

35th
Annual Report
2016-2017

**BEE ELECTRONIC
MACHINES LIMITED**



Late Shri Krishna Kumar Bhargava

Founder Chairman & Managing Director
(1924 – 1994)

*"Think big and don't listen to people who tell you it
can't be done. Life's too short to think small."*

- Tim Ferriss

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 Fifth 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 29th, 2017 at 10:00 AM to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider, approve and adopt the audited Financial Statements as at March 31st, 2017 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 as at March 31st, 2017; 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 herself for re-election, be and is hereby re-appointed as a Director of the Company.

- 3) To appoint M/s Bhatler & 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. Shankarlal Jain & Associates, Chartered Accountants, Mumbai, with ICAI registration number 109901W stand retired as Statutory Auditors of the Company, and as they are not eligible for re-appointment as per the Companies Act, 2013, M/s. Bhatler & Paliwal, Chartered Accountants, Mumbai with ICAI Registration Number 131411W be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the fourth consecutive AGM to be held during the year 2022 (subject to ratification of the appointment by the members at every AGM held after this AGM) on a remuneration to be fixed by the Board of Directors.

SPECIAL BUSINESS:

- 4) To consider and if thought fit, to pass the following as an Ordinary Resolution:

RESOLVED THAT pursuant to Section 196 & 197 of the Companies Act, 2013, Schedule V thereto, and the applicable Rules, the Articles of Association of the Company, and subject to the other provisions of the Act and of the Articles as may be applicable, and such other approvals as maybe required, approval of the members is accorded for the re-appointment of Ms. Abhilasha Krishna Kumar Bhargava, as the Whole time Director of the Company for a period of 5 (five) years with effect from September 30th, 2017 on the following terms and conditions:

- a) Salary of Rs. 5,000/- per month with power to the Board to increase the salary from time to time subject to the ceiling of Rs. 15,000/- per month;
- b) Perquisites: In addition to the salary, the Whole time Director shall be entitled to housing, accommodation, house rent allowance, maid/ servant at the residence, gas, electricity, water, furnishings at residence, reimbursement of

medical expenses and/ or medical insurance for self and family, leave travel, club membership, personal accident premium, and such perquisites as per the rules of the Company;

- c) The Whole time Director shall also be entitled to following perquisites which shall not be included in the computation of ceiling on remuneration specified hereinabove—
- i. Contribution to provident fund, superannuation fund or annuity fund, encashment of leave and gratuity amongst other benefits shall be in accordance with the applicable law/ service rules of the Company
 - ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service
 - iii. Encashment of leave at the end of the tenure
- d) Provisions of car with driver for business of the Company and telephone at residence shall not be treated as perquisites. However, the Company shall bill the Whole time Director for car and long distance telephone calls for personal use.
- e) Notwithstanding anything contained hereinabove, wherein in any financial year the Company has no profits or its profits are inadequate, the Company shall pay to the Whole time Director the aforesaid remuneration which shall be the minimum remuneration payable to Ms. Abhilasha Krishna Kumar Bhargava. The contribution to provident fund, gratuity payable and encashment of leave at the end of the tenure shall not be included in the computation of ceiling for the aforesaid minimum remuneration."

BY ORDER OF THE BOARD

Sd/-

K. Sudesh Kumar Acharya

Director

Date: 14th August 2017

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 – Re-appointment of Ms. Abhilasha Krishna Kumar Bhargava who retires by rotation

Ms. Abhilasha Krishna Kumar 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 relevant 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.

ITEM NO. 4 – Re-appointment of Ms. Abhilasha Krishna Kumar Bhargava as Whole time Director

At the Annual General Meeting of the Company held on September 30th, 2014, Ms. Abhilasha Bhargava was appointed as the Whole time Director for a period of 3 (three) years. As per Section 161 of the Act, she holds office till the ensuing AGM and it is proposed to re-appoint her as the Whole time Director for a further period of 5 (five) years i. e. till September 30th, 2022.

Ms. Abhilasha Bhargava, aged 46 years holds a Bachelor's Degree in Commerce and has done FMBA from Narsee Monjee Institute. She has more than 20 years experience in the industry. She is experienced in handling legal matters and has been looking after the day to day functions of the Company.

BEE ELECTRONIC MACHINES LIMITED

Ms. Abhilasha Bhargava is part of the promoter group and holds 14,17,129 shares in the Company. She holds directorship in 5 (five) other companies and is not on any other Committee. Statement pursuant to Clause (iv) of second proviso to Paragraph B of Section II of Part II of Schedule V to the Act is enclosed to the extent applicable.

The Board recommends the resolution for the consideration of the members as a Special Resolution.

Except Ms. Bhargava, none of the other Directors and other Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the above proposal.

NOTES:

1. The Register of Members and the Share Transfer Book of the Company shall remain closed from Saturday, September 23rd, 2017 to Thursday, September 28th, 2017 (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. 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 the requisite declarations for their appointment/ re-appointment.
7. Electronic copy of the full version of the Annual Report for the year 2016-17 and the Notice of the 35th 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.
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 (CDSL) to facilitate the members to exercise their right to vote at the Annual General Meeting by electronic means.
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. Mruga K. Vasavada, Practicing Company Secretary (Membership No.26793, CP No.9647) 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, upto 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.

BY ORDER OF THE BOARD

Sd/-

K. Sudesh Kumar Acharya
Director

Date: 14th August 2017

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 September 25th, 2017 at 9:00 a.m. and ends on September 27th, 2017 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 23rd, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- 2) The shareholders shall log on to the e-voting website www.evotingindia.com
- 3) Click on shareholders
- 4) 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

BEE ELECTRONIC MACHINES LIMITED

- 5) Next enter the Image verification as displayed and click on Login
- 6) 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.
- 7) 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)

- 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 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 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. 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.
- 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.

- 16) 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.
- 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" and 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.
- 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 25th, 2017 at 9:00 A.M. and ends on September 27th, 2017 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 23rd, 2017, 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 23rd, 2017.
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 23rd, 2017, may contact the Company's Registrars viz., M/s. Adroit Corporate Services Pvt. Ltd.

BEE ELECTRONIC MACHINES LIMITED

6. Ms. Mruga K. Vasavada, 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, Ms. Mruga K. Vasavada, Practicing Company Secretary (Membership No. ACS 26793) at 202, 2nd Floor, May Building, 297/ 299/ 301 Princess Street, Near Marine Lines Flyover, Mumbai 400 002 at Email: mrugavasavada@gmail.com not later than September 28th, 2017 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 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 35th Annual General meeting of the Company on September 29th, 2017 and communicated to the BSE Limited, where the share of the Company are listed and shall also be placed on the website of the Company.

DIRECTORS REPORT

Dear members,

The Directors of the company present the 35th Annual Report of your Company together with the Audited financial statements and the Auditors Report of your company for the financial year March 31st, 2017. The summarized financial results for the year ended March 31st, 2017 are as under:-

1. Financial Results –

PARTICULARS	For the Financial year ended March 31st, 2017 Amt. in Lakhs	For the Financial year ended March 31st, 2016 Amt. in Lakhs
Sales & Other Income	23.43	11.81
Gross Profit/ (Loss)	6.07	(3.40)
Depreciation	(3.21)	(3.21)
Interest	(1.44)	(1.44)
Profit / (Loss) before exceptional items	1.42	(8.05)
Exceptional item: Secured lenders balance written back	0	389.34
Profit/ (Loss) before Tax	1.42	381.29
Tax	0	0
Profit/ (Loss) after Tax	1.42	381.29

2. Review of Operations –

The Company has achieved a turnover (Sales and other income) of Rs.23.43 Lakhs against Rs.11.81 Lakhs reported last year and there was a Gross Profit of Rs.6.07 Lakhs as compared to Gross Loss of Rs.3.40 lakhs reported last year.

The Hon'ble BIFR had directed the Asset Sale Committee (ASC) to sell the surplus assets of the Company at Tarapur and Daman. The sales proceeds were to be used to settle the statutory dues along with the dues of the Bankers and UTI. Accordingly, the ASC confirmed the Sale of the Company's properties at Tarapur and Daman in favor of M/s. Mount Overseas Private Limited, Mumbai who directly deposited a sum of Rs.270 lacs with the Operating Agency for the purchase of the same. The Company was directed to prepare and submit the Draft Rehabilitation Scheme to the Operating Agency.

The Operating Agency submitted its report to the Hon'ble BIFR vide their letter No. CMW/OAD/180/JPV/2013 of date March 27th, 2013 who directed the Operating Agency thereafter to retain this amount of Rs. 270 lacs in a No Lien deposit account (Short term for 91 days) to be automatically renewed till further instructions and the same to be a part of Draft Rehabilitation Scheme.

In the interim period, the secured lenders were not willing to wait for the Draft Rehabilitation Scheme to be formulated, circulated and approved as a consensus was difficult to be had within the Consortium and UTI. Based on directions from Hon'ble BIFR to settle the secured creditors of the Company, the Company entered into dialogue with them for a One-time Settlement. After much follow up, they individually agreed on the condition of upfront payment.

