



PIONEER AGRO EXTRACTS LTD.

NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of the Members of Pioneer Agro Extracts Limited will be held on Monday, the 30th day of September, 2013 at 11:30 A.M at the Registered Office of the Company at Chhoti Nehar, Malakpur, Pathankot – 145025 (Punjab), to transact the following businesses-

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at March 31, 2013 and the Profit & Loss Account for the year ended on that date, Compliance Certificate and the Report of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Dinesh Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Sameer Aggarwal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint the Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification, the following resolution as an Special Resolution –

“Resolved that subject to the provisions of Section 198, 269, 309, 314 and 316 read together with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, Mr. Jagat Mohan Aggarwal, who fulfills the conditions specified in Part I and Part II of the Schedule XIII of the companies Act, 1956 be and is hereby reappointed as Managing Director of the Company for a period of five years with effect from 3rd March, 2013 at a remuneration as may be set out in the explanatory statement.”

“Further resolved that in the event of loss or inadequacy of profit in any financial year of the Company during the term of Sh. Jagat Mohan Aggarwal as Managing Director the remuneration set out in explanatory statement be paid or granted to Mr. Jagat Mohan Aggarwal as minimum remuneration, provided that the total remuneration by way of salary, perquisites and other allowances and any increase in remuneration during the tenure shall not exceed the ceiling provided in Schedule XIII and any other applicable provisions of the Companies Act, 1956. “

“RESOLVED FURTHER THAT Mr. Jagat Mohan Aggarwal, Managing Director be and is hereby authorized to digitally sign the all prescribed Forms and to do all the acts, deeds and things which are necessary to be complied with ROC for the re-appointment of Managing Director.”

6. To consider and if thought fit, to pass with or without modification, the following resolution as an Special Resolution –

“Resolved that subject to the provisions of Section 198, 269, 309, 314 and 316 read together with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, Mr. Ajay Goel, who fulfills the conditions specified in Part I and Part II of the Schedule XIII of the companies Act, 1956 be and is hereby reappointed as Joint Managing Director of the Company for a period of five years with effect from 3rd March, 2013 at a remuneration as may be set out in the explanatory statement.

The Pioneering Continues...



PIONEER AGRO EXTRACTS LTD.

"Further resolved that in the event of loss or inadequacy of profit in any financial year of the Company during the term of Mr. Ajay Goel as Joint Managing Director the remuneration set out in explanatory statement be paid or granted to Mr. Ajay Goel as minimum remuneration, provided that the total remuneration by way of salary, perquisites and other allowances and any increase in remuneration during the tenure shall not exceed the ceiling provided in Schedule XIII and any other applicable provisions of the Companies Act, 1956."

"RESOLVED FURTHER THAT Mr. Jagat Mohan Aggarwal, Managing Director be and is hereby authorized to digitally sign the all prescribed and to do all the acts, deeds and things which are necessary to be complied with ROC for the re-appointment of Joint Managing Director."

7. To Consider and if thought fit to pass with or without modification, the following Resolution as a Special Resolution:

"RESOLVED that pursuant to all applicable provisions of the Companies Act, 1956 or any other law as may be applicable hereunder the Articles of Association of the Company be altered by incorporating new Article No. 72(a) after Article no. 72 with the following provisions which reads as under:

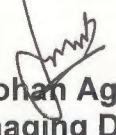
In addition to other modes of service of notice as may be provided hereunder or in the Companies Act, 1956, the notice of general meetings of the Company along with all its enclosures, annexures, attachments viz explanatory statements etc. and other documents, annual reports, balance sheet, profit & loss account with all attachments, directors report, auditor's report, notice of postal ballot, postal ballot form etc. along with all attachments thereof may be sent to each and every members, directors, auditors or any other person entitled to receive the same, through email from the official mail id of the Company or Registrar & Share Transfer Agent to the registered mail id of such members directors, auditors and such other persons entitled to receive the same."

"RESOLVED FURTHER THAT Mr. Jagat Mohan Aggarwal, Managing Director be and is hereby authorized to digitally sign the all prescribed Forms and to do all the acts, deeds and things which are necessary to be complied with ROC for compliance of aforesaid alteration of article of associations."

