

**Format of Quarterly Compliance Report on Corporate Governance under Clause 49 of the Listing Agreement**

**Name of the Company: BEE ELECTRONIC MACHINES LIMITED**

**Quarter ending on: December 31, 2013**

Particulars	Clause of Listing Agreement	Compliance Status Yes/No	Remarks
<b>I Board of Directors</b>	49 I		
(A) Composition of Board	49(IA)	YES	
(B) Non-executive Directors' Compensation & Disclosures	49 (IB)	NA	As the Unit is a SICK Company, no compensation is being paid to Non-Executive Directors.
(C) Other Provisions as to Board and Committees	49 (IC)	YES	
D) Code of Conduct	(49 (ID)	YES	
<b>II. Audit Committee</b>	49 (II)		
(A) Qualified & Independent Audit Committee	49 (IIA)	YES	
(B) Meeting of Audit Committee		YES	
(C) Powers of Audit Committee 49 (IIC)	49 (IIB)	YES	
(D) Role of Audit Committee	49 II(D)	YES	
(E) Review of Information by Audit Committee	49 (IIE)	YES	
<b>III. Subsidiary Companies</b>	49 (III)	NA	There are no subsidiary companies
<b>IV. Disclosures</b>	49 (IV)		
(A) Basis of Related Party Transactions	49 (IV A)	YES	
(B) Disclosure of Accounting Treatment	49 (IV B)	YES	
(C) Board Disclosures	49 (IV C)	NA	The Company being a sick unit has minimal operations presently. In the past, the Company had a laid down procedures for minimization of risks and those had already been placed and approved by the Board. In today's business context of the Company, risk management or the laid down procedures are not applicable.

(D) Proceeds from Public Issues, Rights Issues, Preferential Issues etc.	49 (IV D)	NA	No money raised through Public Issue, Rights or Preferential issues etc.
(E) Remuneration of Directors	49 (IV E)	YES	
(F) Management	49 (IV F)	YES	
(G) Shareholders	49 (IV G)	YES	
<b>V.CEO/CFO Certification</b>	49 (V)	YES	
<b>VI. Report on Corporate Governance</b>	49 (VI)	YES	The Annual Report of the Company contains the Report on Corporate Governance and it contains all the information as suggested in the list of items vide Annexure 1 C. However, non-mandatory items are not adopted by the Company and hence do not form a part of the Corporate Governance Report.
<b>VII. Compliance</b>	49 (VII)	YES	The Company does obtain the Compliance Certificate from duly signed by a practicing Company Secretary. The same is filed with the ROC/ MCA electronically.

For Bee Electronic Machines Limited

Compliance Officer.

Place: MUMBAI

Date: January 2nd, 2014