



Late Shri Krishna Kumar Bhargava

Founder Chairman & Managing Director

(1924 – 1994)

“A great man is one who leaves others at a loss when he is gone!”

*“vasamsi jirnani yatha vihaya
navani grhnati naro 'parani
tatha sarirani vihaya jirnany
anyani samyati navani dehi”
(Bhagwat Gita: Chapter Two verse 22)*

*“Sri Krishna said: As a human being puts on
new garments, giving up old ones, the soul
similarly accepts new material bodies,
giving up the old and useless ones.”*

BOARD OF DIRECTORS

Ms. Abhilasha Bhargava

Whole time Director

Ms. Karuna K Shaikh

Director

Mr. K. Sudesh Kumar Acharya

Director

REGISTERED OFFICE

266, Dr. Annie Besant Road

Worli, Mumbai 400 030

BANKERS

Canara Bank

The Standard Chartered Bank Ltd.

The Bank of Tokyo – Mitsubishi Ltd.

AUDITORS

Shankarlal Jain & Associates

12, Engineer Building,

265 Princess Street, Mumbai 400 002

REGISTRARS & TRANSFER AGENTS

Adroit Corporate Services Pvt. Ltd.

19, Jafferbhoy Industrial Estate, 1st Floor,

Makwana Road, Marol Naka, Mumbai 400 059

Tel: 2859 0942/ 2850 3748; Fax: 2859 0942

Email: adroits@vsnl.net

FACTORIES

Unit – 1:

G-17/2, MIDC Industrial Area

Tarapur

Maharashtra

Unit – 3:

Raghunath Industrial Estate

College Road, Wadkund

Dahanu Road, Maharashtra

Unit - 2

Plot No.12, Gamtalao

Dabhel Industrial Co-op. Ltd., Dabhel

Nani Daman, Daman 396 210

BEE ELECTRONIC MACHINES LIMITED

NOTICE

Notice is hereby given that the Twenty Ninth Annual General Meeting of BEE ELECTRONIC MACHINES LIMITED will be held at the Registered office of the Company at 266, Dr. Annie Besant Road, Worli, Mumbai 400 030 on Friday, September 30, 2011 at 9.30AM to transact the following business:

- 1) To receive, consider and adopt the Balance Sheet as at March 31, 2011 and the Profit and Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon;
- 2) To appoint a Director in place of Ms. Karuna Kotiyan Shaikh, who retires by rotation and being eligible offers herself for appointment;
- 3) To appoint Auditors for the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General meeting and to fix their remuneration.

NOTES:

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- b) THE PROXIES, IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- c) The Register of members and the Share Transfer Book of the Company shall remain closed from Saturday, September 24, 2011 to Friday, September 30 2011 (both days inclusive).

BY ORDER OF THE BOARD

Sd/-
K. Sudeshkumar Acharya
Director

Registered office:

266 Dr. Annie Besant Road,
Worli, Mumbai 400 030
Date: August 16, 2011

DIRECTORS' REPORT

The Members,

Your Directors are pleased to present the 29th Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31st March, 2011. The summarized financial results for the year ended 31st March, 2011 are as under:

1. Financial Results Particulars	(Rs. in Lakhs)	
	For the financial year ended 31st March, 2011 Amount in lacs.	For the financial year ended 31st March, 2010 Amount in lacs.
Sales & Other Income	59.39	39.92
Gross Profit/ Loss	(7.50)	8.88
Depreciation	21.39	30.19
Profit/ (Loss) before tax	(13.89)	(21.31)
Less: Tax	Nil	Nil
Profit/ (loss) after tax	(13.89)	(21.31)

2. Review of Operation

The Company has achieved the sales and other income of Rs.59.39 lacs against Rs.39.92 lacs reported last year. There was a net loss after tax of Rs.13.89 lacs during the year under review as compared to the net loss after tax of Rs.21.31 lacs reported last year. Your Directors are continuously looking for avenues for future growth of the Company.

