

39th Annual Report

2021 – 2021

BEE ELECTRONIC MACHINES LIMITED

266, DR. ANNIE BESANT ROAD, WORLI, MUMBAI 400 030



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

"Everything in the Universe is within you, Ask all from yourself! - RUMI

BOARD OF DIRECTORS

Ms. Abhilasha Bhargava	Director
Ms. Karuna Kotiyan	Director
Mr. K. Sudesh Kumar Acharya	Director
Mr. Rajendra Kumar C. Shah	Director
Mr. Varghese Kavungal	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

Bhatter & Paliwal,
2nd Floor, Room No.212,
Kimatrai Building, 77-79 Maharishi Karve Road,
Marine Lines, 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: info@adroitcorporate.com

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

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Thirty Ninth Annual General meeting of BEE ELECTRONIC MACHINES LIMITED will be held at F-16, MIDC, Opp. SEEPZ, Andheri (East), Mumbai 400 093 on Thursday, September 30th, 2021 at 10 A.M. to transact the following business:

ORDINARY BUSINESS

- 1) To receive, consider, approve and adopt the audited Financial Statement as at March 31st, 2021 and the reports of the Directors and Auditors thereon, by passing the following as an Ordinary Resolution:

RESOLVED THAT the Financial Statements of the Company including the Balance Sheet as at March 31st, 2021; 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 Reports 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 K. Bhargava [DIN No.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 K. Bhargava [DIN No.00940237] a Director retiring by rotation, being eligible and offering herself for re-election, be and is hereby re-appointed as a Director of the Company.

- 3) To appoint M/s. Bhatte & Paliwal, Chartered Accountants (Registration No. 131411W) as the Statutory 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. Bhatte & Paliwal, Chartered Accountants, Mumbai with ICAI Registration No. 131411W be and hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General meeting until the conclusion of the 40th Annual General meeting on a remuneration to be fixed by the Board of Directors.

SPECIAL BUSINESS:

- 4) To consider and if thought fit, to pass with or without modifications, the following resolutions as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other relevant provisions, including any modification (s) or re-enactment (s) thereof for the time being in force, and subject to necessary, approvals from the Stock Exchanges and other appropriate statutory authorities, as may be necessary, the approval of the members be and is hereby accorded for re-classification of the following 7 (seven) members collectively holding 6250 equity shares of the Company constituting 0.20% of the issued and paid-up share capital of the Company from promoter group category to “public category” since these 7 members are neither involved in the Management nor hold any controlling stake in the Company and also not entered into any Shareholders Agreement with the Company nor have they got any veto rights or special information rights or special rights as to voting power or control of the Company.

Name of Promoter	Name of Promoter
Late Shri. Arjun Bhargava	Late Shree Kumar Bhargava
Late Kumari Sita Bhargava	Nisha Bhargava
Anuj Bhargava	Amit Bhargava
Tarun Bhargava	

RESOLVED FURTHER THAT it is hereby confirmed

- That each of the Applicant do not hold individually, more than 10% of the paid-up equity capital of the Company
- That the Applicant do not have any special rights through formal or informal arrangement/s.
- That the Applicant have not and shall not act as Key Management Personnel for a period of more than 3 years from the date of shareholders' approval.
- That the Applicant does not directly or indirectly exercise control over the affairs of the Company.

RESOLVED FURTHER THAT for purpose of giving effect to the above resolutions, the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under the foregoing resolution to any Committee of the Board or to any director (s)/ officer (s)/ employee (s) of the Company as it may consider appropriate, including authorization for submitting/ filing of necessary application (s), form (s), and return (s) with the Registrar of Companies, Ministry of Corporate Affairs, Stock Exchange and any other concerned authorities, as may be necessary, and to do all such acts, deeds and things as may be expedient or desirable to give effect to the foregoing resolution without requiring the Board to secure any further consent or approval from the members of the Company."

BY ORDER OF THE BOARD

Sd/-

K. Sudesh Kumar Acharya

Director

Date:31.08.2021

NOTES:

Taking into consideration the COVID-19 pandemic, all necessary precautions will be undertaken by the Company like provision of sanitizer, adequate distance between seats, etc. at the venue of the meeting to ensure the safety of the members attending as far as possible. It is humbly requested that the members attending the meeting adhere to the rules and ensure that they are properly masked and maintain social distancing as is necessary.

