



PIONEER AGRO EXTRACTS LTD.

PAEL/CO/BSE/2016-17/

Dated: 15th Oct 2016

The Deputy General Manager
Department of Corporate Services
Bombay Stock Exchange Limited,
23rd Floor, P. J. Tower, Dalal Street, Fort,
Mumbai-400 001

Sub: Submission of Annual Report for F.Y ended 31st March 2016 under Regulation 34 (1) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 after approved and adopted in the Annual General Meeting.

Ref:- Scrip Code – 519439, Scrip ID - PIONAGR

Dear Sir

Please find enclosed herewith the following documents pursuant to Listing Agreements:

1. Annual Report, Director report with all disclosures / certificates, Balance sheet and Profit & loss Accounts, Cash Flow Statements for Financial Year ended 31st March 2016 under Regulation 34 (1) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 after approved and adopted in the Annual General Meeting.

We hope you will find the above information in order and acknowledge receipt. Kindly take the above on your records.

Thanking You

For Pioneer Agro Extracts Limited

(Rashmi Chaudhary)
Company Secretary & Compliance Officer
M.No – A35316



The Pioneering Continues...



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

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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.

Annual Report 2015-2016

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 |





PIONEER AGRO EXTRACTS LTD.

Annual Report 2015-16

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.





Director's Responsibility Statement:

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or loss of the Company for the year under review.
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The directors have prepared the annual accounts on a going concern basis.
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

Related Party Transactions

The company has entered a contract with its related party Pioneer Industries Limited. Before entering into, the Audit Committee of the Company has approved such related party transaction to be performed with Pioneer Industries Limited in meeting of Board of directors.. The particulars of contracts entered into by the company with its related party i.e. Pioneer Industries Limited pursuant to Section 188 of the Companies Act, 2013 is annexed herewith in Form AOC-2. **Annexure No B**, which forms a part of the Report.

Subsidiary Companies

The Company does not have any subsidiary.

Code of Conduct

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "code of business conduct" which forms an Appendix to the Code. The Code has been posted on the Company's website www.pioneeragro.co.in.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

Vigil Mechanism / Whistle Blower Policy:

The Company has a vigil mechanism named Fraud and Risk Management Policy to deal with instance of fraud and mismanagement, if any.

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and shareholder responsibility.



Annual Report 2015-2016

Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

Auditor's Report/ Secretarial Audit Report

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

Auditors

M/s Vasudeva & Co., Chartered Accountants, Statutory Auditor of the Company holds office until the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment for the Financial Year 2016-17. The Company has received a written certificate to the effect that their appointment, if made, would be made within prescribed limits under Section 141(3)(g) of the Companies Act 2013 read with Companies (Audit & Auditors) Rules, 2014 and they are not disqualified for appointment. The Board and Audit Committee have also recommended statutory auditor's re-appointment. Members are requested to consider their re-appointment.

Further M/s Yudhistir & Co., Chartered Accountants has been appointed as Internal Auditor pursuant to Section 138 of the Companies Act, 2013 for the Financial Year 2016-17

Appointment of Cost Auditor of the Company

The company has closed down its operations and has disposed off entire Plant & Machinery. Thus Appointment of cost Auditor of the company is not required.

Secretarial Audit

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s Anuj Bansal & Associates, Practicing Company Secretary to conduct the Secretarial Audit for the financial year 2015-16. The Secretarial Audit report is annexed herewith as "Annexure C"

Extract of Annual Return:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure D".

Business Risk Management:

At present the company has not identified any element of risk which may threaten the existence of the company.





Annual Report 2015-16

Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year Eight Board Meetings, Five Remuneration Committee, Four Stakeholders Relationship Committee, One Independent Director Meeting, and Six Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

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 upon 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 the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary in advance.

Corporate Governance and Management Discussion & Analysis Reports

The Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report, are set out as separate Annexure, together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in Clause 49 of the Listing Agreement


Disposed off the Asests

Your company has disposed off most of the Fixed Assets during the year as per postal ballot passed by the shareholders of the company on 18/12/2013 as per section 180(1)(a) of the companies Act, 2013 and other applicable statutory provisions. Now Company has disposed off entire inventories during the year and has closed down the operation. The Company is keen on identifying new and different business opportunity in worldwide markets with an aim to starting new business.

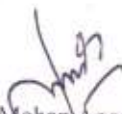
Acknowledgements

Your directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The Board places on record its appreciation for the support and cooperation your Company has been receiving from its suppliers, stockiest, retailers, business partners and other associated with the company as its trading partners. Your company looks upon them as partners in its progress and has shared with them the rewards of growth.

For and on behalf of the Board


(Ajay Kumar Goel)
Joint Managing director
Din No -01105207




(Jagat Mohan Aggarwal)
Managing Director
Din No- 00750120

Place: Pathankot
Dated: 30.05.2016



ANNEXURE -A

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING

a) Energy conservation measures taken:

No other additional investments & Proposal are being in consideration for reduction of Consumption of Energy.

b) Additional investments and proposals, if any, being implemented for reducing consumption of energy

No other additional investments & Proposal are being in consideration for reduction of Consumption of Energy.

c) Impact of the measure at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:-

No other additional investments & Proposal are being in consideration for reduction of Consumption of Energy.

d) Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of industries is specified hereunder in the Schedule thereto.

POWER AND FUEL CONSUMPTION

| Particulars | Current Year 31.03.2016 | Last Year 31.03.2015 |
|--|----------------------------|-------------------------|
| Electricity purchased (Units) | 211818 | 734920 |
| Amount (in Rs.) | 2111899 | 5983678 |
| Rate per Unit (in Rs.) | 9.97 | 8.14 |
| Own Generation through Diesel Generation (Units) | 3775 | 27970 |
| Amount (In Rs.) | 61267 | 474054.7 |
| Cost Per unit (in Rs.) | 16.23 | 16.95 |
| Coal/Charcoal (in MT) | 0.940 | 4.45 |
| Charcoal amount (in Rs.) | 13712 | 68142.82 |
| Furnace oil | Nil | Nil |
| Fuel Consumption(In MT) | 731.800 | 2501 |
| Amount (in Rs.) | 3192773 | 11568664 |
| Rate per MT | 4362.90 | 4625.62 |
| Diesel (Qty in Ltrs) | 1230 | 9055 |
| Amount (in Rs.) | 61267 | 474054.7 |
| Rate per Ltr. (HSD/LDO) | 49.81 | 52.35 |
| Vanaspati & Refined Oil Production | 1997.911 | 7915.57 |
| Electricity | 107.91 | 96.38 |



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PIONEER AGRO EXTRACTS LTD.

II TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form B of the Annexure of Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

1. Research and Development (R&D)

- Specific areas in which R&D carried out by the company :
During the year under review, no R&D carried out.
- Benefits derived as a result of above R&D : Not Applicable
- Future Plan of action: If required, Research and Development activities shall be carried out in future to achieve greater efficiency in production techniques.
- Expenditure on R&D: No capital as well as recurring expenditure made on R&D.

2. Technology, absorption, adaptation and innovation

- Efforts, in brief, made towards technology absorption, adaptation & innovation :
During the year under review, no R&D carried out.
- Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.:
During the year under review, no R&D carried out.
- In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) : Nil

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

2015-16

2014-15

| | | |
|--|-----|-----|
| - Foreign Exchange Earning (Rs. In lakh) | Nil | Nil |
| - Foreign Exchange Outgo (Rs. In lakh) | Nil | Nil |

For and on behalf of the Board


(Ajay Kumar Goel)
Joint Managing director
Din No -01105207




(Jagat Mohan Aggarwal)
Managing Director
Din No- 00750120

Place: Pathankot
Dated: 30.05.2016

The Pioneering Continues...



PIONEER AGRO EXTRACTS LTD.

II TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form B of the Annexure of Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

1. Research and Development (R&D)

- Specific areas in which R&D carried out by the company :
During the year under review, no R&D carried out.
- Benefits derived as a result of above R&D : Not Applicable
- Future Plan of action: If required, Research and Development activities shall be carried out in future to achieve greater efficiency in production techniques.
- Expenditure on R&D: No capital as well as recurring expenditure made on R&D.

2. Technology, absorption, adaptation and innovation

- Efforts, in brief, made towards technology absorption, adaptation & innovation :
During the year under review, no R&D carried out.
- Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.:
During the year under review, no R&D carried out.
- In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) : Nil

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

2015-16

2014-15

| | | |
|--|-----|-----|
| - Foreign Exchange Earning (Rs. In lakh) | Nil | Nil |
| - Foreign Exchange Outgo (Rs. In lakh) | Nil | Nil |

For and on behalf of the Board


(Ajay Kumar Goel)
Joint Managing director
Din No -01105207




(Jagat Mohan Aggarwal)
Managing Director
Din No- 00750120

Place: Pathankot
Dated: 30.05.2016

The Pioneering Continues...



PIONEER AGRO EXTRACTS LTD.

---ANNEXURE -B

*FORM AOC-2

(Pursuant to clause (h) of Sub Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules 2014)

Form for Disclosure of particulars of Contracts/arrangements entered into by the Company with its related parties referred to Section 188(1) of the Companies Act, 2013

1. Details of material contracts or arrangement or transactions not at arm's length price.

| S. No. | Particulars | Details |
|--------|---|---------|
| a) | Name (s) of the related party & nature of relationship | Nil |
| b) | Nature of contracts/arrangement/transactions | Nil |
| c) | Duration of the contracts/arrangements /transaction | Nil |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | Nil |
| e) | Justification for entering into such contracts or arrangements or transactions | Nil |
| f) | Date of approval by the Board | Nil |
| g) | Amount paid as advances, if any | Nil |
| h) | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | Nil |

2. Details of material contracts or arrangement or transactions at arm's length price.

| S. No. | Particulars | Details |
|--------|---|--|
| a) | Name (s) of the related party | Pioneer Industries Limited |
| b) | Nature of relationship | It is a group company in which two of the Directors are interested |
| c) | Nature of contracts/arrangement/transactions | By Agreement |
| d) | Duration of the contracts/arrangements /transaction | 01.04.2015 to 31.03.2016 |
| e) | Salient terms of the contracts or arrangements or transaction including the value, if any | Sale of Machines and Freight & rent received |
| f) | Justification for entering into such contracts or arrangements or transactions | Approval of Board of Directors |
| g) | Date of approval by the Board | 27.05.2015, |
| h) | Amount received during the year (in Rs) | 62.95 Lacs |
| i) | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | NA |



The Pioneering Continues...

Office : 313-SF, Prestige Chamber, Wimpy's Building,
Adj. Narinder Cinema, G.T. Road,
Jalandhar-144001.

Tel.: (O) 0181-4622464
(M) 98140-32331, 9814323338
Email : advisors.india@hotmail.com (Official)
anujoffice2000@yahoo.com (Personal)

Ref: ABA/2016/PAEL

Dated: 30.05.2016.

Form No. MR-3 Secretarial Audit Report

(For the Financial Year Ending 31.3.2016)

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

To
The Board of Directors
Pioneer Agro Extracts Limited,
Pathankot

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Pioneer Agro Extracts Limited, having registered office at #Chhoti Nahar, Malakpur, Pathankot, Corporate Identification No.L15319PB1993PLC012975(hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the **audit period ended on 31.03.2016**, 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:

1. We have examined the books, papers, minute books, forms and returns filed and their records maintained by ("The Company") for the period ended on 31.3.2016 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the Rules made thereunder;

- II. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- III. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- IV. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- g. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited; and
- h. The Memorandum and Articles of Association.
- i. Listing Obligation and Disclosure Requirements Regulation, 2015.

- VI. As informed to us, the other laws specifically applicable to the Company have been complied with. In this regard, we have relied on the information/records produced by the Company during the course of Audit on test check and randomly basis and limited to that extent only and was limited to following acts:

- Food Safety & Standards Act, 2006
- The Factories Act, 1948.
- The Payment of Wages Act, 1936.
- The Minimum Wages Act, 1948.
- Employees Provident Fund and Misc. Provisions Act, 1952.
- Employers State Insurance Act, 1948.
- The Payment of Bonus Act, 1965.
- The Environment (Protection) Act, 1986.
- Electricity Act 2003.
- Payment of Gratuity Act, 1972.
- Water (Prevention & Control of Pollution) Act 1974 and rules thereunder.
- Air (Prevention & Control of Pollution) Act 1981 and rules thereunder.

Regarding Compliance of FSSAI, we further report that based on the information received and records maintained by the company has a FSSAI License, however surrendered the same due to discontinuance of its business activities during the year.

