


17th
Annual Report
1998-99

Report  Junction.com

**BEE ELECTRONIC
MACHINES LIMITED**



Krishna Kumar Bhargava
(1924-1994)

Report  Junction.com

यस्त्विन्द्रियाणि मनसा नियन्वारभते अर्जुन ।
कर्मेन्द्रियैः कर्मयोगमसक्तः स विशिष्यते ॥

Chapter 3 Karmayoga Stanza 7

*On the others hand, if a sincere person tries to control
the active senses by the mind and begins Karma Yoga
without attachment, he is by far superior.*

BEE ELECTRONIC MACHINES LIMITED

BOARD OF DIRECTORS	:	Abhilasha Bhargava - Whole Time Director Vashisth Bhargava N.K. Patel } - Director
BANKERS	:	Canara Bank The Sakura Bank Ltd., The Bank Of Tokyo-Mitsubishi Ltd.,
AUDITORS	:	Shankarlal Jain & Associates 12, Engineer Building, 265 Princess Street. Mumbai - 400 002.
REGISTERED OFFICE	:	266, Dr. Annie Besant Road, Opp. Passport Office, Worli Mumbai - 400 025.

FACTORIES

Unit - 1 : K-25, M.I.D.C. Industrial Area, Tarapur, Maharashtra.	Unit - 3 : Reghunath Industrial Estate, College Road, Wadkun, Dahanu Road, Maharashtra.
Unit - 2 : G-17, M.I.D.C. Industrial Area, Tarapur, Maharashtra.	Unit - 4 : Plot No.12, Gamtalao, Dabhel Industrial Co-op. Ltd., Dabhel, Nani Daman, Daman - 396 210

REGISTRARS & TRANSFER AGENT	:	Canbank Computers Services Ltd., Uma Mahesh, M.M.Chotani Road Mahim (West), Mumbai - 400 016.
----------------------------------------	---	-----------------------------------------------------------------------------------------------------

BRANCH OFFICES**Andhra Pradesh**

406, Suryakiran Complex,
92-93, Sarojinidevi Road,
Secunderabad - 500 003.

Delhi

AVG Bhavan, 2nd Floor,
M-3, Connaught Place,
New Delhi - 110 001.

Goa

6th Floor, Indraprastha Building,
Near Govinda Building,
Menezes Braganza Road,
Panaji - 403 001, Goa.

Gujarat

3B, Ashok Chambers,
Mithakali, Six Rasta,
Ahmedabad - 380 006.

Karnataka

Nirrana A2, 1st Floor,
No.101, Richmond Rd.,
Bangalore - 560 025.

Kerala

155, Eshwar Niwas, Ground Floor,
School Road, Girinagar,
Cochin - 682 020.

Madhya Pradesh

Krishna Apt. Flat No. G-1
P.No. 13/70, Kasturba Nagar
Bhopal - 462 023
H-2, Ratlam Kothi,
Indore - 452 001.

Maharashtra

308& 309, Champaklal Indl. Estate,
105, Sion Koliwada Road,
Sion (East),
Mumbai - 400 022.
64, Prabhat Centre, Parvati Bldg.
Sector 6, CBD Belapur,
New Mumbai (Vashi) - 400 614.
89, New Sadashiv Peth, Parvati Bldg.,
Ganjwe Chowk,
Near Bharati Vidyapeeth Bhavan,
Lal Bahadur Shastri Road,
Pune - 411 030.

Kanchan Sarita, 2nd Floor,
Besides Lokmat Bhavan,
Wardha Road,
Nagpur - 440 012.

Punjab & Haryana

SCO 14-15, Sector-9, 2nd Floor,
Madhya Marg.,
Chandigarh.

Rajasthan

House No.B-12, Chemu house,
C-Scheme, Jaipur - 302 001.

Tamil Nadu

Door No. 138,
Kodambakkam High Road,
Nungambakkam,
Chennai - 600 034.

Uttar Pradesh

Aakriti Tower, Chamber No. 1,
198, Vidhan Sabha Marg,
Lucknow - 226 001.

West Bengal

10-G, Middleton Row,
Calcutta - 700 071.

