

33rd
Annual Report
2014-2015

**BEE ELECTRONIC
MACHINES LIMITED**



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 Kotiyan	Director
Mr. K. Sudesh Kumar Acharya	Director
Mr. Venugopal R. Coontoor	Director
Mr. Rajendra Kumar C. Shah	Director

BANKERS

The Standard Chartered Bank Ltd.

REGISTERED OFFICE

266, Dr. Annie Besant Road
Worli, Mumbai 400 030
CIN No. : L32100MH1981PLC025033
Tel: 2430 1873 Fax: 2430 7709
Email: investors@beeelectronic.com

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 – 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

NOTICE TO SHAREHOLDERS

Notice is hereby given that the Thirty Third 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 Wednesday, September 30th, 2015 at 10:00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon, by passing the following as an Ordinary Resolution;

RESOLVED THAT the Balance Sheet as at March 31st, 2015, the Statement of Profit and Loss for the year ended on that date together with the Notes thereon, the Cash Flow Statement for the said period and the Report of the Auditors and the Directors thereon be and are hereby received, confirmed and adopted.

2. To appoint a Director in place of Ms. Abhilasha Krishna Kumar Bhargava [DIN 00940237], who retires by rotation and being eligible offers herself for re-appointment by passing the following as an Ordinary resolution;

RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, the Rules made there under and the Articles of Association of the Company, Ms. Abhilasha Krishna Kumar Bhargava [DIN 00940237], a Director retiring by rotation being eligible and offering for re-election, be and is hereby re-appointed as a Director of the Company.

3. To consider and approve re-appointment of M/s. Shankarlal Jain & Associates, Chartered Accountants (Registration No.109901W) as the Statutory Auditors for the Company by passing the following as an Ordinary Resolution:

RESOLVED THAT subject to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, M/s. Shankarlal Jain & Associates, Chartered Accountants, Mumbai, the retiring auditors with ICAI Registration Number 109901W, be and are hereby re-appointed as the Auditors of the Company, to hold office from the conclusion of this Meeting upto the conclusion of the next Annual General Meeting on a remuneration to be fixed by the Board of Directors.

BY ORDER OF THE BOARD

Sd/-

K. Sudesh Kumar Acharya

Director

Date: August 28, 2015

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013 AND THE INFORMATION AS REQUIRED PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT.

ITEM NO. 2 – Appointment of Ms. Abhilasha Krishna Bhargava who is retiring by rotation

Ms. Abhilasha Krishna Bhargava is one of the promoters of the Company. At present, she is the Whole time Director of the Company. She has been associated with the Company from 1992-93 when she was appointed as the Vice President (Marketing) of the Company by the Founder Chairman & Managing Director of the Company, Late Shri Krishna Kumar Bhargava. She has over 20 years experience in the Office Automation industry.

She has done her B. Com and FMBA from Narsee Monjee Institute of Management Studies. She holds 5 (five) other Directorships in other Companies and no other membership of other Committees. She holds 14,17,129 equity shares of the Company.

NOTES:

1. The Register of Members and the Share Transfer Book of the Company shall remain closed from Friday, September 25th, 2015 to Wednesday, September 30th, 2015 (both days inclusive) in connection with the Annual General Meeting.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy/ proxies to attend and vote instead of himself/ herself. Such a proxy/ proxies need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. Members holding more than 10% are entitled to appoint a single proxy, who cannot be a proxy of any other member.
3. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed, stamped and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of Companies, Societies, etc. must be supported by an appropriate resolution/ authority, as applicable,
4. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the RTA.
6. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting are enclosed and form an integral part of the Notice. The Directors have furnished their requisite declarations for their appointment/ re-appointment.
7. Electronic copy of the full version of the Annual Report for the year 2014-15 and the Notice of the 33rd AGM are being sent to all the members whose E-mail IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address/ ID, physical copies of the Annual Report for the year are being sent in the permitted mode. These members are requested to register their email IDs with the DP/ RTA as detailed in Page 25 of the Annual Report.
8. Full version of the Report and the Notice of the AGM are available on the Company's website viz. www.beeelectronic.com. Members desirous of receiving the complete Annual Report may send a request in writing to the Registrar or the Company and send the same by post/ courier or email with a scanned copy of the request.
9. Pursuant to the stipulations in Clause 35B of the Listing Agreement read with Section 108 of the Companies Act, 2013 and the relevant Rules, the Company has entered into an Arrangement with Central Depository Services Limited (CSDL) to facilitate the Members to exercise their right to vote at the Annual General Meeting by electronic means.

