment, hard work and support have steered the company.

**BY ORDER OF THE BOARD
FOR ABEE INFO-CONSUMABLES LIMITED,**

Date: 05.09.2011
Place: Pune

SD/-
BADRINARAYAN SOMANI
CHAIRMAN & MANAGING DIRECTOR

ANNEXURE- 1 TO THE DIRECTORS REPORT

The following are the Director's comments on the Remarks/Qualifications of the Auditors in the Auditors Report:

1. **Point No. 4 (iv) of the Auditor's Report:**

As regards the Employee Benefits; the Board of Directors of the company would like to mention here that the Company has provided gratuity provision for all the eligible employees on actual basis, as per company's rules.

On the point of Intangible Assets, the Board of Directors hereby confirms that the company is complying with the Accounting Standard- 26 relating to the Intangible Assets from the year 2007 onwards.

2. **Point No. i (a) of the Annexure to the Auditor's Report:**

The Board of Directors of the company would like to clarify here that the Fixed Asset Register and other related documents which were previously maintained at the factory premises were unfortunately swabbed away in the floods that took place in the year 2006.

The Board hereby affirms that preparing and maintaining the revised Fixed Asset Register is in pipeline and shall also include full particulars including the quantitative details and situation of Fixed Assets.

3. **Point No. ii(c) of the Annexure to the Auditor's Report:**

The Board of Directors would like to comment that the company would take a due course of action to revise the overhead standard rates for valuation of inventory at the Parwanoo factory. The company is taking all necessary steps in this regard.

4. **Point No. iii (a) (b) (c) & (d) of the Annexure to the Auditor's Report;**

The Board of Directors would like to mention here that the Board has noted the point and is taking all requisite actions.

5. **Point No. vii of the Annexure to the Auditor's Report:**

The Board of Directors states here that since the company is incurring continuous losses, it is not in a sound financial situation to set up a fully fledged Internal Audit system. However the company's present system is commensurate to the size and nature of its business.

6. **Point No. ix(a) & (b) of the Annexure to the Auditor's Report & Point u (4) and (5) to the Notes forming Part of Accounts:**

On this point, the Directors would like to state that the Company's primary business is to carry on the business of manufacturers, buyers, sellers, dealers and distributors of computer ribbons, computer stationery and other computer consumables. The main activity of the company relates to the Dot matrix Printer. However, due to the major changes in the printing technology and preferences, the Company's Sales has declined significantly and thus the Company was not in a sound financial position to pay the statutory dues within the given time limit. However, the Company is in process of making the requisite provision for the same and the directors of the company hereby affirm that the statutory dues will be paid at the earliest. The Company is in process of regularizing the disputed amount payables in respect of Income Tax.

7. **Point No. x of the Annexure to the Auditor's Report:**

The Directors comments here that the company has accumulated losses because the turnover of the company has reduced due to significant changes in printing technology and reduction in the usage of Dot Matrix Printers. The company is also facing heavy competition from the unorganized sectors. Your Directors are continuously looking for avenues for future growth and development of the Company.

8. **Point No. xi of the Annexure to the Auditor's Report:**

The Board of Directors would like to comment here that the company is undergoing a court case against the mentioned banks and the amount of Loan and its repayment is a "Disputed Liability" Thus the recovery of the same are pending as on the date on Balance Sheet.

All other remarks/qualifications are self-explanatory and do not call any further comments from the Directors.

ABEE INFO-CONSUMABLES LIMITED**ANNEXURE NO.2 TO DIRECTORS REPORT**

	CURRENT YEAR (RS.)	PREVIOUS YEAR (RS.)
A. POWER & FUEL CONSUMPTION		
1. Electricity		
A. * Purchase Units	1484	3897
Total Amount (Rs)	6288.00	19208.00
Average Rate/unit (Rs.)	4.24 (per unit)	4.93 (per unit)
2. Own Generation	NIL	NIL
3. Coal Utilisation	NIL	NIL
4. Furnace Oil	NIL	NIL
5. Other / Internal Generation	NIL	NIL
C. TECHNOLOGY ABSORPTION		
Research & Development (R & D)	NIL	NIL
Technology Absorption, Adaptation and Innovation	NIL	NIL
FOREIGN EXCHANGE EARNINGS AND OUTGO		
(A) Total Foreign Exchange Used and Earned		
(A) Earned	NIL	NIL
(B) Used	NIL	NIL

**BY ORDER OF THE BOARD
FOR ABEE INFO-CONSUMABLES LIMITED,**

Date: 05.09.2011
Place: Pune

SD/-
BADRINARAYAN SOMANI
CHAIRMAN & MANAGING DIRECTOR