



**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!”*

*"Acchedyo' yam adahyo 'yam  
akledyo 'sosya eva cha  
Nitya sarvah-gatah sthanur  
Achalo 'yam sanatanah"  
(Bhagwad Gita: Chapter Two Verse 24)*

*"Sri Krishna said: This individual soul is  
unbreakable and in-soluble, and can neither  
be burned nor dried. He is ever-lasting,  
present everywhere, unchangeable,  
immovable and eternally the same."*

**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  
Tel: 2430 1873 Fax: 2430 7709  
Email: [investors@beeelectronic.com](mailto:investors@beeelectronic.com)

**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, 1<sup>st</sup> Floor,  
Makwana Road, Marol Naka, Mumbai 400 059  
Tel: 2859 0942/ 2850 3748; Fax: 2859 0942  
Email: [adroits@vsnl.net](mailto:adroits@vsnl.net)

**FACTORIES**

**Unit – 1:**

G-17/2, MIDC Industrial Area  
Tarapur, Maharashtra

**Unit – 2:**

Raghunath Industrial Estate  
College Road, Wadkund  
Dahanu Road, Maharashtra

**Unit - 3:**

Plot No.12, Gamtalao  
Dabhel Industrial Co-op. Ltd., Dabhel  
Nani Daman, Daman 396 210

# **BEE ELECTRONIC MACHINES LIMITED**

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## **NOTICE**

Notice is hereby given that the Thirty First 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 Monday, September 30, 2013 at 10.00 AM to transact the following business:

1. To receive, consider and adopt the Balance Sheet as at March 31<sup>st</sup>, 2013 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 Directors in place of Ms. Abhilasha K. Bhargava and Ms. Karuna K. Shaikh, who retire by rotation and being eligible offer themselves 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 the remuneration.

### **NOTES:**

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND THE MEETING AND ON A POLL VOTE INSTEAD OF HIMSELF AND THE 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 25<sup>th</sup>, 2013 to Sunday, September 29<sup>th</sup>, 2013 (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<sup>st</sup>, 2013

**DIRECTOR'S REPORT**

The Members,

Your Directors are pleased to present the 31<sup>st</sup> Annual Report of your Company together with the Audited Statement of Accounts and the Auditor's Report of your Company for the financial year ended March 31<sup>st</sup>, 2013. The summarized financial results for the year ended March 31<sup>st</sup>, 2013 are as under:

**1. Financial Results:**

<b>Particulars</b>	<b>For the financial year ended March 31<sup>st</sup>, 2013 Amt in lacs.</b>	<b>For the financial year ended March 31<sup>st</sup>, 2012 Amt in lacs.</b>
Sales & Other Income	21.04	20.06
Gross Loss	3.89	2.12
Depreciation	4.12	5.99
Loss before exceptional item	8.01	8.11
Exceptional Item:- Interest written back	nil	1314.96
Profit / (loss) before tax	(8.01)	1306.85
Tax	nil	nil
Profit / (loss) after tax	(8.01)	1306.85

**2. Review of Operations:**

The Company has achieved the sales and other incomes of Rs.21.04 lakhs against Rs.20.06 lakhs reported last year. The Company awaits the approval and implementation of the Draft Rehabilitation Scheme (DRS) as per Hon'ble BIFR instructions as that would enable the Company to begin the process of rehabilitating the Company's operations. The Company's plants continue to remain closed due to various constraints. The Directors continue to look for suitable avenues to rehabilitate the business stream of the Company.

**3. Sick Industrial Company:**

As the net worth of the Company eroded, the Board of Directors made a reference to the Board for Industrial and Financial Reconstruction (BIFR), New Delhi. The Company had been declared as a Sick Industrial Undertaking and the Operating Agency (*Canara Bank*) has been directed to prepare a Draft Rehabilitation Scheme (DRS) which has been prepared and is presently placed before Hon'ble BIFR for approval. As per directions of Hon'ble BIFR, the Operating Agency had constituted an Asset Sales Committee (ASC) to sell the surplus assets of the Company at Tarapur and Daman and settle the statutory dues and other liabilities of the Company. The Operating Agency had accordingly called for bids for the identified properties as per BIFR guidelines. From the bids received, the highest bid of Rs.270 lakhs of M/s. Mount Overseas Private Limited has been accepted by the Asset Sale Committee and the same stands approved

## BEE ELECTRONIC MACHINES LIMITED

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by Hon'ble BIFR. As per directions of the Hon'ble BIFR, the sales proceeds would form a part of the DRS and be utilized to settle the pending statutory dues of the Company and after meeting valuation and advertisement costs for the sale, the balance would be used to settle the dues of the Secured Creditors in the manner prescribed by the Hon'ble BIFR and as per their directions. The Company would need to complete the formalities related to the properties at Tarapur and Daman as per directions received from the Hon'ble BIFR and the effect of the sale transaction would be given in the next financial year.

