



28th Annual Report 2019-20



Corporate Information
Pioneer Agro Extracts Limited
Chhoti Nehar, Malikpur, Pathankot,
Punjab-145025

BOARD OF DIRECTORS

Chairman cum Managing Director

Mr. Jagat Mohan Aggarwal

Executive Director

Mr. Ajay Kumar Goel (upto 27.02.2020)

Mr. Bharat Bhushan Aggarwal (upto 27.02.2020)

Independent Director

Mr. Rajinder Kumar Uppal

Dr. Dinesh Sharma (upto 27.02.2020)

Mr. Sanjeev Kumar Kohli (upto 27.02.2020)
(Re-designated as Non-Executive Director thereafter)

Mrs. Neeraj P. Sharma

Committees of the Board

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee

Company Secretary & Compliance Officer

Mr. Dikshant Singh Panwar
(w.e.f. 15.07.2019)

Statutory Auditor

M/S Sumeet Behl & Associates

Internal Auditor

Yudhistar Sharma & Co. Chartered Accountants

Secretarial Auditor

Anuj Bansal & Associates

Registrar & Transfer Agent

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

Bankers

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

Chief Financial Officer

Mr. S.M. Parashar



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Dear Members,

We are pleased to inform that the 28th Annual General Meeting ('AGM') is scheduled to be held on Wednesday, 30th September, 2020 at 02:00 p.m. through video conferencing ('VC') / other audio visual means ('OAVM'). The Notice of the AGM is enclosed. The Annual Report for FY 2019-20 is available and can be downloaded from the Company's website <http://www.pioneeragro.co.in/> and the website of National Securities Depository Limited (NSDL) <https://www.evoting.nsdl.com>

In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (MCA) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as 'MCA Circulars') permitted the holding of the AGM through VC/ OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and the relevant provisions of the Companies Act, 2013 (Act) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') the AGM of the Company is being held through VC/OAVM.

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their votes on all resolutions set forth in the Notice of the AGM using electronic voting system (remote e-voting), provided by NSDL.

The e-voting period commences on 27.09.2020 (09:00 AM) and ends on 29.09.2020 (05:PM) . During this period, Members holding shares either in physical form or in dematerialised form as on Wednesday, September 23, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

The voting rights of Members shall be in proportion to the equity shares held by them in the paid-up equity share capital of the Company as on 23.09.2020 Any person, who is a Member of the Company as on the cut-off date is eligible to cast vote electronically on all the resolutions set forth in the Notice of AGM.

The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.



NOTICE

Notice is hereby given that 28th Annual General Meeting of the Members of Pioneer Agro Extracts Limited will be held on Wednesday, the 30th day of September, 2020 at 2.00 P.M. through video conferencing (VC) / other Audio Visual Means (OAVM) to transact the following business:

Ordinary Business:

- 1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2020 and Statement of Profit and Loss & Cash Flow Statement for the year ended on that date, the Reports of Directors and Auditor's thereon.**

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

"RESOLVED THAT the Audited Balance Sheet as at 31st March, 2020, the statement of Profit and loss for the year ended 31st March, 2020 the Cash Flow Statement for the year ended 31st March, 2020 and notes forming part of the documents referred above and the report of the Directors and the Auditors of the Company, be and are hereby approved and adopted."

- 2. To appoint a Director in place of Mr. Sanjeev Kumar Kohli, having DIN 07144225, who retires by rotation and being eligible, has offered himself for re-appointment.**

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

"RESOLVED THAT Mr. Sanjeev Kumar Kohli, Director (DIN: 07144225), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company."

- 3. Appointment of, and fixing of the remuneration of the Statutory Auditors**

To consider and if thought fit, to pass, the following resolution as Ordinary resolution, with or without modification:

"RESOLVED THAT pursuant to the provisions of Section 139 (8) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) and upon recommendation of the Audit Committee & Board of Directors, M/s. Piyush Mahajan and Associates, Chartered Accountants, having FRN.: 028669N, be and are hereby appointed as Statutory Auditors of the Company, to fill the casual vacancy caused by the resignation of M/s. Sumeet Behl & Associates, Chartered Accountants, having FRN.: 013655N.

RESOLVED FURTHER THAT M/s. Piyush Mahajan and Associates, Chartered Accountants, having FRN.: 028669N be and are hereby appointed as Statutory Auditors of the Company to hold the office from October 1, 2020, until the conclusion of the next Annual General Meeting of the Company, at a remuneration of ₹ 30,000 plus applicable taxes, and out of pocket expenses as per actuals.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to sign and file all the necessary papers, documents, forms, comply with necessary legal and procedural formalities and to do all acts, deeds and things necessary for the purpose of foregoing resolution."



