



PIONEER
DISTILLERIES LIMITED

| | | | | |
|-----|----|---|-----|----|
| MD | ✓ | | BKC | ✓ |
| CS | NA | | OPY | NA |
| RO | ✓ | | | NA |
| TRA | NA | | | ✓ |
| AGM | ✓ | ✓ | | ✓ |
| YE | ✓ | ✓ | | ✓ |

SIXTH ANNUAL REPORT

1997-98

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PIONEER DISTILLERIES LIMITED

**PIONEER DISTILLERIES LIMITED
SIXTH ANNUAL REPORT - 1997-98**

BOARD OF DIRECTORS :

| | |
|------------------------|---|
| SRI K.V.RAJESHWAR RAO | CHAIRMAN |
| SRI P.M. NAIR | DIRECTOR |
| SRI I.S. RAO | DIRECTOR |
| SRI A.D.MAHAJAN | NOMINEE DIRECTOR (SICOM - upto 16.7.98) |
| SRI M.T.CHIDARWAR | NOMINEE DIRECTOR (SICOM - w.e.f.4.8.98) |
| SRI P.M.NATARAJAN | NOMINEE DIRECTOR (LIC) |
| SRI S.GOPALAN | NOMINEE DIRECTOR (IREDA) |
| SRI L.VENKATESWARA RAO | WHOLETIME DIRECTOR |
| SRI K.SUHAN RAO | EXECUTIVE DIRECTOR |
| SRI K.SUDHIR RAO | MANAGING DIRECTOR |

AUDITOR

P.SUBHASH
CHARTERED ACCOUNTANT,
1-1-261/29, 2ND FLOOR,
OPP: SUNANDA HOTEL,
CHIKKADPALLY,
HYDERABAD - 20.

CORPORATE OFFICE :

211, MINERVA COMPLEX,
S.D. ROAD,
SECUNDERABAD.

BANKERS

THE BANK OF RAJASTHAN LTD.,
HYDERABAD.

REGISTERED OFFICE & WORKS

BALAPUR VILLAGE,
NEAR DHARMABAD,
BILOLI TALUK,
NANDED DISTRICT,
MAHARASHTRA
PIN : 431 809

PIONEER DISTILLERIES LIMITED

NOTICE

Notice is hereby given that the Sixth Annual General Meeting of the members of Pioneer Distilleries Limited will be held on Saturday the 27th day of March, 1999 at 11.30 A.M. at the Registered Office of the company located at Balapur Village, Near Dharmabad, Biloli Taluk, Nanded District, Maharashtra to transact the following business:

ORDINARY BUSINESS :

- (1) To receive, consider and adopt the audited Statement of Unallocated pre-operative Expenditure for the period ended 30th June, 1998 and the Balance Sheet as on that date and the reports of Directors and Auditor thereon.
- (2) To appoint a Director in place of Sri. I.S.Rao, who retires by rotation and being eligible, offers himself for reappointment.
- (3) To appoint a Director in place of Sri. P.M. Nair, who retires by rotation and being eligible, offers himself for reappointment.
- (4) To reappoint the retiring Auditor to hold office from the conclusion of this meeting until the conclusion of the next meeting and to fix his remuneration.

SPECIAL BUSINESS:

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

"Resolved that in supersession to the resolution passed by members at their Annual General Meeting held on 31-12-1997, that the consent of the company be and is hereby accorded under the provisions of Section 293(1) (d) of the Companies Act, 1956, to the Board of Directors of the company for borrowing, from time to time, all such sums they may deem requisite for the purpose of business the company notwithstanding that moneys to be borrowed together with moneys already borrowed by the company (apart from temporary loans obtained from Company's bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the company and its free reserves (that is to say, reserves not so set apart for any specific purpose) provided that the total amount upto which the moneys will or may be borrowed by the Board of Directors shall not exceed the sum of Rs.50.00 Crores (Rupees Fifty Crores only) at any one time."

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- (6) To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution :

"Resolved that pursuant to Section 81 (1A) and other applicable provisions of the Companies Act, 1956 and the Articles of Association of the company, subject to the approval of Securities and Exchange Board of India, Reserve bank of India and Financial Institutions, as may be necessary, on such terms and conditions which may be agreed to by the board of directors of the company, the consent of the company be and is hereby accorded to the Board to offer/issue 20,00,000 (Twenty lacs only) Equity Shares of Rs.10/- each in the Equity Share Capital of the Company for cash at par aggregating to Rs. 200 lakhs (Rupees two hundred lakhs only) to the promoters and their associates/NRIs on preferential/private placement basis to the extent and in one or more trenches and in the manner as may be decided by the Board in this behalf."

"Resolved further that for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such things and acts as may be necessary and expedient and to settle any matter that may arise in connection therewith."