We have also examined compliance with the applicable clauses of the following, wherever applicable:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.



2. We further report that the Company has, in our opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:

- a) Maintenance of various statutory registers and documents and making necessary entries therein;
- b) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- c) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- d) Notice of Board meetings and Committee meetings of Directors;
- e) The meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- f) The Annual General Meeting held on 30.09.2015 including the provisions related to extension of time;
- g) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- h) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- i) Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
- j) Payment of remuneration to Directors including the Managing Director and Whole-time Directors,
- k) Appointment and remuneration of Auditors and Cost Auditors;
- l) Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
- m) Declaration and payment of dividends;
- n) Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs, if any;
- o) Borrowings and registration, modification and satisfaction of charges wherever applicable;
- p) Investment of the Company's funds including investments and loans to others;
- q) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
- r) Directors' report;
- s) Related Party Transactions.
- t) Contracts, common seal, registered office and publication of name of the Company; and
- u) Generally, all other applicable provisions of the Act and the Rules made under the Act.



3. We further report that:

- a. 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.
- b. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at reasonable gap 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.
- c. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- d. The Company has obtained all necessary approvals under the various provisions of the Act; and
- e. There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
- f. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being Independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

5. The Company has complied with the provisions of the Depositories Act, 1996 and the Bye laws framed thereunder by the Depositories with regard to dematerialization / re-materialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

6. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

7. We further report that:

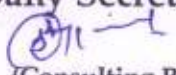
- a. The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited;
- b. The Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
- c. The Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;



8. We further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Anuj Bansal & Associates
Practicing Company Secretaries




(Consulting Partner)
Saurabh Aggarwal
B.Com (Prof.), MBA, ACS, LLB.
M. No. A-43524
COP No. 16555

Date: 30.05.2016.

Place: Jalandhar.

Note: 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'

(Forming Integral Part of Secretarial Audit Report for the financial year ending 31.3.2016)

To
The Members,
Pioneer Agro Extracts Limited,
Pathankot

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process 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. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc. which forms the integral part to express our opinion in Form MR-3.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis as the Secretarial Auditors.
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.

For Anuj Bansal & Associates
Practicing Company Secretaries



(Signature)

(Consulting Partner)

Saurabh Aggarwal

B.Com (Prof.), MBA, ACS, LLB,

M. No. A-43524

COP No. 16555

Date: 30.05.2016.

Place: Jalandhar.



PIONEER AGRO EXTRACTS LTD.

ANNEXURE -D

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN: L15319PB1993PLC012975
- ii) Registration Date: 20/01/1993
- iii) Name of the Company: PIONEER AGRO EXTRACTS LIMITED
- iv) Category / Sub-Category of the Company: Company Limited by Shares
- v) Address of the Registered office and contact details:
CHOTTI NAHER,
MALAKPUR, PATHANKOT- 145025
PUNJAB
- vi) Whether listed company: YES
- vii) Name, Address and Contact details of Registrar and Transfer Agent:
ABHIPRA CAPITAL LIMITED.
GF-58-59, WORLD TRADE CENTRE,
BARAKHAMBA LANE
NEWDELHI- 110001
PHONE: 011-42390909.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| Sl. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|---|-------------------------------------|---------------------------------------|
| I | EDIBLE OIL | 220890 | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

| S. NO | NAME AND ADDRESS OF THE COMPANY | CIN/GLN | HOLDING/ SUBSIDIARY/ ASSOCIATE | % of shares held | Applicable Section |
|-------|---------------------------------------|---------|--------------------------------------|---------------------|-----------------------|
| I | N.A. | N.A. | N.A. | N.A. | |



PIONEER AGRO EXTRACTS LTD.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | %Change During the year |
|--|---|------------|---------------|-------------------|---|------------|---------------|-------------------|-------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| a) Individual/HUF | 922075 | Nil | 922075 | 922075 | 922075 | Nil | 922075 | 21.28 | Nil |
| b) Central Govt. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| c) State Govt. (s) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| d) Bodies Corp. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| e) Banks / FI | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| f) Any Other.... | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Sub-total (A) (1):- | 922075 | Nil | 922075 | 21.28 | 922075 | Nil | 922075 | 21.28 | Nil |
| (2) Foreign | | | | | | | | | |
| a) NRIs – Individuals | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| b) Other – Individuals | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| c) Bodies Corp. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| d) Banks / FI | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| e) Any Other.... | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Sub-total (A) (2):- | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 922075 | Nil | 922075 | 21.28 | 922075 | Nil | 922075 | 21.28 | Nil |
| B. Public Shareholding | | | | | | | | | |
| a) Mutual Funds/ Banks /FI | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| b) Central Govt. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| c) State Govt.(s) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| d) Venture Capital funds | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| e) Insurance Companies | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| g) FIs | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| h) Foreign Venture Capital Funds | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| i) Others (specify) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Sub-total (B)(1):- | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 1805101 | 228700 | 2033801 | 46.95 | 1843561 | 228700 | 2072261 | 47.83 | 1.85 |
| ii) Overseas | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 70356 | 324800 | 395156 | 9.12 | 73396 | 323300 | 396696 | 9.15 | 0.38 |



PIONEER AGRO EXTRACTS LTD.

| | | | | | | | | | |
|--|----------------|---------------|----------------|--------------|----------------|---------------|----------------|--------------|------------|
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 473879 | 378800 | 852679 | 19.68 | 473879 | 378800 | 852679 | 19.68 | Nil |
| c) Others Clearing Members | 128589 | Nil | 128589 | 2.97 | 88589 | Nil | 88589 | 2.03 | 31.10 |
| d) NRI's | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Sub-total (B)(2):- | 2477925 | 932300 | 3410225 | 78.72 | 2479425 | 930800 | 3410225 | 78.72 | Nil |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 2477925 | 932300 | 3410225 | 78.72 | 2479425 | 930800 | 3410225 | 78.72 | Nil |
| C. Shares held by Custodian for GDRs & ADRs | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Grand Total (A+B+C) | 3400000 | 932300 | 4332300 | 100 | 3400000 | 930800 | 4332300 | 100 | Nil |

(ii) Shareholding of Promoters

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Share holding at the end of the year | | | |
|---------|----------------------------|---|----------------------------------|---|--------------------------------------|----------------------------------|---|-----|
| | | No. of Shares | % of total shares of the company | % of Shares Pledged /encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged /encumbered to total shares | |
| 1 | Jagat Mohan Aggarwal | 48194 | 1.11 | Nil | 48194 | 1.11 | Nil | Nil |
| 2 | Bharat Bhushan Aggarwal | 49800 | 1.15 | Nil | 49800 | 1.15 | Nil | Nil |
| 3 | Pardeep Aggarwal | 31100 | 0.72 | Nil | 31100 | 0.72 | Nil | Nil |
| 4 | Ram Piari | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| 5 | Ajay Kumar Goel | 83400 | 1.93 | Nil | 83400 | 1.93 | Nil | Nil |
| 6 | Jagat Mohan Aggarwal (HUF) | 267307 | 6.17 | Nil | 267307 | 6.17 | Nil | Nil |
| 7 | Saru Aggarwal | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| 8 | Shuchita Aggarwal | 220683 | 5.09 | Nil | 220683 | 5.09 | Nil | Nil |
| 9 | Vasu Aggarwal | 221591 | 5.11 | Nil | 221591 | 5.11 | Nil | Nil |



PIONEER AGRO EXTRACTS LTD.

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

| Sl. No. | For Each of the top 10 Shareholders | Shareholding at the beginning of the year | | Shareholding at the end of year | |
|---------|---|---|----------------------------------|---------------------------------|----------------------------------|
| | | No of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Damta Flour and Food Pvt. Ltd. | 338000 | 7.8 | 336000 | 7.75 |
| 2 | ASP Fincap Private Limited | 228200 | 5.27 | 228200 | 5.27 |
| 3 | Reshma Overseas Limited | 165448 | 3.82 | 165448 | 3.82 |
| 4 | Concrete Credit Limited | 102000 | 2.35 | 102000 | 2.35 |
| 5 | Badrinath Management Service Pvt. Ltd. | 101492 | 2.34 | 101492 | 2.34 |
| 6 | Lalima Tie Up Pvt. Ltd. | 49960 | 1.15 | 54210 | 1.23 |
| 7 | Signet Infotech Pvt. Ltd. | 169429 | 3.91 | 169429 | 3.91 |
| 8 | Jhankar Vinimay Pvt. Ltd. | 191367 | 4.42 | 191367 | 4.42 |
| 9 | VSB Investments Private Limited | 50000 | 1.15 | 50000 | 1.15 |
| 10 | Suresh Kumar Aggarwal | 45000 | 1.04 | 45000 | 1.04 |
| 11 | Reshma Devi Surana | 60035 | 1.39 | 60035 | 1.39 |
| 12 | Renu Jain | 69049 | 1.59 | 69049 | 1.59 |
| 13 | Raj Kumari Grover | 93405 | 2.16 | 93405 | 2.16 |
| 14 | Madhu Aggarwal | 87900 | 2.03 | 87900 | 2.03 |
| 15 | Beta Stock Brokers Pvt. Ltd. | 96263 | 2.22 | 121938 | 2.81 |
| 16 | A.R. Wealth Advisory Services Pvt. Ltd. | 54080 | 1.25 | 53980 | 1.24 |
| 17 | Daisy Commosales Limited | 81000 | 1.87 | 81000 | 1.87 |
| 18 | Oscar Retailers Limited | 147562 | 3.41 | 147562 | 3.41 |
| 19 | Wind Flower Sales Limited | 139900 | 3.23 | 139900 | 3.23 |



The Pioneering Continues...



PIONEER AGRO EXTRACTS LTD.

Shareholding of Directors and Key Managerial Personnel:

| | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--|---|----------------------------------|---|----------------------------------|
| | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. Sh. Jagat Mohan Aggarwal- Chairman & Managing Director | | | | |
| at the beginning of the Year | 48194 | 1.11 | 48194 | 1.11 |
| Date wise Increase/Decrease in the shareholding during the year specifying the reasons for increase or decrease (e.g. allotment/transfer/bonus/sweat equity etc) | Nil | | | |
| at the end of the Year | 48194 | 1.11 | 48194 | 1.11 |
| 2. Sh. Ajay Kumar Goel- Whole Time Director | | | | |
| at the beginning of the Year | 83400 | 1.93 | 83400 | 1.93 |
| Date wise Increase/Decrease in the shareholding during the year specifying the reasons for increase or decrease (e.g. allotment/transfer/bonus/sweat equity etc) | Nil | | | |
| at the end of the Year | 83400 | 1.93 | 83400 | 1.93 |
| 3. Sh. Bharat Bhushan Aggarwal- Whole Time Director | | | | |
| at the beginning of the Year | 49800 | 1.15 | 49800 | 1.15 |
| Date wise Increase/Decrease in the shareholding during the year specifying the reasons for increase or decrease (e.g. allotment/transfer/bonus/sweat equity etc) | Nil | | | |
| at the end of the Year | 49800 | 1.15 | 49800 | 1.15 |
| 4. Sh. Rajinder Kumar Uppal- Independent Director | | | | |
| at the beginning of the Year | Nil | Nil | Nil | Nil |
| Date wise Increase/Decrease in the shareholding during the year specifying the reasons for increase or decrease (e.g. allotment/transfer/bonus/sweat equity etc) | Nil | | | |
| at the end of the Year | Nil | Nil | Nil | Nil |
| 5. Sh. Dinesh Sharma- Independent Director | | | | |
| at the beginning of the Year | Nil | Nil | Nil | Nil |
| Date wise Increase/Decrease in the shareholding during the year specifying the reasons for increase or decrease (e.g. allotment/transfer/bonus/sweat equity etc) | Nil | | | |
| at the end of the Year | Nil | Nil | Nil | Nil |





PIONEER AGRO EXTRACTS LTD.

| | | | | |
|--|-----|-----|-----|-----|
| 6. Sh. Sanjeev Kumar Kohli- Independent Director | | | | |
| at the beginning of the Year | Nil | Nil | Nil | Nil |
| Date wise Increase/Decrease in the shareholding during the year specifying the reasons for increase or decrease (e.g. allotment/transfer/bonus/sweat equity etc) | Nil | | | |
| at the end of the Year | Nil | Nil | Nil | Nil |
| 7. Smt. Neeraj Sharma- Independent Director | | | | |
| at the beginning of the Year | Nil | Nil | Nil | Nil |
| Date wise Increase/Decrease in the shareholding during the year specifying the reasons for increase or decrease (e.g. allotment/transfer/bonus/sweat equity etc) | Nil | | | |
| at the end of the Year | Nil | Nil | Nil | Nil |
| 8. Sh. Shyam Manohan Parashar- Chief Financial Officer | | | | |
| at the beginning of the Year | Nil | Nil | Nil | Nil |
| Date wise Increase/Decrease in the shareholding during the year specifying the reasons for increase or decrease (e.g. allotment/transfer/bonus/sweat equity etc) | Nil | | | |
| at the end of the Year | Nil | Nil | Nil | Nil |
| 9. Smt Rashmi Chaudhary- Company Secretary | | | | |
| at the beginning of the Year | Nil | Nil | Nil | Nil |
| Date wise Increase/Decrease in the shareholding during the year specifying the reasons for increase or decrease (e.g. allotment/transfer/bonus/sweat equity etc) | Nil | | | |
| at the end of the Year | Nil | Nil | Nil | Nil |



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PIONEER AGRO EXTRACTS LTD.