Special Business

4. To give further loan of ₹ 30 Lakhs to Pioneer Industries Private Limited, a Body Corporate in which Director is interested

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

"RESOLVED THAT pursuant to the provisions of sections 185(2) and other applicable provisions, if any, of the Companies act 2013, (including any statutory modification or re-enactment thereof for the time being enforce) consent of the members be and is hereby accorded to the Board of Directors of the Company for giving loan of ₹ 30 Lakhs (Rupees Thirty lakhs Only) to Pioneer Industries Private Limited (**formerly known as Pioneer Industries Limited**) subject to such other approvals, consents, sanctions and permissions, if any, required of any other appropriate authorities, departments or bodies as may be necessary for the purpose of loan of ₹ 30 Lakhs (Rupees Three Lakhs Only)) to M/s Pioneer Industries Private Limited for its principal business activities."

RESOLVED FURTHER THAT Such loan of ₹ 30 lakhs shall remain pari-passu with already approved loan of ₹ 2.70 crores (Rupees Two Crore and Seventy Lakhs Only) and therefore, be construed as an extension of already approved loan of ₹ 2.70 cr (Rupees Two Crore and Seventy Lakhs only).

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board / Committee of the Board be and are hereby authorized to agree, make, accept and finalize all such term(s), condition(s), modification(s) and alteration(s) as it may deem fit including the terms and conditions within the above limits up-to which such loans, that may be given or made, as may be determined by the Board or the Committee thereof, from time to time, and the Board/Committee is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise in regard to such loans and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board/Committee in its absolute discretion may deem fit without being required to seek any further consent or approval of the members.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to sign and file all the necessary papers, documents, forms, comply with necessary legal and procedural formalities and to do all acts, deeds and things necessary for the purpose of foregoing resolution."

5. To consider the re-appointment of Smt. Neeraj P. Sharma as an Independent Director (DIN: 07113928) of the Company.

To consider and if thought fit, to pass, the following resolution a special resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014("Rules") (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the approval given by the Nomination and Remuneration Committee and further subject to approval of Members of the Company by Special Resolution, Smt. Neeraj P. Sharma, Independent Non-Executive Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the



Company to hold office for a term of five year with effect from 1st October, 2020 to 30th September, 2025 and shall not be liable to retire by rotation in accordance with the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to sign and file all the necessary papers, documents, forms, comply with necessary legal and procedural formalities and to do all acts, deeds and things necessary for the purpose.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to sign and file all the necessary papers, documents, forms, comply with necessary legal and procedural formalities and to do all acts, deeds and things necessary for the purpose of foregoing resolution.”

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

Sd/-
(Dikshant Singh Panwar)
Company Secretary
ACS 42741

Date: 28-08-2020
Place: Pathankot

**Details of Director Seeking Re-appointment at the Annual General Meeting**

The Company currently has two Independent Directors and two Non-Independent Directors, Mr. Jagat Mohan Aggarwal, and Mr. Sanjeev Kumar Kohli (Re-designated as Non-Executive Director w.e.f 27.02.2020) and in order to comply with the provisions of Section 152 of Companies Act, 2013, Mr. Sanjeev Kumar Kohli, Director, retires at this Annual general Meeting and being eligible for Re-appointment, offers himself for Re-appointment subject to approval of Shareholder.

Further in terms of Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, a brief resume of the Director who is proposed to be re-appointed in this meeting, nature of his expertise in specific functional areas, disclosure of relationships between Directors inter-se, his other Directorships and the membership, his shareholding is given below:

Mr. Sanjeev Kumar Kohli

Mr. Sanjeev Kumar Kohli, born on 12th August, 1964, is on the Board of Directors of the Company since 2015. He does not hold any shares in the Company;

Nature of his expertise in specific functional Areas: Designated as Non-Executive Director of the company, w.e.f. 27.02.2020. Mr. Kohli is having vast experience in the field of Marketing.

Mr. Sanjeev Kumar kohli does not hold Directorship in any other listed Company.

