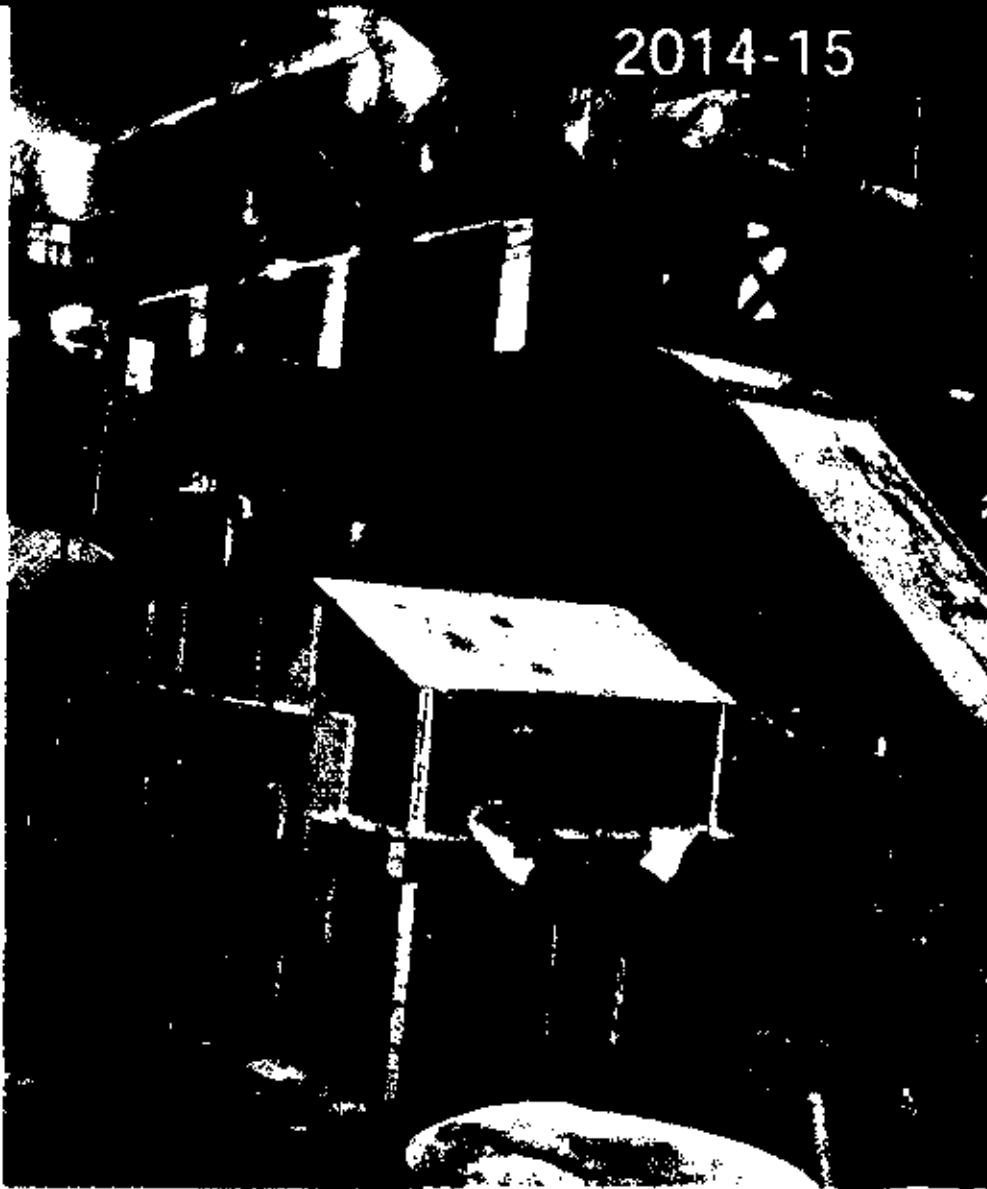


# 21st ANNUAL REPORT

2014-15



**PICCADILY AGRO INDUSTRIES LTD.**

**Board of Directors**

Sh. Akhil Dada, Director  
Sh. Harvinder Chopra, Managing Director  
Sh. Jai Parkash Kaushik, Director  
Sh. Vinod Dada, Director  
Ms. Bhawna Gupta, Director

**Auditors**

M/s Jain & Associates  
SCO: 819-820, Sector-22-A, Chandigarh.