INDEBTEDNESS (in Lakhs)

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

| | Secured Loans Excluding Deposits | Unsecured Loans | Deposits * | Total Indebtedness |
|--|--|--------------------|------------|-----------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 52.41 | 137.00 | 1.5 | 539.12 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0.116 | 11.269 | 0 | 11.702 |
| Total (i+ii+iii) | 52.52 | 148.27 | 1.5 | 540.29 |
| Change in Indebtedness during the financial year | | | | |
| Addition | 0 | 0 | 0 | 0 |
| Reduction | 52.52 | 148.27 | 1.5 | 540.29 |
| Net Change Indebtedness | | | | |
| At the end of the financial year | | | | |
| i) Principal Amount | 0 | 0 | 0 | 0 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) | 0 | 0 | 0 | 0 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs. In Lakhs)

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | |
|------------|---|-----------------------------|-------------------|---------------------------------|
| | | Jagat Mohan Aggarwal- MD | Ajay Goel- WTD | Bharat Bhushan Aggarwal- WTD |
| 1 | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Nil | Nil | Nil |
| | (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 | Nil | Nil | Nil |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | Nil | Nil | Nil |
| 2 | Stock Option | Nil | Nil | Nil |
| 3 | Sweat Equity | Nil | Nil | Nil |
| 4 | Commission | | | |
| | - as % of profit | Nil | Nil | Nil |
| | - others, specify... | Nil | Nil | Nil |
| 5 | Others, please specify | Nil | Nil | Nil |
| | Total (A) | Nil | Nil | Nil |
| | Ceiling as per the Act | | | Nil |



PIONEER AGRO EXTRACTS LTD.

B. Remuneration to other directors: (Amount in Rs.)

| Sl. No | Particulars of Remuneration | Name of Directors | | | Total Amount |
|--------|--|-------------------|----------------|---------------|--------------|
| | | Dinesh Sharma | Rajinder Uppal | Neeraj Sharma | |
| 1 | Independent Directors | Nil | Nil | Nil | Nil |
| | Fee for attending board / committee meetings | Nil | Nil | Nil | Nil |
| | Commission | Nil | Nil | Nil | Nil |
| | Others, please specify | Nil | Nil | Nil | Nil |
| | Total (1) | Nil | Nil | Nil | Nil |
| 2 | Other Non-Executive Directors | Nil | Nil | Nil | Nil |
| | Fee for attending board / committee meetings | Nil | Nil | Nil | Nil |
| | Commission | Nil | Nil | Nil | Nil |
| | Others, please specify | Nil | Nil | Nil | Nil |
| | Total (2) | Nil | Nil | Nil | Nil |
| | Total (B)=(1+2) | Nil | Nil | Nil | Nil |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (Rs. In Lakhs)

| Sl.No. | Particulars of Remuneration | Key Managerial Personnel | | Total Amount |
|--------|---|----------------------------|-----------------------------------|--------------|
| | | Mr. Rashmi Chaudhary CS | Mr. Shyam Manohar Parashar CFO | |
| 1 | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 2.34 | 9.84 | 12.18 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | Nil | Nil | Nil |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | Nil | Nil | Nil |
| 2 | Stock Option | Nil | Nil | Nil |
| 3 | Sweat Equity | Nil | Nil | Nil |
| 4 | Commission | | | |
| | - as % of profit | Nil | Nil | Nil |
| | - others, specify... | Nil | Nil | Nil |
| 5 | Others, please specify | Nil | Nil | |
| | Total (C) | 2.34 | 9.84 | 12.18 |



PIONEER AGRO EXTRACTS LTD.

h. Penalties/ Punishment/Compounding of offence

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ compounding fees imposed | Authority (RD/NCLT/ Court) | Appeal made if any (give details) |
|--|------------------------------|-------------------|---|----------------------------|-----------------------------------|
| A. COMPANY | | | | | |
| Penalty Punishment and Compounding | | | None | | |
| B. DIRECTORS | | | | | |
| Penalty Punishment and Compounding | | | None | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty Punishment and Compounding | | | None | | |





Annual Report 2015-2016

CORPORATE GOVERNANCE:

1. PHILOSOPHY:

The Company's philosophy on Corporate Governance has been developed with a tradition of fair and transparent governance even before they were mandated by the legislation. Transparency, integrity, professionalism and accountability - based values form the basis of the Company's philosophy for Corporate Governance. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations. Your company has fulfilled all the existing guidelines under clause 49 of the listing agreement.

2. BOARD OF DIRECTORS:

a) Composition, Category of Directors and their other directorship as on March 31, 2016.

| Name of the Director | Category of Directorship | Director in other Companies |
|--------------------------|--|-----------------------------|
| Mr. Jagat Mohan Aggarwal | Executive (Chairman & Managing Director) | 3 |
| Mr. Ajay Kumar Goel | Joint Managing Director | 3 |
| Mr. Bharat Bhushan Goel | Executive (Whole time Director) | Nil |
| Mr. Dinesh Sharma | Non-Executive (Independent Director) | Nil |
| Mr. Sanjeev Kumar Kohli | Non-Executive (Independent Director) | Nil |
| Mr. Rajinder Kumar Uppal | Non-Executive (Independent Director) | Nil |
| Ms Neeraj Sharma | Non-Executive (Independent Director) | Nil |

b) Directors' attendance record:

| Name of the Director | Board Meetings attended during the year | Whether attended last AGM |
|----------------------|---|---------------------------|
| Jagat Mohan Aggarwal | 7 | YES |
| Ajay Kumar Goel | 7 | YES |
| Bharat Bhushan Goel | 7 | YES |
| Dinesh Sharma | 7 | YES |
| Rajinder Kumar Uppal | 7 | YES |
| Sanjeev Kumar Kohli | 6 | YES |
| Neeraj Sharma | 7 | YES |

*Sh. Sanjeev Kumar kohli was appointed from the Board of Directors w.e.f 01.04.2015

3. COMMITTEES OF THE BOARD

a) Audit Committee

i) Terms of Reference:

Apart from all the matters provided in clause 49 of the listing agreement/ LODR and section 177 of the Companies Act 2013, the Audit committee reviews reports of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the company.

ii) Composition:

The Audit committee consists of two independent Directors and one Executive Directors Mr. Rajinder Kumar Uppal has been designated as chairman of the committee. The committee met 4 times during the financial year ended March 31, 2016. The attendance record of the members at the meeting were as follows

| Name of The Member | Designation | No Meetings attended |
|----------------------|-------------|----------------------|
| Rajinder Kumar Uppal | Chairman | 4 |
| Dinesh Sharma | Member | 4 |
| Jagat Mohan Aggarwal | Member | 4 |

**Annual Report 2015-2016****b) Appointment & Remuneration Committee and policy:**

The terms of reference of Nomination and Remuneration Committee are in accordance with Section 178 of the companies Act 2013.

| Name of The Member | Designation |
|----------------------|-------------|
| Rajinder Kumar Uppal | Chairman |
| Dinesh Sharma | Member |
| Ajay Goel | Member |

The committee met 5 times during the financial year ended March 31, 2016. The attendance record of the members at the meeting were as follows

| Name of The Member | Designation | No Meetings attended |
|----------------------|-------------|----------------------|
| Rajinder Kumar Uppal | Chairman | 5 |
| Dinesh Sharma | Member | 5 |
| Ajay Goel | Member | 5 |

Remuneration

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board meetings.

The Nomination and remuneration committee has formulated policy which is related to the remuneration for the directors, Key managerial Person and other employee. The Policy ensures that:-

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motive directors for the quality required to run the business successfully.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and
- Remuneration to directors, Key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goal.

It also entrusted to formulate the criteria for determining Qualification, positive attributes, independence of director

c) Shareholders/ Investors' Grievance Committee:

During the year 2015-16 the Shareholders/Investors Grievance committee that also acts as Share Transfer Committee met 4 times.

The attendance at the Shareholders/Investors Grievance Committee is given below

| Name of the Member | No. of meeting held | No. of meeting attended |
|----------------------|---------------------|-------------------------|
| Rajinder Kumar Uppal | 4 | 4 |
| Dinesh Sharma | 4 | 4 |
| Jagat Mohan Aggarwal | 4 | 4 |

During the year 2015-16, No complaints were received from shareholders and investors. All the complaints have generally been resolved to the satisfaction of the complainants except for disputed cases and sub-judice matters, if any, which would be solved on final disposal by the courts/ forums where they are pending.

MANAGERIAL REMUNERATION

Pursuant to Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

- None of the director including Managing Director and Whole time -Director has received remuneration or commission during the financial year ended on 31st March, 2016.
- None of the Employee, who employee throughout the financial year 2015-16, has received the remuneration in the aggregate of Sixty Lacs Rupees or more.
- None of the Employee, who employed for a part of the financial year 2015-16, at a rate which, in aggregate have not less than five lakh rupees P.M
- None of employee who has employed throughout the year at a rate which in aggregate is in excess of drawn by M.D, WTD and hold ~~responsible~~ or along with spouse and dependent children, not less than two percent of equity share of company

**ANNUAL REPORT 2015-16****INDEPENDENT DIRECTORS MEETING:**

During the year under review, the Independent Directors met on March 30, 2016, inter alia, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors were present at the meeting.

4. SHAREHOLDERS:**a. (i) Means of Communication:**

The Quarterly Un-Audited (Provisional) Results and the Annual Audited Financial results of the company are sent to the stock exchanges immediately after they are approved by the Board and are also published in one vernacular news paper viz. "Aaj Di Awaj" and one English news paper viz. ThePioneer". Also they are uploaded on the company's website www.pioneeragro.co.in. The results are published in accordance with the guidelines of the Stock Exchanges.

- (ii) In line with the existing provisions of the Listing Agreement, the Company has created a separate e-mail address viz. complianceofficer@pioneeragro.co.in to receive complaints and grievances of the investors.

- (iii) Shareholding Pattern, Corporate Compliance.

Certificate of each quarter are sent to stock exchanges before the due date of quarter compliance and the same are also upload immediately on the company web-site.

b. Share Transfers Agents:

M/s. Abhipra Capital Ltd., Abhipra Complex, A-387 Dilkhush Industrial Area GT Karnal Road Azadpur Delhi - 110033.

c. Share Transfer System:

All physical share transfers are affected within 15 days of lodgment, subject to the documents being in order.

d. General Body Meetings :

Details of last three Annual General Meetings are as under.

| Financial Year | Date | Time | Venue |
|----------------|------------|-----------|---|
| 2014-15 | 30-09-2015 | 11.00 A.M | Chotti Nehar Malakpur Pathankot-145025 |
| 2013-14 | 30-09-2014 | 11.00 A.M | Chotti Nehar Malakpur Pathankot-145025 |
| 2012-13 | 30-09-2013 | 11.30 AM | Chotti Nehar Malakpur Pathankot- 145025 |

e. Postal Ballot:

For the year ended March 31, 2016 there have been no ordinary or special resolutions passed by the Company's Shareholders through postal ballot.