BEE ELECTRONIC MACHINES LIMITED

The Company's finances did not permit this and so a bridge finance was arranged from M/s. Sai Ram Investments of Rs. 128 lacs. Unable to commit to payment of interest on a percentage basis, given the already existing financial burden, it was agreed that the amount would be repaid to M/s. Sai Ram Investments 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. It was agreed between the Company and M/s. Sai Ram Investments that the bridge finance repayment would not exceed beyond 42 months from the date of first disbursal.

As the amount still rests with the Operating Agency and the date of release 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.

While drafting the Draft Rehabilitation Scheme, as per norms, the promoters were required to bring in 25% of the Rehabilitation costs proposed. The Promoters have advanced to the Company Rs.85 lacs till date of reporting. In absence of the Draft Rehabilitation Scheme being circulated and approved, the Company has received a representation from the Promoters for release of the said amount and seeking payment of interest (equivalent to that of a savings bank account) on the amount advanced to the Company from the current financial year onwards.

M/s. Sai Ram Investments have also been actively pursuing the Company for repayment of the bridge finance taken. The Company has requested the Operating Agency to release the amount kept in No Lien Account on behalf of the Company. However, in absence of further instructions from appropriate authority, the Operating Agency is unable to act in the matter.

On the operations front, the Directors continue to look for business streams that can augment the business volume of the company. 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 31st, 2017.

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. 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 upto the year 2014. Presently, trading in the securities of the Company has been suspended by the Stock Exchange.

6. Directors –

Ms. Abhilasha Krishna Kumar Bhargava (DIN 00940237), Director retires by rotation at the end of the ensuing Annual General meeting and being eligible offers herself for re-appointment.

Furthermore, the term of office of Ms. Abhilasha Krishna Kumar Bhargava (DIN 00940237), Whole time Director ends on September 30th, 2017 and the Board recommends her re-appointment as the Whole time Director for a further period of 5 (five) years at the remuneration recommended in the Notice of the meeting and the Board accordingly seeks approval of the members for her re-appointment and remuneration as the Whole time Director.

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

B) Board meetings:

The Board meetings of the Company are held at the registered office of the Company in Mumbai. The Notice and Agenda of 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 4 (four) Board meetings held during the financial year 2016-17. The Board met on the following dates - May 30th, 2016; August 12th, 2016; November 14th, 2016 and February 14th, 2017.

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	4	4	Present	0	0
Mr. K. Sudeshkumar Acharya	4	4	Present	0	0
Ms. Abhilasha Bhargava	4	4	Present	5	0
Mr. Venugopal R. Coontoor	4	4	Present	0	0
Mr. Rajendra Kumar C. Shah	4	4	Present	0	0

BEE ELECTRONIC MACHINES LIMITED

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 the 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 recommendations/ 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 the SEBI (LODR) Regulations, 2015 as also the provisions of the Companies Act, 2013.

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 Regulation 18 of the SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013.

The Committee met 4 (four) times during the current year on May 30th, 2016; August 12th, 2016; November 14th, 2016 and February 14th, 2017. All members were present at each meeting.

B) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of 4 members of which 2 members are non executive independent directors Ms. Karuna Kotiyan Shaikh (Chairperson), Mr. Rajendra kumar C. Shah, Mr. K. Sudeshkumar Acharya and Ms. Abhilasha Bhargava. The terms of reference to the Committee cover the matter specified under Regulation 19 of the SEBI (LODR) Regulations and Section 178 of the Companies Act, 2013.

The Company met on one occasion i.e. on February 14th, 2017 and all the members were present at the meeting.

Disclosure of Remuneration to Directors

Non-Executive Directors were not paid any remuneration. The Executive Directors were paid remuneration during the year as disclosed in Note 16 of the Accounts.

C) Stakeholders Relationship Committee:

The Stakeholders Relationship Committee has been constituted specifically to look into the redressal of the grievances of the security holders of the Company. The Committee has been established under the Chairmanship of Ms. Karuna K. Shaikh with Mr. K. Sudeshkumar Acharya and Ms. Abhilasha Bhargava as members. 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 31st, 2017.

The Company has designated an email id of the Compliance Officer, specifically, to look after investor grievances and to solve them in a speedy manner.

The Board has appointed Mr. Umesh R. Phalorh, Chief Financial officer as the Compliance Officer. Email id: investors@beeelectronic.com

DETAILS OF REMUNERATION TO DIRECTORS

The policy in respect of appointment and remuneration of KMP's and other employees in the Company "The Remuneration Policy" is attached herewith as Annexure A and the information relating to the remuneration of Directors as required under Section 197 (12) of the Act is attached herewith as Annexure B.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each independent director under Section 149 (7) of The Companies Act, 2013 that he/ she meets the criteria of independence laid down in Section 149 (6) of The Companies Act, 2013.

VIGIL MECHANISM

The Company has established a Vigil Mechanism for enabling the Directors and Employees to report genuine concerns. The Vigil Mechanism provides for (a) adequate safeguards against victimization of persons who use the Vigil Mechanism; and (b) direct access to the Chairperson of the Audit Committee of the Board of Directors of the Company in appropriate or exceptional cases. The Audit Committee of the Board has been entrusted with the responsibility of overseeing the Vigil Mechanism.

BOARD EVALUATION

The Company has devised a policy for performance evaluation of Independent Directors, Board, committees and other individual directors. The Nomination and Remuneration committee of the Board is entrusted with the responsibility in respect of the same. The committee studies the practice prevalent in the industry and advises the Board with respect to evaluation of the Board members. On the basis of the recommendations of the Committees, the Board carries an evaluation of its own performance and that of its committees and individual Directors.

7. Auditors Report –

The observations of the auditors in their report are self-explanatory and are dealt with in the Notes to Account 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.

8. Auditors –

M/s. Shankarlal Jain & Associates, Chartered Accountants, having their office at Princess Street, Mumbai retire at the ensuing Annual General meeting. Having completed their tenure as mandated under the Companies Act, 2013, they are now no longer eligible to continue as the Statutory Auditors of the Company. Therefore, in the opinion of the Directors, M/ s. Bhatte & Paliwal, Chartered Accountants, having their office at 2nd Floor, Room No. 212, Kimatrai Building, 77-79 Maharishi Karve Road, Marine Lines, Mumbai 400 002 be appointed as the Statutory Auditors of the Company. The Directors request the members to appoint them and fix their remuneration.

9. Secretarial Auditors –

The Secretarial Audit report for the financial year 2016-17 issued by the Secretarial Auditor has been attached as Annexure C. The qualification made by the Auditor in her report and the management's reply to the same is as follows:-

Sr. No.	Auditors Remarks	Managements reply
1	The Company has not appointed a Company Secretary	Company is on the look-out for a suitable candidate. Would fill the vacancy as soon as an able candidate is found.
2	The Company has not complied with the provisions of The Companies Act, 2013 in respect to appointment of its CFO	The Company would comply with the requirements shortly.

BEE ELECTRONIC MACHINES LIMITED

10. Particulars of employees –

The details of employees as per sub rule 2 and sub rule 3 of Rule 5 of the Companies (Appointment and Remuneration) Rules, 2014 is attached herewith as Annexure D.

11. Extract of Annual Return –

The Extract of Annual Return in Form MGT-9 in accordance with the provisions of Section 134 (3) (a) of The Companies Act, 2013 is attached herewith as Annexure E.

12. Particulars of Loans, Guarantees or Investments –

Particulars of Loans, Guarantees given and Investments made during the year are provided in the financial statements forming part of this Annual Report.

13. Related Party Transactions –

The Company has not entered into any transaction with related parties which required disclosure as per the provision of Section 134 (3)(h) of The Companies Act, 2013.

14. Director's Responsibility Statement –

In compliance to the requirements of Section 134 (3) (c) of The Companies Act, 2013, your Directors confirm that:

- a) The Company has followed the applicable accounting standards in the preparation of the Annual Accounts and there has been no material departure.
- b) That the Directors had selected such accounting policies and applied them consistently and made judgments 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 and Loss of the Company for that period.
- c) That 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) That the Directors have prepared the annual accounts on a going concern basis
- e) That the Directors have laid down internal financial control which are adequate and are operating effectively;
- f) That the Directors have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems are adequate and operating effectively.

15. Particulars of Energy Consumption, Foreign exchange and outgo –

As required under Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure 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. Whenever possible, energy conservation measures are being implemented. The Company is not involved in any research and development activity presently. The foreign exchange earnings and outgo are nil.

16. Risk Management Policy –

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive

and efficient manner. Your Company periodically assesses risks in the internal and external environment and takes all measures necessary to effectively deal with incidences of risks.

17. Corporate 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 obligation towards all stakeholders. The Company believes that ethical business conduct is the foundation of efficient corporate governance.

The Management Discussion and Analysis forms a part of the Annual Report.

18. Details of subsidiary, Joint Venture or Associate Company –

The Company does not have any subsidiary, Joint venture or Associate Company.

