



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
Mr. Venugopal R. Coontoor	Director
Mr. Rajendra Kumar C. Shah	Director

REGISTERED OFFICE

266, Dr. Annie Besant Road
Worli, Mumbai 400 030

BANKERS

Canara Bank
The Standard Chartered Bank Ltd.
ARCIL

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 Thirteenth 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 Saturday, September 29, 2012 at 10:30AM to transact the following business:

- 1) To receive, consider and adopt the Balance Sheet as at March 31, 2012 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 Shri K. Sudesh Kumar Acharya, who retires by rotation and being eligible offers himself for re-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.

SPECIAL BUSINESS:

- 4) To appoint Additional Directors on the Board of the Company taking into consideration the need for adherence with guidelines of SEBI specified under Clause 49 – Corporate Governance under The Listing Agreement. Accordingly, Shri Venugopal R Coontoor and Shri Rajendra Kumar C Shah were appointed as Additional Directors of the Company by the Board of Directors and they hold office upto the date of the forthcoming Annual General meeting in accordance with Section 260 of The Companies Act, 1956 and being eligible offer themselves for appointment. The Company has received Notices under Section 257 of The Companies Act, 1956 in writing proposing their candidature for the office of Director.

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 Wednesday, September 26, 2012 to Saturday, September 29, 2012 (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: July 31, 2012

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT FOR ITEM NO. 4
(Pursuant to Section 173(2) of The Companies Act, 1956)

Item No. 4:

In an endeavor to have an optimum combination of Executive and Non-Executive Directors on the Board of the Company, there was a need to expand the Board. As per Clause 49 that deals with the issue of Corporate Governance under The Listing Agreement, SEBI mandates that atleast fifty percent of the Board should comprise of Non-Executive Directors. The Company has for quite a few years been trying to fill up the vacancies on this front but for various reasons has been unable to do so.

Shri Venugopal R. Coontoor and Shri Rajendra kumar C. Shah were appointed as Additional Directors of the Company by the Board of Directors at the meeting held on September 30, 2011 in terms of Section 260 of The Companies Act, 1956 read with Article 84 and 85 of The Articles of Association of the Company. Shri Venugopal R. Coontoor and Shri Rajendra Kumar Shah hold office upto the date of this Annual General Meeting. The Company has received notices in writing from two members under Section 257 of The Companies Act, 1956 along with a deposit of Rs.500/- each as required under that Section, signifying their intent to propose the Appointment of Shri Venugopal R. Coontoor and Shri Rajendra Kumar Shah as Directors of the Company, liable to retirement by rotation.

The Board commends the election of Shri Venugopal R. Coontoor and Shri Rajendra Kumar Shah as Directors of the Company for the approval of the Members.

Memorandum of Interest:

None of the Directors are interested in the resolution except Shri Venugopal R. Coontoor and Shri Rajendra Kumar Shah respectively.

BY ORDER OF THE BOARD

Sd/-

K. Sudeshkumar Acharya
Director

Registered office:

266 Dr. Annie Besant Road,
Worli, Mumbai 400 030

Date: July 31, 2012

BEE ELECTRONIC MACHINES LIMITED

DIRECTORS' REPORT

The Members,

Your Directors are pleased to present the 30th 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, 2012. The summarized financial results for the year ended 31st March, 2012 are as under:

1. Financial Results
Particulars

	For the financial year ended 31st March, 2012 Amount in Rs.	For the financial year ended 31st March, 2011 Amount in Rs.
Sales & Other Income	20.06	59.39
Gross Profit / (Loss)	(2.12)	7.50
Less : Depreciation	5.99	21.39
Profit/ (Loss) before exceptional item.	(8.11)	(13.89)
Exceptional Item – Interest provision written back	1314.96	Nil
Profit / (loss) before tax	1306.85	(13.89)
Less: Tax	Nil	Nil
Profit / (loss) after tax	1306.85	(13.89)

2. Review of Operation

The Company has achieved the sales and other income of Rs.20.16 lacs against Rs.59.16 lacs reported last year. Based on the discussions with the secured creditors with regard to proposed One-Time settlement, the interest component provided for in the books amounting to Rs 1314.96 lacs is written back as income and recorded as an exceptional item during the year under review. There was a profit after tax of Rs. 1306.85 lacs during the year under review as compared to the net loss after tax of Rs.13.89 lacs reported last year. The Company's plants were temporarily closed and there was no production. Your Directors are continuously looking for avenues for future growth of the Company.

3. Sick Industrial Company

As the net worth of the Company had been fully eroded, the Board of Director's had made a reference to the Board for Industrial and Financial Reconstruction (BIFR). The Company's reference before the Hon'ble BIFR had come up for hearing and the Company has been declared as a Sick Industrial Undertaking. The Hon'ble BIFR has appointed Canara Bank as the Operating Agency and has also directed that a Draft Rehabilitation Scheme be prepared. The Board has at the last instance directed that the surplus assets of the Company be sold through an Asset Sale Committee and that the proceeds from the same be used to settle the dues of the secured creditors and statutory dues. In the meanwhile, Company has been asked to submit the Draft Rehabilitation Scheme to the Operating Agency. The work on the same is underway.

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, 2012.