8. Any Other Business with the Permission of the Chair.

For and on behalf of the Board

Place : Pathankot
Dated : 30.05.2013


Jagat Mohan Aggarwal
Managing Director

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NOTES -

PIONEER AGRO EXTRACTS LTD.

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
Proxies, in order to be effective, must be received at the Registered Office, not less than forty-eight hours before the commencement of this Annual General Meeting i.e. before 11:30 a.m. on 28th September, 2013.
2. The proxy form duly completed and signed should be deposited at the registered office of the Company not later than 48 hours before the time fixed for holding the Annual General Meeting.
3. The Equity Shares of your Company are admitted in the Depository System and are available for trading in Depository system of both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). The ISIN No. allotted to the Company is INE 062E01014.
4. The Register of members and Share Transfer Books of the Company will remain closed from 23rd day of September, 2013 to 30th day of September, 2013 (both days inclusive) for the purpose of Annual General Meeting.
5. Pursuant to Section 109A of the Companies Act, 1956, Shareholders can avail nomination facility in respect of their shareholding by using Form 2B of the Companies (Central Government) General Rules & Forms, 1956.
6. Members who hold the shares in physical form are requested to notify to the Company, if any, of change in their address.
7. The Chairman of the Audit Committee of the Directors shall be present at the Annual General Meeting to reply the queries of members on the Annual Accounts of the Company.
8. Members are requested to bring their copy of the Annual Report to the Meeting.
9. Members who hold shares in dematerialized form are requested to bring their details of Client ID and DP ID for easy reference.
10. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
11. Members having multiple folios are requested to intimate to the Company for consolidation of all folios into one folio.
12. For any specific query on the accounts of the Company please write to the Company at least 10 days before the date of Annual General Meeting so as to enable the Management to keep the information ready.
13. As a part of the green initiatives of the Ministry of Corporate Affairs in corporate governance, the Company is allowed to send official communication and documents to its shareholders through e-mail. Accordingly, in cases where the shareholders have registered their e-mail id with their depository participant/Company's registrar & share transfer agent, the Company has decided to send notice of general meetings, annual reports, dividend intimations, etc. through e-mail. For other cases, the Company will continue to send the printed annual reports as usual.
14. Shareholders are requested to update their preferred e-mail ids with the Company/depository participants/Company's Registrar and Transfer Agent which will be used for the purpose of sending the official documents through e-mail in future. Shareholders, whose e-mail id is not registered with the Company, will be sent a copy of this notice along with the abridged annual report at their registered address. Shareholders whose e-mail ids are registered with the Company and who wish to receive physical copies of the abridged/full version of the annual report may also send their request to the Company at its registered office address or to the Company's Registrar and Share Transfer Agent (RTA), Abhipra Capital Limited, A-387, Dilkhush Industrial Area, GT Karnal Road, Azadpur, Delhi- 110033

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PIONEER AGRO EXTRACTS LTD.

Information provided as per clause 49VI(A) of the listing agreement :

The following are the details of the directors seeking reappointment or recommended to be appointed as a Director:

At the ensuing Annual General Meeting, Shri Dinesh Sharma and Shri Sameer Aggarwal, Directors of the Company shall retire by rotation and being eligible, offer themselves for reappointment subject to the approval of the members in the ensuing Annual General Meeting. Pursuant to Clause 49 of the Listing Agreement, the particulars of Directors seeking re-appointment are given herein below :

(1)

Name	:	Shri Dinesh Sharma
Date of Birth	:	10/02/1960
Date of Appointment	:	10/02/2010
Qualification	:	M.A.
Experience	:	Shri Dinesh Sharma has wide experience in the field of administration and Professional teaching.

Directorships in other : NIL

Private / Public Limited Companies

Memberships of : NIL

Committees in other

Public Limited companies

(2)

Name	:	Shri Sameer Aggarwal
Date of Birth	:	29/05/1978
Date of Appointment	:	16/08/2002
Qualification	:	C.A.
Experience	:	Shri Sameer Aggarwal is Chartered Accountant by Profession and carries with himself over 12 years in practice.

