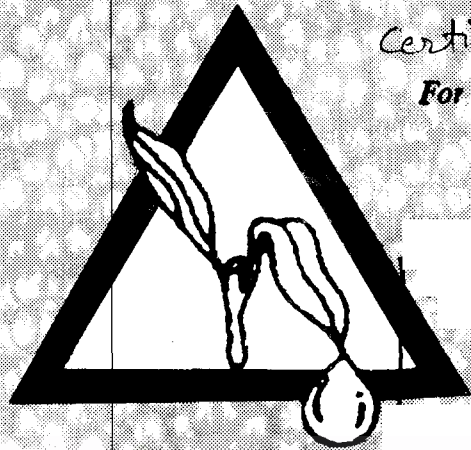


8TH ANNUAL REPORT



Certified True Copy
For Amar Alcoholic Ltd.
[Signature]
Managing Director

Amar **Alcoholic** **Limited** **1998-99**



Amar Alcoholic Limited

8th Annual Report 1998-99

Board of Directors :

Shri Gurusharan Singh Bhatia
Shri Anup Singh Bhatia
Shri Harmeet Singh Bhatia
Shri O.P. Gupta
Shri Avinash Bokil
Shri S. C. Natu

Chairman
Managing Director
Director
Director
Nominee Director, SICOM Ltd.
Nominee Director, IREDA

Bankers :

Shikshak Sahakari Bank Ltd.
Central Avenue, Nagpur - 440 018.

Auditors :

Khatri & Iyer
Chartered Accountants
117, Zal Complex, Residency Road,
Sadar, Nagpur-440001.

A.G. Pimparkhede & Co.
Chartered Accountants
Dharampeth, Nagpur-440 010

Works :

131/2, Navegaon, (Shahapur)
Dist. Bhandara, Maharashtra

Regd. Office :

33, Central Avenue,
Nagpur-440 018

Notice To The Members

Notice is hereby given that the 8th Annual General Meeting of Amar Alcoholic Limited will be held on Thursday, 30th September, 1999 at the Registered Office of the Company at 33, Central Avenue, Nagpur at 10:00 A.M.

Ordinary Business :

1. To receive, consider and adopt the accounts for the year ended 31st March, 1999, the audited Balance Sheet as at 31st, March, 1999 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Omprakash Gupta who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and to fix their remuneration.

Notes :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and to vote instead of himself and the proxy need not be a member.
2. Members are requested to notify immediately any changes in their addresses to the Company quoting their folio number.
3. Members are requested to bring their copies of the Annual Report at the meeting.
4. The Register of Members and the Share Transfer Books of the Company shall remain closed from 22nd September, 1999 to 30th September, 1999 (both days inclusive)

By Order Of The Board Of Directors

Gurusharan Singh Bhatia
Chairman

Nagpur, 30th August, 1999.

Amar Alcoholic Limited**DIRECTOR'S REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting the 8th Annual Report together with Audited Accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS

The financial results of the company for the year 1998-99 are as follows :

| | 1998-99 Rs. in Lacs |
|---|------------------------|
| Total Income | 217.92 |
| Profits/(Loss) for the year | (183.56) |
| Profits/(Loss) carried to balance sheet | (370.07) |

REVIEW OF OPERATIONS

During the year under review the company achieved a turnover of Rs. 364.48 lakhs as against Rs. 405 lakhs during the last year. The fall of turnover is due to lack of demand for grain based alcohol. The profit margins are also under strain due to heavy taxation and competition from manufacturers using molasses as a raw material. The company's performance of this year will be better in view of permission received from State Government for the bottling of Grain Based Alcohol.

DIVIDEND

Since the company has not earned any profit, it can not recommended any dividend for the year.

FIXED DEPOSITS

Your Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 and the Rules made thereunder.

DIRECTORS

In terms of Articles 21 of the Articles of Association, Mr. Omprakash Gupta would retire at the forthcoming Annual General Meeting, and being eligible, offer himself for re-appointment.

AUDITORS

M/s Khatri & Iyer and M/s A.G. Pimperkhede & Co., the Companies' Joint Auditors will retire on conclusion of the forthcoming Annual General Meeting.

Y2K COMPLIANCE

The Company is in process of achieving year 2000 compliance in all computerised & embedded system. The Company does not envisage any serious threat to its business activities from the Y2K problem. Any potential cost involved are not considered significant.

Amar Alcoholic Limited**PARTICULARS OF THE EMPLOYEES**

During the year under review, none of the employees of the company have received remuneration in excess of limits specified in Section 217(2A) of the Companies Act.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Information as per Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of particulars in Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the period ended 31st March, 1999, has been given separately in the Annexure - A to this Director's Report.

INDUSTRIAL RELATIONS

The Board of Directors are pleased to record their sincere appreciation of the devotion and sense of commitment shown by the employees at levels to the operations of the company during Project implementation stage and after the commencement of the actual productions during the year. During the year the relation between employer and the employees, at all levels, were cordial.

ACKNOWLEDGEMENT

Your Directors express their thanks and record appreciation for the co-operation they received from various Government authorities, financial institutions, bankers, suppliers and customers of the Company.

ON BEHALF OF THE BOARD OF DIRECTORS

GURUSHARAN SINGH DHATIA
Chairman

Nagpur, August 30, 1999