**Registered Office & Factories**

Village Bhadson, Umri-Indri Road,  
Tehsil Indri, Distt. Kamal, Haryana

**Corporate Office**

DLF Building, D Block, 3rd Floor  
IT Park Chandigarh

**Company Secretary**  
Bhawana Gupta

CIN No. : L01115HR1994PLC032244

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**NOTICE**

Notice is hereby given that the Twenty-First Annual General Meeting of the members of Piccadilly Agro Industries Limited will be held on Wednesday, 30th September 2015 at 4.00 P.M. at its Registered office i.e. Village Bhadson, Umri-Indri Road, Tehsil Indri, Distt. Karnal, Haryana to transact the following business:-

**ORDINARY BUSINESS:**

1. To receive, consider and adopt:

- a. The audited Financial Statements of the company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon, and
- b. The audited Consolidated Financial Statement of the company for the financial year ended March 31, 2015.

2. To appoint a Director in place of Sh. Jai Parkash Kaushik (DIN: 02354480) who retires by rotation at this Annual General Meeting and being eligible has offered himself for reappointment.

3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution

"Resolved that M/s Jain & Associates, Chartered Accountants (Registration no 001361N), be and are hereby appointed as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the company at such remuneration as shall be fixed by the Board of Directors of the company."

**SPECIAL BUSINESS:**

4. To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

"RESOLVED that pursuant to the provisions of section 149 & 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Ms. Bhawana Gupta (DIN : 07144762), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who hold office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

"RESOLVED that pursuant to the provisions of section 148 and all other applicable provisions of the Companies Act 2013 and the Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the cost Auditors appointed by the Board of Directors of the company to conduct the audit of the cost records of the company for the financial year ending March 31, 2016 be paid the remuneration as set out in the statement annexed to the Notice convening this meeting.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution"

By Order of the Board of Directors  
Sd/-

Harvinder Chopra  
Managing Director  
DIN No. 00129891

Dated: 30/05/2015

Place: Gurgaon

**Notes:-**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy so appointed need not be a member of the company. The instrument appointing Proxy should however be deposited at the Registered office of the company not less than 48 hours before the time and date fixed for the meeting.

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. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as a proxy and such person shall not act as a Proxy for any other member.

A proxy form is attached to the Annual Report

2. The company has already notified closure of Register of members and Share Transfer Books from Wednesday, 23<sup>rd</sup> September to Wednesday, 30<sup>th</sup> September 2015 (both days inclusive) for purpose of Annual General Meeting

3. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their depository participants with whom they are maintaining demat accounts. Members holding shares in physical form are requested to advise any change of address to the Company's Registrar and Share Transfer Agent

4. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting

5. Members are requested to bring their attendance slip along with their copy of Annual report at the meeting.

6. Members who have not registered their email addresses so far are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars etc from the company electronically.

7. Members desiring of any information as regards to accounts are requested to write to the company 10 days in advance to enable the management to keep the information ready.
8. 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 participants with whom they are maintaining their Demat Accounts. Members holding their shares in physical form can submit details to the company (Registrars and Transfer Agents, M/s Abhipra Capital Ltd., Ground Floor, Abhipra Complex, Dinkhush Industrial Area, A-3B7, G.T. Karnal Road, Azadpur, Delhi-110033. Members wishing to claim dividends, which remain unclaimed are requested to correspond with the company at the company's Corporate office. Members are requested to note that dividends not enclosed or claimed within seven years from the date of transfer to the company's unpaid dividend account, as per section 124 of the Companies Act 2013 be transferred to the Investor Education and Protection Fund.
9. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management.
10. The relevant Explanatory Statement pursuant to section 102 of the Companies Act 2013 in respect of Special Business in the notice annexed hereto.
11. Additional information required to be furnished under clause 49 of the Listing agreement in respect of Director seeking appointment/reappointment:

Name of Director	Sh. Jai Parkash Kaushik
Director identification number	DIN 02354480
Date of Birth	5/10/1950
Date of Appointment	12/11/2013
Qualification	Retired IAS officer
Expertise in specific functional area	Well experienced and possess expertise in business & entrepreneurship qualities
Shareholding in Piccadily Agro Industries Ltd	Nil
Directorship in other companies	Piccadily Sugar & Allied Industries Limited
Committee position held in other companies	Chairman of Audit Committee of Piccadily Sugar & Allied Industries Limited Member of Corporate Social responsibility Committee of Piccadily Sugar & Allied Industries Limited Member of Stakeholder & Relationship committee of Piccadily Sugar & Allied Industries Limited Member Risk Management Committee of Piccadily Sugar & Allied Industries Limited

12. During the e-voting period, members of the company holding shares either in physical form or dematerialised form as on cut-off-date i.e. 23rd September 2015 may cast their vote electronically. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the company as on the cut-off date. As per explanation (ii) on rule 20 of the Companies (Management and Administration) Rules 2014, cut-off-date means not of earlier than 7 days before the date of General meeting.

#### 13. E-voting

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 & clause 35B of Listing Agreement and any other applicable provisions, the Company is pleased to provide its members facility to exercise their right to vote at the 21st Annual General Meeting (AGM) on the items mentioned in the notice by electronic means through e-voting Services provided by National Securities Depository Ltd (NSDL).

The instructions for remote voting are as under:

- A. In case a member receives e-mail from NSDL (For members whose email addresses are registered with the company (Depository Participant) the member should open the PDF file attached with the email. The said PDF file contains his/her user ID and password for e-voting. Please note that the password is an initial password.
- B. In case member receives AGM Notice in physical form (for members whose e-mail addresses are not registered with the Company (Depository participants) the user ID and initial password for remote e-voting is provided on the covering letter enclosed with the Annual report.
- C. The following steps should be followed for casting the vote through remote e-voting (in both the cases mentioned at 13(A) & 13(B) above):
- Open the internet browser and type the following URL: <http://www.evoting.nsdl.com>
  - Click on Shareholder-Login
  - If you are already registered with NSDL for e-voting then you can use your existing user ID and password
  - If you are logging for the first time, please enter your user ID and password provided through e-mail (as per serial No. 13(A) above) or in physical form (as per Sr No. 13(B) above) as the case may be
  - The password change menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
  - Home page of remote e-voting opens. Click on remote e-voting (active voting cycles)
  - Select "EVEN" (E-Voting Event number) of Piccadily Agro Industries Limited for the purpose of voting in AGM as mentioned in the covering letter enclosed with the Annual report. Now you are ready for remote e-voting as caste vote page opens.
  - The voting rights of the shareholder shall be reckoned in proportion to their shares in the total paid up equity share capital of the company as on 23rd September 2015.
  - Cast your vote by selecting appropriate option and Click on "submit" and also confirm when prompted.
  - Upon confirmation, the message "Vote Caste Successfully" will be displayed.