19. Obligation Of Company Under The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

20. Acknowledgements –

Your Directors place on record their gratitude to the continuing support of the shareholders and the 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.

21. Disclaimer –

The Management Discussion and Analysis contained herein is based on the information available to the Company and assumptions made based on experience with regard to domestic and global economy, and also the final decisions of the pending litigation in various Courts of Law, on which the Company's performance is dependent. It may be materially influenced by changes in economy, government policies, final judgments in the legal forums, environment and the like, on which the Company may or may not have any control, which could impact the views perceived or expressed herein.

For and on behalf of the Board

Date: 14-08-2017

Place: Mumbai

Sd/-

Rajendra Kumar C Shah

Director

Sd/-

K. Sudesh kumar Acharya

Director

BEE ELECTRONIC MACHINES LIMITED

Annexure A Remuneration Policy

Objective

The Companies Act, 2013 ("the Act") and the SEBI LODR Regulations require a Company to frame a policy for determining the remuneration payable to the Directors, Key Managerial Personnel (KMPs) and other employees. While appointing the Directors, the Nomination and Remuneration Committee ("the Committee") considers the qualification, positive attributes, areas of expertise and number of Directorships in other Companies and other such factors as it may deem fit. The Board considers the Committee's recommendation and takes appropriate decision.

The objective of the Remuneration Policy (the Policy) of the Company is to provide a framework for the remuneration of the independent Directors, Non-Executive Directors, Managing/ Executive Directors, KMPs and other senior level employees of the Company.

The Objective of this Policy is to ensure that:

- i. The level and composition of remuneration is reasonable and sufficient to attract, retain talent required to run the Company successfully;
- ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iii. Remuneration to the Directors, KMPs and senior management comprises a balance of fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals.

Remuneration to the Independent and Non- Executive Directors –

- The Independent Directors and Non-Executive Directors are eligible for sitting fees for attending the meetings of the Board and the Committees thereof.
- The Independent Directors and Non- Executive Directors are also eligible for commission, subject to the limits prescribed under the Act and the Rules there under.
- The Independent Directors are not eligible for Stock Options.
- The Non-Executive Directors (other than promoter Directors) shall be eligible for stock options.

Remuneration of the Managing/ Executive Directors –

- The Remuneration of the Managing/ Executive Director is recommended by the Nomination and Remuneration Committee to the Board. On the basis of the recommendation of the Committee, the Board determines and approves the remuneration of the Managing / Executive Directors, subject to necessary approvals, if any.
- The remuneration paid to the Managing Director/ Executive Directors is within the limit prescribed under the Act and approved by the shareholders of the Company. The remuneration structure includes fixed salary, perquisites, bonus, other benefits, allowances and contribution to funds, etc.
- The Executive Director (other than the Promoter Director) shall be eligible for stock options.

Remuneration of the KMP (other than the Executive Directors) and senior level employees –

- The key components of remuneration package of the KMP (other than Executive Director) and senior level employees shall comprise of fixed salary, perquisites, annual bonus, other benefits, allowances and contribution to funds etc.
- They shall be eligible for stock options.

Policy Review –

- The Policy may be amended as may be necessary.
- The Committee shall implement the Policy and may issue such guidelines, procedures etc as it may seem fit.

For and on behalf of the Board

Date: 14-08-2017
Place: Mumbai

Sd/-
Rajendra Kumar C Shah
Director

Sd/-
K. Sudesh kumar Acharya
Director

Annexure B

Details of Ratio of Remuneration of Director

[Section 197(12), r/w Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]

(i)	the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year;	Overall ratio is 46:54 WTD is 0.16 Executive Director is 0.30
(ii)	the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	No increase. Same as previous years
(iii)	the percentage increase in the median remuneration of employees in the financial year;	NIL
(iv)	the number of permanent employees on the rolls of Company;	3
(v)	Affirmation that the remuneration is as per the Remuneration Policy of the Company.	The remuneration is as per the remuneration policy of the Company

For and on behalf of the Board

Date: 14-08-2017

Place: Mumbai

Sd/-

Rajendra Kumar C Shah

Director

Sd/-

K. Sudesh kumar Acharya

Director

BEE ELECTRONIC MACHINES LIMITED

Annexure – C

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR 2016-17

[Pursuant to Section 204 (1) of The Companies Act, 2013 and Rule No. 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Board of Directors,
Bee Electronic Machines Limited,
266 Dr. Annie Besant Road, Worli,
Mumbai 400 030

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Bee Electronic Machines Limited (hereinafter called the Company). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:-

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) to the extent possible:
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
6. Sick Industrial Companies Act, 1956
7. Other Laws applicable to the Company as per the representations made by the Management

I have also examined compliance with the applicable clauses of the following:-

- i. Secretarial Standards issued by The Institute of Company Secretaries of India
- ii. The Listing Agreement entered into by the Company with the BSE Limited (BSE) (As applicable upto 30th, November, 2015);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above, subject to the following:-

- a) The Company has not appointed a Company Secretary, Chief Financial Officer, Internal Auditors;
- b) Company is presently suspended by the BSE Limited and is in process of complying various pending compliances under the Listing Agreement as also other SEBI Regulations;

I further report that:

The Board of Directors of the Company are duly constituted with proper balance of Executive Directors, Non-executive and Independent Directors. There has been no change in the composition of the Board of Directors during the period under review.

Adequate notice is given to all the Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board meeting and committee meetings are carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that:

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that:

The compliance by the Company of applicable financial laws, like Direct and Indirect tax laws, has not been reviewed in this Audit as the same have been subject to review by statutory financial auditors and other designated professionals.

Place: Mumbai
Date: 14-08-2017

Sd/-
Mruga K. Vasavada
ACS No. 26793
C P No. 9647

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

BEE ELECTRONIC MACHINES LIMITED

Annexure D

FORM NO. MGT- 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management and Administration) Rules, 2014.**

I. Registration and Other Details:

i	CIN	L32100MH1981PLC025033
ii	Registration Date	19/08/1981
iii	Name of the Company	Bee Electronic Machines Limited
iv	Category/Sub-category of the Company	Listed Public company, Limited by shares
v	"Address of the Registered office" & contact details"	266, Dr. Annie Besant Road, Worli, Mumbai 400030
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Adroit Corporate Services Pvt Ltd 19-20, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri East, Mumbai - 400059. Telephone 022- 28596060

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Sales and Service of office Automation products	47613	100%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES:

Not Applicable

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to Total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	%of Total Shares	Demat	Physical	Total	%of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/HUF	0	26100	26100	0.82%	0	26100	26100	0.82%	0	0.00%
b) Central Govt.or										
State Govt.	0	0	0	0.00%	0	0	0	0.00%	0	0.00%
c) Bodies Corporates	0	75000	75000	2.36%	0	75000	75000	2.36%	0	0.00%
d) Bank/FI	0	0	0	0.00%	0	0	0	0.00%	0	0.00%
e) Any other Directors										
Relatives	23289	6250	29539	0.93%	23289	6250	29539	0.93%	0	0.00%
Directors	1416329	900	1417229	44.57%	1416329	900	1417229	44.57%	0	0.00%
SUB TOTAL:(A) (1)	1439618	108250	1547868	48.68%	1439618	108250	1547868	48.68%	0	0.00%
(2) Foreign										
a) NRI- Individuals	0	0	0	0.00%	0	0	0	0.00%	0	0.00%
b) Other Individuals	0	0	0	0.00%	0	0	0	0.00%	0	0.00%
c) Bodies Corp.	0	0	0	0.00%	0	0	0	0.00%	0	0.00%
d) Banks/FI	0	0	0	0.00%	0	0	0	0.00%	0	0.00%
e) Any other...	0	0	0	0.00%	0	0	0	0.00%	0	0.00%
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0	0.00%
Total Shareholding of Promoter										
(A)= (A)(1)+(A)(2)	1439618	108250	1547868	48.68%	1439618	108250	1547868	48.68%	0	0.00%
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	0	4750	4750	0.15%	0	4750	4750	0.15%	0	0.00%
b) Banks/FI	3600	100	3700	0.12%	3600	100	3700	0.12%	0	0.00%
C) Central govt	0	0	0	0.00%	0	0	0	0.00%	0	0.00%
d) State Govt.	0	0	0	0.00%	0	0	0	0.00%	0	0.00%
e) Venture Capital Fund	0	0	0	0.00%	0	0	0	0.00%	0	0.00%
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0	0.00%