3. Sick Industrial Company

As the networth of the Company has been fully eroded, the Board of Director's had made a reference to the Board for Industrial and Financial Reconstruction. The Company's reference had come up for hearing and the Company has been declared as a Sick Industrial Undertaking by the Hon'ble BIFR. The Board has appointed Canara Bank as the Operating Agency and ordered for a Draft Rehabilitation Scheme to be prepared. The work is underway on this front.

4. Dividend

The Directors taking into account that there is no surplus from operation do not recommend any dividend for the year ended 31st March, 2011.

5. Listing

The Company's Equity Shares are presently suspended for trading on the Mumbai Stock Exchange. The Company has paid the Annual listing fees upto the year 2011-12 and is in the process for revocating the suspension with the Mumbai Stock Exchange.

6. Directors

Ms. Karuna Kotiyan Shaikh, Director retires by rotation at the ensuing Annual General meeting and being eligible offers herself for re-appointment.

7. Particulars of Employee

There is no employee in the Company whose particulars are required to be given under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

8. Auditors' Report

The observations of the auditors in their report are self-explanatory and are dealt within the Notes to Accounts at appropriate places and therefore, in the opinion of the Directors, do not call for further comments. The Management however continues to make efforts to recover the doubtful loans and advances and hence no provisions have been

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made. The Management on the other hand is also endeavoring to reach an understanding with the secured lenders of the Company and hence no interest provisions have been made.

9. Auditors

M/s. Shankarlal Jain & Associates, Chartered Accountants, having their office at Princess Street, Mumbai retire at the ensuing Annual General meeting of the Company and being eligible offer themselves for re-appointment. Your Directors recommend their re-appointment as Statutory Auditors of the Company and request the members to appoint them and fix their remuneration.

10. Directors' Responsibility Statement

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

- a) In preparation of the Annual Accounts, the applicable accounting standards have been followed with proper explanation relating to material departures, if any.
- b) 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 profit or loss of the company for that period.
- c) 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.
- d) The Directors had prepared the Annual Accounts on a going concern basis.

11. Particulars of Energy Consumption, Foreign Exchange and Outgo

As required under Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of The Board of Directors) Rules, 1988, the relevant information is as stated below –

The Company's operations involve low energy consumption. Wherever possible, energy conservation measures are being implemented. The Company is not involved in any Research and Development program presently. The foreign earning exchange and outgo were nil.

12. Corporate Governance

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a compliance report on the Corporate Governance is required to form a part of the Annual Report along with the Auditors Certificate on its compliance. The Company has taken necessary steps to comply with all the provisions of Corporate Governance to the extent possible. However the Company has been un-successful in identifying additional non-executive & independent directors to join the Board of Directors of the Company. As such, the committees so formed comprise of the Board of Directors in the present strength.

13. Acknowledgements

Your Directors place on record their gratitude for the continuing support of Shareholders, bankers and Business associates at all levels.

For and on behalf of the Board

Sd/-	Sd/-
Abhilasha Bhargava	K Sudeshkumar Acharya
Whole time Director	Director

Place: Mumbai
Date: 16th August 2011

REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the listing agreement, a report on Corporate Governance is given below:

A. MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy of corporate governance is aimed at assisting the top management of the Company in efficient conduct of its business and in meeting its obligations towards all stakeholders. The Company believes that ethical business conduct is the foundation for efficient Corporate Governance. It is mandatory for the Board of Directors and Key Management Personnel to affirm compliance with the Code of Conduct on an annual basis. A declaration to this effect by the Chief Financial Officer (CFO) of the Company also forms part of this Annual Report.

2. BOARD OF DIRECTORS

The Company's Board comprises of three Directors of which one director holds an Executive position and the other two are independent directors. The Executive director is part of the promoter group.

a. Composition of the Board (as on July 31, 2011)

Name of the director	Status
Ms. Karuna Kotiyan Shaikh	Non executive Director – Independent
Mr. K. Sudeshkumar Acharya	Non executive Director – Independent
Ms. Abhilasha Bhargava	Whole time Director

b. Board meetings

The Board meetings of the Company are usually held at the registered office of the Company in Mumbai. The notice for the meetings and the agenda for the meeting are sent 7 (seven) days in advance to the Directors of the Company. The senior management team is invited to the Board meeting to make presentations and submit reports, discussions, clarification on operations, as maybe required from time to time. The Board meets at the close of the quarter to review the quarterly performance and financial results of the Company, amongst other matters.