ANNUAL REPORT 1998-99**NOTICE**

Notice is hereby given that the Seventeenth Annual General Meeting of BEE ELECTRONIC MACHINES LIMITED will be held at Rotary Service Centre, Near I.B.P. Petrol Pump, S.V. Road, Malad (West), Mumbai 400 064 on Wednesday, 29th September, 1999 at 3.30 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 1999 and the Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Vashisth Bhargava who retires by rotation, and is eligible for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

4. SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 and subject to such approvals and consents as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for sale and transfer or disposal of Company's Plot Nos. 40 (with factory building), 41, 42, 43 and 44 situated at Vadkun Dahanu for a consideration of Rs.33,03,000/- (Rupees Thirty Three Lakhs Three Thousand only) and upon the other terms and conditions contained in the agreement for sale dated 22nd April, 1999 entered into between the Company and M/s. K. Rohit Grinders placed before the meeting and initialled by the Chairman for the purpose of identification.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit and proper to give effect to this resolution, and to sign and execute the sale agreement/conveyance and other documents for the purpose of such sale."

NOTES

- a) 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 THE PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- b) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the Special Business at Item No. 4 above is annexed hereto.
- c) The Register of Members and Share Transfer books of the company shall remain closed from Friday, the 24th September, 1999 to Wednesday, the 29th September, 1999 (both days inclusive).
- d) Pursuant to Section 205A of the Companies Act, 1956, all unclaimed/ unpaid dividends upto the Dividend for the financial year 1994-95 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed the dividend warrants for the said period are requested to claim their amount from the Registrar of Companies, Hakoba Mill Compound, Dattaram Lad Path, Kala Chowkie, Mumbai - 400 012.

ANNEXURE TO NOTICE:

Explanatory Statement under Section 173 of the Companies Act, 1956 Item No. 4:

The Company has not been carrying on any activity at the premises at Dahanu. With a view to sell the said premises, the Company has entered into an Agreement for Sale with M/s. K. Rohit Grinders on 22nd April, 1999 for sale of Plot Nos. 40 (with factory building), 41, 42, 43 & 44 at Vadkun, Dahanu, at a total price of Rs.33,03,000/- and on the other terms contained in the said Agreement for Sale. The Company has no activity at the said premises at Dahanu.

The Resolution under Section 293(1)(a) of the Companies Act, 1956 is therefore proposed as an Ordinary Resolution at Item No. 4 of the Notice.

None of the Directors of the Company is interested in the said resolution.

A copy of the said Agreement for Sale dated 22nd April, 1999 is open for inspection by the members at the registered office of the company between 11 a.m. to 1 p.m. on all working days.

The Board commends the approval by the members of the said Resolution.

By order of the Board

Abhilasha Bhargava
Wholetime Director

Registered office:

266, Dr. Annie Besant Road,
Worli, Mumbai 400 025.

Dated : 3rd September, 1999

BEE ELECTRONIC MACHINES LIMITED**REPORT OF THE BOARD OF DIRECTORS****TO THE MEMBERS,**

Your Directors present the Seventeenth Annual Report together with audited accounts for the Year ended 31st March, 1999.

1. FINANCIAL RESULTS

	(RS. IN LACS)	
	1998-99	1997-98
Sales & Other Income	1150.96	2831.59
Gross Profit/ Loss	(245.09)	244.25
Less: Interest	239.48	210.53
Depreciation	30.39	28.96
Profit/ Loss before Tax	(514.96)	4.76
Less: Provision for Tax	NIL	NIL
Profit/ Loss after Tax	(514.96)	4.76
Add: Profit brought forward from the previous year	16.36	52.93
Less: Short Provision of Income Tax for earlier years	--	(2.90)
Profit/ Loss available for Appropriation	(498.60)	54.79
Appropriated as under:		
Debenture Redemption Reserve	-	38.43
Balance Carried to Balance Sheet	-	16.36
	NIL	54.79

2. REVIEW OF OPERATIONS :

The year under review has been a difficult year all around with many Companies seeing declining turnover and no profits. Your Company has been no exception. The industry in which your Company operates showed a stagnant/ negative growth. Upon interpretation, the competition within the industry has increased multifold. With curtailment on capital expenditure, many customers have deferred their option to purchase machines, to a later date. Severe competition saw declining margins and an increased awareness of one another's playing grounds. All of the above circumstances has impacted your Company causing thereby a decline in the performance figures.

The silver lining to a bad year was the initiation of discussions with M/s. HEWLETT PACKARD (HP) for a probable tie-up for marketing and for after-sales-service for their latest technologically advanced Mopiers. The other positive to the year was the start of the discussions for entering into a manufacturing arrangement as a Private Label manufacturer for juicers, ice-cream chruners and such.

Due to the unfavorable conditions, your Company has been able to achieve a turnover of Rs. 11.51Crores.

3. DIVIDEND :

In view of unfavourable results, the Directors do not recommend dividend on the equity shares.