5. Listing

The Company's Equity Shares are listed on the Mumbai Stock Exchange. During the year, the Company has paid the pending annual listing fees of Mumbai Stock Exchange upto the year 2011-12

6. Directors

Mr. K. Sudesh Kumar Acharya, Director retires by rotation at the ensuing Annual General meeting and being eligible offers himself 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 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 its 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 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 profit or loss of the company for that period.
- c) The Directors have 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 have 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 exchange earning 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. The Management Discussion and Analysis forms part of the Annual Report. A declaration by the Whole time Director regarding the compliance with the Code of Conduct also forms part of the Annual Report.

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

Date: 31st July 2012

Place: Mumbai

BEE ELECTRONIC MACHINES LIMITED

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 Wholtime Director of the Company also forms part of this Annual Report.

2. BOARD OF DIRECTORS

The Company's Board comprises of five Directors of which one Director holds an Executive position and the other four are independent Directors. The Executive Director is part of the promoter group.

a. Composition of the Board (as on July 31st, 2012)

NAME OF THE DIRECTOR	STATUS
Ms. Karuna Kotiyan Shaikh	Non executive Director – Independent
Mr. K. Sudeshkumar Acharya	Non Executive Director – Independent
Mr. Venugopal R. Coontoor	Non executive Director – Independent
Mr. Rajendra Kumar Shah	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 7 (seven) Board meetings held during the financial year 2011-12, as per the provisions of Clause 49 of the Listing Agreement. The dates on which the Board met are: April 30th 2011; July 30th 2011; August 16th 2011; September 30th, 2011, October 31st 2011, January 31st 2012 and March 31st, 2012.

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/ she is a member
Ms. Karuna Shaikh	7	7	Present	0	0
Mr. K. Sudeshkumar Acharya	7	7	Present	0	0
Ms. Abhilasha Bhargava	7	7	Present	5	0
Mr. Venugopal Coontoor *	3	3	Not applicable	0	0
Mr. Rajendra Shah *	3	3	Not applicable	0	0

Note – ‘**’ Shri Coontoor and Shri Shah were appointed as Additional Directors at the Board meeting held on September 30th, 2011 and hence their attendance figures vary from the others.

The particulars of the Director, whose proposal for reappointment is being taken up at this AGM, are given as required pursuant to Clause 49 of the Listing Agreement.

Name	:	K Sudeshkumar Acharya
Qualifications	:	Engineering in Electronics and Telecommunications
Expertise	:	27 yrs+ experience in Office Automation industry
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 comprised of three members till September 30th, 2011 after which it was recast to include Mr. Venugopal Coontoor who joined the Board. The Chairperson is a Non-Executive, Independent Director having a Commerce background. The Constitution of the Committee post September 30th, 2011 is as follows: Ms. Karuna Kotiyan Shaikh (Chairperson), Mr. K. Sudeshkumar Acharya, Mr. Venugopal Coontoor 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 2011, July 30th 2011, August 16th 2011, October 31st 2011 and January 31st 2012. All members were present at each meeting.

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 comprised of 3 (three) members upto September 30th, 2011. Post that date, Mr. Rajendra Kumar Shah was co-opted into the Committee. The Committee has accordingly been re-constituted to determine the remuneration package of its Directors when appointed. Presently, the Committee comprises of Ms. Karuna Kotiyan Shaikh (Chairperson), Mr. Rajendra Kumar Shah, Mr. K. Sudeshkumar Acharya and Ms. Abhilasha Bhargava.

The Committee met on one occasion i. e. on January 31st, 2012 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 was 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, 2012.

The Company has designated an 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

BEE ELECTRONIC MACHINES LIMITED

4. GENERAL BODY MEETINGS

Location and time for last three Annual General Meetings were :

FY	Date	Location of the meeting	Time
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.
2010-11	30-Sep-11	266, Dr. Annie Besant Road, Worli, Mumbai – 30	09:30 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. 20 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 displayed on the website of BSE i. e. www.bseindia.com and the Company website i.e. www.beeelectronic.com

The results are usually published in Asian Age and Mahanayak.

The Management Discussion & Analysis forms a part of this Annual Report.

7. GENERAL SHAREHOLDER INFORMATION

- i. Annual General Meeting :- Date and Time September 30th 2012 at 10 : 30 a.m.
Venue 266, Dr. Annie Besant Road, Worli, Mumbai 400 030.
- ii. Financial Results Calendar :
April 2012 to March 2013 –
1st quarter results : July 31st, 2012
2nd quarter results : last week of October 2012
3rd quarter results : last week of January 2013
4th quarter results : last week of April 2013
- iii. Date of Book Closure - September 26th, 2012 to September 29th, 2012
(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.

1400 shares were transferred during the year with an average interval of 15 days between approvals.

- ix. Distribution of Shareholding as on March 31st, 2012:

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	1,543,817	48.54
Body corporate	72,782	2.29
NRI	6,450	0.20
GRAND TOTAL	3,180,000	100.00

- x. Dematerialization of Shares and liquidity 71.93% of the paid-up share capital comprising of 22,87,450 shares have been dematerialized as on March 31st, 2012.
- 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 2012 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.

Date : July 31st, 2012
Place : Mumbai

Sd/-
Abhilasha K. Bhargava
Whole time Director

BEE ELECTRONIC MACHINES LIMITED

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To,

The Members of Bee Electronic Machines Limited,

We have examined the compliance of conditions of Corporate Governance by **Bee Electronic Machines Limited** for the year ended 31st March, 2012 as stipulated in clause 49 of the Listing Agreement of the said company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the 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 explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

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

Place : Mumbai

Date: July 31st, 2012

Mruga K Vasavada

Practicing Company Secretary

ACS 26793

CP 9647