BEE ELECTRONIC MACHINES LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	%of Total Shares	Demat	Physical	Total	%of Total Shares		
g) FIIS	0	0	0	0.00%	0	0	0	0.00%	0	0.00%
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0	0.00%
i) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0	0.00%
SUB TOTAL (B)(1):	3600	4850	8450	0.27%	3600	4850	8450	0.27%	0	0.00%
(2) Non Institutions										
a) Bodies corporates										
i) Indian	40283	29550	69833	2.20%	44583	29550	74133	2.33%	-4300	0.14%
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0	0.00%
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs. 2 lakhs	761299	735400	1496699	47.07%	755399	738200	1493599	46.97%	3100	-0.10%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	50000	0	50000	1.57%	50000	0	50000	1.57%	0	0.00%
c) Others (specify)										
NRI's	3200	3950	7150	0.22%	2000	3950	5950	0.19%	1200	-0.04%
SUB TOTAL (B)(2):	854782	768900	1623682	51.06%	851982	771700	1623682	51.06%	0	0.00%
Total Public Shareholding (B)= (B)(1)+(B)(2)	858382	773750	1632132	51.32%	855582	776550	1632132	51.32%	0	0.00%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00%	0	0	0	0.00%	0	0.00%
Grand Total (A+B+C)	2298000	882000	3180000	100%	2295200	884800	3180000	100%	0	0.00%

(ii) SHARE HOLDING OF PROMOTERS

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	ABHILASHA BHARGAVA	900	0.03%	0.00%	900	0.03%	0.00%	0.00%
1	ABHILASHA BHARGAVA	900	0.03%	0.00%	900	0.03%	0.00%	0.00%
2	ABHILASHA BHARGAVA	1416229	44.54%	0.00%	1416229	44.54%	0.00%	0.00%
3	AMIT BHARGAVA	200	0.01%	0.00%	200	0.01%	0.00%	0.00%
4	AMIT BHARGAVA	1500	0.05%	0.00%	1500	0.05%	0.00%	0.00%
5	AMIT BHARGAVA	100	0.00%	0.00%	100	0.00%	0.00%	0.00%
6	AMIT BHARGAVA	1450	0.05%	0.00%	1450	0.05%	0.00%	0.00%
7	AMIT BHARGAVA	1600	0.05%	0.00%	1600	0.05%	0.00%	0.00%
8	ANUJ BHARGAVA	300	0.01%	0.00%	300	0.01%	0.00%	0.00%
9	ANUJ BHARGAVA	50	0.00%	0.00%	50	0.00%	0.00%	0.00%
10	ANUJ BHARGAVA	550	0.02%	0.00%	550	0.02%	0.00%	0.00%
11	ARJUN BHARGAVA	100	0.00%	0.00%	100	0.00%	0.00%	0.00%
12	ASHA BROTHERS PRIVATE LIMITED	75000	2.36%	0.00%	75000	2.36%	0.00%	0.00%
13	K.K. BHARGAVA (H.U.F)	1450	0.05%	0.00%	1450	0.05%	0.00%	0.00%
14	K.K. BHARGAVA (H.U.F)	24650	0.78%	0.00%	24650	0.78%	0.00%	0.00%
15	NISHA BHARGAVA	100	0.00%	0.00%	100	0.00%	0.00%	0.00%
16	RATNA BHARGAVA	100	0.00%	0.00%	100	0.00%	0.00%	0.00%
17	SHREE KUMAR BHARGAVA	100	0.00%	0.00%	100	0.00%	0.00%	0.00%
18	SITA BHARGAVA	100	0.00%	0.00%	100	0.00%	0.00%	0.00%
19	TARUN BHARGAVA	100	0.00%	0.00%	100	0.00%	0.00%	0.00%
20	UMESH KUMAR R PHALORH	989	0.03%	0.00%	989	0.03%	0.00%	0.00%
21	VASHISTH BHARGAVA	200	0.01%	0.00%	200	0.01%	0.00%	0.00%
22	VASHISTH BHARGAVA	22000	0.69%	0.00%	22000	0.69%	0.00%	0.00%
	Total	1547768	48.67%	0.00%	1547768	48.67%	0.00%	0.00%

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year	1547768	48.67%	1547768	48.67%
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0.0%
	At the end of the year	1547768	48.67%	1547768	48.67%

BEE ELECTRONIC MACHINES LIMITED

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	157725	4.96%	157725	4.96%
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc) At the end of the year (or on the date of separation, if separated during the year)	0	0	0	0
	if separated during the year)	157725	4.96%	157725	4.96%

(v) Shareholding of Directors & KMP

Sr. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	1418318	44.60%	1418318	44.60%
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0.00%	0	0.00%
	At the end of the year	1418318	44.60%	1418318	44.60%

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	0	8470000	350400	8820400
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	8470000	350400	8820400
Change in Indebtedness during the financial year				
Additions	0	0	105000	105000
Reduction	0	0	56000	56000
Net Change	0	0	49000	49000
Indebtedness at the end of the financial year				
i) Principal Amount	0	8470000	399400	8869400
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	8470000	399400	8869400

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

S. No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total amount
		Abhilasha Bhargava	K Sudeshkumar	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	91200	178920	270120
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2	Stock option	0	0	0
3	Sweat Equity	0	0	0
4	Commission as % of profit others (specify)	0	0	0
5	Others, please specify	0	0	0
	Total (A)	91200	178920	270120
	Ceiling as per the Act	As per the provisions of the Companies Act, 2013		

B. Remuneration to other directors:

SI.No	Particulars of Remuneration	Name of the Directors			TotalAmount
1	Independent Directors				
	(a) Fee for attending board committee meetings	0	0	0	0
	(b) Commission	0	0	0	0
	(c) Others, please specify	0	0	0	0
	Total (1)	0	0	0	0
2	Other Non Executive Directors				
	(a) Fee for attending board committee meetings	0	0	0	0
	(b) Commission	0	0	0	0
	(c) Others, please specify.	0	0	0	0
	Total (2)				
	Total (B)=(1+2)	0	0	0	0
	Total Managerial Remuneration	0	0	0	0
	Overall Cieling as per the Act.				

BEE ELECTRONIC MACHINES LIMITED

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		CEO	Company Secretary	CFO	Total	
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	0	0	300000	300000	300000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0	0
2	Stock Option	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0
4	Commission	0	0	0	0	0
	as % of profit	0	0	0	0	0
	others, specify	0	0	0	0	0
5	Others, please specify	0	0	0	0	0
	Total	0	0	300000	300000	300000

VII PENALTIES/PUNISHMENT/COMPPOUNDING OF OFFENCES: NIL

For and on behalf of the Board

Date: August 14th, 2017

Place: Mumbai

Sd/-

Abhilasha Bhargava

Whole time Director

Sd/-

K. Sudesh kumar Acharya

Director

Annexure 'A'

To,
The Board of Directors,
Bee Electronic Machines Limited,
266 Dr. Annie Besant Road, Worli,
Mumbai 400 030

Our Report of even date is to be read along with this letter:

- I. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- II. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure the correct facts are reflected in Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
- III. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- IV. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
- V. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
- VI. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai
Date: 14-08-2017

Sd/-
Mruga K. Vasavada
ACS No. 26793
C P No. 9647

BEE ELECTRONIC MACHINES LIMITED

Annexure D

The details of employees as per sub rule 2 and sub rule 3 of rule 5 of the Companies (Appointment and Remuneration) Rules, 2014.

Details of employees as required under sub – rule 3 of rule 5 of the Companies (Appointment and Remuneration) Rules, 2014:

	1	2	3
Name of the employee	Umesh kumar R Phalorh	K Sudesh Kumar Acharya	Abhilasha Bhargava
Designation	CFO	Director	Whole time Director
Remuneration received	300,000	178,920	91,200
Nature of employment (contractual or otherwise)	Confirmed employment	Confirmed employment	Confirmed employment
Qualification	ACA	Engineer Electronics	BCOM FMBA
Experience	21 years	33 years	23 years
Date of commencement of employment	02.01.1996	06.08.1984	01.09.1994
Age of employee	46 years	54 years	46 years
Last employment held before joining the Company	NA	NA	NA
% of Equity Shares held in the Company	0.0311 %	0.006%	44.56%
Relation with Director, Manager, if any and if so, name of such Director or Manager	Spouse of Ms Abhilasha Bhargava	None	Spouse of Mr, Umesh Kumar R Phalorh

For and on behalf of the Board

Sd/-

Rajendra Kumar C Shah
Director

Sd/-

K. Sudesh kumar Acharya
Director

Date: 14-08-2017

Place: Mumbai

WTD and CFO CERTIFICATION

We, Abhilasha K. Bhargava, Whole time Director and Umesh R. Phalorh, Chief Financial Officer responsible for the finance function certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2017 and to the best of our knowledge and belief –
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions were entered into by the Company during the year ended 31st March, 2017 that are fraudulent, illegal or violate the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify such deficiencies.
- d)
 - i) there has not been any significant change in internal control over financial reporting during the year under reference;
 - ii) There has not been any significant change in accounting policies during the year and
 - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board

Sd/-

Sd/-

Date: 14-08-2017

Abhilasha K Bhargava

Umesh Kumar R Phalorh

Place: Mumbai

Whole Time Director

Chief Financial Officer

BEE ELECTRONIC MACHINES LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE & DEVELOPMENT

The Company is presently engaged in manufacturing, marketing and providing after-sales-service support on a diverse range of Photocopier machines. Presently, the Company operates in two segments i. e. marketing and providing after-sales-service support.