c. Number of Board meetings conducted during the year

There were 5 (five) Board meetings held during the financial year 2010-11, as per the provisions of Clause 49 of the Listing Agreement. The dates on which the Board met are: April 30th 2010; July 31st 2010; August 26th 2010; October 30th 2010 and January 31st 2011.

d) Attendance of Directors at the Board Meetings and the last AGM

Name of the Director	No of Board Meetings held	No of Board meetings attended	Attendance at the last AGM	No of directorships in other boards	No of committees (other than Bee Electronic Machines Limited) in which he is a member
Ms. Karuna Shaikh	5	5	Present	0	0
Mr. K. Sudeshkumar Acharya	5	5	Present	0	0
Ms. Abhilasha Bhargava	5	5	Present	5	0

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The particulars of the director who is proposed to be reappointed at this AGM, are given as required pursuant to Clause 49 of the Listing Agreement.

Name	:	Karuna Kotiyan Shaikh
Qualification	:	B. Com; MHRDM
Expertise	:	17 yrs+ experience in handling HR and Admin functions.
Other Directorships	:	None
Other memberships of committees	:	Nil

3. COMMITTEES OF DIRECTORS

Non executive/ Independent directors provide guidance to the senior management on policy matters as well as monitor the actions of the senior management. This involvement is formalized through constitution of designated committees of the Board. The committees are formed with an intention to provide regular flow of information and ideas between the non executive directors and the senior management. The Board has accordingly constituted 3 (three) committees that comply with the requirements of Clause 49 of the listing agreement with the Stock Exchanges and the applicable provisions of The Companies (Amendment) Act, 2000.

A) Audit Committee:

The Audit Committee comprises of three members and the Chairperson is a Non-Executive, Independent Director having a Commerce background. The Constitution of the Committee is as follows: Ms. Karuna Kotiyan Shaikh (Chairperson), Mr. K. Sudeshkumar Acharya and Ms. Abhilasha Bhargava, Members.

The terms of reference to the Audit Committee cover the matter specified under Clause 49 of the Listing Agreement as well as in Section 29A of The Companies Act, 1956.

The Committee met 5 (five) times during the current year on April 30th 2010, July 31st 2010, August 26th 2010, October 30th 2010 and January 31st 2011. All members were present at all the meetings.

B) Remuneration Committee:

The Constitution of the Remuneration Committee is a non-mandatory requirement under the Listing Agreement with the Stock Exchanges. However, it has been made mandatory under Schedule XIII of The Companies Act, 1956. The Remuneration Committee comprises of 3 (three) members. The Committee has been constituted to determine the remuneration package of its Directors when appointed. Presently, the Committee comprises of Ms. Karuna Kotiyan Shaikh (Chairperson), Mr. K. Sudeshkumar Acharya and Ms. Abhilasha Bhargava.

The Committee met on one occasion i. e. on January 31st, 2011 and all the members were present at the meeting.

Disclosure of Remuneration to Directors

Non-Executive Directors were not paid any remuneration. The Whole-Time Director and an Independent Director were paid remuneration during the year as disclosed in Note 12 a) and b) of Notes on Accounts.

C) Shareholders Information and Investors Grievance Committee:

The Board has also established a Shareholders' / Investors Grievance Committee under the chairmanship of

Mr. K. Sudeshkumar Acharya with Ms. Karuna Kotiyan Shaikh and Ms. Abhilasha Bhargava as Members for the specific purpose of redressal of shareholders / investors grievances and complaints etc. The committee met four times during the year. All the members of the Committee were present at the meetings.

There were no pending shareholders complaints / grievance and transfer of shares as on March 31st, 2011. The Company has designated the e-mail id of the Compliance Officer, specifically, to look after investor grievances and to resolve them in a speedy manner, in compliance with Clause 47 (f) of the Listing Agreement.