5. Additional shareholders information :**a) Annual General Meeting**

Date : September 30, 2016

Venue: Chotti Nehar Malakpur, Pathankot (Punjab)

Time : 11.30 A.M



**b) Financial Calendar**

Financial Year: April 01 to March 31 for the financial year 2015-16, the tentative dates for declaration of Quarterly unaudited results will be by July 31, 2015, October 31, 2015, January 31, 2016 and April 30, 2016.

c) Book Closure:

The register of members and share transfer books of the company shall remain closed from Sept 23, 2016 to Sept 30, 2016 (both days inclusive) for AGM.

d) Dividend Payment Date:

The Board of Director do not recommended any dividend on financial year 2015-16..

e) Listing in stock exchanges and stock codes

The names of stock exchanges at which the equity shares are listed and respective stock codes are as under :

| Name of the stock Exchanges | Stock Code No. |
|-----------------------------|----------------|
| Bombay Stock Exchange | PIONAGR |

f) Shares held in physical and dematerialized form:

As on March 31, 2016, 78.48 % of shares were held in dematerialized form and the rest in physical form.

g) Outstanding GDR's/ADR's/Warrant's/Convertible instruments and their impact on equity.

NIL.

h) Plant Location

VPO Thariyal Defence Road, Madhopur
Pathankot -145025 (Punjab)

i) Address for correspondence

Chotti Nehar, Malakpur Pathankot-145025
Telephone : 086- 2245353/54/55
E-Mail: complianceofficer@pioneeragro.co.in
Website: www.pioneeragro.co.in

6. Disclosures:

The company has not entered into any transaction of a material nature with the Promoters, the Directors or the Management, their relatives etc. that may have any potential conflict with the interests of the company.

The company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities' on all matters related to capital markets.

For and on behalf of the Board of Director

(Ajay Kumar Goel)
Joint Managing Director
Din 01105207

(Jagat Mohan Aggarwal)
Managing Director
Din: 00750120

Place: Pathankot
Date: 30th May, 2016





MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRY STRUCTURE & DEVELOPMENT

Your company (PAEL) was incorporated on 20th of January, 1993 with The Registrar of Companies, Punjab, with main object for manufacturing of Vanaspati, refined oils and other related products. In 1993, PAEL set up a 30 TPD vanaspati plant at Village Azizpur, Teh. Pathankot, Distt. Gurdaspur, Punjab. The unit started commercial production in July, 1994. In 1995, PAEL enhanced the capacity to 80 TPD of vanaspati and refined oil and 10 TPD of stearic acid at the same location. The project was completed in record time and started the commercial production before the scheduled time on enhanced capacity. In 2002, PAEL enhanced the production capacity of Refined Oil from 30 TPD to 90 TPD.

It was a leading manufacturer and marketer of healthier edible and vanaspati oils having strong portfolio of Brand viz ISHWAR. Company experienced a cut throat competition from other established market players and unorganized sectors, and Company have been sold its edible and vanaspati oil business in year 2015. Currently it is listed on Bombay Stock Exchange. Promoters of the company holds 21.28% equity shares in the company. Jagat Mohan Aggarwal is the chairman and managing director of the company. In line with expansion plans, Pioneer Agro is keen on identifying new and different business opportunity in worldwide markets with an aim to replicate its leadership position in new business.

OVERVIEW OF ECONOMY

Global Economy

As in previous four years, growth in current year has disappointed. Compared with previous year Global Economic Prospects, global growth was revised down by 0.2 percentage point in 2014 to 2.6 percent, 0.4 percentage points to 3 percent in 2015. The recovery has been weaker than anticipated in June 2014, partly for one-off reasons, with a string of disappointing growth outturns in the Euro Area, Japan, parts of emerging Europe (especially Russia) and Latin America. The Euro Area and Japan accounted for more than half of the downward revisions to global growth in 2014 (and one-third of the downward revisions to global growth in 2015). Global growth picked up only marginally to 2.6 percent in 2014 from 2.5 percent in 2013.

INDIAN ECONOMY

Oilseeds and edible oils are two of the most sensitive essential commodities. India is one of the largest producer of oilseeds in the world and this sector occupies an important position in the agricultural economy, accounting for production of 27.51 million tons of nine cultivated oil seeds during the year 2014-15 (November-October) as per Final Estimates released by the Ministry of Agriculture on 09.05.2016. India contributes about 6-7% of the world oilseeds production. Export of Edible oils was 38317.56 tons in the financial year 2014-15 valued at Rs 46040.37 lakhs.

As per the industry sources, the food consumption in India was \$ 135 billion in year 2000. This is expected to be \$ 895 billion by 2020. Coupled with this is the fact that over 60% of population is under the age of 30, who are developing, leading and changing consumption behavior. In the coming year, India's economic indicators such as GDP growth rate, infrastructure focus, good monsoon, Banking reforms, Inflation control, Goods and Service Tax, growing consumerism and disposable income reflects very positive outlook for packaged foods business. International low commodity prices have resulted in increasing demand and imports to bridge the demand-supply gap. This is expected to expand the capacity utilization of all refining facilities. The industry also expects a much better this year due to good monsoon in all growing areas of Punjab, Madhya Pradesh, Maharashtra and Rajasthan. This will ensure better availability of seeds for crushing and capacity utilization of the capacities. Thus the company is confident of a better operational performance in the current year. Considering the global economic scenario and encouraging business conditions in domestic markets, the industry

The Pioneering Continues.



PIONEER AGRO EXTRACTS LTD.

hopes that the Government of India would set (and review from time to time, as may be required) tariff policy so as to stimulate the domestic industry on a consistent basis and harmonise the interest of domestic farmers, processors and consumers through appropriate differential import duties between import of crude and refined edible oils. The industry further hopes that the Government would proactively respond to global factors and genuine requests of the industry on a regular basis so as to foster domestic manufacturing growth and to prop up investments in the domestic manufacturing sector, given the vast potential of edible oil consumption in India. To bridge the gap between demand and supply, it is essential to increase the availability of vegetable oils from domestic resources by encouraging diversification of land from good grains to oil seeds, increasing productivity of oil seeds, encourage oil palm cultivation, place oil palm cultivation under plantation crops and fullest exploitation of non traditional domestic sources. This will improve capacity utilization, increase production and productivity thereby bring the industry to be competitive in the international market. The biggest beneficiaries would be the marginal farmers whose entire livelihood depends on the meagre earnings that they get from small piece of land. The Indian economy is showing signs of strength, backed by improvement in overall business sentiments. Given the growth in the overall edible oil consumption, keeping in view the discerning and value conscious need of the growing consumer base, the growth in packed segment has been growing almost twice of the overall edible oil growth in the recent past. The trend is expected to continue due to low base and vast potential

INDIAN EDIBLE OIL INDUSTRIES WITH OPPORTUNITIES & TREATS

The Indian edible oil Industry is highly fragmented with extreme variation in the consumption pattern of Indian consumers of edible oil. Apart from cooking, edible oils can be used for a number of other uses and have applications in different industries. The Indian edible oil market continues to be underpenetrated and thereby holds immense business opportunities. Vegetable oil consumption has increased due to rise in overall household income, surging retail sector, increasing health awareness, growing population and increasing demand. However, increasing demand has not matched with the level of production and thereby facilitating the imports of edible oil in the country. The Indian edible oil market is the fourth largest in the world after the U.S.A, China and Brazil and accounts for around 9 percent of the world's oil seed production. Provided the positive macro and demographic fundamentals, the edible oil market has a favorable demand growth outlook over the medium-to-long term. The Indian edible oil market is expected to witness robust expansion in the near future. However, rising edible oil prices and low yield per hectare are expected to be the challenges for this sector.

About 60 per cent of India's annual edible oil demand of 18-19 million tonnes is met through import, mostly from Malaysia and Indonesia.

The government has raised the import duty from 2.5 percent to 7.5 percent on crude edible oils and refined edible oils from 10 percent to 15 percent. The government intended to protect the interest of the farmers and provide the level playing to the domestic manufacturer. This step will sure to help in increasing the edible oil production from domestic sources.

SEGMENT-WISE PERFORMANCE

The company is dealing only one segment i.e. Vanaspati & Refined Oils. The detailed performance for this segment wise is shown & reflected in the audited accounts of the company provided in the Annual Report.

RISK & CONCERN

The edible oil industry is exposed to significant threats that arise because of price volatilities, regulatory uncertainties and raw material availability concerns. It also faces stiff challenges in marketing its products since there is little product differentiation, and assured offtake or long-term contracts are few and far between. The industry also has a high credit risk which arises from its widespread debtor base and the trading nature of its operations.

The domestic edible oil industry faces significant regulatory risks as evident in the government's increasing interventions through frequent changes in customs and excise duty structures and international trade related regulatory import and





PIONEER AGRO EXTRACTS LTD.

export restrictions). These changes have a far-reaching impact on players since the consumers' high price sensitivity leads to shifts in the demand pattern among various edible oils.

Our Company like any other companies is also facing such hurdles, risks & threats that arise. However Companies is taking suitable step to reduce the risk by creating a better business environment at Micro as well as Macro Level.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has evolved a system of internal controls to ensure that the transactions are authorized, recorded and correctly reported. The internal control system is supplemented by management reviews and independent periodical internal audit which evaluates the functioning and quality of internal control and provide assurance of its adequacy and effectiveness.

The Key Constituents of the Internal Control System are:

- Establishment and review of Business Plans
- Identification of Key Risks and opportunities
- Policies on operational and strategic risk management
- Clear and well defined organization structure and limits of financial authority
- Continuous identifications of areas requiring strengthening of internal controls
- Operating procedures to ensure effectiveness of business processes
- System of monitoring compliance with statutory regulations
- Well defined principles and procedures for evaluation of new business proposals/capital expenditure.
- A robust management information system
- A robust internal audit & review system

M/s Yudhisthir & Co., Chartered Accountants have been appointed as Internal Auditor to carry out Internal Audit in terms of provisions of Section 138 of Companies Act, 2013.

Reports of Internal Audit are regularly reviewed by the Management and corrective action implemented & will be taken to strengthen the controls and enhance the effectiveness of the existing system. Internal Audit Reports are presented to the Audit Committee of the Board

FUTURE OUTLOOK

Most edible oils in India are purchased by households or by other end users like food processors, restaurants and hotels in loose form or as Vanaspati. Vegetable oil is also frequently repackaged and resold under a variety of private labels. The percentage of branded and packaged oils is also growing as refiners are increasingly trying to market to more sophisticated consumers. According to industry sources, upwards of 40 percent of the edible oils in the market are now branded. Branded edible oils sold in low volume, low-priced packages or sachets are selling well, reflecting a growing consumer preference for branded products.

FINANCIAL PERFORMANCE

The sales for the financial year under review were of Rs. 1474.12 lakhs as against of Rs. 5170.19 lakhs which were recorded for the previous financial year.

An overview of the financial performance is given in the Director's Report. The Audit Committee constituted by the Board of Directors periodically reviews the financial performance and reporting systems.

The Pioneering Continues.





PIONEER AGRO EXTRACTS LTD.

HUMAN RESOURCES

Our Company is committed to its people who are instrumental to its success. In managing its people, Company focuses on three strategic building blocks:

- ❖ Engaging employees at all levels of the organisation.
- ❖ Developing the capability of the workforce through training and recruitment targeted towards filling capability gaps.
- ❖ Managing the employment cost base in a responsible manner.

We believe that our human capital is one of our most important strengths and is the driver of growth, efficiency and productivity. Continuing our focus on training and developing our people, we launched several initiatives aimed at strengthening the ability of our managers to bring together people, strategies, and execution to drive business results. The focus is to enhance their skills of planning, execution and effectively managing their teams.

A cordial industrial relations environment has been maintained in the Company's manufacturing units.

CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis report detailing the Company's objective, projections about the future, estimates, expectations or predictions including, but not limited to, statements about the Company's strategy for growth, products development, market position and expenditures may be "forward – looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could difference to the Company's operations include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes or other incidental factors.

DECLARATION

As provided under Clause 49 of the Listing Agreement /Lodr Regulation, 2015 with the Stock Exchanges, all Board Members and Senior Management Personnel have affirmed compliance with the Company's Code of Business Conduct and Ethics for the year ended 31st March, 2016.

For Pioneer Agro Extracts Limited,

Place: Pathankot

Date : 30th May, 2016




(Ajay Kumar Goel)
Joint Managing Director
Din: 01105207


(Jagat Mohan Aggarwal)
Managing Director
Din: 00750120

The Pioneering Continues...

OPP.S.P.'s OFFICE, NEAR DHANGU CHOWK, PATHANKOT

PHONES: 0186-2224737, 2227737 FAX: 0186-2227737 Email: cavasudevaanil@gmail.com

INDEPENDENT AUDITOR'S REPORT

To The Members of Pioneer Agro Extracts Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Pioneer Agro Extracts Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's responsibilities for the Financial Statements

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

Auditor's Responsibilities

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules made there under.

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



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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance sheet, of the state of affairs of the company as at March 31, 2016;
- (ii) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014.