- 2) You can signify your assent/objection to the resolutions forming part of the Notice of AGM. The members can sign any number of letters during the voting period, till they have voted on all the resolutions.
- 3) Once the votes on the resolution are cast, the member shall not be allowed to change it subsequently.
- 4) The remote e-voting facility is available for shareholders (i.e. other than individuals - HUF, NRI etc.) are also required to send scanned copy of their e-voting ID (issued by the User registration Authority letter file, together with attested specimen signature) of the duly authorized representatives to the scrutinizer through email id, with a copy marked to voting@nsdl.com.
- 5) The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their votes again.
- 6) The company has appointed Mr. Karande Singh, a Practising Company Secretary (Membership no FCS 59011) as the Scrutinizer to conduct the voting process in a fair and transparent manner.
- 7) The remote e-voting period shall commence on (Sunday) 27th September 2015 (9.00 A.M.) to Tuesday 29th September 2015 (6.00 P.M.). The remote e-voting module shall be disabled by NSDL for voting thereafter.
- 8) In case of any queries, you may refer the frequently asked questions (FAQs) for shareholders & remote e-voting user manual for the member availability at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- 9) You can also update your mobile number & e-mail ID in the user profile details of the form which may be used for sending SMS to you in the attached.
- 10) Any person who acquires shares of the company and become member of the company after despatch of the notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) / HFA.
- 11) 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 forget your password, you can reset your password by using "Forgot User Details/Password" or you can click the link [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no: 1800-222-999.
- 12) A person whose name is recorded in the register of members or in the register beneficial owners maintained by the Depositories will be entitled to vote only shall be entitled to avail the facility of remote e-voting voting at the AGM through the facility.
- 13) The Chairman shall at the end of a session on the resolutions on which voting is to be held, allow voting by the presence of scrutinizer, by use of Ballot Paper, to all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- 14) The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter will check the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and shall make the result available later than 3 days of the conclusion of the AGM, a consolidated message report of the total votes cast at the meeting (against, if any, to the Chairman or a person authorized by him in writing) who shall counter sign the same & declare the result of the voting forthwith.
- 15) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [picagro.com](http://picagro.com) and on the website of NSDL immediately after the declaration of result by the chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange.
- 16) During the voting period, members of the company may sign their names in physical form or dematerialised form as on the cut-off date. If a shareholder fails to cast their vote electronically, the voting rights of shareholders shall be in proportion to their shares in the paid-up equity share capital of the company as on the cut-off date. As per Explanation (ii) of Rule 20 of the Companies (Management and Administration) Rules, 2014, the cut-off date shall be a date not later than 7 days before the date of meeting.

By Order of the Board of Directors  
Sd/

Harvinder Chopra  
Managing Director  
DIN No. 02129831

Date: 30.09.2015  
Place: Gurgaon

#### EXPLANATORY STATEMENT

Explanatory statement for resolutions mentioned under items 4 and 5 pursuant to section 102 of the Companies Act 2013 (hereinafter referred to as the "Act").

##### Item no 4

The Board of Directors of the company at its meeting held on 31.08.2015 has appointed Ms. Bhawana Gupta as Additional Director of the company under the provisions of section 149 and 152 of Companies Act 2013. Ms. Bhawana Gupta is a qualified Chartered Accountant, Company Secretary & Post graduate in Commerce. She has got 10 years experience as Chartered Accountant in the field of Finance, Accounts & Project implementation. She has worked in various Chartered Accountancy firms & in different companies.

She declares that she is not holding any financial interest.

The beneficial ownership of the company for the appointment of Ms. Bhawana Gupta as woman Director. In the opinion of Board of Directors no arrangement will be beneficial to the company.

None of the Director, Key Managerial Personnel of the company & the required vote, except Ms. Bhawana Gupta, is concerned or has any interest in the appointment of the additional Director set out at item no. 4 of the notice.

##### Item No 5

The Board of the independent member of the Audit Committee has approved the appointment and remuneration of Ms. Sangita K. Bhatnagar as member (Cost Accountant) to conduct the audit of the cost records of Sugar unit & Distillery unit at a fixed remuneration of Rs. 20,000 per month for both units for the financial year ending 31st March 2016.

9. Remuneration of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 are applicable to Ms. Sangita K. Bhatnagar, the Cost Auditor. This has to be ratified by the shareholders of the company. Accordingly, the Board of Directors has resolved to call for a general meeting to consider and pass a resolution as set out in the paragraph 5 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31st March 2016.