4. FUTURE PROSPECTS :

In an attempt to broadbase its operations and to cater to the desire for the latest technological products, your Company has been appointed as the authorised Corporate Re-seller for HEWLETT PACKARD (HP). This tripartite arrangement with HP, BEE and WIPRO Limited, is for digital multiple copier machines (MOPIERS) and fits within our abilities.

Further your Company has been successful in closing successfully the negotiations with its existing/ new Principals for enlarging its manufacturing activities for a new range of products.

Both these activities are expected to play a significant role in the coming months for your Company.

5. Y2K COMPLIANCE :

The Company has taken appropriate and effective steps for Y2K compliance. The expenditure to ensure Y2K compliance will not have any material financial impact.

6. LISTING :

The equity shares of the Company are listed on Mumbai, Chennai, Calcutta, Ahmedabad and Delhi Stock Exchanges. The company has paid the Annual Listing fees to them for the year 1999-2000.

7. DIRECTORS :

Shri Vashisth Bhargava would retire by rotation at the ensuing Annual General Meeting and is eligible for reappointment.

8. REMARKS OF THE AUDITORS :

In their report, the auditors have drawn the attention to items no. 8,9,10,11,12,13,14 of the Notes to Accounts (Schedule 18 attached to the accounts). These notes are self-explanatory and explain the position.

However, with respect to the note no. 8 which refers to the Overdue debentures, the matter is being pursued with the Unit Trust of India,

ANNUAL REPORT 1998-99

who have been approached for considering a roll over of the said amount for a period of 3 years. The matter is still being pursued and your Company is confident of a positive outcome.

With respect to note no. 9 which refers to the non provision of interest on devolved letter of Credits, the matter is being pursued with the bankers of the Company, who have been approached for considering a waiver of the same. The matter is still being pursued and your Company is confident of a positive decision.

With respect to note no. 11 which refers to the medical expenses of the late Chairman and Managing Director and the necessary approval which needs to be obtained from the Central Government, the matter is being pursued with the Department of Company Affairs, Central Government and your Company is confident of obtaining the same.

With respect to the Auditor's note on Sundry Debtors and certain Doubtful Debts, legal proceedings have been commenced in some of the cases, as well as, the matter is being pursued with the Companies concerned and your Company is confident of recovery of the same.

With respect to note no. 13 which refers to the non disclosure of information in respect of overdue payments to SSI units, your Company has called for a confirmation from its suppliers to ascertain their status as a SSI unit. As the information is yet being received and compiled, the information could not be disclosed at the time this report when to print.

With respect to note No. 14 your Company is in the process of complying with the provisions of sec. 205C The Companies Act 1956.

to note no. 14 which refers to the non compliance of Section 205C of The Companies Act, 1956 (as amended), your Company had invested in a Fixed Deposit of Rs. 6 lakhs with the Bank of Tokyo Limited for this very purpose. Your Company is in the process of complying with this requirement of The Companies Act, 1956 in the current year.

9. AUDITORS:

M/s. Shankarlal Jain & Associates, Auditors of the Company, would retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. You are requested to appoint auditors and to fix their remuneration.

10. DISCLOSURE OF SPECIFIED PARTICULARS

(A) Particulars of Employees as per Section 217 (2A) of the Companies Act, 1956, read with the Companies (particulars of Employees) Rules, 1975, as amended are as under:

Name & Designation	Shri Rahul Kapuria* Vice President - Mktg.
Age	43 years
Qualification	B.Sc., M. B. A.
Experience	19 years
Date of commencement of Employment	01.01.1998
Remuneration	Rs.2,87,098
Particulars of Last Employment	Jayanti Business (2yrs. 9ms)

* Employed for part of the year

Note

- The above employee is not related to any Director of the Company.
- The appointments of the above employee is contractual.

(B) Particulars under Section 217(1)(e) of the Companies Act, 1956:

Steps are being taken to conserve energy at all levels. There was no technology absorption during the year under report.

The foreign exchange earning during the year was Rs.NIL lakhs and Foreign Exchange outgo was Rs.69.93 lakhs.

11. ACKNOWLEDGEMENT :

Your directors wish to place on record their deep appreciation of the services rendered by the officers, staff and workers of the company at all levels and for their continued dedication and loyalty. Your directors also wish to gratefully thank the Company's Bankers, Financial Institution and the various Government authorities for their continued assistance, co-operation and support. Last, but not the least, your directors acknowledge the trust and confidence that the customers and you, our shareholders, have placed in the company.

For and on behalf of the Board

Abhilasha Bhargava
Whole-Time Director

N.K. Patel
Director

Place : Mumbai

Date : 3rd September 1999