- e. On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of sub section (2) of section 164 (2) of the Companies Act, 2013.
- f. With respect to the other matters included in the auditor's report and to best of our information and according to the explanation given to us :
- 1) The company does not have any pending litigation.
 - 2) The company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - 3) There has been no delay in transferring amounts, required to be transferred, to the investor's education and protection fund by the company.

Place : Pathankot
Dated : May 30, 2016

For ANU-4/SUDEVA & Co.
Chartered Accountants
Firm Registration Number. - 005947N



(PRAMOD KUMAR KHOSLA)
Partner
Membership No. 080970

ADDITIONAL INFORMATION ANNEXED TO THE INDEPENDENT AUDITORS' REPORT

1.
 - a) The Company has maintained proper records to show full particulars including quantitative details and situations of fixed assets.
 - b) As per the information and explanations given to us, the fixed assets of the Company have been physically verified by the management at reasonable intervals and no serious discrepancies between the book records and physical verification were noticed.
 - c) The Company has disposed off most of the Fixed Assets during the year as per Postal Resolution passed on 18/12/2013 as per section 180(1)(a) of the Companies Act, 2013 and other applicable statutory provisions.
2.
 - a) As per the information and explanations given to us, the inventories have been physically verified by the management at reasonable intervals during the year.
 - b) The Company has disposed off entire inventories during the year and has closed down the operations.
3.
 - (a) All loans & other outstanding at the beginning of the year have been repaid.
 - (b) In our opinion and according to the information and explanations given to us, interest being paid / charged and other terms and conditions are not prima facie prejudicial to the interest of the Company.
 - (c) There is no overdue amount in respect of above loans.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods. During the course of audit, no major weakness has been noticed in the internal controls.
5. In respect of transaction covered under section 189 of the Companies Act, 2013:
 - a) In our opinion and according to the information and explanation given to us, the transaction made in pursuance of contracts or arrangements that needed to be entered into in the register maintained under section 189 of the Companies Act, 2013 have been so entered.
 - b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under section 189 of the Act and exceeding Rs.5 Lacs in respect of any party during the year have been made at the prices, which are reasonable having regard to prevailing market prices at the relevant times.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits during the year and do not have any unclaimed deposits. Therefore, the provisions of the Clause 3 (v) of the Order are not applicable to the Company.



7. In our opinion, the company has an internal audit system commensurate with the size of the Company and nature of its business.
8. The maintenance of cost records has not been prescribed by the Central Government.
9. In respect of statutory dues:
 - (a) According to information and explanations given to us and the records examined by us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, value added tax, excise duty, cess and other statutory dues wherever applicable.
 - (b) According to information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at March 31, 2016, for a period of more than six months from the date they became payable.
 - (c) According to the records of the Company, there are no dues outstanding in respect of income tax, VAT, service tax, excise-duty, cess, etc on account of any dispute.
10. The Company's accumulated losses were amounting to Rs.486.02 Lacs as on March 31, 2016. The company has made loss in this year as well as in the immediately preceding previous year.
11. The Company has not defaulted in repayment of dues to Banks and the payments have been made as per the repayment schedule sanctioned by the banks. The Company has no borrowings at the year end from Bank(s) and financial institutions or by way of debentures.
12. Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and / or advances on basis of security by way of pledge of shares, debentures and other securities.
13. Clause (xiii) of the order is not applicable to the Company as the Company is not a Chit fund company or nidhi / mutual benefit fund / society.
14. Clause (xiv) of the order is not applicable to the Company as the Company is not dealing or trading in shares, securities, debentures and other investments.
15. According to information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The Company has not raised any Term Loan during the year.
17. During the year under purview the Company has not made any long term Investments out of funds raised on short-term basis or vice versa.
18. The Company has not made any preferential allotment of shares during the year.



19. Clause (xix) of the order is not applicable to the Company, as the Company has not issued any debentures.
20. The Company has not raised any money by public issues during the year covered by our report.
21. As per the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.



Place : Pathankot
Dated : May 30, 2016

(PRAMOD KUMAR KHOSLA)
Partner
Membership No. 080970

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

In terms of the requirements of Clause 49 of the Listing Agreement, this is to confirm that all the members of the Board and the Senior Management personnel have affirmed Compliance with the Code of Conduct for the year ended March 31, 2016.

For Pioneer Agro Extracts Limited


(JAGAT MOHAN AGGARWAL)


Managing Director

(RASHMI CHAUDHARY)

Company Secretary

Place : Pathankot

Dated : May 30, 2016


(AJAY KUMAR)

Joint Managing Director


(SHYAM MANOHAR PARASHAR)

Chief Financial Officer



CERTIFICATE OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER ON CORPORATE GOVERNANCE

The Board of Directors
M/s. Pioneer Agro Extracts Limited

We have reviewed the financial statements and the cash flow statement of Pioneer Agro Extracts Limited for the financial year 2015-16 and certify that :

- a) These statements to the best of our knowledge and belief:
 - I. Do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading;
 - II. Present a true and fair view of the Company's affairs and are in compliance with existing Accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, there are no transactions entered into by the Directors and Senior Management Personnel during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company for such reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls, of which we are aware of and the steps taken and/or proposed to be taken to rectify these deficiencies.
- d) We have also indicated to the Auditors and the Audit Committee.
 - (i) Significant changes in Internal Controls with respect to financial reporting during the year.
 - (ii) Significant changes in accounting policies during the Year and these have been disclosed in the notes to the financial statements.
- e) To the best of our knowledge and belief, there are no instances of significant fraud involving either the management or employees having a significant role in the Company's internal control systems with respect to financial reporting.

(JAGAT MOHAN AGGARWAL)
Managing Director

(RASHMI CHAUDHARY)
Company Secretary

Place : Pathankot
Dated : May 30, 2016

(AJAY KUMAR)
Joint Managing Director

(SHYAM MANOHAR PARASHAR)
Chief Financial Officer



AUDITORS' COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The Members of Pioneer Agro Extracts Limited

We have examined the compliance of conditions of Corporate Governance by Pioneer Agro Extracts Limited for the year ended March 31, 2016 stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of condition of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company to ensure Compliance with the condition of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has fully complied with all the mandatory conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement.

For ANIL KASUDIA & Co.
Chartered Accountants
Firm Registration No. 005947N



Place : Pathankot
Dated : May 30, 2016

(PRAMOD KUMAR KHOSLA)
Partner
Membership No. 080970

PART I - BALANCE SHEET

PIONEER AGRO EXTRACTS LIMITED, MALAKPUR (PATHANKOT)
BALANCE SHEET AS AT 31st MARCH, 2016

| PARTICULARS | NOTE No | AS AT 31.03.2016 (Amount - Rs. in lakh) | AS AT 31.03.2015 (Amount - Rs. in lakh) |
|------------------------------------|---------|--|--|
| I EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share Capital | 2 | 435.85 | 435.85 |
| (b) Other Equity | 3 | (121.73) | (71.45) |
| | | 314.12 | 364.41 |
| LIABILITIES | | | |
| (1) NON CURRENT LIABILITIES | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 4 | 0.00 | 151.09 |
| (b) Deferred tax liabilities (Net) | 5 | 9.70 | 18.34 |
| | | 9.70 | 169.43 |
| (2) Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 6 | 0.00 | 351.49 |
| (ii) Trade payables | 7 | 0.40 | 34.87 |
| (iii) Other financial liabilities | 8 | 0.00 | 20.22 |
| (c) Other current liabilities | 9 | 10.47 | 51.90 |
| | | 10.87 | 458.46 |
| TOTAL | | 334.69 | 692.33 |
| II ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Property, Plant & Equipments | 10 | | |
| Gross Block | | 99.91 | 2324.01 |
| Less: Depreciation | | 70.82 | 1951.53 |
| Net Block | | 29.09 | 372.48 |
| (b) Other non-current assets | 11 | 11.15 | 17.02 |
| | | 40.24 | 389.51 |
| (2) Current assets | | | |
| (a) Inventories | 12 | 0.59 | 423.95 |
| (b) Financial Assets | | | |
| (i) Investments | 13 | 13.84 | 0.00 |
| (ii) Trade receivables | 14 | 0.00 | 114.98 |
| (iii) Cash and cash equivalents | 15 | 244.64 | 27.90 |
| (c) Other current assets | 16 | 35.38 | 35.99 |
| | | 294.45 | 602.82 |
| TOTAL | | 334.69 | 692.33 |

The accompanying notes numbered 2 to 16 form integral part of Balance Sheet.

As per our report of
For ANIL VASUDEVA
Chartered Accountant
Firm Reg. No. - 080970(PRAMOD KUMAR)
Partner
Membership No. 080970Place: Pathankot
Dated: 30.05.2016(JAGAT MOHAN AGGARWAL)
Managing Director(RASHMI CHAUDHARY)
Chartered Accountant

(AJAY KUMAR)
Joint Managing Director(SHYAM MANOHAR PARASHAR)
Chief Financial Officer

PART II - STATEMENT OF PROFIT AND LOSS

PIONEER AGRO EXTRACTS LIMITED, MALAKPUR (PATHANKOT)
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2016

| PARTICULARS | NOTE No. | AS AT 31.03.2016 (Amount - Rs. in lakh) | AS AT 31.03.2015 (Amount - Rs. in lakh) |
|--|----------|--|--|
| I Revenue from operations | | | |
| Sales | | | |
| - Vanaspathi & Refined | | 1448.66 | 5167.09 |
| - Others | | 25.46 | 3.10 |
| Total | | 1474.12 | 5170.19 |
| Less: Excise Duty | | 0.64 | 0.20 |
| - Bargain Settlements | | | 1.17 |
| | | 1473.48 | 5171.15 |
| II Other incomes | 17 | 318.84 | 32.37 |
| III Total income (I + II) | | 1792.32 | 5203.53 |
| IV Expenses: | | | |
| - Cost of materials consumed | 18 | 1154.94 | 4426.82 |
| - Purchase of Stock-in-Trade | 19 | 97.48 | 0.00 |
| - Changes in inventories of finished goods, Stock-in-Trade and work-in-progress | 20 | 184.82 | 177.55 |
| - Employee benefits expense | 21 | 50.11 | 57.11 |
| - Finance costs | 22 | 17.64 | 55.01 |
| - Depreciation and amortization expense | 23 | 29.20 | 67.15 |
| - Other expenses | 24 | 317.07 | 644.00 |
| Total Expense (IV) | | 1651.25 | 5467.44 |
| V Profit / (Loss) before exceptional items and tax (III - IV) | | (58.93) | (263.91) |
| VI Exceptional Items | | 0.00 | 0.00 |
| VII Profit / (Loss) before tax (V - VI) | | (58.93) | (263.91) |
| VIII Tax expense | | | |
| (1) Current tax | | 0.00 | 0.00 |
| (2) Deferred tax | | 5.64 | 6.57 |
| IX Profit / (Loss) for the period from continuing operations (VII - VIII) | | (50.29) | (257.34) |
| X Profit / (Loss) from discontinued operations | | 0.00 | 0.00 |
| XI Tax expense of discontinued operations | | 0.00 | 0.00 |
| XII Profit / (Loss) from discontinued operations (after tax) (X - XI) | | 0.00 | 0.00 |
| XIII Profit / Loss for the period (IX + XII) | | (50.29) | (257.34) |
| XIV Other Comprehensive Income | | | |
| A (i) Items that will not be reclassified to profit or loss | | 0.00 | 0.00 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | 0.00 | 0.00 |
| B (i) Items that will be reclassified to profit or loss | | 0.00 | 0.00 |
| (ii) Income tax relating to items that will be reclassified to profit or loss | | 0.00 | 0.00 |
| XV Total Comprehensive Income for the period (XIII + XIV) (Comprising Profit / (Loss) and Other Comprehensive Income for the period) | | (50.29) | (257.34) |
| XVI Earnings per equity share (for continuing operation): | | | |
| (1) Basic | | 0.00 | 0.00 |
| (2) Diluted | | 0.00 | 0.00 |
| XVII Earnings per equity share (for discontinued operation): | | | |
| (1) Basic | | 0.00 | 0.00 |
| (2) Diluted | | 0.00 | 0.00 |
| XVIII Earnings per equity share (for discontinued & continuing operations): | | | |
| (1) Basic | | 0.00 | 0.00 |
| (2) Diluted | | 0.00 | 0.00 |

The accompanying notes numbered 17 to 24 form integral part of Profit & Loss statement.