The Industry in general has been growing at the rate of 30 – 35% per annum in the past with bulk of the business coming in from the replacement market and from SOHO. However, the growth in the past few years has been impacted due to global recession. The Company does not for see an immediate change as the market in the urban areas seems to be largely saturated. The Company is not suitably poised to address a larger chunk of the market as it is constrained w. r. t. the product offering and has to content itself with offering the best that it can, given its present situation and in order to retain its existing customers.

FUTURE OUTLOOK

The Company has enjoyed good tie-ups in all its major segments of operations. Its erstwhile principals were all specialized global companies with niche product range and global acceptance.

The Company keeps looking for opportunities to enhance its product offerings in tune with the market trends. However, it does find itself restricted at times due to financial constraints.

THREATS

The major challenges that the Company is faced with in the Office Automation industry is product obsolescence and the inability on the part of the Company to offer a diverse range of Office Automation products. The Company tries to hedge against technological and product obsolescence by ensuring that the products offered meet competition standards. The Company also faces the threat of cheaper imports from East European and China based suppliers.

RISK MANAGEMENT

The Company is exposed to risks from various fronts – manpower, product offerings and the like. The Company tries to counter these risks to the best of its ability in the given set of circumstances.

INTERNAL CONTROL SYSTEM

The Management Information & Review system is an important tool of company's control mechanism. Clearly defined rules, responsibilities and objectives are set out at the beginning of the year for all concerned who are entrusted with the operational responsibilities. Monitoring mechanisms are in place and all policy decisions need to be cleared by the top management.

HUMAN RESOURCES/INDUSTRIAL RELATIONS

The Company recognizes that good human resource development is essential for the success, growth and improvement of

the Company. The Company's constant endeavor has been to attract, retain and nurture human potential by developing a culture of values. Your Company would like to go on record and state that it appreciates the whole-hearted support and dedication received from employees at all levels.

CAUTIONARY STATEMENT

Statements in the Management discussion and Analysis report describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities, laws and regulations.

Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions, change in the Government regulation, tax laws and other statutes and other incidental factors.

Other matters such as operational and financial performance etc. have been discussed under the respective heads in the Director's Report.

For and on behalf of the Board

Sd/-

Sd/-

Date: 14-08-2017

Rajendra Kumar C Shah

K. Sudesh kumar Acharya

Place: Mumbai

Director

Director

BEE ELECTRONIC MACHINES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BEE ELECTRONIC MACHINES LIMITED

Report on the Financial Statements:

We have audited the accompanying standalone financial statements of BEE ELECTRONIC MACHINES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information as required for fair present of financial statements.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the afore said standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in

conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure to Auditors' Report.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosure in its financial statement as to holdings as well as dealings in specified bank notes during the period from 08-11-2016 to 30-12-2016 and these are in accordance with the books of accounts maintained by the company.

For **SHANKARLAL JAIN & ASSOCIATES LLP**
Chartered Accountants
Firm's Registration No. 109901 W / W100082

Place: Mumbai
Date: 30/05/2017

S. L. Agrawal
(Partner)
Membership No. 72184

BEE ELECTRONIC MACHINES LIMITED

BEE ELECTRONIC MACHINES LIMITED
FOR THE YEAR ENDED 31ST MARCH, 2017
ANNEXURE TO AUDITORS REPORT

- 1.1. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- 1.2. According to the information and explanations furnished to us, the Company has physically verified all the fixed assets during the year.
- 1.3. According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deed of immovable of property are held in the name of the company.
- 2.1. According to the information and explanations furnished to us, the Company has physically verified its inventories during the year. In our opinion, and the frequency of verification is reasonable.
- 2.2. In your opinion, the procedures of physically verification of inventories following by the management are reasonable and adequate In relation to the size of the Company and the nature of its business.
- 2.3. According to information furnished to us, the company is maintaining proper records of inventory and the discrepancies; if any noticed on verification between the physical stock and book records were not material and have been properly dealt with in the books of account.
3. The company has not given any loans to companies, parties and director listed in the register maintained under section 189 of the Companies Act, 2013. Hence relevant clause is not applicable.
4. According to the information and explanation given to us, the company has not given loans & advances or provided any guarantees / securities to its directors and other entities in which directors are interested. Hence the provision of section 185 and 186 of the Act, with respect to the loan and investments made are not applicable.
5. The Company has not accepted any deposits from public therefore, the provisions of sections 73 to 76 of the Companies Act, 2013 and the rules framed there under are not applicable.
6. We are informed that the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for any of the product of the company.
- 7a. According to information furnished to us, the company is regular in depositing with appropriate authorities, the undisputed statutory dues including Provident Fund, Investor Education Protection Fund, and Employees State Insurance, Income Tax, Sales Tax, Service tax, Value added tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it and there were no undisputed statutory dues in arrears, as at the date of the Balance Sheet under report, for a period of more than six months from the date they became payable except Excise duty Rs 713,343/-
- 7b. According to the information furnished to us, the following amounts of Excise Duty and Sales Tax, have been, disputed by the Company, and hence, were not deposited to the concerned authorities at date of the Balance Sheet under report.

Name of Statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise duty	4,34,16,614	1991 to 1994	CESTAT
Central Excise Act, 1944	Excise duty	7,476,179	1983 to 1987	CESTAT
Sales Tax Act	Sales tax	1,349,432	1997-98	Gujarat Sales Tax Tribunal Ahmedabad
Sales Tax Act	Sales tax	1,303,600	1998-99	Gujarat Sales Tax Tribunal Ahmedabad
Sales Tax Act	Sales tax	923,772	1999-00	Gujarat Sales Tax Tribunal Ahmedabad
Sales Tax Act	CST	31,115	1999-00	Asst Commissioner of sales Tax (Appeal 1), Ahmedabad
Sales Tax Act	Sales tax	66,211	1999-2000	Dy Commissioner (CT)- Appellate Secunderabad Div
Sales Tax Act	CST	104,942	1999-2000	Dy Commissioner (CT)- Appellate Secunderabad Div
Sales Tax Act	CST	97,381	2001-2002	The Joint Commissioner (Appeal) - 6, Trade tax Lucknow

8. The Company does not have any loans or borrowings from any financial institution, banks, governments and debenture holders during the year, Accordingly, this para is not applicable.
9. The Company did not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year, Accordingly, this para is not applicable.
10. According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.
11. As per the information and explanations given to us and based our examination of the record of the company, the company has paid/provide for managerial remuneration in accordance with the provision of section 197 read with schedule V to the Act,
12. In our opinion and according to the information and explanation given to us, the Company is not a nidhi company. Accordingly, this para is not applicable.
13. According to the information and explanation given to us and based on our examination of the record of the company, transaction with the related parties are in accordance with the section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statement as required by the applicable accounting standards.

BEE ELECTRONIC MACHINES LIMITED

14. According to the information and explanation given to us and based on our examination of the record of the company, the Company has not made any preferential allotment or private placement of share or fully or partly convertible during the year.
15. According to the information and explanation given to us and based on our examination of the record of the company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, this para is not applicable.
16. The Company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934.

For **SHANKARLAL JAIN & ASSOCIATES LLP**
Chartered Accountants
Firm's Registration No. 109901 W / W100082

Place: Mumbai
Date: 30/05/2017

S. L. Agrawal
(Partner)
Membership No. 72184

**Annexure B:- The Independent Auditor's Report Of Even Date On The Financial Statements of
Bee Electronic Machines Limited**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls over financial reporting of Bee Electronic Machines Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the criteria established by the Company considering the size of company and essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect

BEE ELECTRONIC MACHINES LIMITED

the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls were operating effectively as at March 31, 2017, based on the assessment of essential components of internal controls over financial reporting stated in the Guidance Note carried out by the Company and representation to that effect is made available to us by the Company.

For **SHANKARLAL JAIN & ASSOCIATES LLP**
Chartered Accountants
Firm's Registration No. 109901 W / W100082

Place: Mumbai
Date: 30/05/2017

S. L. Agrawal
(Partner)
Membership No. 72184

Balance Sheet as at 31st March, 2017

	Note No.	31st March, 2017 Amount (Rs.)	31st March, 2016 Amount (Rs.)
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	31,800,000	31,800,000
(b) Reserves and surplus	2	(57,835,320)	(57,977,195)
2 Non-current liabilities			
Long-term borrowings	3	8,470,000	8,470,000
3 Current liabilities			
(a) Short-term borrowings	4	176,561	176,561
(b) Trade payables	5	452,173	310,231
(c) Other current liabilities	6	22,547,266	23,105,907
TOTAL		5,610,680	5,885,503
B ASSETS			
1 Non-current assets			
(a) Tangible Fixed assets	7	3,488,782	3,810,242
(b.) Long-term loans and advances	8	1,916,473	1,869,860
2 Current assets			
(a) Inventories	9	7,458	29,460
(b) Trade receivables	10	18,431	20,397
(c) Cash and cash equivalents	11	176,655	155,544
(d) Short-term loans and advances	12	2,880	-
TOTAL		5,610,680	5,885,503
See accompanying notes forming part of the financial statements	20 to 32		

In terms of our report attached.