Directorships in other : Nil

Private / Public Limited Companies

Memberships of : Nil

Committees in other

Public Limited companies

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 5 –

Mr. Jagat Mohan Aggarwal is the Commerce Graduate. He has more than 28 years of industrial experience. He has been the Managing Director of the Company for the last 20 years. The Board of Directors of the Company at their meeting held on 31st Jan, 2013 have reappointed him the Managing Director of the Company for another five years period subject to the approval of the shareholders in the General Meeting. At present he is receiving the remuneration by way of salary, perquisites, other allowances etc of Rs. 50,000/- P.M. and this amount shall be paid to him as minimum remuneration during the proposed reappointment. Any increase in remuneration during his tenure may be recommended by the remuneration committee within the limit of Part II of the Schedule XIII. His terms of

The Pioneering Continues...



PIONEER AGRO EXTRACTS LTD.

Reappointment shall be pursuant to the provisions of Section 269 of the Companies Act read together with Schedule XIII.

Mr. Jagat Mohan Aggarwal is also the Managing Director of another Public Limited Company i.e. Pioneer Industries Limited.

The Board recommends the passing of the resolution as a special resolution

None of the Director except Mr. Jagat Mohan Aggarwal is interested in the proposed resolution. Mr. Jagat Mohan Aggarwal is interested or concerned in the resolution to the extent of the remuneration payable to him.

Item No. 6 –

Mr. Ajay Goel is the Post Graduate in commerce. He has more than 35 years of industrial experience. He has been the Joint Managing Director of the Company for the last 20 years. The Board of Directors of the Company at their meeting held on 31st Jan, 2013 has reappointed him the Joint Managing Director of the Company for another five years period subject to the approval of the shareholders in the General Meeting. Any revision in remuneration during his tenure may be recommended by the remuneration committee within the limit of Part II of the Schedule XIII. His terms of reappointment shall be pursuant to the provisions of Section 269 of the Companies Act read together with Schedule XIII.

Mr. Ajay Goel is also the Joint Managing Director of another Public Limited Company i.e. Pioneer Industries Limited.

The Board recommends the passing of the resolution as a special resolution

None of the Director except Mr. Ajay Goel is interested in the proposed resolution. Mr. Ajay Goel is interested or concerned in the resolution to the extent of the remuneration payable to him.

Item No 7.

The Ministry of Corporate Affairs has recently introduced various measures which is contributing immensely towards green initiative in the Corporate Governance by allowing paperless compliances by the Companies. As a measure of Green Initiative in the Corporate Governance, the Ministry of Corporate Affairs, Government of India, vide its circular no. 17/2011, dated 21.04.2011 and 18/2011, dated 29.04.2011, allowed service of notices, balance sheet, profit & loss account etc. and other documents as may be required to be sent to the shareholders under the provisions of the Companies Act, 1956 through electronic mode. To incorporate this in the Articles, your Directors recommended alteration of Articles by insertion of new article no. 72(a) after article no. 72 of the Articles carrying the matter as mentioned in the notice and as per provisions of the Companies Act, 1956,

For and on behalf of the Board

Jagat Mohan Aggarwal
Managing Director

Place : Pathankot
Dated : 30.05.2013

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PIONEER AGRO EXTRACTS LIMITED
Regd. Office: Chhoti Nehar, Malakpur-145025, Pathankot (Punjab) India

PROXY FORM

Folio No. / DP ID No.....

#No. of equity Shares held

I/We.....of.....in the district, being a Member/Members of the above Company hereby appoint Shri/Smt.....of.....in the district of.....or failing him/her.....of.....in the district of.....as my/our proxy to vote for me/us on my/our behalf at the 21st Annual General Meeting of the Company to be held on Monday, the 30th September 2013, at 11.30 A.M. at the Registered office of the Company situated at **Chhoti Nehar, Malakpur, Pathankot (Punjab)-145025**

Signed this.....day of.....2013

Affixed
Revenue
Stamp

Signature.....