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10. *A person who has participated in e-voting is not debarred from participating in the meeting physically though he shall not be able to vote in the meeting again and his earlier vote cast electronically shall be treated as final. In terms of the provisions of Section 107 read with Section 109, there will be no voting by show of hands at the meeting and hence the provisions relating to demand for poll by Members is irrelevant. The Chairman of the meeting will regulate the meeting and voting on the resolutions in accordance with the provisions of the Act and the applicable Rules.*
11. *Ms. Avani S Popat, Practicing Company Secretary Membership no 27774 CP no 10923 has been appointed as the scrutinizer to scrutinize the evoting process in a fair and transparent manner.*
12. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a written request for the same, by post free of cost. For any information, the shareholders may also send requests to the RTA.
13. All documents referred to in the accompanying Notice will be open for inspection at the registered office during normal business hours (10:30 a.m. to 5:00 p.m.) on all working days except on holidays, up to and including the date of the AGM.
14. Shareholders seeking any information with regards to accounts are requested to write to the Company well in advance so as to enable the Management to reply.

Date: August 28th, 2015

Registered office:

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

By Order of the Board
for BEE ELECTRONIC MACHINES LTD.

sd/-
K. Sudesh Kumar Acharya
Director

Members desiring to vote electronically may refer to the detailed procedure on e-voting given hereinafter:-

The instructions for Shareholders voting electronically are as under:

- (i) The voting period begins on 26th September, 2015 at 9:00 A.M. and ends on 29th September, 2015 at 5:00 P.M. During this period, Shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 25th September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.

- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat Shareholders as well as Physical Shareholders)</p> <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for Resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- (xi) Click on the "Electronic Voting Sequence Number" (EVSN) of Bee Electronic Machines Limited for casting your vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

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(xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.

1. Voting at AGM:

2. The Members who have not cast their vote by E-Voting can exercise their voting rights at the AGM. The Company will make arrangements of Ballot Papers in this regards at the AGM Venue.
3. The Members who have cast their vote by E-Voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

General Instruction

1. The voting period begins on 26th September, 2015 at 09.00 A.M. and ends on 29th September, 2015 at 05.00 P.M. During this period Shareholders' of the Company, holding Shares either in physical form or in dematerialized form, as on the cut-off date of 25th September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter
2. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com
3. You can also update your Mobile No. and E-mail ID in the user profile details of the folio which may be used for sending future communication(s).
4. The voting rights of Members shall be in proportion to their Share in the paid up Equity Share Capital of the Company as on the cut-off date of 25th September, 2015.
5. Any person, who acquires Shares of the Company and becomes a Member of the Company after dispatch of the notice and holding Shares as of the cut-off date of 25th September, 2015 may contact the Company's Registrar, M/s Adroit Corporate Services Private Limited.
6. Ms. Avani Suresh Popat, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.

7. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Ms. Avani S. Popat, Practicing Company Secretary, (Membership No. ACS 27774) at 202, 2nd floor, May Building, 297/299/301, Princess Street, Near Marine Lines Flyover, Mumbai – 400 002 not later than 29th September, 2015 by 5.00 p.m. Ballot Form received after this date will be treated as invalid. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
8. The Scrutinizer shall, immediately after the conclusion of voting at the General Meeting, first count the votes at the meeting, thereafter unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company not later than 3 days of conclusion of the Meeting.
9. The results declared along with the Scrutinizer's Report shall be placed on the website of CDSL within two days of the passing of the Resolutions at the 33rd AGM of the Company on 30th September, 2015 and communicated to the BSE Limited, where the Shares of the Company are listed and shall also be placed on the Website of the Company.