For and on behalf of the Board of Directors

For Shankarlal Jain & Associates
Chartered Accountants
Firm Registration no 109901W
Sd/-
S.L. Agrawal
Partner
Place : Mumbai
Dated : 30th May, 2017

Sd/-
Abhilasha Bhargava
Wholetime Director

Sd/-
Umesh R. Phalorh
Chief Financial Officer

Sd/-
K Sudeshkumar Acharya
Director

Sd/-
Rajendra Kumar C Shah
Director

BEE ELECTRONIC MACHINES LIMITED

Statement of Profit and Loss for the year ended 31 March, 2017

Particulars	Note No.	For the Year Ended 31st March, 2017 Amount (Rs)	For the Year Ended 31st March, 2016 Amount (Rs)
A CONTINUING OPERATIONS			
1 Revenue from operations (gross)	13	659,989	285,395
2 Other income	14	1,682,931	895,921
3 Total revenue (1+2)		2,342,920	1,181,316
4 Expenses			
(a) Cost of materials consumed	15 a	51,761	51,555
(b) Purchases of stock-in-trade	15 b	79,714	-
(c) Employee benefits expense	16	634,472	632,525
(d) Depreciation expense		321,460	321,460
(e) Other expenses	17	969,408	836,524
(f) Interest	18	144,229	144,229
Total expenses		2,201,044	1,986,293
5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		141,875	(804,977)
6 Add:- Exceptional items Amount written back on account of settlement with secured lenders under OTS	19	-	38,933,986
7 Profit / (Loss) before tax (5 - 6)		141,875	38,129,009
Provision for Tax / Earlier Years Tax Adjustments		-	-
8 Profit / (Loss) from continuing operations (9 + 10)		141,875	38,129,009
9 Earnings per share with continuing operations (of Rs 10/- each):			
(a) Basic		0.04	11.99
(b) Diluted		0.04	11.99
10 Earnings per share (excluding exceptional items) (of Rs 10/- each):			
(a) Basic		0.04	(0.25)
(b) Diluted		0.04	(0.25)
See accompanying notes forming part of the financial statements	20 to 32		

In terms of our report attached.

For and on behalf of the Board of Directors

For Shankarlal Jain & Associates
Chartered Accountants
Firm Registration no 109901W
Sd/-
S.L. Agrawal
Partner
Place : Mumbai
Dated : 30th May, 2017

Sd/-
Abhilasha Bhargava
Wholetime Director

Sd/-
Umesh R. Phalorh
Chief Financial Officer

Sd/-
K Sudeshkumar Acharya
Director

Sd/-
Rajendra Kumar C Shah
Director

Cash Flow Statement for the year ended 31 March, 2017

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		141,875		(804,977)
<i>Adjustments for:</i>				
Depreciation and amortisation	321,460		321,460	
Interest income	(3,122)		(2,058)	
		318,338		319,402
Operating profit / (loss) before working capital changes		460,214		(485,575)
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	22,002		-	
Trade receivables	1,966		43,766	
Short-term loans and advances	(2,880)		1,600	
Long-term loans and advances	(46,613)		(1,497,270)	
<i>Adjustments for increase/(decrease) in operating liabilities:</i>				
Trade payables	141,942		(116,755)	
Other current liabilities	(558,641)		4,318,225	
		(442,224)		2,749,566
Cash generated from operations		17,989		2,263,991
Net income tax (paid) / refunds		-		-
Net cash flow from / (used in) operating activities (A)		17,989		2,263,991
B. Cash flow from investing activities				
Interest received		3,122		2,058
Net cash flow from / (used in) investing activities (B)		3,122		2,058
C. Cash flow from financing activities				
Settlement of long term borrowings		-		(4,000,000)
Proceeds from long-term borrowings		-		1,195,000
Net cash flow from / (used in) financing activities (C)		-		(2,805,000)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		21,111		(538,951)
Cash and cash equivalents at the beginning of the year		155,544		694,495
Cash and cash equivalents at the end of the year		176,655		155,544
See accompanying notes forming part of the financial statements	20 to 32			

In terms of our report attached.

For and on behalf of the Board of Directors

For Shankarlal Jain & Associates
Chartered Accountants
Firm Registration no 109901W
Sd/-
S.L. Agrawal
Partner
Place : Mumbai
Dated : 30th May, 2017

Sd/-
Abhilasha Bhargava
Wholetime Director

Sd/-
Umesh R. Phalorh
Chief Financial Officer

Sd/-
K Sudeshkumar Acharya
Director

Sd/-
Rajendra Kumar C Shah
Director

BEE ELECTRONIC MACHINES LIMITED

Notes forming part of the financial statements

Particulars	As at 31 March, 2017 Amount (Rs.)	As at 31 March, 2016 Amount (Rs.)
Note 1 Share capital		
(a) Authorised 50,00,000 Equity shares of Rs 10/- each with one voting right per share	50,000,000	50,000,000
(b) Issued 31,80,000 Equity shares of Rs 10/- each with single voting rights per share	31,800,000	31,800,000
(c) Subscribed and fully paid up 31,80,000 Equity shares of Rs 10/- each with single voting rights per share	31,800,000	31,800,000
Total	31,800,000	31,800,000
Notes		
a) The Company has only one class of equity shares having a par value of Rs 10/-		
b) Each shareholder is eligible for one vote per share		
c) During the year under review, the company had not issued any additional shares nor there has been any transactions of bonus, ESOP, conversion or buyback of any shares		
d) Shareholding above 5% - Only one equity shareholder i.e Ms Abhilasha Bhargava holds 1,417,150 shares constituting 44.56% shares		
Note 2 Reserves and surplus		
(a) Securities premium account Balance as per last account	13,175,000	13,175,000
(b) Surplus / (Deficit) in Statement of Profit and Loss Opening balance	(71,152,195)	(109,281,204)
Add: Profit for the year	141,875	38,129,009
Closing balance	(71,010,320)	(71,152,195)
Total	(57,835,320)	(57,977,195)
Note 3 Long-term borrowings		
Unsecured		
Unsecured Loans from related parties	8,470,000	8,470,000
Total	8,470,000	8,470,000

Particulars	As at 31 March, 2017	As at 31 March, 2016
Note 4 Short-term borrowings		
(a) Maharashtra Package Scheme Incentive (overdue since 1998-99)	176,561	176,561
Total	176,561	176,561
Note 5 Trade payables		
Trade payables (Other than SSI)	452,173	310,231
Total	452,173	310,231
Note 6 Other current liabilities		
Other payables		
a) Statutory liabilities	9,347,866	9,955,507
b) Unsecured advance received from parties	13,199,400	13,150,400
Total	22,547,266	23,105,907

BEE ELECTRONIC MACHINES LIMITED

Note 7 Fixed Assets
Fixed Assets Annexed to and forming part of the Balance Sheet as on 31st March, 2017

Tangible Assets Particulars	Useful Life	Gross Block (AT COST)				Depreciation						Net Block	
		As on 01.04.2016 Rupees	Additions Rupees	Disposals Rupees	Total as on 31.03.2017 Rupees	Upto 01.04.2016 Rupees	For the Year Rupees	Disposals Rupees	Retained Earnings	Upto 31.03.2017 Rupees	As on 31.03.2017 Rupees	As on 31.03.2016 Rupees	
Freehold Land	-	845,704	-	-	845,704	-	-	-	-	-	-	845,704	845,704
Leasehold Land	-	224,100	-	-	224,100	72,862	2,359	-	-	75,221	-	1,48,879	151,238
Buildings	30	13,130,139	-	-	13,130,139	10,444,677	319,101	-	-	10,763,778	-	2,366,361	2,685,462
Plant and Machinery	15	24,666,763	-	-	24,666,763	24,605,096	-	-	-	24,605,096	-	61,667	61,667
Furniture and Fixture	10	5,589,824	-	-	5,589,824	5,575,850	-	-	-	5,575,850	-	13,974	13,975
Vehicle	6	1,168,449	-	-	1,168,449	1,156,765	-	-	-	1,156,765	-	11,684	11,684
Office Equipments	5	16,204,605	-	-	16,204,605	16,164,093	-	-	-	16,164,093	-	40,512	40,512
Total Rupees		61,829,584	-	-	61,829,584	58,019,343	321,460	-	-	58,340,803	-	3,488,781	3,810,242
Previous Year		61,829,584	-	-	61,829,584	57,697,883	321,460	-	-	58,019,343	-	3,810,241	4,131,701

Note:-

- (1) Depreciation on Leasehold land is amortised over a period of lease of 99 years
- (2) All the assets except land and building have no useful life. Hence the same has been considered as impaired assets

