



PIONEER AGRO EXTRACTS LTD.

24th Annual Report 2015-2016

The Pioneering Continues...

Regd. Office : Chhoti Nehar, Malakpur, Pathankot - 145 025 (Punjab) INDIA Tel.: +91-186-2345352/53/54/55
Fax : + 91-186-2345351 CST No. : 10843116 Dt. 10-02-93 TIN : 03271047456
e-mail : complianceofficer@pioneeragro.co.in www.pioneeragro.co.in CIN : L15319PB1993PLC012975



PIONEER AGRO EXTRACTS LTD.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman cum Managing Director

Mr. Jagat Mohan Aggarwal

Executive Director

Mr. Ajay Kumar Goel

Mr. Bharat Bhushan Aggarwal

Independent Director

Mr. Rajinder Kumar Uppal

Dr. Dinesh Sharma

Mr. Sanjeev Kumar Kohli

Mrs. Neeraj Sharma

Statutory Auditor

Anil Vasudeva & Co. Chartered Accountants

Internal Auditor

Yudhistar Sharma & Co. Chartered Accountants

Secretarial Auditor

Anuj Bansal & Associates
Practicing Company Secretaries

Registrar & Transfer Agent

Abhipra Capital Limited,
Abhipra Complex, A- 387,
Dilkush Industrial Area, Azadpur
Delhi-110033

Company Secretary & Compliance Officer

Mrs Rashmi Chaudhary

Chief Financial Officer

Mr. S.M. Parashar

Registered Office

Chhoti Nahar, Malakpur, Pathankot, Punjab-145025

Bankers

Jammu & Kashmir Bank Limited
Warehouse Gurdaspur Road,
Pathankot, Punjab-145001

The Pioneering Continues...



NOTICE

Notice is hereby given that the 24th Annual General Meeting of the Members of Pioneer Agro Extracts Limited will be held at the Registered Office of the Company at Chhoti Nehar, Malakpur, Pathankot – 145025 (Punjab) on Friday the 30th day of September, 2016 at 11.30 a.m. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Balance Sheet as at March 31, 2016 and statement of Profit and Loss & Cash Flow Statement for the year ended on that date, the Reports of Directors and Auditor's thereon.
2. To appoint a Director in place of Mr. Bharat Bhushan Aggarwal, having directors identification number 00406624, who retires by rotation and being eligible, offers himself for re- appointment.
3. Ratification of appointment of statutory Auditors and fixing their remuneration.

To consider and if thought fit, to pass , the following resolution as ordinary resolution:

"RESOLVED THAT pursuant to the provisions of section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) Anil Vasudeva & Co. Chartered Accountants, Pathankot (Firm Registration number 0059471N with the Institute of Chartered Accountants of India), who have offered themselves for re appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of section 141 of the Act, and rule 4 of the rules, be and are hereby re-appointed as Statutory Auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by the Audit committee/ Board of Directors in consultation with the Auditors."

**By Order of the Board of Directors
For Pioneer Agro Extracts Limited**




(Rashmi Chaudhary)
Company Secretary
ACS- 35316

Place: Pathankot
Date 27.08.2016

**NOTES: -**

- a) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. The proxies should, however, be deposited at the registered office of the Company not later than 48 hours before the commencement of the meeting.
- b) Shareholders desiring any information as regards the Accounts are required to write to the Company at least seven days in advance of the meeting so that the information, to the extent practicable, can be made available at the meeting.
- c) The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2016 to 29th September, 2016 (both days inclusive) for the purpose of Annual General Meeting.
- d) Members, who have not registered their e-mail id so far, are requested to registered their email for receiving all communication including Annual Report, Notices etc from the company electronically, with the Company's Registrar and Share transfer agent at rta@abhipra.com or with the company at complianceofficer@pioneeragro.co.in
- e) Members are requested to notify immediately changes, if any, in their registered addresses to the Company's Registrar and Share Transfer Agents M/s. Abhipra Capital Limited, Abhipra Complex, A-387, Dilkush Industrial Area, G.T Road, Azadpur, Delhi-110001.
- f) Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting and number of shares held by them.
- h) Mr. Bharat Bhushan Aggarwal – directors retire by rotation and, being eligible, offer for re-appointment at the Annual General Meeting. A brief resume of the said directors is given below.

Name	Mr. Bharat Bhushan Aggarwal
Directors Identification Number (DIN)	00406624
Age	57 Years
Qualification	Post graduation
Expertise in Specific Area	Sales, Marketing & Allied industrial matters
Date of first Appointment on the Board of the Company	January 20, 1993
Shareholding in Pioneer Agro Extracts Limited	49,800 Shares
List of Directorship held in other companies	N.A
Membership/Chairmanships of Audit and stake holders relationship committees	Refer to Report on CORPORATE GOVERNANCE





PROCESS FOR MEMBERS OPTING FOR E-VOTING

In compliance with provisions of Section 108 of the Companies Act, 2013, and rules framed there under and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 , the Company will be providing members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL). The detailed procedure to be followed in this regard has been given in Annexure – A to the notice. The members are requested to go through them carefully

**By Order of the Board of Directors
For Pioneer Agro Extracts Limited**




(Rachmi Chaudhary)
Company Secretary
ACS- 35316

Place: Pathankot
Dated: 27.08.2016



Annexure A to the notice

Instructions for the voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, and rules framed there under and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 27th September, 2016 (9:00 am) and ends on 29th September, 2016 (5:00 pm). During this period members* of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)] :
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Pioneer Agro Extracts Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.