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DIRECTORS REPORT

Dear Members,

The Directors of the Company present the 33rd Annual Report of your Company together with the Audited Statement of Accounts and the Auditors Report of your Company for the financial year March 31st, 2015. The summarized financial results for the year ended March 31st, 2015 are as under:

1. Financial Results-

PARTICULARS	For the Financial year ended March 31 st , 2015 Amt. in Lacs	For the Financial year ended March 31 st , 2014 Amt. in Lacs
Sales & Other Income	22.73	15.50
Gross Loss	(469.82)	5.86
Depreciation	(5.84)	4.12
Interest	(17.42)	-
Exceptional Item :- Secured lenders balance written back	655.17	Nil
Profit/ (Loss) before Tax	162.09	(9.98)
Tax	0.52	Nil
Profit/ (Loss) after Tax	161.57	(9.98)

2. Review of Operations –

The Company has achieved a turnover (Sales and Other Income) of Rs.22.73 lakhs against Rs.15.50 lakhs reported last year. The Company suffered a set-back in commencement of its rehabilitation process as the Draft Rehabilitation Scheme (DRS) although formulated has not yet been approved by the secured lenders and Hon'ble BIFR. The Directors continue to look for business streams that can augment the business volume of the Company.

Due to change in technology over the years, there has been virtually no demand for the old and obsolete stock lying with the Company from erstwhile years. The Company has been incurring storage cost, security costs for safeguarding these products which it is understood would not realize the desired value even in the future hence the management took a decision to sell the materials on an as-is-where-is basis. The Company's auditors have brought on record the need for addressing the issue many times earlier in the Annual Report and the Company's management having received an enquiry from a local Company decided to cut the loss and sell the materials to the party interested to buy. The Company's plants are presently shut due to various constraints.

3. Sick Industrial Company –

The Company had been declared as a Sick Industrial Company by the Board for Industrial and Financial Reconstruction, New Delhi. As per directions of the Hon'ble BIFR, the Operating Agency (Canara Bank) had constituted an Assets Sale Committee (ASC) for selling the surplus assets of the Company identified as the plants in Tarapur and Daman. As per the earlier directions of Hon'ble BIFR, the highest bid being that of M/s. Mount Overseas Private Limited, Mumbai had been

accepted. The sale proceeds deposited by them with the Operating Agency had been kept in a No Lien Account on behalf of the Company and the sale proceeds were to form an integral part of the DRS. However, the sale of the units attracted Capital Gains Tax (CGT) which the lenders were not agreeable to discount from the Sale proceeds. There were other objections raised on payments despite the same being of a statutory nature. As the secured lenders were un-willing to change their stand, the Hon'ble BIFR prematurely rescinded the sale of the properties and directed that the sales proceeds received by the Operating Agency on behalf of the Company be refunded back. The bidder viz., M/s. MOPL, Mumbai have filed a Writ Petition in the Delhi High Court against the Order of the Hon'ble BIFR. The Hon'ble BIFR has further issued a Show Cause Notice seeking a response on why the Company should not be wound up. The Company has preferred Appeals before the Appellate Authority for Industrial and Financial Reconstruction, New Delhi against the Order. AAIFR have heard the matter and remanded the matter back to BIFR asking them to review the Company's matter in light of newer developments. The matter is presently being heard before the Hon'ble BIFR.

The Company's management has been in dialogue with the secured lenders for quite some time now with regard to reaching a One-Time settlement. The Company was finally successful in reaching an understanding with three of its secured lenders viz., ARCIL (The Bank of Tokyo-Mitsubishi Limited), Edelweiss (Canara Bank) and SUUTI (Unit Trust of India). The Company's management continues to pursue the other lender with a hope of reaching an amiable One-Time settlement. The Company's management has been informed that Standard Chartered Bank is viewing the company's proposal positively.

4. Dividend –

The Directors taking into consideration that there is no surplus from the operations do not recommend any dividend for the year ended March 31st, 2015.

5. DEPOSITS:

Details relating to Deposits:

- a. Accepted during the year: NIL
- b. Remained unpaid or unclaimed as at the end of the year – NIL
- c. Default in repayment of deposits or payment of interest thereon during the year – Not Applicable
- d. Deposits not in compliance with the provisions of the Companies Act, 2013 – NIL

6. Listing –

The Company's equity shares are listed on the Mumbai Stock Exchange. The Company has paid the annual listing fees of BSE Limited for the year March 2014.

7. Directors –

Ms. Abhilasha Krishna Bhargava (DIN 00940237), Director retires by rotation at the end of the ensuing Annual General meeting and being eligible offers herself for re-appointment. The particulars in respect of the composition of the Board, the various Committees of the Board and other details in respect thereto have been provided in the Corporate Governance Report forming part of this Annual Report.

DETAILS OF REMUNERATION TO DIRECTORS