The Board recommends the Directors resolution as set out in item No. 5 of the Notice for approval of the members. None of the Director, Key Managerial Personnel of the company and their relatives is concerned or interested, nor is any of them a Director or Key Managerial Personnel of the company as on the date of the Notice.

**DIRECTOR'S REPORT**

Dear Share Holders,  
Your Directors have the pleasure in presenting their 21st Annual Report together with Audited Accounts of the Company for the year ended 31st March 2015.

**FINANCIAL RESULTS:**

(Rs. in lacs)

Particulars	31st March 15	31st March 14
Total Income	35053.98	38123.42
Increase/decrease of Stock in trade	(1208.50)	493.25
Profit before Interest & Depreciation	3448.86	5154.10
Less: Interest	1095.62	834.98
Depreciation	1066.21	973.82
Profit before Tax	1486.83	3345.40
Provision for Tax/Deferred Tax	593.07	1217.47
Net Profit	892.86	2127.93
Transfer to Profit and loss a/c	757.74	2127.93

**Review of the operations****i) Sugar Mill**

Sugar Mill commenced crushing operations for the season 2014-15 on 15.12.2014 and closed on 10.04.2015. The comparative operational results over the last two seasons are as follows

Particulars	Season 2014-2015	Season 2013-2014
Duration (Days)	117	131
Sugarcane Crushed (Quintals)	3843966.41	3988799.03
Recovery (%)	10.17	9.81
Sugar produced (in quintals)	392025	392450

During the season, the mill operated for 117 days and crushed 38.43 lac quintals of sugar cane. The Sugar Mill has produced 392025 quintals of Sugar at an average recovery of 10.17%. The mill also produced 178320 quintals of Molasses at an average recovery of 4.03%. The Sugar unit of the company has achieved turnover (net of excise) & other income of Rs. 12058.57 lacs.

**ii) Distillery**

The Distillery has produced 8368611 cases of Malta, 1074 cases of Sofa, 6115 cases of Marshall under Country liquor category. The brands of the distillery i.e. Malta, Sofa, Ginn and Marshall, of 50 Degree proof continue to be well accepted by the people and have become popular brands in the State of Maryland.

During the year company entered into the field of Indian Made Foreign Liquor (IMFL) category & has received tremendous response from market. The distillery has also produced 6643 cases of Blue Heaven Indian Made Foreign Liquor (IMFL) category.

The distillery division has achieved a turnover & other income of Rs. 22995.41 lacs.

The company has also produced 11949.09 quintals of CO2 gas and has recorded a turnover of Rs 40.84 Lacs, which is included in the turnover of distillery.

**iii) Malt Plant**

The 10 Kilo Litres Per Day Malt Plant to produce Malt Spirit made from Barley is running perfectly. The quality of Malt Spirit produced thereat is of very high standards. The unit has produced 26,30,515 bulk liters of Malt Spirit till 31/3/2015 as per following details.

Year	Production in bulk liters	Number of barrels
2012-13	4,96,499	1733
2013-14	11,43,034	6109
2014-15	10,11,982	4958

**Share Capital**

During the period under review the company has come out with an issue of Bonus Shares in the ratio of 1:1 as a result the Authorized & Paid up capital was increased. The credit for the shares in respective demat accounts & dispatch of share certificates has already been completed in the month of April 2015.

The company has not issued any sweat equity, ESOP and/or convertible debenture during the year.

**Dividend**

Your Directors have not recommended any dividend on the equity shares for the financial year ended March 31, 2015 to conserve the cash resources for modernization & up gradation of sugar mill, and to achieve Zero Liquid discharge in Distillery Unit.

**Directors & Key Managerial Personnel**

Sh. Jai Parkash Kaushik, Director of the Company retire by rotation and is eligible for reappointment.