This is the Profit & Loss Account referred to in our report of even date to the member of Pioneer Agro Extracts Ltd

As per our

For ANIL

Chartered

Firm Reg

(PRAMOD)

Partner

Membership No.

Place: Pathankot

Dated: 30.05.2016

(JAGAT MOHAN AGGARWAL)
Managing Director(RASHMI CHAUDHARY)
Company Secretary(AJAY KUMAR)
Joint Managing Director(SHYAM MANOHAR BANSAL)
Chief Financial Officer

PIONEER AGRO EXTRACTS LIMITED, MALAKPUR (PATHANKOT)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| PARTICULARS | AS AT 31.03.2016 (Amount - Rs. in lakh) | AS AT 31.03.2015 (Amount - Rs. in lakh) |
|-------------|--|--|
|-------------|--|--|

1 : SIGNIFICANT ACCOUNTING POLICIES

A RECOGNITION OF INCOME AND EXPENDITURE :

- i) Revenue/Incomes and Costs/Expenditure are generally accounted for on accrual, as they are earned or incurred.
- ii) The Company accounts for excise duty on manufactured goods at their clearance from the factory rather than at the point of manufacture. This has however no impact on the operating results of the Company.

B FIXED ASSETS

Fixed Assets are stated at Cost, less accumulated Depreciation.

C DEPRECIATION AND AMORTISATION

- i) Depreciation on each asset has been provided on WDV Method as per useful lives prescribed in Schedule II to the Companies Act, 2013. Earlier the Depreciation was being provided on WDV Method at the rates prescribed in the schedule XIV under Companies Act, 1956.

D VALUATION OF INVENTORIES

Method of valuation

Raw material, Packing material and Consumables

At Cost

Finished Goods

At Cost or net realisable value whichever ever is lower

Stock in Process

At Cost

By Products

At net realisable value

Stores and Spares

At Cost

The Raw Material, Packing Material and Consumables are valued at cost on FIFO basis

E EXPENDITURE DURING CONSTRUCTION

- i) All indirect expenses including interest on borrowed fund which is attributed to construction or acquisition of Fixed Assets prior to this period is capitalised and added pro-rata to the cost of Building and Plant & Machinery
- ii) The expenses incurred on trial runs are also capitalised and added to the cost of Plant & Machinery

F RESEARCH AND DEVELOPMENT

Revenue expenditure including overheads on Research and Development is charged out as expenses through the normal heads of accounts in the year in which incurred. Expenditure which results in the creation of capital assets is taken to Fixed Assets and depreciation is provided on such assets as are depreciable.

G TAXES ON INCOME

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax liabilities are recognised for all timing difference. Deferred tax asset in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised.

2 : EQUITY SHARE CAPITAL

AUTHORISED

- 75,00,000 (75,00,000) Equity Shares of Rs.10/- each

750.00

750.00

750.00

750.00

ISSUED, SUBSCRIBED & PAID UP CAPITAL

- 43,32,300 (43,32,300) Equity Shares of Rs.10/- each fully paid up

433.23

433.23

433.23

433.23

SHARES FORFEITED

- 65,600 (65,600) Equity Shares of Rs.10/- each forfeited (Rs. 4/- paid up)

2.62

2.62

2.62

2.62

435.85

435.85

| Shareholders holding 5% of the total number of shares as : | | at 31/03/2016 | | at 31/03/2015 | |
|--|-------------------------------|-----------------------|---------------------------------------|-----------------------|---------------------------------------|
| Sr. No. | Name of the shareholder | Number of shares held | Shares as % of total number of shares | Number of shares held | Shares as % of total number of shares |
| 1 | JAGAT MOHAN AGGARWAL (HUF) | 267307 | 6.17 | 267307 | 6.17 |
| 2 | SHUCHITA AGGARWAL | 220683 | 5.09 | 220683 | 5.09 |
| 3 | DAMTA FLOUR AND FOOD PVT. LTD | 338000 | 7.76 | 338000 | 7.80 |
| 4 | ASP FINCAP PVT LTD | 228200 | 5.27 | 228200 | 5.27 |
| 5 | VASU AGGARWAL | 221591 | 5.11 | 221591 | 5.11 |
| GRAND TOTAL | | 1273781 | 29.40 | 1275781 | 29.45 |



3: OTHER EQUITY

| | | |
|--|----------|----------|
| A GENERAL RESERVE | | |
| B SURPLUS/(DEFICIENCY), BEING BALANCE IN THE PROFIT & LOSS ACCOUNT | 50.00 | 50.00 |
| C CAPITAL SUBSIDY | (486.02) | (435.73) |
| D REVALUATION RESERVE | 100.00 | 100.00 |
| | 214.28 | 214.28 |
| | (121.73) | (71.45) |

| Particulars | Reserve and Surplus | | | | Total |
|---|---------------------|--|-----------------|---------------------|----------|
| | General Reserve | Retained Earnings (Balance in Profit & Loss A/c) | Capital Subsidy | Revaluation Reserve | |
| Opening Balance as on 01-04-2015 | 50.00 | (435.73) | 100.00 | 214.28 | (71.45) |
| Changes in accounting policy or prior period errors | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Restated opening balance as on 01-04-2015 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Comprehensive | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Income for the year | 0.00 | (50.29) | 0.00 | 0.00 | (50.29) |
| Dividends | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Transfer to retained earnings | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Closing Balance as at 31-03-2016 | 50.00 | (486.02) | 100.00 | 214.28 | (121.73) |

4: NON CURRENT LIABILITIES : BORROWINGS

SECURED TERM LOANS:

(i) From Banks

| | | | | |
|---|------|------|-------|-------|
| - HDFC Bank Ltd. | 0.00 | | 19.61 | |
| Less: Current maturity | 0.00 | 0.00 | 5.52 | 14.09 |
| Secured by charge on two trucks [Amount originally borrowed on 09/07/2014 for two trucks is Rs.23.40 Lac for a period of 47 (forty seven) months with 47 (forty seven) equated monthly installments (including interest @ 10.25% per annum) of Rs.30,330/- each and originally meant to be squared up in May 2018 but squared up prematurely on 15/09/2015] | | | | |
| - HDFC Bank Ltd. | 0.00 | | 3.43 | |
| Less: Current maturity | 0.00 | 0.00 | 3.43 | 0.00 |
| Secured by charge on car [Amount originally borrowed on 17/05/2012 is Rs.1.08 Crore for a period of 3 (three) years with 36 (thirty six) equated monthly installments (including interest @ 10.01% per annum) of Rs.3,45,600/- each and squared up in April 2015] | | | | |

(ii) UNSECURED LOANS FROM RELATED PARTIES

| | | | | |
|---|------|------|--------|--------|
| - From Directors | 0.00 | | 146.27 | |
| Less: Interest accrued and due on above borrowing (Rate of interest is 14% (P.Y. 14%) p.a.) | 0.00 | 0.00 | 11.27 | 137.01 |
| | | 0.00 | | 151.09 |

5: DEFERRED TAX LIABILITIES

| | | | |
|--|--|--------|--------|
| Opening balance | | 18.34 | 24.91 |
| Add / Less: (Deferred Tax Asset) / Liability during year | | (5.64) | (5.57) |
| Closing balance | | 9.70 | 18.34 |



6 : CURRENT LIABILITIES : BORROWINGS**SECURED WORKING CAPITAL LOAN FROM BANK REPAYABLE ON DEMAND**

i) From The Jammu & Kashmir Bank Ltd., Pathankot

0.00

351.49

i) The sanctioned working capital limit, surrendered now, was of Rs 6.25 Crore at 14% (P.Y. 14%) rate of interest p. a. at year end, payable at monthly rests.

ii) Secured by first charge by way of hypothecation of raw material, stores and spares, stock in process, Receivables and finished products lying at Company's premises.

iii) Secured by first charge on Land & Building and other fixed assets of the company and equitable mortgage of properties belonging to Sh. Jagat Mohan Aggarwal (Mg. Director), Sh. Ajay Golei (Jt. Mg. Director) alongwith brothers and Sh. Bharat Bhushan Aggarwal (Director) alongwith his wife.

(iv) Further secured under personal guarantee of Managing Director alongwith two other Directors.

0.00

351.49

7 : TRADE PAYABLES

- Due to Micro & Small Enterprises

0.00

10.89

- Others

0.40

0.40

23.98

34.87

8 : OTHER FINANCIAL LIABILITIES

- Current maturity of Long-term borrowings (Car) from HDFC Bank Ltd.

0.00

3.43

- Current maturity of Long-term borrowings (Trucks) from HDFC Bank Ltd.

0.00

5.52

- Interest accrued and due on borrowings

0.00

0.00

11.27

20.22

9 : OTHER CURRENT LIABILITIES

- Statutory liabilities

2.52

15.77

- Advance from Customers

0.03

15.45

- Other Liabilities

7.92

10.47

20.68

51.90



10 : NON CURRENT ASSETS : PROPERTY, PLAND AND EQUIPMENTS

| PARTICULARS | GROSS BLOCK | | | DEPRECIATION | | | NET BLOCK | |
|--------------------------|-------------------|-------------------------|-------------------------------|---------------------|--------------------|-----------------|---------------------|---------------------|
| | As at 1.4.2015 | Addition during year | Deduct/Adj. during the yr. | As at 31.03.2016 | Upto 31.03.2015 | For the year | As at 31.03.2016 | As at 31.03.2015 |
| Freehold Land | 18.53 | 0.00 | 0.00 | 18.53 | 0.00 | 0.00 | 18.53 | 18.53 |
| Building | 361.60 | 0.00 | 315.68 | 45.92 | 266.69 | 6.90 | 8.53 | 94.91 |
| Plant & Machinery | 1648.39 | 0.00 | 1644.40 | 3.99 | 1470.95 | 11.44 | 3.79 | 177.44 |
| Furniture & Fixture | 3.77 | 0.00 | 1.43 | 2.34 | 3.56 | (0.00) | 2.20 | 0.21 |
| Electricals Installation | 89.00 | 0.00 | 73.98 | 15.01 | 80.22 | 2.19 | 14.25 | 8.77 |
| Vehicles | 169.38 | 23.00 | 192.05 | 0.33 | 99.65 | 8.61 | 0.31 | 69.72 |
| Office Equipment | 28.19 | 0.30 | 14.71 | 13.79 | 25.54 | 1.01 | 12.88 | 2.66 |
| Laboratory Equipments | 5.15 | 0.00 | 5.15 | 0.00 | 4.90 | 0.05 | (0.00) | 0.25 |
| Total | 2324.01 | 23.30 | 2247.41 | 99.91 | 1951.53 | 29.20 | 70.82 | 372.49 |
| PREVIOUS YEAR | 2463.81 | 24.27 | 164.07 | 2324.01 | 2025.08 | 57.15 | 1951.53 | 438.73 |
| Capital Work in Progress | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| GRAND TOTAL | 2324.01 | 23.30 | 2247.41 | 99.91 | 1951.53 | 29.20 | 70.82 | 372.49 |
| PREVIOUS YEAR | 2463.81 | 24.27 | 164.07 | 2324.01 | 2025.08 | 57.15 | 1951.53 | 438.73 |



11 : OTHER NON-CURRENT ASSETS

| | | | | |
|--------------------------------------|-------|-------|-------|-------|
| Security and Other Deposits | 11.15 | | 11.98 | |
| Tax Deducted at Source (Recoverable) | 0.00 | 11.15 | 5.04 | 17.02 |

12 : INVENTORIES (Valued at Cost or Market Price whichever is less)

| | | | | |
|---------------------------|------|------|--------|--------|
| - Stores and Spares | 0.31 | | 0.95 | |
| - Stock in trade | | | | |
| - Raw Material | 0.00 | | 146.30 | |
| - Packing Material | 0.24 | | 56.46 | |
| - Chemicals & Consumables | 0.05 | | 7.84 | |
| - Fuel | 0.00 | | 27.57 | |
| - Stock in Process | 0.00 | | 88.29 | |
| - Finished Goods | | | | |
| - Vanaspati | 0.00 | | 46.04 | |
| - Refined Oils | 0.00 | | 30.89 | |
| - Consignment Stock | 0.00 | | 15.52 | |
| - By Products | 0.00 | 0.59 | 4.08 | 423.55 |

13 : INVESTMENTS

| | | | | |
|--|------|-------|------|------|
| HDFC Cash Management Fund (Folio 10198087) | 9.28 | | 0.00 | |
| India Infoline Limited, Thane | 4.57 | 13.84 | 0.00 | 0.00 |