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

"Resolved that the consent of the company be and is hereby accorded subject to approval of Financial Institution(s) in terms of section 293 (1) (a) and other applicable provisions, if any, of the Companies Act, 1956 to the Board of Director to lease the free-hold-land of the company situated at factory site at Balapur Village, Near Dharmabad, Biloli Taluk., Nanded District, Maharashtra."

"Resolved further that the Board of Directors of the company be and are hereby authorised to negotiate and finalise the terms, execute necessary documents and to do all such acts and things as may be required for implementing the resolution."

- (8) To consider and if thought fit to pass the following resolution with or without modification(s) as a Special Resolution:

"Resolved that pursuant to the provisions of Section 17 of the Companies Act,

PIONEER DISTILLERIES LIMITED

1956, the Objects Clause-III(C) i.e., "Other Objects" of the Memorandum of Association of the company be altered by inserting the following clauses as sub-clause (10) and sub caluse (11) after sub-clause (9) in the said other objects Clause:

(10) To establish, own, acquire, design, construct, develop, execute, carry out, equip, improve, work, lease, administer, manage or control in India or elsewhere convenience of every kind for generation, accumulation, distribution and supply of electric power, including Thermal, Atomic, hydro, wind, gas, bio-gas, methanegas, solar and other energy and fuel based power generating plants, houses, devices and equipment, dams, reclamations, reservoirs, river works, canals, hillocks, farms, mills, lands and wells, power distributing, transmitting and controlling stations and to generate, accumulate, distribute and supply Electric power and to light cities, towns, streets, docks, buildings, markets, and other places, both public and private.

(11) To store, distribute, supply, deal with gas, bio-gas, methane gas etc., and to trade as trader dealer, stockist, distributor and generally deal with supply and distribution of the gas, bio-gas, methane gas etc.,

"Resolved further that the Directors of the company be and are hereby further authorised to do such acts, deeds and things and give such directions and authority to the officials of the company or to any other person as may be considered necessary or desirable by the Directors to give effect to this resolution.

- (9) To consider and if thought fit to pass the following resolution with or without modification(s) as a Special Resolution :

"Resolved that pursuant to the provisions of Section 149 (2A) of the Companies Act, 1956 approval of the company be and is hereby accorded to the commencement or carrying on by the company any one or more of the businesses as more particularly set out in the sub-clause (10) and sub-clause (11) of the Clause-III (C) "Other Objects Clause" of Memorandum of Association of the as amended."

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"Resolved further that the Board of Directors of the company be and are hereby authorised to take such steps and to do such acts, deeds, matters and things as may be necessary and desirable to give effect to this Resolution."

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

"Resolved that the consent of the Company be and is hereby accorded to the Board of Directors of the Company pursuant to the provisions of Section 293(1)(a) and other applicable provisions if any of the Companies Act, 1956 for mortgaging and/or charging all its movable and immovable properties wheresoever situated both present or future and the whole of the undertaking of the Company in favour of any persons, banks and/or financial institutions for securing repayment of any loans, financial assistance, borrowings and facilities together with interest, costs, charges and expenses thereon."

"Resolved further that the Board of Directors of the Company be and is hereby authorised to finalise the documents for creating mortgage/hypothecation and/or charge and to take such necessary action for giving effect to the above Resolution."

By Order of the Board
for **PIONEER DISTILLERIES LIMITED**

Place : Secunderabad
Date : 22nd January, 1999.

(K.Sudhir Rao)
Managing Director

PIONEER DISTILLERIES LIMITED

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.
2. Proxy, in order to be effective, must be deposited at the company's Registered Office not less than 48 hours before the meeting.
3. The Register of members and Share Transfer registers have been closed on 31st December, 1998 and 1st day of January, 1999 for the purpose of the Annual General Meeting.
4. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.

Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956:**ITEM NO.5:**

The members at their annual general meeting held on 31st December, 1997 passed an ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 approving the borrowings in excess of the paid up share capital and free reserves within a limit of Rs.25.00 crores. The existing borrowings excluding the working capital bank borrowings, are aggregating to Rs.21.40 Crores. The board of directors of the company at their meeting held on 30th October, 1998 decided to recommend for increase in the borrowings limit from Rs.25.00 crores to Rs. 50.00 crores for approval of members at the ensuing annual general meeting.

Your Directors recommend the resolution for approval.

None of the Directors is interested in the resolution.

ITEM NO.6:

Presently the authorised share capital of the company is 1,35,00,000 equity shares of Rs.10/- each aggregating Rs.13.50 crores and that the issued capital of the Company is 87,50,000 equity shares of Rs.10/- each aggregating Rs.8.75 crores. The unsecured loans raised by the company stood at Rs.165.00 lakhs. The company intends to issue 20,00,000 equity shares of Rs.10/- each per share