1. The Register of Members and the Share Transfer Book of the Company shall remain closed from Saturday, September 25th, 2021 to Wednesday, September 29th, 2021 (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 herself/ himself. 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 50 (fifty) and holding in the aggregate not more than 10 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. Corporate Members intending to send their representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members holding Shares in single name and physical form are advised to make nomination in respect of shareholding in the Company. Members can avail of the Nomination facility by filing Form SH-13 with the

- Company or its Registrar. Blank Forms will be supplied on request. In case of shares held in DEMAT form, the nomination has to be lodged with their Depository Participants.
8. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Adroit Corporate Services (P) Ltd. for consolidation into a single folio.
 9. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
 10. Particulars of Bank mandates in case of physical shares are to be intimated to the Registrar. Any changes in the existing Bank account details are to be advised only to the Depository Participants.
 11. Members, holding shares in physical form are requested to notify changes in address, if any, to the Registrars of the Company immediately, quoting their folio numbers. Members, holding shares in dematerialized form, should send the above information to the respective Depository Participants.
 12. Members are requested to quote their Registered Folio Nos. on all correspondence with the Company.
 13. 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.
 14. Additional information pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in respect of the Director seeking re-appointment at the Meeting is furnished and forms a part of the Notice. The Director has furnished the requisite consent/ declaration for her re-appointment.
 15. Electronic copy of the full version of the Annual Report for the year 2020-21 and the Notice of the 39th AGM are being sent to all the members whose email-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 addresses/ 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.
 16. 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.
 17. 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.
 18. 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.
 19. 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.
 20. 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 (CDSL) to facilitate the members to exercise their right to vote at the Annual General Meeting by electronic means.
 21. 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.
 22. Mr. Amit Mundra, Practicing Company Secretary (Membership No.7933, CP No. 16182) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

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

The Instructions for members for voting electronically are as under:-

- The voting period begins on September 27, 2021 at 9:00 a.m. and ends on September 29, 2021 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 Saturday, September 25th, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- The shareholders shall log on to the e-voting website www.evotingindia.com
- Click on shareholders
- Now enter your USER ID
 - For CDSL – 16 digit 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
- Next enter the Image verification as displayed and click on Login
- If you are holding shares in Demat form and have logged on to www.evotingindia.com and voted on any other instance earlier for any other Company, then your existing password is to be used.
- If you are a first-time user, follow the steps given below:

PAN	Enter your 10-digit alpha numeric *PAN issued by Income Tax Department (Applicable for both Demat Shareholders as well as Physical Shareholders) <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	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.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. <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)

- After entering these details appropriately, click on “SUBMIT” tab.
- 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 herein they are required to mandatorily enter their login password in the new password filed. Kindly note that this password is to be also used by the demat holders for voters for Resolutions of any other Company on which they are eligible to vote, provided that Company opts for evoting 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.
- For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice
- Click on the “Electronic Voting Sequence Number (EVSN) of Bee Electronic Machines Limited for casting your vote.
- 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.
- Click on the “RESOLUTION FILE LINK” if you wish to view the entire Resolution details.

- 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.
- Once you “CONFIRM” your vote on the Resolution, you will not be allowed to modify your vote.
- You can also take the print out of the voting done by you by clicking on “CLICK HERE TO PRINT” option on the voting page.
- If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on “FORGOT PASSWORD” and enter the details as prompted by the system.
- **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 Corporate.
 - 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.
 - The list of accounts should be mailed to helpdesk.evoting@cdsl.com and on approval of the account/s, 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:

- i. The members who have not cast their vote by e-voting can exercise their voting rights at the AGM. The Company will make arrangements for Ballot papers in this regard at the AGM Venue.
- ii. The members who have cast their vote by e-voting prior to the AGM may also attend the AGM, if they so desire, but they shall not be entitled to recast/ cast their votes again.

GENERAL INSTRUCTIONS

1. The voting period begins on September 27, 2021 at 9:00 A.M. and ends on September 29, 2021 at 5:00 P.M. During this period, shareholders of the Company holding shares either in physical or dematerialized form, as on the cut-off date of September 25th, 2021, may cast their votes 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 to the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com under the 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 section 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 September 25th, 2021.
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 on the cut-off date i.e. September 25th, 2021, may contact the Company's Registrars viz., M/s. Adroit Corporate Services Pvt. Ltd.
6. Mr. Amit Mundra, 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 forms (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Amit Mundra, Practicing Company Secretary (Membership No. FCS 7933), Plumber House, 557, Office No. 14, JSS Road, Chira Bazaar, Mumbai – 400 002 at email: amit@sara-india.in not later than September 28, 2021 by 5:00 P.M. Ballot form received after this date shall be treated as invalid. A member can opt for only one more 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 Annual 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 atleast 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 39th Annual General meeting of the Company on September 30th, 2021 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.