14 : TRADE RECEIVABLES

| | | | | |
|---|------|------|--------|--------|
| From Related parties | | Nil | Nil | |
| Due from others | | | | |
| - (Unsecured - Considered Good) | | | | |
| - Outstanding for a period exceeding 6 months | 0.00 | | 1.07 | |
| - Outstanding for a period less than 6 months | 0.00 | 0.00 | 106.00 | |
| - Unsecured - Considered Doubtful | | 0.00 | 7.91 | 114.98 |

15 : CASH AND CASH EQUIVALENTS

| | | | | |
|----------------------------------|--------|--------|-------|-------|
| - Cash in Hand | 2.10 | | 0.16 | |
| - Imprest Balance with employees | 0.50 | | 5.93 | |
| - With Scheduled Banks | | | | |
| - In Current Accounts | 120.56 | | 20.25 | |
| - In Fixed Deposits | 0.00 | | 1.56 | |
| - Cheques in transit | 121.47 | 244.64 | 0.00 | 27.90 |

16 : OTHER CURRENT ASSETS - ADVANCES OTHER THAN CAPITAL ADVANCES

| | | | | |
|--|-------|-------|-------|-------|
| (Unsecured - Considered Good) | | | | |
| - To related parties | | 0.00 | | 0.00 |
| - Other Loans & Advances | | | | |
| - Duties, Taxes & VAT | 0.06 | | 0.06 | |
| - Advance Tax & MAT Credit Receivables | 29.28 | | 23.99 | |
| - Advance to Suppliers | 0.00 | | 0.59 | |
| - Others | 6.03 | 35.38 | 11.37 | 33.95 |
| | | 35.38 | | 35.90 |

17 : OTHER INCOMES

| | | | | |
|----------------------------------|--------|--------|-------|-------|
| Interest Income | 2.45 | | 2.89 | |
| Dividend Income (Tax Free) | 67.21 | | 0.00 | |
| Short Term Capital Gain | 4.84 | | 0.00 | |
| Profit/Loss on Fixed Assets Sold | 234.15 | | 28.49 | |
| Rent received | 0.16 | | 0.70 | |
| Miscellaneous Income | 10.02 | 318.64 | 0.29 | 32.37 |
| | | 318.64 | | 32.37 |

18 : COST OF MATERIALS CONSUMED

| | | | | |
|-----------------------------|---------|---------|---------|---------|
| RAW MATERIAL (Oil) CONSUMED | | | | |
| - Opening Stock | 146.30 | | 147.19 | |
| - + Purchase(Net) | 1008.64 | | 4425.73 | |
| - Closing Stock | 0.00 | 1154.04 | 146.30 | 4426.62 |

19 : STOCKS TRADED

| | | | | |
|----------------------------------|-------|---------|------|---------|
| - Packed Vanaspati & Refined Oil | 97.48 | 97.48 | 0.00 | 0.00 |
| | | 1252.42 | | 4426.62 |



20 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS

| | | | | |
|-------------------------------|-------|----------|--------|----------|
| Opening Stock | | | | |
| - Finished Products | 92.45 | | 88.46 | |
| - Stock in Process | 88.29 | | 272.46 | |
| - By Product | 4.08 | 184.82 | 1.45 | 362.37 |
| Closing Stock | | | | |
| - Finished Products | 0.00 | | 92.45 | |
| - Stock in Process | 0.00 | | 88.29 | |
| - By Product | 0.00 | 0.00 | 4.08 | 184.82 |
| Increase/(Decrease) in Stocks | | (184.82) | | (177.55) |

21 : EMPLOYEE BENEFITS EXPENSE

| | | | | |
|---|-------|-------|--------|-------|
| Establishment expenses | | | | |
| - Salary | 33.12 | | 38.13 | |
| - Wages | 10.03 | 43.13 | 25.52 | |
| - Bonus & other employee benefit expenses | | 5.45 | 3.30 | |
| - Staff Welfare Expenses | | 0.34 | 0.29 | |
| - Contribution to Provident & other funds | | 1.19 | (0.12) | 67.11 |

22 : FINANCE COSTS

| | | | | |
|--------------------------------|-------|-------|-------|-------|
| Interest expense on: | | | | |
| - Term Loan | 1.03 | | 4.35 | |
| - Working Capital Limit (Bank) | 11.47 | | 47.87 | |
| - Others | 4.90 | 17.40 | 31.36 | 63.68 |
| Bank Charges | | 0.24 | | 1.33 |
| | | 17.64 | | 65.01 |

23 : DEPRECIATION

| | | | | |
|----------------|--|-------|--|-------|
| - Depreciation | | 29.20 | | 67.15 |
| | | 29.20 | | 57.15 |

24 : OTHER EXPENSES**A. Manufacturing Expenses**

| | | | | |
|---------------------------------------|--------|--------|--------|--------|
| - Packing Material - Consumed | 114.80 | | 338.98 | |
| - Traded | 3.11 | 117.72 | 0.00 | 338.98 |
| - Fuel - Consumed | 35.00 | | 122.17 | |
| - Traded | 13.88 | 48.68 | 0.00 | 122.17 |
| - Chemicals and Consumable - Consumed | 7.42 | | 17.42 | |
| - Traded | 3.01 | 10.43 | 0.00 | 17.42 |
| - Repair and Maintenance | | | | |
| - Building | 0.07 | | 0.36 | |
| - Machinery | 5.00 | 5.07 | 20.18 | 20.54 |
| - Laboratory Expenses | | 0.04 | | 0.23 |
| - Electricity Expenses | | 24.27 | | 59.84 |
| - D.G. Set Expenses | | 0.94 | | 4.74 |
| - Oil & Oil Products | | 6.17 | | 17.49 |
| | | 213.62 | | 579.39 |

B. Administrative and Other Expenses

| | | | | |
|---|-------|-------|------|-------|
| - Rent | 0.56 | | 0.56 | |
| - Telephone & Postage | 1.91 | | 2.06 | |
| - Legal, Professional and Consultancy | 6.56 | | 6.40 | |
| - Printing & Stationery | 0.26 | | 0.37 | |
| - Insurance | 3.22 | | 3.94 | |
| - Travelling and Conveyance | 3.71 | | 4.73 | |
| (Including Director's Travelling Rs.2.44,875.68 (Rs.2.92,831.42)) | | | | |
| - Vehicle Repairs & Maintenance | 0.93 | | 0.70 | |
| - General Expenses | 0.79 | | 1.16 | |
| - Short Term Capital Loss | 68.39 | | | |
| - Auditors Remuneration | | | | |
| - Audit Fee | 0.20 | | 0.20 | |
| - Tax Audit Fee | 0.08 | | 0.08 | |
| - Certifications Fee | 0.03 | | 0.03 | |
| - Reimbursement of out of pocket expenses | 0.00 | | 0.06 | |
| - Sundry fee & subscription | 2.11 | 88.76 | 1.68 | 20.94 |

C. Selling Expenses

| | | | | |
|------------------------------------|------|--------|-------|--------|
| - Interest on Dealers Securities | 0.07 | | 0.13 | |
| - Profit/Loss on Consignment Sales | 0.53 | | 0.07 | |
| - Freight Outwards | 5.47 | | 19.05 | |
| - Advertisement and Publicity | 0.94 | | 2.17 | |
| - Brokerage and Commissions | 3.49 | | 14.43 | |
| - Rebate and Incentives | 4.20 | 14.69 | 7.82 | 43.67 |
| | | 317.07 | | 644.00 |



25. SEGMENT REPORTING

The Company is dealing in Vanaspati & Refined Oils which in context to AS 17 issued by The Institute of Chartered Accountants of India is the only business segment.

26. DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Amount due to Micro and Small enterprises disclosed on the basis of information available with the company regarding status of the suppliers are as follows

| S. No. | Particulars | 2015-16 (Rs. in lakhs) | 2014-15 (Rs. in lakhs) |
|--------|--|---------------------------|---------------------------|
| 1. | Amount remaining unpaid at the end of the year | 0.00 | 10.89 |
| 2. | Amount paid during the year | 67.45 | 282.67 |
| 3. | Amount due and payable (on the amounts which have been paid beyond the appointed date during the year) | Nil | Nil |
| 4. | Amount accrued and unpaid at the end of the year | Nil | Nil |
| 5. | Amount due of the previous year | Nil | Nil |

27. In accordance with AS-15 the following contributions to Defined contribution plans are treated as expenses during the year

- Employer's Contribution to Provident Fund

| | Amount (in Rs.) |
|---------|-----------------|
| 2015-16 | 100968 |
| 2014-15 | 313903 |
| 2013-14 | 315622 |

- Gratuity Payment to LIC as post employment Plan

| | Amount (in Rs.) |
|---------|-----------------|
| 2015-16 | Nil |
| 2014-15 | 656 |
| 2013-14 | 484846 |

28. The short Term Loss of Rs. 68.39 Lacs is on account of fall in the value of investment with JM Financial listed Mutual Funds which has been redeemed.
29. The Purchases include loss on account of Bargain Settlement Amounting to Rs. 108 Lacs incurred due to adverse market condition.
30. The residual value of insurance claim gratuity after settling all claims and adjusting provision made for gratuity payable to existing manpower has been taken into income.
31. The Company has closed down its vanaspati and edible oil business and has sold majority of its assets as per Postal Ballot Resolution passed on 18/12/2013 as per section 180(1)(a) of the Companies Act, 2013 and other applicable statutory provisions.
32. The company has recognised Deferred Tax Asset on unabsorbed depreciation to the extent of corresponding Deferred Tax Liability on the difference between the book value and written down value of the fixed assets under Income-Tax Act, 1961. The Company has not recognised Deferred Tax Asset on unabsorbed depreciation and brought forward business losses based on management's estimates of future profits.
33. For the year 2015-16, Depreciation on each asset has been provided on WDV Method as per useful lives prescribed in Schedule II to the Companies Act, 2013. Earlier the depreciation was being provided on WDV Method at rates prescribed in the Schedule XIV in Companies Act, 1956. The differential depreciation of Rs. 16,540.46 i.e. depreciation less charged till 31/03/2015 on account of change in the method has been adjusted in current year resulting in the increase of net loss by Rs. 16,540.46. The net difference in the depreciation on account of difference in the W.D.V. as on march 31, 2015 and residual value as per the useful life of the assets amounting to Rs. 3,93,942.68 has been adjusted in the current year depreciation.

28. RELATED PARTY DISCLOSURES UNDER ACCOUNTING STANDARD 18

A. Names of related parties & description of relationship

I. Related parties where control exists

| | |
|--|---|
| (i) Pioneer Industries Limited | Due to common director |
| (ii) Jagat Mohan Aggarwal (HUF) | Director being Karta |
| (iii) Ram Piyari Aggarwal Family Trust (HUF) | Director being Karta |
| (iv) Damtai Flour & Food (P) Ltd. | Director being Director & Director's relative |
| (v) M/s Jagat Roller Flour Mills | Partners being Director relative |
| (vi) Mohinder Pal Aggarwal (HUF) | Director being Karta |
| (vii) Jagat Mohan Aggarwal | Director of the Company |
| (viii) Shuchita Aggarwal | Director's relative |
| (ix) Mehak | Director's relative |
| (x) Saru | Director's relative |
| (xi) Vasu Aggarwal | Director's relative |
| (xii) Sweety Goel | Director's relative |
| (xiii) L. Mohinder Pal Aggarwal Charitable Trust | Director being Karta |

II. Key Management Personnels

| | |
|------------------------------------|-------------------------|
| (i) Shri Jagat Mohan Aggarwal | Managing Director |
| (ii) Shri Ajay Goel | Joint Managing Director |
| (iii) Shri Bharat Bhushan Aggarwal | Executive Director |
| (iv) Shri Shyam Manohar Parashar | Chief Financial Officer |
| (v) Smt. Rashmi Chaudhary | Company Secretary |