Notes forming part of the financial statements

Particulars	As at 31 March, 2017 Amount (Rs.)	As at 31 March, 2016 Amount (Rs.)
Note 8 Long-term loans and advances		
Unsecured, considered good (except otherwise stated separately)		
(a) Security deposits	1,799,000	1,780,280
(b) Loans and advances to related parties	52,633	52,633
(d) Advance income tax (net of provisions)	64,840	36,947
Total	1,916,473	1,869,860
Note 9 Inventories		
(At Cost and as taken, valued and certified by the Management)		
Stores and spares	7,458	29,460
Total	7,458	29,460
Note 10 Trade receivables		
Unsecured, considered good		
a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment	9,021	-
b) Other Trade receivables	9,410	20,397
Total	18,431	20,397
Note 11 Cash and Bank Balances		
(a) Cash on hand	2,103	23,422
(b) Balances with banks in current accounts	174,552	132,122
Total	176,655	155,544
Note 12 Short-term loans and advances		
Unsecured, considered good		
Prepaid expenses	2,880	-
Total	2,880	-

BEE ELECTRONIC MACHINES LIMITED

Statement of Profit and Loss for the year ended 31 March, 2017

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Note 13 Revenue from operations		
(a) Sale of products		
<u>Traded goods</u>		
Photocopier cum printers and projector	91,200	-
(b) Sale of services - After sales services of Copier machines	568,789	285,395
Total	659,989	285,395
Note 14 Other income		
(a) Interest income		
Interest on income tax refunds	3,122	2,058
(b) Other non-operating income - Compensation received	840,000	840,000
(c) Sundry Balance written back	839,809	53,863
Total	1,682,931	895,921
Note 15.a Cost of materials consumed		
a. Opening stock	29,460	29,460
b. Add: Purchases	29,759	51,555
	59,219	81,015
c. Less: Closing stock	7,458	29,460
Cost of material consumed (a+b-c)	51,761	51,555
Details of consumption of imported and indigenous items		
Indigenous Spare parts and consumables	51,761	51,555
	100%	100%
Note 15.b Purchase of traded goods		
Photocopier cum printer	79,714	-
Total	79,714	-
Note 16 Employee benefits expense		
Salaries and wages *	584,375	597,545
* (includes directors salaries of Rs 171,000 and their perquisites Rs 99,120)		
Contributions to provident and other funds	50,097	34,980
Total	634,472	632,525

Statement of Profit and Loss for the year ended 31 March, 2017

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Note 17 Other expenses		
Water	36,971	38,481
Rent including lease rentals	34,986	33,135
Repairs and maintenance - others	52,708	27,708
Rates and taxes	53,653	3,040
Telephone and Postage	88,547	92,274
Security Service charges	30,000	60,000
Printing and stationery	47,775	47,775
Listing fees & share transfer chgs	274,255	277,390
Sales tax paid	4,963	-
Service Tax paid	167,257	120,891
Legal and professional	65,964	56,000
<u>Payments to auditors</u>		
a) Audit fees	28,750	28,625
b) Other services	21,337	5,725
Electricity charges	21,877	10,436
Travelling and Conveyance	21,600	9,600
Advertisement exps	2,945	2,941
Miscellaneous expenses	15,820	22,503
Total	969,408	836,524
Note 18 Interest		
Interest payable on statutory demand	144,229	144,229
Total Rupees	144,229	144,229
Note 19 Exceptional Items		
Amount written back on account of settlement with secured lenders under OTS	-	38,933,986
Total Rupees	-	38,933,986

BEE ELECTRONIC MACHINES LIMITED

NOTE 20:- FORMING PARTS OF ACCOUNTS AS ON 31ST MARCH 2017

I) STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

A) Basis of accounting

Mercantile system of accounting is followed.

B) Fixed Assets

- i) Fixed assets are stated at cost of acquisition or construction less depreciation. Cost Comprise the purchase price and other attributable costs including attributable to Construction. Also pre- operative expenditure incurred upto the date of commencement of production is capitalized.
- ii) Depreciation on fixed assets is being provided in respect of all the assets on Straight Line Method at the rates prescribed in schedule II of the Companies Act, 2013.
- iii) Leasehold land is amortized over the lease period.
- iv) Short Depreciation as per revised schedule II of the Companies Act,2013 have been charged to retained earnings and residual value of all assets have been considered appropriately.

C) Investments

Investments are valued at cost of acquisition.

D) Inventories

Valuation of inventories is made as under:

- i) Raw materials, spares and consumable : at cost
- ii) Work-in progress : at estimated cost of production
- ii) Finished goods: at lower of cost or net realizable value.

E) Foreign exchange transactions

- i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.
- ii) Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the profit and loss account except on those relating to the acquisition of fixed assets which are adjusted to the carrying amount of such assets.

F) Revenue recognition

- i) Sale of goods is recognized on dispatch or bill to customers. Sales are net of sales return. Sale includes amounts recovered / recoverable towards excise duty and sales tax.
- ii) Revenue from services rendered is recognized on completion of the Job / time proportion basis and includes service tax thereon.
- iii) Interest income is recognized on a time proportion basis.

G) Retirement benefits

- i) Retirement benefits to employees are provided for by payment to provident and superannuation funds. The periodic contribution to funds is charged against revenue.

- ii) Retirement benefits like gratuity and leave encashment of all the employees including left employees have been provided for on accrual basis.
 - H) Research and Development expenses
Research and Development expenses are charged to revenue in the year in which they are incurred. Capital expenditure on research and development assets is included in fixed assets and depreciation is provided for at applicable rates.
 - I) Costs of purchases include direct expenses incurred there on like Freight, Custom Duty, Clearing and Forwarding charges etc.
 - J) Contingent liabilities are not provided for but are disclosed by way of notes to accounts.
21. Liability for gratuity and leave encashment on actuarial basis has not been provided for, amount being unascertained. However the same has been provided on accrual basis which is not in accordance with AS-15
22. In the opinion of the management, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business except otherwise stated. The provision for all known liabilities is adequate and not in excess of the amount deemed necessary. There are no contingent liabilities other than those stated herein.
- 23 Sundry Debit / credit balances and secured loans from bank are subject to confirmation, reconciliations and adjustments, required, if any.
24. a) The Hon'ble Board for Industrial and Financial Reconstruction (BIFR), New Delhi in furtherance to their earlier directions in the hearing on 12th March 2012 ruled and directed that the Company is permitted to sell its surplus assets to settle its secured creditors and statutory liabilities. The Bench of the Hon'ble BIFR accordingly directed Canara Bank (Operating Agency) to constitute an Asset Sales Committee (ASC) to sell the Company's surplus assets at Tarapur and Daman. The Operating Agency floated a tender for sale of the two properties. The ASC received a total of 5 (five) bids and at the hearing of Hon'ble BIFR held on 15 April 2013, the Hon'ble BIFR directed the Company and the Operating Agency to accept the highest bid received for Rs 270 lacs. Hon'ble BIFR further directed that the sale proceeds of Rs. 270 lacs be utilized a) to meet all the statutory liabilities of the company, b) the cost incurred by Operating Agency in issuing advertisement and c) the cost of valuation done by ARCIL. The balance left with to be shared by all the secured lenders on a pro rata based on the liability outstanding on a common date.
- b) The Company has had to prefer an Appeal before Hon'ble AAIFR as the lenders have taken a contrary view than agreed upon earlier and have taken a stand that Capital Gains Tax and such similar liabilities are not statutory in nature and hence should not be paid from the sale proceeds of Rs 270 lacs. The matter is presently remanded back to Hon'able BIFR by Hon'ble AAIFR for reconsideration of facts. The Company continues to hold possession of the said assets. Necessary accounting effects including the deposit of Rs 270 lacs against sale of assets with the operating agency shall be given in the books after realization of the same. The Company is in process to recover the sale proceeds of Rs 270 lacs from operating agency through NCLT.
- (c) All the secured lenders were settled through OTS and necessary effect have been given in accounts.
25. Deferred Tax: - In view of the applicability of Accounting Standard 22, Accounting for Taxes on Income for the year, the company does not have current tax as well as deferred tax liability due to carry forward losses. In the opinion of the Management, deferred tax asset is not recognized in view of the uncertainty of future taxable profit.

BEE ELECTRONIC MACHINES LIMITED

26. Segment Reporting: -

- a. Business Segment: - The Company is primarily engaged in the business of selling and servicing office automation products. As the sales and the after sales service forms the part and parcel of the same business activity, the management has considered both the sales and after sale service as one segment only.
- b. Geographical Segment: - The Company sells the office Automation products within India and also does the after sales service of the office Automation products in India only. The Condition prevailing in India being uniform, no separate geographical segment disclosure is considered necessary.

27. Related Party Disclosure: - Transactions made by the Company during the year with related parties is disclosed pursuant to Accounting Standard 18 on Related Party Disclosures issued by the ICAI is given here under. Related party relationship is as identified by the Company and relied upon by the Auditors.