Date: 31. 08. 2021

BY ORDER OF THE BOARD

Sd/-

K. Sudesh Kumar Acharya

Director

Annexure to Notice Details of the Directors seeking appointment/re-appointment at the Annual General Meeting (Pursuant to Regulation 36 (3) of the Listing Regulations, 2015 & Secretarial Standards-2 on General Meetings)

Ordinary Business Item No. 2:

Ms. Abhilasha K. Bhargava (DIN 00940237) is one of the Directors of the Company. She has been associated with the Company since 1994. Ms. Bhargava is part of the promoter group and holds 14.17 Lakh shares in her name. She has over 2 decades work experience in the industry and is conversant with the matters of the Company. She holds no other Directorships or memberships in Committees of other Public Limited Companies.

The Board hereby recommends the resolution for re-appointment of the Director, Ms. Abhilasha K. Bhargava for the consideration of the members as an Ordinary resolution.

The other Directors, Key Managerial Personnel or their relatives are in no way concerned or interested in this resolution.

Explanatory Statement for Special Business Item:

Item No. 4:

The Company has received requests from 7 (seven) members of the falling under the category of promoter & promoter group of the Company, requesting to reclassify them as public shareholders.

The applicants collectively hold 6250 equity shares of the Company, constituting 0.20% of the issued and paid-up share capital of the Company. They do not exercise any control over the company. They are in no way connected with the management or the affairs of the Company. They neither have representation on the Board of Directors of the Company, nor hold any Key Managerial Personnel position in the Company. The Company has also not entered into any shareholder agreement with them. Further, they do not have any special rights as to voting powers or control of the Company, nor any special information rights.

Based on the requests received from the Applicants, the matter was discussed by the Board of Directors of the Company and it was decided to get these 7 applicants reclassified from the "promoter and promoter group" category to "public" with the approval of the Stock Exchange.

No director, key managerial personnel or their relatives are in any way concerned or interest in the resolution no. 4 other than the 7 applicants and their relatives.

The Board recommends the resolution set forth in the notice for approval of the shareholders.

DIRECTORS REPORT

Dear Members,

The Directors of the company present the 39th Annual Report of your Company together with the Audited financial statements and the Auditors Report of your company for the financial year March 31, 2021. The summarized financial results for the year ended March 31, 2021 are as under :-

1) Financial Results –

Particulars	For the Financial year ended March 31, 2021	For the Financial year ended March 31, 2020
	<i>Amt. in Lakhs</i>	<i>Amt. in Lakhs</i>
Sales & Other Income	33.69	29.31
Gross Profit/ (Loss)	14.17	16.81
Depreciation	2.35	2.35
Interest	3.15	3.28
Profit/ (Loss) before Tax	8.67	11.18
Tax	(0.05)	0
Profit/ (Loss) after Tax	8.62	11.18

2) Review of Operations –

The year under review has been a tough one for the industry at large on account of the pandemic and the Company has found it difficult to sustain its operations. The year of the pandemic saw the sales and services reduced drastically. Work from home was not an option for the Company's business so the employees stayed home as there were problems with logistics etc. The operations of many of the Company's customers were also closed and hence, the already stressed operations were further impacted. The Company has achieved a turnover (Sales and other income) of Rs.33.69 Lakhs against Rs.29.31 Lakhs reported last year and there was a Net Profit of Rs.8.62 Lakhs as compared to Net Profit of Rs.11.18 lakhs reported last year.

The members are aware that the Company's surplus assets at Tarapur and Daman are ear-marked for sale to M/s. Mount Overseas Private Limited, Mumbai as per directives of the Hon'ble BIFR. The auction bidder deposited the sale proceeds of Rs. 270 lacs with Canara Bank, Operating Agency. Subsequently, as a result of the policies of the Government, the proceedings at Hon'ble BIFR abated. The Operating Agency have expressed their inability to release the sales proceeds without a direction from the appropriate authority. The Company holds possession of the properties as the execution of the documents for sale are pending. The Operating Agency continues to hold the sale proceeds as a No Lien deposit (short term for 91 days) to be automatically renewed as per directives of Hon'ble BIFR.