Note : 1. The form should be signed across the stamp as per specimen signature registered with the company. The proxy form must reach the Registered office of the Company not less than 48 hours before the time fixed for holding the aforesaid meeting

2. Proxy need not be a member of the Company



PIONEER AGRO EXTRACTS LIMITED
Regd. Office: Chhoti Nehar, Malakpur-145025, Pathankot (Punjab) India

PROXY FORM

Folio No. / DP ID No.....

#No. of equity Shares held

I/We.....of.....in the district, being a Member/Members of the above Company hereby appoint Shri/Smt.....of.....in the district of.....or failing him/her.....of.....in the district of.....as my/our proxy to vote for me/us on my/our behalf at the 21st Annual General Meeting of the Company to be held on Monday, the 30th September 2013, at 11.30 A.M. at the Registered office of the Company situated at **Chhoti Nehar, Malakpur, Pathankot (Punjab)-145025**

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PIONEER AGRO EXTRACTS LTD.

DIRECTORS' REPORT

To,

The Members,

Your Directors have great pleasure in presenting the 21st Annual Report on the business and operation of the company together with Audited Financial Statement of Accounts for the year ended March 31, 2013.

FINANCIAL RESULTS

During the current year operations the financial performance of the Company was as under –
(Rs. in Lacs)

Particulars	2012-13	2011-2012
Operating Profit/(Loss)	59.02	273.32
Interest & Financial charges	84.61	124.90
Net Profit/(Loss) before Depreciation & taxation	(25.59)	148.42
Depreciation	88.66	65.49
Net Profit/(Loss) after Depreciation but before taxes	(114.25)	82.93
Provision for Taxation (<i>net of Current & Deferred Tax</i>)	(9.97)	15.30
Net Profit/(Loss) after taxation	(104.28)	67.63
Excess taxation provision written back	0.00	0.00
Income Tax paid	0.00	0.00
Net Profit/(Loss) brought forward from the previous years	96.03	28.40
Profit/(Loss) carried to Balance Sheet	(8.25)	96.03

DIVIDEND

In order to conserve the resources and strengthen the financial base of the company and funds requirement for the smooth working of unit and further growth, your directors do not recommend any dividend for the year ended 31st March, 2013.

OPERATIONS AND BUSINESS PERFORMANCE

The sales and other income during the year is Rs.5869.71 lacs as against Rs. 12101.69 lacs during the previous year. The production of vanaspati and refined oils aggregated to 7741.183 M.T. as against 18040.279 M.T. during the previous year.

Kindly refer to Management Discussion and Analysis covered under Corporate Governance that form parts of this Annual Report.

DIRECTORS

Mr. Vipin Aggarwal has resigned from the Board of Company on 30.05.2013. The Board places on record its gratitude for the services rendered by Mr. Vipin Aggarwal during his tenure as member of the Board.

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PIONEER AGRO EXTRACTS LTD.

Mr. Dinesh Sharma and Mr. Sameer Aggarwal are the directors liable to retire by rotation and being eligible have offered themselves for reappointment at the ensuing AGM. Your Board of directors have recommended his appointment in their meeting held on 30th May, 2013.

LISTING OF SECURITIES

The Company's share continues to remain listed with "The Bombay Stock Exchange, Mumbai".

DIRECTORS RESPONSIBILITY STATEMENT

In terms of section 217 (2AA) of the Companies Act, 1956, the Directors of the Company state that:

- (a) in the preparation of annual accounts the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have 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/loss of the Company for that period;
- (c) the Director have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 and for preventing and detecting fraud and other irregularities;
- (d) that the Directors have prepared the annual accounts on a going concern basis.

FIXED DEPOSITS

The Company has not accepted any Fixed Deposits from the Public under section 58A of the Companies Act read together with Companies (Acceptance of Deposits) Rules, 1975 during the year 2012-13, further, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance sheet.

INSURANCE

The assets of the Company are adequately insured against the loss of fire, riot, earthquake, flood and other risks which are considered necessary by the Management.

APPOINTMENT OF STATUTORY AUDITORS

M/s Anil Vasudeva & Co., Chartered Accountants, Statutory Auditors of the company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limit under Section 224(1B) of the Companies Act, 1956. The Board and Audit committee has also recommended statutory auditor's appointment. Members are requested to consider their re-appointment.