**4. Dividend:**

The Directors taking into account that there is no surplus from the operations do not recommend any dividend for the year ended March 31<sup>st</sup>, 2013.

**5. Listing:**

The Company's equity shares are listed on the Mumbai Stock Exchange. During the year, the Company has paid the annual listing fees of Mumbai Stock Exchange upto the year 31<sup>st</sup> March, 2012.

**6. Directors:**

Ms. Abhilasha K. Bhargava and Ms. Karuna K. Shaikh, Directors retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

**7. Particulars of Employees:**

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. Auditor's Report:**

The observations of the auditors in their report are self-explanatory and are dealt with in 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 taking into consideration the specific directions received from Hon'ble BIFR with regard to the modality and method by which the settlement of amounts due to the secured lenders of the Company would be done, have not made interest provisions on the amounts due and payable, if any to the secured lenders of the Company.

**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. Director's 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 judgment 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 a part of the Annual Report. A declaration by the Whole time Director regarding the compliance with the Code of Conduct also forms a 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.

The employee relations continued to be cordial throughout the year. Your Directors wish to place on record their sincere appreciation to all employees for their commitment and continued contribution to the Company.

**For and on behalf of the Board**

<b>Sd/-</b>	<b>Sd/-</b>
<b>Abhilasha Bhargava</b>	<b>K Sudeshkumar Acharya</b>
Whole time Director	Director

Date: July 31<sup>st</sup>, 2013

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 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 of 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 Whole time Director of the Company forms a part of this Annual Report.

#### 2. BOARD OF DIRECTORS

The Company's Board comprises of five Directors of which two Directors hold an Executive position and the other three Directors are Independent, Non-Executive Directors.

##### a. Composition of the Board

NAME OF THE DIRECTOR	STATUS
Ms. Karuna Kotiyan Shaikh	Non executive Director – Independent
Mr. K. Sudeshkumar Acharya	Executive Director
Mr. Venugopal R. Coontoor	Non executive Director – Independent
Mr. Rajendra Kumar Shah	Non executive Director – Independent
Ms. Abhilasha K. Bhargava	Executive Director

##### b. Board Meetings

The Board meetings of the Company are held at the registered office of the Company in Mumbai. The notice and agenda for the meetings are sent 7 (seven) days in advance to the Directors of the Company. The senior management team is invited to the Board meeting in order to submit reports, participate in discussions, clarify 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 6 (six) Board meetings held during the financial year 2012-13, as per provisions of Clause 49 of The Listing Agreement. The dates on which the Board met are: April 30<sup>th</sup>, 2012; June 8<sup>th</sup>, 2012; July 31<sup>st</sup>, 2012; September 29, 2012; October 31<sup>st</sup>, 2012 and January 31<sup>st</sup>, 2013.

##### 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	6	6	Present	0	0
Mr. K. Sudeshkumar Acharya	6	6	Present	0	0
Ms. Abhilasha Bhargava	6	6	Present	5	0
Mr. Venugopal R. Coontoor	6	6	Present	0	0
Mr. Rajendra Kumar C. Shah	6	6	Present	0	0

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

Name	Abhilasha Bhargava	Karuna K. Shaikh
Qualifications	B.Com; FMBA	B.Com; MHRDM
Experience	19+ years experience in Office Automation industry. Overall Legal and Admin functions	19+ years experience in handling HR and Admin Functions
Other Directorships	5	Nil
Memberships in other Committees	None	None

### 3. COMMITTEES OF THE BOARD

The Board has constituted committees comprising of non-executive and independent directors to focus on critical functions of the Company and also for smooth and efficient business operations. The Committees meet at regular intervals for deciding various matters and providing directions and authorizations to the management for its implementation. The Board takes note of the material recommendation/ decisions of the Committees and approves/ deliberates and decides on them as needed.

The Board has accordingly constituted 3 (three) committees that comply with the requirements of Clause 49 of The Listing Agreement with the Stock Exchange and the applicable provisions of The Companies (Amendment) Act, 2000.

#### A) Audit Committee:

The Audit Committee comprises of three members of which two are Independent Directors. The constitution of the Committee comprises of Ms. Karuna Kotiyan Shaikh (Chairperson), 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 on Section 29A of The Companies Act, 1956.

The Committee met 5 (five) times during the current year on April 30<sup>th</sup>, 2012, June 8<sup>th</sup>, 2012, July 31<sup>st</sup>, 2012, October 31<sup>st</sup>, 2012 and January 31<sup>st</sup>, 2013. 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 comprises of Ms. Karuna Kotiyan Shaikh (Chairperson), Mr. Rajendra Kumar C. Shah, Mr. K. Sudeshkumar Acharya and Ms. Abhilasha Bhargava. The Committee has been constituted to determine the remuneration package of the Directors when appointed and the Senior Management personnel.