M/s. Mount Overseas Private Limited having directly deposited the entire sale proceeds with the OA have moved the National Company Law Tribunal, Mumbai seeking directions for execution of documents for transfer of the Tarapur and Daman properties in their name. The Operating Agency and the Company have both been made parties to the case. The Company finds itself disadvantaged in the matter as they have no clarity with respect to time frame for release of payment from the OA and hence find itself unable to execute documents for transfer of the properties at Tarapur and Daman. The matter is sub-judis presently being heard at the NCLT, Mumbai and pending directions.

The Company entered into individual One-time settlement arrangements with the secured creditors of the Company based on directives from the Hon'ble BIFR. To meet the finance requirements, a bridge-finance was arranged from M/s. Sai Ram Investments of Rs. 128 lacs on the condition that the amount would be repaid from the sales proceeds together with 50% interest that would have accrued on the amount kept in the No Lien Account with the Operating Agency once realized. However, as the date of release of the amount remains uncertain, the figure of interest is presently not determinable. Therefore, no provision for interest has been made either as receivable from Operating Agency or payable from the same to M/s. Sai Ram Investments. The necessary adjustments of interest receipt and interest payment would be made in the Books on actual realization.

Given that considerable time has lapsed, M/s. Sai Ram Investments have been pressurizing the Company for repayment of the bridge finance. In light of the Operating Agency not releasing the amount kept in custody with them and the Company having no other way to repay the amount, the Board formed the opinion that the Company should repay the amount by selling off the idle asset of the Company in Tarapur. The Company has accordingly requested M/s. Sai Ram Investments to accept the repayment in installments as the Company is not in a position to repay the entire amount at one go without release of the money lying with the OA. The Board also felt that it would be highly inappropriate to keep M/s. Sai Ram Investments waiting primarily because they stepped in to assist the Company at a crucial juncture.

During the course of the year, the Company received a notice from MIDC in respect to the Company's unit at K-25 (1), MIDC, Tarapur Industrial Estate. Due to the stressed financial condition over the past several years, the Company has been unable to complete the formalities with MIDC with regard to the Building Completion Certificate. As per policies of MIDC, if the Plot is lying unused and the building has not been completed, MIDC can claim back the Plot by giving prior notice. After much follow-up and persuasion, MIDC agreed to stop the takeover on the condition that the Company will pay additional penalty premium of around Rs.16 lakhs with a rider that the BCC must be obtained within 3 months and production started immediately thereafter. The Company's management completed the process of obtaining the Building Completion Certificate and began the search for a buyer for the same as it was not feasible to hold onto the Unit and keep paying additional premium. The Company is also not in a position to start production at this smaller unit in Tarapur again given the pandemic situation. Hence keeping in mind, the best interest of the Company at large and to reduce the liability of the Company by partially repaying the amount taken as bridge finance from M/s. Sai Ram Investments, the unit at K-25 (1), MIDC, Tarapur was sold to M/s. Hemajali Polymers Private Limited. The sale proceeds were used to repay the amount due to M/s. Sai Ram Investments. The total amount paid in the last year to M/s. Sai Ram Investments was Rs.88 lacs which was partially met from the sale proceeds of the unit and from promoter contribution.

The Promoters of the Company have advanced to the Company over Rs.197.59 lacs till date of reporting. The amount has been advanced to meet the working capital requirements from time to time, repayment of bridge finance taken from M/s. Sai Ram Investments and to settle the secured creditors of the Company. Taking into consideration that they have stepped in whenever a need has arisen to support the Company, the Board deems it fit to make provision of interest to be paid on the sum advanced to the Company by them. Accordingly, the Board has made a nominal 3% interest provision of Rs.3.15 lacs as against the amount of Rs.3.28 lacs provided for in the previous year as payable to the Promoter on the said amount advanced from time to time.

On the operations front, the Directors continue to look for means and avenues to restructure the business while keeping a tight rein on expenses. The Directors are also ensuring and cutting all frivolous and redundant expenses incurring only those expenses that support the business so as to give the Company a chance to survive these difficult times. The company's plants are presently non operational due to various constraints.

3) Dividend –

The Directors taking into consideration the present financial position of the company, do not recommend any dividend for the year ended March 31, 2021.

4) Deposits –

Details related 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

5) Transfer to reserves -

The Board does not propose transfer to reserves for the year 2020-21.