During the year, the Board of Directors of the company at its meeting held on 31.03.2015 has appointed Ms Bhawana

2014-15

Gupta as Additional Director of the company under the provisions of section 149 and 152 of Companies Act 2013. The Independent Directors have submitted their disclosure to the Board that they fulfil all the requirements as to qualify as an Independent director under section 149 (5) of the Companies Act 2013 as well as clause 49 of the Listing Agreement.

#### Board Meetings

During the year under review six (six) meetings of the Board of Directors were held to transact the business of the company. The time gap between the two consecutive meetings was not exceeding 120 days. Details of the Board meetings including attendance of Directors at these meetings are provided in the Corporate Governance Report annexed to this report.

#### Board evolution

In a separate meeting of Independent Directors, performance of non-independent directors, performance of Board as a whole and performance of Chairman was evaluated. Based on such report of the meeting of Independent Directors and taking into account the views of executive director and non executive director the Board had evaluated its performance on various parameters such as Board composition and structure, effectiveness of board processes, effectiveness of flow of information, contributions from each directors etc.

#### Deposits

Your company has not accepted any deposits from the public during the year.

#### Risk Management

Your company carries out a periodical exercise to identify various risks involved in the business & operations of the company. After identification, such risks are assessed for the degree of risks involved and accordingly steps are taken to mitigate these risks. The objective of such exercise is to mitigate the probable adverse impact on business operations and thus enhance the competitiveness. The risk assessment process of the company defines the risk management approach at all levels across the organization including determination of the degree of risks and proper steps to be taken to avoid the probable harm. The Board is updated periodically on the risks identified and steps taken for mitigating them.

#### Auditors & Audit report

##### Statutory Auditors

M/s. Jain & Associates, Chartered Accountants Chandigarh, the Statutory Auditors of the Company, retiring at the conclusion of this Annual General Meeting and being eligible for re-appointment. Pursuant to the provisions section 139 of the Companies Act 2013 and rules framed there under, it is proposed to appoint M/s. Jain & Associates Chartered Accountants Chandigarh as Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting.

The company has received letter from M/s. Jain & Associates, Chartered Accountants to the effect that their appointment, if made would be within the prescribed limits under section 141(3) (g) of the Companies Act 2013 and they are not disqualified for reappointment.

The Notes on Financial statements referred to in the Auditors report are self explanatory and do not call for any further comments.

##### Secretarial Audit

Pursuant to the provisions of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 the Board has appointed Mr. Kanwaljit Singh, Practising Company Secretary, as Secretarial Auditor of your company for the financial year 2014-2015. The Secretarial Audit report for the financial year 2014-15 is annexed to this report as **Annexure-A**.

##### Cost Auditors

The Central Government has approved the appointment of Sh. Saryjev .K. Bansal, Cost Accountant for the financial year 2014-2015 to cost audit for 15 Sugar & Distillery unit.

##### Consolidated Financial Statement

As required under the Listing Agreement & in accordance with the Accounting Standard (AS) 21 on consolidated Financial Statements read with AS-23 on accounting for investments in Associates, the Audited consolidated financial statements provided in the Annual report.

##### Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo

As required under Section 134 (3)(m) of the Companies Act 2013 read with rule 8 of the Companies (Accounts) Rules 2014, the information relating to the conservation of the energy, technology absorption and foreign exchange earnings and outgo, is annexed and forms part of the report as per **Annexure B**.

##### Subsidiary

Details of subsidiary Company M/s. Clear vision Media India (P) Ltd has not commenced any commercial operations during the year under review. Details of the subsidiary as per first proviso to section 129(3) of the Companies Act 2013 read with Rule 5 of the Companies (Accounts) Rules 2014 are attached to this report on AOC-1 as Annexure C. During the year, the company formed a subsidiary M/S Pricedily Agro Limited, in United Kingdom & has not commenced any Commercial operation. Details given in **Annexure C**.

In accordance with the General Circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, statement of Profit & Loss and other documents, of the subsidiary companies are not being attached with the balance sheet of company.

