

34th
Annual Report
2015-2016

**BEE ELECTRONIC
MACHINES LIMITED**



Late Shri Krishna Kumar Bhargava
Founder Chairman & Managing Director
(1924 – 1994)

“The first test of a truly great man is his humility.”
- John Ruskin

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

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 Fourth 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 30th, 2016 at 10:00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31st, 2016 including the audited Balance Sheet as at March 31st, 2016, the Statement of Profit and Loss and the Cash Flow statement 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, 2016, 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 Mr. K. Sudesh Kumar Acharya [DIN 02267112], who retires by rotation and being eligible offers himself 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, Mr. K. Sudesh Kumar Acharya [DIN 00267112], 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 re-appoint M/s. Shankarlal Jain & Associates, Chartered Accountants (Registration No.109901W) as the Auditors for the Company by passing the following as an Ordinary Resolution:

RESOLVED THAT pursuant to Section 139 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 Annual General Meeting until the conclusion of the next Annual General Meeting of the Company to be held during the year 2017 on a remuneration to be fixed by the Board of Directors.

BY ORDER OF THE BOARD

Sd/-

K. Sudesh Kumar Acharya

Director

Date: August 12th, 2016

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 Mr. K. Sudesh Kumar Acharya who is retiring by rotation

Mr. K. Sudesh Kumar Acharya is one of the Directors of the Company. He has been associated with the Company for over 3 decades. Mr. Acharya is an Engineer (Electronics and Telecommunication) and has over 30 years experience in the Office Automation Industry. He holds no other Directorships in other Companies and no other memberships of other Committees. He holds 200 shares of the Company.

NOTES:

1. The Register of Members and the Share Transfer Book of the Company shall remain closed from Monday, September 26th, 2016 to Thursday, September 29th, 2016 (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 FORTY EIGHT (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 2015-16 and the Notice of the 34th 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. In a bid to support the "Green Initiative," members who have not registered their email address/ ID, physical copies of the Abridged 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.
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 Section 108 of the Companies Act, 2013 read with the relevant Rules in respect thereto, SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (hereinafter referred to as the SEBI (LODR) Regulations) 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, Practising 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 and the Explanatory Statement 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 12th, 2016

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 members for voting electronically are as under:-

1. The voting period begins on 26th September, 2016 at 9:00 A.M. and ends on 29th September, 2016 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 Thursday, 22nd September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. The shareholders should log on to the e-voting website www.evotingindia.com
3. Click on shareholders
4. Now enter your User ID
 - For CDSL – 16 digits beneficiary ID,
 - For NSDL – 8 characters DP ID followed by 8 Digits Client ID.
 - Members holding shares in physical form should enter Folio Number registered with the Company.

5. Next enter the Image Verification as displayed and click on Login
6. If you are holding share in demat form and have logged on to www.evotingindia.com and voted on any other earlier voting of any Company, then your existing password is to be used.
7. If you are a first time user, follow the steps given below:

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)

8. After entering these details appropriately, click on "SUBMIT" tab.
9. 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.
10. For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
11. Click on the "Electronic Voting Sequence Number (EVSN) of Bee Electronic Machines Limited for casting your vote.
12. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Selection 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.
13. Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.
14. 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.
15. Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.

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16. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
17. 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.

18. Note for Non-Individual shareholders and custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and custodians 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.

Voting at AGM:

1. 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.
2. 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, 2016 at 9:00 A.M. and ends on 29th September, 2016 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 22nd September, 2016, 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 (FAQ's) 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 number and email 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 22nd September, 2016.
5. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding share as of the cut-off date of 22nd September, 2016 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. Papat, 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, 2016 by 5:00 p.m. Ballot Form received after this date shall 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 cast at the meeting, thereafter unblock the votes cast through remote e-voting and ballot in the presence of at least two witnesses not in the employment of the Company and make a consolidated Scrutinizer's Report on 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 24 hours of the passing of the Resolutions at the 34th Annual General meeting of the Company on 30th September, 2016 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.

BEE ELECTRONIC MACHINES LIMITED

DIRECTORS REPORT

Dear Members,

The Directors of the Company present the 34th Annual Report of your Company together with the Audited Financial Statements and the Auditors Report of your Company for the financial year March 31st, 2016. The summarized financial results for the year ended March 31st, 2016 are as under:

1. Financial Results-

PARTICULARS	For the Financial year ended March 31 st , 2016 Amt. in Lacs	For the Financial year ended March 31 st , 2015 Amt. in Lacs
Sales & Other Income	11.81	22.73
Gross Loss	(3.40)	(469.82)
Depreciation	(3.21)	(5.84)
Interest	(1.44)	(17.42)
Loss before Exceptional Item	(8.05)	(493.08)
Exceptional Item :- Secured lenders balance written back	389.34	655.17
Profit/ (Loss) before Tax	381.29	162.09
Tax	0	0.52
Profit/ (Loss) after Tax	381.29	161.57

2. Review of Operations –

The Company has achieved a turnover (Sales and Other Income) of Rs.11.81 lakhs against Rs.22.73 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 Hon'ble BIFR. The Directors continue to look for business streams that can augment the business volume of the Company. 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 the remaining of its secured lender i.e. Standard Chartered Bank (Sumitomo Mitsui Banking Corporation/ Sakura Bank). The Company's management has now successfully managed to settle all the secured lenders.

4. Dividend –

The Directors taking into consideration the present financial position of the Company do not recommend any dividend for the year ended March 31st, 2016.

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 Mumbai Stock Exchange up to the year March 2014. Presently, trading in the securities of the Company has been suspended by the Stock Exchange.

7. Directors –

Mr. K Sudesh Kumar Acharya (DIN 00267112), Director retires by rotation at the end of the ensuing Annual General meeting and being eligible offers himself for re-appointment.

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
Mr. K. Sudeshkumar Acharya	Executive Director
Ms. Abhilasha K Bhargava	Executive Director
Mr. Venugopal R. Coontoor	Non-Executive Director – Independent
Mr. Rajendra Kumar Shah	Non-Executive Director – Independent
Ms. Karuna Kotiyan Shaikh	Non-Executive Director – Independent