Particulars

Related party transactions

Details of related parties:

Description of relationship

Names of related parties

Associates

- a) Flexcord Cables Private Limited
- b) Superior Electronic Systems Private Ltd

Key Management Personnel (KMP)

- a) Ms Abhilasha Bhargava - Wholetime Director
- b) Mr. Umesh K Phalorh - Chief Financial Officer
- c) Mr. K Sudeshkumar – Director

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2017 and balances outstanding as at 31 March, 2017:

	Associates	KMP	Relatives of KMP	Total
Remuneration	-	554,520	-	554,520
	-	(554,520)	-	(554,520)
Loans Taken	-	84,70,000	-	84,70,000
	-	(72,75,000)	-	(72,75,000)
Balance Payable	-	35,627	-	35,627
	-	(15,627)	-	(15,627)
Balance receivable	52,633	-	-	52,633
	(52,633)	-	-	(52,633)
Service income received	345,000(-)	-	-	345,000
				(-)

28. Pursuant to Accounting Standard 20 Earnings per share, is calculated as under

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Earnings per share		
<u>Basic and diluted</u>		
<u>Continuing operations</u>		
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	141.875	38129109
Weighted average number of equity shares	3,180,000	3,180,000
Par value per share	10	10
Earnings per share from continuing operations – Basic	0.04	11.99
<u>Basic and diluted (excluding extraordinary items)</u>		
<u>Continuing operations</u>		
Net profit / (loss) for the year from continuing operations	141.875	38,129,109
Add / (Less): Extraordinary items (net of tax) relating to continuing operations	0	38,933,986
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders, excluding extraordinary items	141.875	(804,977)
Weighted average number of equity shares	3,180,000	3,180,000
Par value per share	10	10
Earnings per share from continuing operations, excluding extraordinary items – Basic	0.04	(0.25)
	As at 31 March, 2017	As at 31 March, 2016

29 Contingent liabilities (to the extent not provided for)

Contingent liabilities		
(a) Claims against the Company not acknowledged as debt**	12,34,971	12,34,971
(b) Disputed Excise Duty Liability	50,892,793	50,892,793
(c) Disputed Sales tax Liability	3,876,453	3,876,453

30. Taxation:- The Company has not made any provision for tax as the provisions of section 115JB (vii) are not applicable to the company being a sick unit.

31. The Details of Specified Bank notes held and transacted during the period 08-11-2016 to 30-12-2016 are given below

	Specified Bank Notes	Other Denomination Notes	Total
Closing Cash in hand as on 08.11.2016	10,000	2,247	12,247
Add: Permitted Receipts	-	-	-
Less: Permitted Payments	-	(100)	(100)
Less Amount deposited in Bank	(10,000)	-	(10,000)
Closing Cash in hand as on 30.12.2016	-	2,247	2,247

32) Previous Year figures have been regrouped, rearranged, and recasted wherever necessary.

In terms of our report attached.

For and on behalf of the Board of Directors

**For Shankarlal Jain & Associates
Chartered Accountants**

Firm Registration no 109901W

Sd/-

S.L. Agrawal

Partner

Place : Mumbai

Dated : 30th May, 2017

Sd/-

**Abhilasha Bhargava
Wholetime Director**

Sd/-

**K Sudeshkumar Acharya
Director**

Sd/-

**Umesh R. Phalorh
Chief Financial Officer**

Sd/-

**Rajendra Kumar C Shah
Director**

BEE ELECTRONIC MACHINES LIMITED

CIN: L32100MH1981PLC025033

Regd. Office: 266 Dr. Annie Besant Road, Worli, Mumbai 400 030

Website: www.beeelectronic.com Email: investors@beeelectronic.com

Tel: +91 22 2430 7709 Fax: +91 22 2430 3716

PROXY FORM

Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of Companies (Management and Administration) Rules, 2014]

Name of the Member(s):	
Registered Address:	
Email ID:	
Folio No /DP ID Client ID No.:	

I/We, being the Member (s) ofShares of the above named Company, hereby appoint

1. Name: _____ E-mail Id: _____

Address: _____

Signature: _____

or failing him/her

2. Name: _____ E-mail Id: _____

Address: _____

Signature: _____

or failing him/her

3. Name: _____ E-mail Id: _____

Address: _____

Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual General Meeting of the Company to be held on Friday, 29th day of September, 2017 at 10.00 a.m. at the registered office of the Company at 266, Dr. A. B. Road, Opp. Passport Office, Worli, Mumbai – 400 030 and at any adjournment thereof.

*I/We wish my above proxy(ies) to vote in the manner as indicated in the box below:

Resolution No.	Description	For	Against
1	Adoption of financial statements for year ended 31st March, 2017, the Report of the Board of Directors' and Auditors' thereon		
2	Re- appointment of a Director in place of Ms. Abhilasha Krishna Bhargava [DIN 00940237] who retires by rotation and being eligible has offered herself for re-appointment as Director		
3	Appointment of M/s. Bhattar & Paliwal, Chartered Accountants as the Statutory 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		
4	Re-appointment of Ms. Abhilasha Bhargava as the Whole time Director of the Company w. e. f. September 30th, 2017 for a period of 5 years.		

Signed this..... day of..... 2017

Affix
Revenue
Stamp

Signature of Shareholder

Signature of Proxy holder(s)

* Please put a (3) in the appropriate column against the Resolutions indicated in the Box. Alternatively, you may mention the number of Shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

BEE ELECTRONIC MACHINES LIMITED

CIN: L32100MH1981PLC025033

Regd. Office: 266 Dr. Annie Besant Road, Worli, Mumbai 400 030

Website: www.beeelectronic.com Email: investors@beeelctronic.com

Tel: +91 22 2430 7709 Fax: +91 22 2430 3716

BALLOT FORM

35th Annual General Meeting on 29th September, 2017

Name(s) of the Member(s):

Address:

Folio No. / DPID No. and Client ID:

Number of Equity Share(s) held:

I/We hereby exercise my/our vote in respect of the following Resolution(s) to be passed at the 35th Annual General Meeting of the Company, to be held on Friday, 29th September, 2017 at 10.00 a.m. at the registered office of the Company at 266, Dr. A. B. Road, Opp. Passport Office, Worli, Mumbai – 400 030, in respect of businesses as stated in the Notice dated 14th August, 2017 by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (") mark at the box against the respective matters :

Item No.	Description	No. of Equity Shares held	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1	Adoption of financial statements for year ended 31st March, 2017, the Report of the Board of Directors' and Auditors' thereon			
2	Re-appointment of a Director in place of Ms. Abhilasha Krishna Bhargava [DIN no. 940237], who retires by rotation and being eligible has offered herself for re-appointment as Director			
3	Appointment of M/s. Bhatler & Paliwal, Chartered Accountants as the Statutory 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			
4	Re-appointment of Ms. Abhilasha Bhargava as Whole time Director of the Company for a period of 5 years w. e. f. 30 th September, 2017			

Place:

Date:

Signature of the Member

INSTRUCTIONS:

1. A Member desiring to exercise vote by ballot form may complete this ballot form and send it to the Scrutinizer, appointed by the Board of Directors of the Company viz. Ms. Mruga Vasavada, Practicing Company Secretary at S A R A & Associates, Chartered Accountants, 202, 2nd Floor, May Building, 297/299/301 Princess Street, Near Marine Lines Flyover, Mumbai - 400 002.
2. In case of Shares held by companies, trusts, societies etc., the duly completed ballot form should be accompanied by a certified true copy of Board Resolution/Authority.
3. Unsigned ballot forms will be rejected.
4. A Member need not cast all the votes in the same way.
5. Duly completed ballot form should reach the Scrutinizer not later than 5.00 p.m. on Thursday, 27th September, 2017.
6. The Scrutinizer's decision on the validity of a ballot form will be final.

BEE ELECTRONIC MACHINES LIMITED

CIN: L32100MH1981PLC025033

Regd. Office: 266 Dr. Annie Besant Road, Worli, Mumbai 400 030

Website: www.beeelectronic.com Email: investors@beeelectronic.com

Tel: +91 22 2430 7709 Fax: +91 22 2430 3716

ATTENDANCE SLIP

35th Annual General Meeting on 29th September, 2017

Regd. Folio/D.P. ID & Client ID	
Name and Address of the Shareholder/Joint Shareholder(s)	
No. of Shares Held	

I /We hereby record my/our presence at the 35th Annual General Meeting of the Members of Bee Electronic Machines Limited to be held at the registered office of the Company at 266, Dr. A. B. Road, Opp. Passport Office, Worli, Mumbai – 400 030 on Friday, the 29th September, 2017 at 10.00 a.m.

Please complete the Folio/ DP ID-Client ID No. and name, sign this Attendance Slip in the below mentioned table and hand it over at the attendance verification counter at the entrance of the meeting Hall.

Member's Folio/DP ID/ Client ID No.

Member's/Proxy's name in block letters

Member's/ Proxy's Signature

ELECTRONIC VOTING PARTICULARS

Electronic Voting EventNumber	User ID	Password/PIN

The voting period starts at 9.00 A.M. on 25th September, 2017 and ends on 27th September, 2017 at 5.00 P.M. The voting module will be disabled by CDSL for voting thereafter.

COURIER / SPEED POST

To,

If undelivered, please return to :
BEE ELECTRONIC MACHINES LTD.
CIN No. : L32100MH1981PLC025033
266, Dr. Annie Besant Road, Worli,
Mumbai - 400 030.