However financial information of the subsidiary companies is disclosed in the Annual report in compliance with the said circular. The company will provide a copy of separate Annual accounts in respect of subsidiary to any shareholder of the company who ask for it and the said annual accounts will also be kept open for inspection at the registered office of the company and that of the respective subsidiary companies.

**Contracts or Arrangements with related Parties**

Particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 186 of the Companies Act 2013 were in ordinary course of business and on arms length basis are provided in this report in Form no. AOC-2 as per **Annexure-D**

**Particulars of Loans, Guarantees and Investments**

Details of Loans, Guarantees and investments covered under the provision of Section 186 of the Companies Act 2013 are given in the notes to the Financial Statements

**Internal Controls**

The company's internal control system is commensurate with its size, scale and complexities of its operations. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control system and suggests improvements to strengthen the same. It also reviews the quarterly Internal Audit reports.

**Remuneration Policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. High lights of remuneration policy are stated in the corporate Governance report.

**Significant and material orders passed by the Regulators / Courts**

There are no significant material orders passed by the regulators/Courts which would impact the going concern status of the company and its future operation. However in line with the requirement of clause 36 of the Listing Agreement read with guidance note issued by the Stock Exchange, the company has reported all the major cases/litigation matters etc from time to time to the Stock exchanges.

**Extract of Annual Return**

The details forming part of the extract of the Annual return is given in **Annexure -E** of this report.

**Corporate Social Responsibility**

Your company has transferred necessary funds to Mrs Pt Kedar Nath Sharma Hospital & Charitable Trust for undertaking CSR activities. CSR Details are given in **Annexure -F** Pursuant to the provisions of Section 135 of the Companies Act 2013 and rules there to, a Corporate Social Responsibility committee of the Board has been constituted to monitor CSR activities.

**Corporate Governance & Policies**

Pursuant to clause 49 of the listing Agreement with BSE Ltd (BSE), Management discussion and Analysis, Corporate Governance Report and Auditors certificate regarding compliance of conditions of corporate governance are made part of the Annual Report as per **Annexure G**.

Your Board has in accordance with the requirements of Companies Act 2013 & Clause 49 of Listing Agreement has adopted new policies such as Related Party Transaction, Corporate Social Responsibility Policy, Whistle Blower and Vigil Mechanism policy. These policies are available on the website of the company and can be viewed on [www.pacagm.com](http://www.pacagm.com).

Your Board has in accordance with the requirements of Companies Act 2013 & Clause 49 of Listing Agreement has formed Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Audit Committee, Stakeholders relationship Committee & Business risk Management Committee.

**Particulars of Employees**

The information required pursuant to section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 in respect of employees of the company, will be provided on request, in terms of Section 136 of the Act. The reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to date ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the Company Secretary in advance.

**Director's Responsibility Statement**

Pursuant to section 134(3)(c) and Section 134(5) of the Companies Act 2013, your Directors hereby report that a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable & prudent so as to give 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 Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) The Directors had prepared the Annual Account on ongoing concern basis, and

e) The Directors, in the case of a listed Company, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Acknowledgement**

Your Directors would like to express their grateful appreciation for the assistance and cooperation received from the Financial institutions, Banks, Suppliers, Customers, farmers and all other concerned with the Company during the year under review.

For Pacadly Agro Industries Limited

Place: Gurgaon  
Date: 30/5/2015

Sd/-  
(Akhil Dada)  
(Chairman)  
DIN No. 02321706

Sd/-  
(Harvinder Chopra)  
Managing Director  
DIN No. 00129891



Form No. MR-3  
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Piccadily Agro Industries Limited  
Village, Bhaosari, Loni Inda Road  
Tehsil, Inda, Dist. Karnal  
Haryana

I have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PICCADILY AGRO INDUSTRIES 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 PICCADILY AGRO INDUSTRIES LIMITED 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 March 31, 2015 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 PICCADILY AGRO INDUSTRIES LIMITED (the Company) for the financial year ended on March 31, 2015 according to the provisions of