The Committee met on one occasion i. e. on January 31<sup>st</sup>, 2013 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 10 a) and b) of the 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 K. 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/ grievances and transfer of shares as on March 31<sup>st</sup>, 2013.

The Company has designated an email 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.

## BEE ELECTRONIC MACHINES LIMITED

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The Board has appointed Mr. Umesh R. Phalorh, Chief Financial Officer as the Compliance Officer. Email is: [investors@beeelectronic.com](mailto:investors@beeelectronic.com)

#### 4. GENERAL BODY MEETINGS

Location and time for last three Annual General Meetings were:

FY	Date	Location of the meeting	Time
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.
2011-12	29-Sep-12	266, Dr. Annie Besant Road, Worli, Mumbai – 30	10:30 a.m.

No Extra-Ordinary General Meetings were held during the year.

#### 5. DISCLOSURES

- |   |   |
|---|---|
| (a) Disclosures on materially significant related party Transactions i. e. transaction 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 interest of the Company at large. | Details are provided in Note No. 14 under Schedule 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/ or convertible Instruments held by non-executive directors  | None  |

#### 6. MEANS OF COMMUNICATION

The half yearly report and quarterly results are displayed on the website of BSE i. e. [www.bseindia.com](http://www.bseindia.com) and the Company website i. e. [www.beeelectronic.com](http://www.beeelectronic.com)

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

#### 7. GENERAL SHAREHOLDER INFORMATION

- |  |   |
|--|---|
| I. Annual General Meeting :                        | Date and Time: September 30 <sup>th</sup> , 2013 at 10:00 A. M.                                 |
| Venue  | 266, Dr. Annie Besant Road, Worli, Mumbai – 30  |
| II. Financial Results Calendar                     |   |
| April 2013 to March 2014                           | 1 <sup>st</sup> quarter results : July 31 <sup>st</sup> , 2013                                  |
|  | 2 <sup>nd</sup> quarter results : last week of October 2013                                     |
|  | 3 <sup>rd</sup> quarter results : last week of January 2014                                     |
|  | 4 <sup>th</sup> quarter results : last week of April 2014                                       |
| III. Date of Book closure :                        | September 25 <sup>th</sup> , 2013 to September 29 <sup>th</sup> , 2013<br>(both days inclusive) |
| IV. Dividend :                                     | N A   |
| V. Listing of Equity Shares on The Stock Exchanges | The Mumbai Stock Exchange   |



- VI. Script Code Physical 517203
- VII. Script Code Demat INE038E01014
- VIII. Registrar and Share Transfer Adroit Corporate Service Pvt. Ltd.  
19 Jaferbhoy Industrial Estate,  
1<sup>st</sup> Floor, Makwana Road,  
Marol Naka, Mumbai – 59
- IX. Share Transfer System Transfer of share held in physical mode is processed by the Registrar and Share Transfer Agent and approved by the Share Transfer Committee pursuant to the powers granted by the Board.

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

- X. Distribution of Shareholding as on March 31<sup>st</sup>, 2013:

Category	No of shares held	% of shareholding
1 Promoters holding	1,548,601	48.70
2 Institutional Mutual Funds/ Banks/ FII	8,450	0.27
3 Others:		
Indian Public	1,541,617	48.48
Bodies Corporate	74,882	2.35
NRI	6,450	0.20
<b>Grand Total</b>	<b>3,180,000</b>	<b>100.00</b>

- XI. Dematerialization of Shares and liquidity 71.97 % of the paid-up share capital comprising of 22,88,750 shares have been dematerialized as on March 31<sup>st</sup>, 2013
- XII. Outstanding GDR's/ ADR's/Warrants/ any convertible Instrument that may have an Impact on liquidity Nil
- XIII. Plant Location Tarapur, Dist. Thane, Maharashtra
- XIV. Correspondence Address 266, Dr. Annie Besant Road, Worli, Mumbai 400 030  
Tel: +91 22 2430 1873 Fax: +91 22 2430 7709  
Email: [investors@beeelectronic.com](mailto:investors@beeelectronic.com)

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

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

I confirm that the Company has in respect of the financial year ended March 31<sup>st</sup>, 2013 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 31<sup>st</sup>, 2013  
Place: Mumbai

Sd/-  
Abhilasha K. Bhargava  
Whole time Director

## **BEE ELECTRONIC MACHINES LIMITED**

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### **Certificate on Compliance of Corporate Governance for the FY 2012-13**

Certificate on compliance with the conditions of Corporate Governance under clause 49 of the listing agreement.

To,

The Members of Bee Electronic Machine Limited

We have examined the compliance of conditions of corporate Governance by Bee Electronic Machines Limited for the year ended 31<sup>st</sup> March 2013 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 certificate 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

Mruga K Vasavada  
Practising company secretary  
ACS 26793, CP 9647

Place: Mumbai

Dated :31<sup>st</sup> July, 2013