The Board has appointed Mr. Umesh R. Phalorh, Chief Financial Officer as the Compliance Officer. E-mail Id : investors@beeelectronic.com

4. GENERAL BODY MEETINGS

Location and time for last three Annual General Meetings were :

FY	Date	Location of the meeting	Time
2007-08	30-Sep-08	266, Dr. Annie Besant Road, Worli, Mumbai - 30	11.30 a.m.
2008-09	30-Sep-09	266, Dr. Annie Besant Road, Worli, Mumbai – 30	11.30 a.m.
2009-10	30-Sep-10	266, Dr. Annie Besant Road, Worli, Mumbai - 30	11.30 a.m.

No Extra- Ordinary General Meeting was held during the year.

5. DISCLOSURES

- | | |
|--|--|
| (a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, the directors, the management, their subsidiaries or relatives, etc. that may have material conflict with the interests of the Company at large. | Details are provided in Note No. 15 under Schedule 14 to the notes forming part of the accounts in accordance with provisions of Accounting Standard 18. |
| (b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years. | None. |
| (c) Disclosure on number of shares and convertible instruments held by non – executive directors. | Mr. K. Sudeshkumar Acharya : 200 |

6. MEANS OF COMMUNICATION

The half yearly report and quarterly results are not sent to each shareholder but the results of the Company are displayed on the website of BSE i. e. www.bseindia.com

The results are usually published in Asian Age and Mahanayak.

The Management Discussion & Analysis does not form part of this Annual Report.

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7. GENERAL SHAREHOLDER INFORMATION

- i. Annual General Meeting :-
Venue Date and Time September 30th 2011 at 09 : 30 a.m.
266, Dr. Annie Besant Road, Worli, Mumbai 400 030.
- ii. Financial Results Calendar :
April 2011 to March 2012 –
- | | | |
|---------------------------------|---|------------------------------|
| 1 st quarter results | : | July 30 th , 2011 |
| 2 nd quarter results | : | last week of October 2011 |
| 3 rd quarter results | : | last week of January 2012 |
| 4 th quarter results | : | last week of April 2012 |
- iii. Date of Book Closure - September 24th, 2011 to September 30th, 2011
(both days inclusive)
- iv. Dividend NA
- v. Listing of Equity Shares on Stock Exchanges The Mumbai Stock Exchange
- vi. Script Code Physical 517203
Script Code Demat INE038E01014
- vii. Registrar and Share Transfer Agent Adroit Corporate Services Pvt. Ltd.
19 Jaferbhoy Industrial Estate,
1st Floor, Makwana Road,
Marol Naka, Mumbai – 59
- viii. Share Transfer System Transfer of shares held in physical mode is processed by Adroit Corporate Services Pvt. Ltd. and approved by the Whole time Director pursuant to the powers granted by the Board.

700 shares were transferred during the year with an average interval of 15 days between approvals.

- ix. Distribution of Shareholding as on March 31st, 2011:

Category	No of shares held	% of shareholding
1. Promoters holding	1,548,501	48.70
2. Institutional/ Mutual Funds/ Banks/ FII	8,450	0.27
3. Others:		
Indian Public	1,541,417	48.47
Body corporate	75,182	2.36
NRI	6,450	0.20
GRAND TOTAL	3,180,000	100.00

- x. Dematerialization of Shares and liquidity 71.81% of the paid-up share capital comprising of 22,83,650 shares have been dematerialized as on March 31st, 2011.

xi.	Outstanding GDR's/ ADR's/ Warrants/ any convertible instrument that may have an Impact on liquidity	Nil
xii.	Plant location	Tarapur, Dist. Thane, Maharashtra
xiii.	Correspondence address	266, Dr. Annie Besant Road, Worli, Mumbai 400 030 Tel: 91 22 2430 7709/ 4665 Fax: 91 22 2430 3716

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT
PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its Board of Directors and Senior Executives.

I confirm that the Company has in respect of the financial year ended March 31st 2011 received from the senior management team of the Company and the members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

August 16th, 2011
Mumbai

Umesh R. Phalorh
Compliance Officer