(xii). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to bskashtwal@gmail.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd September, 2016.

X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

XI. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the company as on cutoff date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting /voting at the AGM through ballot paper.

XII. Mr Baldev Singh Kashtwal (FCS No.3616) partner of RSM & Co has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.

XIII. The Scrutinizer shall, immediately after the conclusion of voting of voting at the Annual General Meeting, would count the vote cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the company and make not later than three days of conclusion of the meeting, a consolidated scrutinizer's Report of the total votes cast in favour or against, if any, to the chairman of the company or a person authorized by him in writing who shall countersign the same.

XIV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.pioneeragro.co.in and on the website of NSDL immediately after the declaration of results by the Chairman or person authorized by him in writing. The results shall be immediately forwarded to the BSE Limited, Mumbai.



PIONEER AGRO EXTRACTS LTD.

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DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting their 24th Annual Report together with the Audited Accounts of the Company for the Year ended March 31, 2016.

Financial Results:

Particulars	(Amount- Rs Lakh)	(Amount- Rs Lakh)
	March 31, 2016	March 31, 2015
Gross Sales	1474.12	5170.19
Less: State Excise & VAT	0.64	0.20
Net Sales	1473.48	5169.99
Other Income	318.84	33.53
Total	1792.32	5203.53
Profit before depreciation & taxation	-29.73	-196.75
Less: Depreciation	29.20	67.15
Less: Provision for taxation	8.64	6.57
Profit after taxation	-50.29	-258.27
Add: Balance brought forward from previous year	-435.73	-177.45
Surplus available for appropriation	0	0
Appropriations	0	0
General Reserves	0	0
Proposed Dividend	0	0
Tax on Dividend	0	0
Additional depreciation on fixed asset	0	0
Balance carried to Balance sheet	-486.02	-435.73





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DIVIDEND:

During the year under review, the Board of Directors has not recommended any dividend on the equity share capital. The Company wants to conserve the resources and strengthen the financial base of the company. So that your directors do not recommended any dividend for the financial year ended 31st March, 2016.

SHARE CAPITAL:

The paid up equity capital as on March 31, 2016 was Rs.4, 33 23,000. During the year under review, the company neither issued shares with differential voting rights nor granted stock options nor sweat equity.

FINANCE:

Cash and cash equivalents as at March 31, 2016 was 244.64 Lacs). The company continues to focus on judicious management of its working capital, Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

FIXED DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The detail of the investments made by company is given in the notes to the financial statements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company's CSR philosophy is based on the belief that a successful business can be developed only by creating a prosperous society around. Reaching out to 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 initiatives.





CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

Information in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earning and outgo is given in the **Annexure No A**, which forms part of the Board Report.

FOREIGN EXCHANGE EARNINGS AND OUT-GO :

During the period under review there was no foreign exchange earnings or out flow.

INDUSTRIAL RELATIONS:

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

DIRECTORS :

As per the Provision of Section 152 of the Companies Act 2013 Sh. Bharat Bhushan Aggarwal, Whole Time Director of the Company is liable to retire by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting. Your Board of Director has recommended his appointment in their meeting held on 30th May, 2016.

Sh. Sanjeev Kumar Kohli was appointed as an Additional Director on 1st April, 2015 under section 161 of the Companies Act 2013 who holds office till the date of the ensuing Annual General Meeting of the Members of the Company. It has been proposed to appoint him as an Independent Director not retire by rotation for a consecutive term of Five years effective from the date of passing of resolution by the members through postal ballot which has been sent to the members.

Declaration of Independence by Directors

The company has received the declaration from all the Independent Directors of the Company Mr. Sanjeev Kohli, Mrs. Neeraj Sharma, Mr. Rajinder Kumar Uppal and Mr. Dinesh Sharma confirming that they meet to the criteria of Independence prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and regulation 16(1) (b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

Remuneration Policy

The Board has, on the recommendation of the Appointment & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Act the following are the Key Managerial Personnel (KMP) of the company as on the date of this report.

Mr. Jagat Mohan Aggarwal, Managing Director, Mr. Shyam Manohar Parashar, Chief Financial Officer and Mrs. Rashmi Chaudhary, company Secretary.

During the financial year under review Mrs Rashmi Chaudhary has been appointed as Company Secretary of the Company under companies Act, 2013 and compliance officer under listing agreement in lieu of outgoing Company secretary and Compliance Officer Mr. Sahil Mahajan wuth effect from 2nd Nov, 2015.