B. Detail of transactions with related parties :

| Name/Nature of transaction | Current Year | | Previous Year | |
|--|----------------------|---------------------------|----------------------|---------------------------|
| | Amount (Rs. in Lacs) | Outstanding (Rs. in Lacs) | Amount (Rs. in Lacs) | Outstanding (Rs. in Lacs) |
| I. Pioneer Industries Limited | | | | |
| (i) Purchase | Nil | | 0.07 | |
| (ii) Sale | 67.11 | | 27.88 | |
| (iii) Freight received (net of payout) | 4.42 | | 2.07 | |
| (iv) Interest received | Nil | | 0.44 | |



| | | | | |
|--|---------------|------|--------|-----------|
| (v) Rent received | 0.16 | | 0.63 | |
| (vi) Park maintenance charges received | 1.26 | | Nil | Nil |
| (vii) Outstanding in Current Account | | Nil | | Nil |
| II Director | | | | |
| (i) Guarantee for Secured Loans | 0.00 | | 374.53 | |
| III Jagat Mohan Aggarwal (HUF) | Interest Paid | Nil | 2.67 | Nil |
| IV Shuchita Aggarwal (w/o Director Shri Jagat M. Aggarwal) | Interest Paid | Nil | 5.71 | Nil |
| V Sweety Goel (w/o Director Shri Bhazat Bhushan Aggarwal) | Interest Paid | Nil | 1.12 | Nil |
| VI Damtal flour & Food Pvt. Ltd. | Interest Paid | Nil | 1.89 | Nil |
| VII Jagat Roller Flour Mills | Interest Paid | Nil | 0.05 | Nil |
| VIII Jagat Mohan Aggarwal | Interest Paid | 4.80 | 12.52 | Cr 148.27 |
| IX Jagat Mohan Aggarwal | Rent Paid | 0.36 | 0.36 | |
| X Mehak Aggarwal | Interest Paid | Nil | 3.48 | Nil |
| XI Mohinder Pal Aggarwal (HUF) | Interest Paid | Nil | 0.19 | Nil |
| XII Vessu Aggarwal | Interest Paid | Nil | 0.20 | Nil |
| XIII Saru | Interest Paid | Nil | 0.53 | Nil |
| XIV Ram Priyan Aggarwal Family Trust (HUF) | Interest Paid | Nil | 2.99 | Nil |
| XV L. Mohinder Pal Aggarwal Charitable Trust | Rent Paid | 0.20 | 0.20 | Nil |

35 : OTHER INFORMATION

| Description | Current Year | | Previous Year | |
|---|---------------|--------|---------------|--------|
| | (Rs. in Lakh) | %age | (Rs. in Lakh) | %age |
| I Value of materials consumed and percentage thereof | | | | |
| - Raw oil - Indigenous | 1154.94 | 100.00 | 4425.62 | 100.00 |
| - Packing Material - Indigenous | 114.60 | 100.00 | 336.98 | 100.00 |
| - Chemicals & consumables - Indigenous | 7.42 | 100.00 | 17.42 | 100.00 |
| III Value of Imports on CIF basis | | | | |
| - Raw oil | 0.00 | 0.00 | 0.00 | 0.00 |
| IV Value of imported/indigenous raw material consumed | | | | |
| Raw material | | | | |
| - Indigenous | 1154.94 | 100.00 | 4425.62 | 100.00 |

Signatures to Notes forming part of financial statements

For ANIL VASUDEVA

Chartered Accountant

Firm Reg. No. - 085

(PRAMOD KUMAR)

Partner

Membership No. 085



(JAGAT MOHAN AGGARWAL)
Managing Director

(RASHMI CHAUDHARY)
Company Secretary

(ANIL KUMAR)
Joint Managing Director

(SHYAM MANOHAR PARASHAR)
Chief Financial Officer

Place: Pathankot
Dated: 30.05.2016

PIONEER AGRO EXTRACTS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

| PARTICULARS | CURRENT YEAR 2015-2016 (Amt in Rs.) | PREVIOUS YEAR 2014-2015 (Amt in Rs.) |
|---|---|--|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before Tax and extraordinary items | (58.93) | (263.91) |
| Adjustment for : | | |
| Depreciation and amortization expense | 29.20 | 67.15 |
| Interest Payment | 17.47 | 83.80 |
| Profit on fixed assets sold | (234.15) | (28.49) |
| Operating Profit before working capital changes | (246.41) | (141.44) |
| Adjustment for : | | |
| Trade and other Receivables | 115.59 | (34.03) |
| Inventories | 423.36 | 149.42 |
| Other Non Current Assets | 5.87 | (0.35) |
| Income Tax Paid | 0.00 | (0.93750) |
| Trade Payable and other Liabilities | (75.90) | 0.28 |
| Cash generated from operations | 222.51 | (27.06) |
| Interest Paid | (17.47) | (83.80) |
| NET CASH FROM OPERATING ACTIVITIES | 205.04 | (110.86) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets (Net) | (23.30) | (24.27) |
| Sale proceeds of fixed assets sold | 571.65 | 51.85 |
| Decrease in investments | (13.84) | 0.00 |
| NET CASH USED IN INVESTING ACTIVITIES | 534.51 | 27.57 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from long term borrowings (Net) | (151.09) | (107.13) |
| Proceeds from long term loans & advances (Net) | 0.00 | 0.00 |
| Proceeds from short term borrowings | (371.71) | 187.43 |
| Dividend paid | 0.00 | 0.00 |
| Dividend Tax paid | 0.00 | 0.00 |
| Income Tax paid | 0.00 | 0.00 |
| NET CASH IN FINANCING ACTIVITIES | (522.81) | 80.30 |
| Cash equivalents (A+B+C) | 216.74 | (2.99) |
| Cash & Cash equivalents as : | | |
| at 01.04.2015 (Opening Balance) | 27.90 | 30.89 |
| at 31.03.2016 (Closing Balance) | 244.64 | 27.90 |

NOTE :- Figures in () brackets represents outflow

For ANIL VASUDEVA & CO.,
Chartered Accountants
Firm Reg. No.:- 005947N

For and on behalf of the board

(PRAMOD KUMAR KHOSLA)
Partner
Membership No. 080970

(JAGAT MOHAN AGGARWAL)
Managing Director

(AJAY KUMAR)
Joint Managing Director

Place: Pathankot
Dated: 30.05.2016

(RASHMI CHANDHARY)
Company Secretary

(SHYAM MANOHAR PARASHAR)
Chief Financial Officer

AUDITORS CERTIFICATE

We have examined the attached Cash Flow Statement of Pioneer Agro Extracts Limited for the year ended March 31st, 2016. The statement is based on and is in agreement with the corresponding balance sheet of the Company covered by our report of May 30th, 2016 to the members of the company.

For ANIL VASUDEVA & CO.,

Chartered Accountants

Place: Pathankot
Dated: 30.05.2016

(PRAMOD KUMAR KHOSLA)

Partner

BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details :-

Registration Number :

1 2 9 7 5

State Code :

1 6

Balance Sheet Date :

3 1 0 3 2 0 1 6

II. Capital Raised During the year (Amount in Rs. Thousand)

Public Issue

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |

Right Issue

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousand)

Source of funds

Total Liabilities

| | | | | | | |
|--|--|---|---|---|---|---|
| | | 3 | 3 | 4 | 6 | 9 |
|--|--|---|---|---|---|---|

Total Assets

| | | | | | | |
|--|--|---|---|---|---|---|
| | | 3 | 3 | 4 | 6 | 9 |
|--|--|---|---|---|---|---|

Paid-up Capital

| | | | | | | |
|--|--|---|---|---|---|---|
| | | 4 | 3 | 5 | 8 | 5 |
|--|--|---|---|---|---|---|

Reserves & Surplus

| | | | | | |
|---|---|---|---|---|---|
| - | 1 | 2 | 1 | 7 | 3 |
|---|---|---|---|---|---|

Non-Current liabilities

| | | | | | | |
|--|--|--|--|---|---|---|
| | | | | 9 | 7 | 0 |
|--|--|--|--|---|---|---|

Current liabilities

| | | | | | | |
|--|--|--|---|---|---|---|
| | | | 1 | 0 | 8 | 7 |
|--|--|--|---|---|---|---|

Application of Funds

Non-Current assets

| | | | | | | |
|--|--|--|---|---|---|---|
| | | | 4 | 0 | 2 | 4 |
|--|--|--|---|---|---|---|

Current assets

| | | | | | | |
|--|--|---|---|---|---|---|
| | | 2 | 9 | 4 | 4 | 5 |
|--|--|---|---|---|---|---|

IV. Performance of Company (Amount in Rs. Thousand)

Turnover

| | | | | | | |
|--|---|---|---|---|---|---|
| | 1 | 4 | 7 | 3 | 4 | 8 |
|--|---|---|---|---|---|---|

Total Expenditure

| | | | | | | |
|--|---|---|---|---|---|---|
| | 1 | 8 | 5 | 1 | 2 | 5 |
|--|---|---|---|---|---|---|

+ -
- -

Profit/Loss Before Tax

| | | | | | | |
|--|--|--|---|---|---|---|
| | | | 5 | 8 | 9 | 3 |
|--|--|--|---|---|---|---|

Profit/Loss After Tax

| | | | | | | |
|--|--|--|---|---|---|---|
| | | | 5 | 0 | 2 | 9 |
|--|--|--|---|---|---|---|

Please tick Appropriate Box (+) for Profit & (-) for Loss

Earning per Share (in Rs.)

| | | | | | | |
|---|---|---|---|---|---|---|
| - | - | - | - | - | - | - |
|---|---|---|---|---|---|---|

Dividend

| | | | | | | |
|---|---|---|---|---|---|---|
| - | - | - | - | - | - | - |
|---|---|---|---|---|---|---|

V. Generic Names of Three Principal Product/Services of the Company (in monetary terms)

Item Code No. (ITC Code)

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 1 | 5 | 1 | 6 | 2 | 0 | 0 | 0 | 0 |
|---|---|---|---|---|---|---|---|---|

Product Description

| | | | | | | | | |
|---|---|---|---|---|---|---|--|--|
| R | E | F | I | N | E | D | | |
|---|---|---|---|---|---|---|--|--|

Item Code No. (ITC Code)

| | | | | | | | | |
|---|---|---|---|---|---|---|---|--|
| 1 | 5 | 1 | 5 | 0 | 0 | 0 | 0 | |
|---|---|---|---|---|---|---|---|--|

Product Description

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| V | A | N | A | S | P | A | T | I |
|---|---|---|---|---|---|---|---|---|

For ANIL VASUDEVA & CO.,

Chartered Accountants

Firm Regd. in Pathankot

(PRAMOD KUMAR JOSLA)

Partner

Membership No. 080970

Place: Pathankot

Dated: 30.05.2016

For and on behalf of the board

(JAGAT MOHAN AGGARWAL)

Managing Director

(AJAY KUMAR)

Joint Managing Director

(RASHMI CHAUDHARY)

Company Secretary

(SHYAM MANOHAR PARASHAR)

Chief Financial Officer



PIONEER AGRO EXTRACTS LIMITED

CIN: L15319PB1993PLC012975

REGISTERED OFFICE: CHOTTI NEHAR, MALAKPUR, PATHANKOT (Punjab)-145024

Phone: +91-186-2345352, Fax: +91-186-2345351, E-mail: complianceofficer@pioneeragro.co.in

Website: www.pioneeragro.co.in

ATTENDANCE SLIP

I hereby record my presence at the TWENTY FOURTH ANNUAL GENERAL MEETING of the Company at Chotti Nehar, Malakpur, Pathankot-145025 at 11:30 A.M on Friday, the 30th September, 2016.

Full Name of the Member (in Block letters)

No. of shares held

Signature

Folio No. /DP ID No. * & Client ID No. *

*Applicable for members holding shares in electronic form

Full name of Shareholder/Proxy
(in block letters)

NOTE : Member/Proxy wishing to attend the Meeting must bring the Admission Slip to the Meeting and hand over duly signed at the registration counter.

✂



Form No MGT-11

PROXY FORM

CIN: L15319PB1993PLC012975

PIONEER AGRO EXTRACTS LIMITED

Regd. Office: Chhoti Nehar, Malakpur-145025, Pathankot (Punjab)

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

Name of the Member (s):

Registered Address:

Email ID:

Folio No. / Client ID:

DP ID:

I/We, being the member(s) ofShares of the above named company, hereby appoint

1. Name:

Address:

Email ID:

Signature:....., or failing him

2. Name:

Address:

Email ID:

Signature:.....or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company to be held on the 30th Day of September 2016 at 11.30 A.M. at Chhoti Nehar, Malakpur-145025, Pathankot (Punjab) and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolutions | For | Against |
|--|-------|---------|
| 1. Consider and adopt Audited Financial Statement, Reports of the Board of Director and Auditor: | | |
| 2. Re-appointment of Shri Bharat Bhushan Aggarwal, retiring by rotation: | | |
| 3. Ratification of appointment of statutory Auditor and fixing their remuneration: | | |

Signed this.....day of.....2016

Signature of Shareholder

Affix Revenue
Stamp

Signature of Proxy holder(s)

Note: The form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.