NOTES:-

- A. Explanatory Statement pursuant to section 102 of the Companies Act, 2013 is annexed hereto and forms part of the notice.
- B. 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.
- C. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. Member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- D. 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.
- E. The Register of Members and Share Transfer Books of the Company will remain closed from 21st September, 2020 to 30th September, 2020 (both days inclusive) for the purpose of Annual General Meeting.
- F. 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
- G. 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.
- H. 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.
- I. Information required under Regulation 17(4) of SEBI (Listing Obligations and Disclosure



- Requirements) Regulations, 2015 (Relating to Corporate Governance) with respect to the Director retiring by rotation and being eligible, seeking re-appointment is given in the Corporate Governance Report annexed to this Annual Report.
- J. The instructions for the voting through electronic means are given in the Annexure A to this notice.
- K. 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 company.
- L. Members holding shares in physical form, in their own interest, are requested to dematerialize the shares to avail the benefits of electronic holding / trading.
- M. Members holding shares in physical form, are requested to notify / send the following to the Registrar and Share Transfer Agent (Abhipra Capital Ltd) of the Company:
- a) Any change in their address / bank mandate.
 - b) Particulars of their bank account, in case they have not been sent earlier.
 - c) Nomination in form SH-13, in duplicate, as provided under section 72 of the Companies Act, 2013, in case they have not been sent earlier.
 - d) Share certificate(s) held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholding into one account.
- N. Electronic copy of annual report 2020 and notice of the 28th Annual General Meeting of the Company inter alia indication the process and manner of e-Voting along with attendance slip and proxy form is 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. For members who have not registered their email address, physical copies of above documents are being sent in the permitted mode.
- O. Members are requested to affix their signatures at the space provided on the attendance slip annexed to proxy form and handover the slip at the entrance of the meeting hall. Corporate members are requested to send a duly certified copy of the board resolution / power of attorney authorizing their representatives to attend and vote at the AGM.
- P. Members may also note that the Notice of the 28th Annual General Meeting and the Annual Report for 2020 will also be available on the Company's website <http://www.pioneeragro.co.in/> for download. The physical copies of such documents will also be available at company's office at Chhoti Nehar, Malakpur, Pathankot - 145025 (Punjab) for inspection during normal business hours on working days.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Resolution No. 4**

For the better utilization of Investments of the company, the Company may utilize its resources for the purpose of giving loans, guarantee or provide security during course of business in the interest of company.

Members of Pioneer Agro Extracts Limited in their 26th Annual General Meeting approved loan of 2.70 crores to Pioneer Industries Private Limited, for a period of 3 years from the date of Agreement at Interest rate applicable on Cash Credit limit with Bank and on such other terms and conditions as may be mutually decided from time to time. The Board of Directors of the borrowing company has again approached lending company to further extend amount of ₹ 30 Lakhs in the form of loan. Therefore, the total amount to be approved for loan to Pioneer Industries Private limited, if approved by members shall stand at ₹ 3 crores.



The Company, Pioneer Agro Extracts Limited was incorporated in the year 1993, under the Companies Act 1956, with the objective of promoting agricultural activities and development of agro based industries at Pathankot (Punjab).

Further, Mr. Jagat Mohan Aggarwal (having DIN: 00750120), Managing Director of the Company i.e. Pioneer Agro Extracts Limited, and being Managing Director of the borrower Company i.e. M/s Pioneer Industries Private Limited comes under “any person in whom any Director of the Company is interested” as per the provisions of Section 185(2) (C) of Companies Act, 2013 and require approval of members of the Company to give loan to Pioneer Industries Private Limited.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

Directors / Key Managerial Personnel of the Company are interested to the extent of their shareholding, in the resolution set out at Item No. 4 of the Notice and Mr. Jagat Mohan Aggarwal (having DIN: 00750120), Director of the Company i.e. Pioneer Agro Extracts Limited, and being Managing Director of the borrower Company i.e. M/s Pioneer Industries Private Limited comes under “any person in whom any Director of the Company is interested” as per the provisions of Section 185(2) (C) of Companies Act, 2013.

Resolution No. 5

The members at the Annual General Meeting held on 30.09.2015, approved / ratified the appointment of Smt. Neeraj P. Sharma (DIN: 07113928) as an independent director of the company for a period of five years with effect from 01.10.2015. The Board of Directors of the Company, on recommendations of Nomination and Remuneration committee, recommended for the approval of members, the re-appointment of Smt. Neeraj P. Sharma as an independent director of the Company for a period of five years with effect from 1st October, 2020, in terms of section 149 read with schedule IV of the Companies Act, 2013 and regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 201, or any amendment thereto or modification thereof.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Smt. Neeraj P. Sharma as an Independent Director. Declaration has been received from Smt. Neeraj P. Sharma that she meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations 2015. In the opinion of the Board, she fulfills the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for re- appointment as an Independent Director and that she is independent of the management of the Company.

Accordingly, the Board recommends passing of the Special Resolution in relation to re-appointment of Smt. Neeraj P. Sharma as an Independent Director for another term of five consecutive years with effect from 1st October, 2020 to 30th September, 2025, for the approval by the shareholders of the Company.

By Order of the Board of Directors