- (i) The Companies Act, 2013 (the Act) and the rules made there under,
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under,
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder,
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act)
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2013
  - 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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- Not applicable as the company has not granted any options to its employees during the financial year under review
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- Not applicable as the company has not issued any debt securities during the financial year under review.
  - 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- Not applicable as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- Not applicable as the company has not delisted any securities from any stock exchange during the financial year under review
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1996- Not applicable as the company has not bought back any of its securities during the financial year under review
- (vi) Environment Protection Act, 1986 and other environmental laws,
- (vii) The Air (Prevention and Control of Pollution) Act, 1981
- (viii) The Water (Prevention and Control of Pollution) Act, 1974

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India- Not notified, hence not applicable for the audit period
- b) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited

During the period under review the Company has generally complied with the provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above

Based on our examination and the information received and records maintained, I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well 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
3. All decisions are carried through majority while the dissenting members' views, if any, are captured and recorded as part of the minutes
4. The company has proper board processes.

Piccadilly Agro Industries Ltd

Based on the compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the Company Secretary / Officers and taken on record by the board of directors in their meeting(s), I am of an opinion that

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

2. On examination of the relevant documents and records, on test check basis, the company has complied with the following laws specifically applicable to the company:

- a) Sugar Cess Act, 1982
- b) Food Safety and Standards Act, 2006
- c) Essential Commodities Act, 1955
- d) Sugar Development Fund Act, 1982
- e) Levy Sugar Price Equalization Fund Act, 1975

Further, reliance has been placed on the compliance system prevailing in the company and legal compliance Certificates received from the unit heads and taken on record by the board, as regards compliance of laws specifically applicable to the industry to which the company belongs.

During the audit period:

1. The company passed a Special Resolution under Section 180(1) (a) of Companies Act, 2013 to authorise the directors to create a charge or mortgage on the property of the company.
2. The company passed a special resolution under Section 180(1)(c) of Companies Act, 2013 to authorise the directors to exercise borrowing powers upto a limit of Rs. 350.00 Crores over and above the aggregate of the paid-up share capital and free reserves of the company.
3. The company passed a Special Resolution through postal ballot under Section 13 and 61 of the Companies Act, 2013 to increase the Authorised Share capital from Rs. 27,00,00,000 (Rupees twenty seven crores only) divided into 27,00,000 (Two Crores and Seventy Lacs) equity shares of Rs. 10 (Rupees Ten only) each to Rs. 50,00,00,000 (Rupees Fifty Crores only) divided into 5,00,00,000 (Five crores) equity shares of Rs. 10 each (Rupees Ten only) and to make the consequent alteration in Clause V of the Memorandum of Association of the company.
4. The company passed a special resolution, through postal ballot, under Section 14 of the Companies Act, 2013 for alteration of the Articles of Association of the company.
5. The company passed a special resolution, through postal ballot, under Section 14 of the Companies Act, 2013 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 approving issue of > 35,84,820 Bonus Equity Shares of Rs. 10/- each to the members of the company. The proportion being 1:1.

Apart from the business stated above, there were no instances of

- (i) Public Rights / Preferential issue of shares / debentures / sweat equity
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation / reconstruction etc
- (iv) Foreign technical collaborations

Place: Gurgaon  
Date: 30.05.2015

Sd/-  
KANWALJIT SINGH  
FCS: 5901  
C.P. No. 5870

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.

Annexure A

To,

The Members  
Piccadilly Agro Industries Limited  
Village: Bhadson, Uran-Indri Road,  
Tehta, Indri, Dist: Karnal  
Haryana

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

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. 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 extent of verification of procedures on test basis.
6. 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: Gurgaon  
Date: 30.05.2015

Sd/-  
KANWALJIT SINGH  
FCS: 5901  
C.P. No. 5870