The Pioneering Continues...



PIONEER AGRO EXTRACTS LTD.

AUDITOR'S REPORT.

The observations made in the Auditor's Report together with the Notes on Accounts thereon are self explanatory and require no further clarification from the directors under section 217 (3) of the Companies Act, 1956.

APOINTMENT OF COST AUDITORS

To comply with the provisions of Section 233B of the Companies Act, 1956, the Board of Directors has approved to re-appoint M/s J. Verma & Associates, Cost Accountants, Jalandhar as Cost Auditors of the Company for the financial year 2013-14 subject to Central Government Approval.

Further, due date of filing the Cost Audit Report in respect of Animal or Vegetable Fats and Oils activities of the Company for the financial year 2011-12 was 28th February 2013, and the same was filed with the Ministry of Corporate Affairs, Govt. of India on 30th Dec 2012.

Cost Audit Report for the Financial Year 2012-13 will be submitted by the Company/Cost-Auditors in due course.

CORPORATE SOCIAL RESPONSIBILITY: COMPANY'S PHILOSOPHY:

The Company's CSR philosophy is based on the belief that a successful business can developed only by creating a prosperous society around. Reaching out deprived communities is part of the Company's vision and its CSR initiatives aim at supplementing the government endeavors to help the citizens in the vicinity achieve better living standards and good quality of life. The Company has been engaging with civil society, public at large through dissemination of its CSR initiatives.

RESPECT FOR HUMAN RESOURCES:

The Company recognizes the need to have optimum level of human resource and orientation towards team efforts for sustained growth and performance. Your company believes that people constitutes the strength of the organization and has established systems that reduces hierarchy and fosters performance, transparency, fairness and empowerment at all levels.

Your company continues to maintain excellent industrial relations with all its employees and independent job work firms. Adequate safety and welfare measures are in place and your company will continue to improve the same on ongoing basis.

RESPECT FOR ENVIRONMENT:

The Company has long believed that it has a moral responsibility to ensure environment friendly practices even if there are no external regulations and controls. The Company has been taking up initiatives towards promoting green cover, ever since our inception, both within the factory premises and helping others to do this. In addressing issues of environmental care and climate change the Company has taken a holistic perspective. It covers a spectrum of activities, enhancing green belts, discharge elimination, leakage elimination, air emission reduction,

The Pioneering Continues...



PIONEER AGRO EXTRACTS LTD.

adoption of clean processes, energy conservation, optimization of fuels and oils, recycling, recovery and reuse, process waste reduction, and resource conservation. These efforts have led to significant saving in natural resources particularly water and energy. By treating the outflows, water is being reused for the plant processes themselves or for irrigation purposes. Through continuous efforts, the Company has been able to bring down its energy use.

RESPECT FOR HUMAN RIGHTS:

All care and precautions are taken to avoid any cases of complicity with human rights abuses in workplaces and operational areas.

PARTICULARS OF EMPLOYEES

None of the employees of the Company was in receipt of remuneration which requires disclosures under section 217 (2A) of the Companies Act, 1956 and the rules made therein as amended from time to time. Further, since there was no such remuneration received the company had nothing to disclose under the requirements of provisions section 219 (1) (b) of the said Act.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provisions of Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of the Board) Rules, 1988 regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, wherever applicable, is given in the Annexure 'A' which forms a part of this Report.

EMPLOYEE RELATIONS

Industrial relations during the year under review were cordial and peaceful. The management wishes to place on record, the excellent cooperation and contribution made by the employees, collectively called "PIONEER FAMILY", at all levels of the organisation to the continued growth of the company. There was constant focus on all round organizational development. Various training programs including visionary exercises were conducted for personal as well as professional development of the employees.

REPORT ON CORPORATE GOVERNANCE

It has always been the Company's endeavor to excel through better Corporate Governance and fair and transparent practices. The Company complies with the clause 49 of the Listing Agreement.

The Board of Directors of the Company had also evolved and adopted a Code of Conduct based on the principles of Good Corporate Governance and best management practices being followed globally.

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, the following form part of this Annual Report:

The Pioneering Continues...