

## PIONEER DISTILLERIES LIMITED

Regd. Office: UB House, Plot No.36, Street No.4, Srinagar Colony, Hyderabad 500 073

### PROCEEDINGS OF THE TWENTY SECOND ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY HELD ON WEDNESDAY, SEPTEMBER 30, 2015 AT 12.00 NOON AT HOTEL GREEN PARK, GREENLANDS, BEGUMPET, HYDERABAD 500 016

Present:	
MR. VINOD RAO	Chairman of the Board and Stakeholders Relationship Committee
MS. MAMTA SUNDARA	Director
MR. R. KRISHNAMURTHY	Independent Director Chairman of Audit Committee and Nomination and Remuneration Committee
UNITED SPIRITS LIMITED	By their authorised representative Mr. V. Ramachandran
MR. SANTHOSH KUMAR KEERTHI	Company Secretary
MR. SOMESHWARA RAO	Partner, M/s. Lodha & Co
MR. SUDHIR VISHNUPANT HULYALKAR	Secretarial Auditor
	and
62	MEMBERS PRESENT IN PERSON and
0	MEMBERS THROUGH PROXY

In terms of Article 88 of the Articles of Association of the Company, Mr. Vinod Rao, Chairman, took the Chair and as the requisite quorum as per Section 103 of the Companies Act, 2013 was present, called the Meeting to Order.

The Chairman welcomed the Members and addressed the gathering.

The Chairman mentioned that the Registers as per the Statutory Requirements were laid open at the Meeting.

With the permission of the members present, the Notice convening the Meeting was taken as read.

The Chairman informed the Members that as per Section 145 of the Companies Act, 2013, the qualifications, observations or comments on the financial transactions or matters which have any adverse effect on the functioning of the Company and mentioned in the Auditors' Report are required to be read out in the General Meeting. Since, there were no such qualifications, observations or comments in the Auditor's Report, the same was not read out at the Meeting.

Since, there were observations in the Secretarial Audit Report, the Chairman asked the Company Secretary to read out the relevant observations in the Secretarial Audit Report as per SS -2 Secretarial Standard on General Meetings.

The Chairman informed the Members that, In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement with the Stock Exchanges, the Company has provided e-voting facility to the Members of the Company in respect of businesses to be transacted at the Annual General Meeting. The e-voting period commenced at 10.00 am on September 27, 2015 and ended at 5.00 pm on September 29, 2015. Mr. Depuru Raghavendar Rao, Company Secretary in Practice, was appointed as the Scrutinizer for scrutinizing the e-voting process and will be submitting his report after considering the results of voting at the AGM.

The Chairman further stated that to enable those shareholders who did not have access to e-voting facility or who had not exercised their vote through e-voting, opportunity was being given at this meeting for them to convey their accent or dissent in writing for all the 7 resolutions through the polling paper which had been distributed to the members. As per the Companies Act, passing of resolution by show of hands was not permitted. A member who had voted through e-voting facility would not be entitled to vote at this meeting. The Ballot box was kept on the left side of the dais and the members could deposit the duly completed polling papers in the Ballot box. At the end of the meeting we would collect the ballot papers for counting the votes.

The Chairman then briefed the members present of the summary of all the Resolutions contained in the Notice as mentioned below.

<b>Item No</b>	<b>Particulars</b>	<b>Type of Resolution</b>
1	Adoption of Accounts for the financial year ended March 31, 2015 together with the Auditor's Reports & Directors' Report thereon	Ordinary
2	Ratification of Appointment of Auditors till the next AGM to be held in 2016 and to fix their remuneration	Ordinary
3	Appointment of Mr. Vinod Rao (DIN: 01788921) as a Director	Ordinary
4	Appointment of Ms. Mamta Sundara (DIN: 05356182) as a Director	Ordinary
5	Appointment of Mr. R. Krishnamurthy (DIN: 06940830) as an Independent Director for a term of five years	Ordinary
6	Approval of agreements for tie-up manufacture of Indian Made Foreign Liquor products and licensing of trade marks therefor, both dated September 2, 2013, between the Company and United Spirits Limited, which is an existing material related party transaction entered into by the Company, and increase in retention charges payable to the Company	Ordinary
7	Approval of arrangements for the sale of Extra Neutral Alcohol by the Company to United Spirits Limited from time to time during the financial years ending March 31, 2015 and March 31, 2016	Ordinary

Thereafter, the Chairman took up the items (except Item No.3) on the Agenda as per the Notice of the Meeting, *ad seriatim*. Since, Item No.3 on the Agenda related to his appointment as a Director, he requested Mr. R. Krishnamurthy, Independent Director to take the chair and continue the meeting for consideration of the said item. Accordingly, Mr. R. Krishnamurthy took the chair and continued the proceedings in respect of this item. The Chairman invited comments from Members for each item of the agenda and responded to the various queries raised by the following Members:

1. Mr. Kamal Kishore
2. Mr. Shantilal C Shah
3. Mr. Seetharam Reddy M V
4. Mr. Ashok Chand

Thereafter, the Chairman appointed Mr. Depuru Raghavendar Rao, Company Secretary in Practice as the Scrutinizer for conducting the poll at the AGM and stated that the combined results of the voting (both e-voting and physical voting at this meeting) on all the 7 resolutions would be announced within three days at the Registered Office of the Company and the results along with the Scrutinizers Report would be placed on the website of the Company and that of National Securities Depository Limited (NSDL) and intimated to the stock exchanges.

Based on the Scrutinizer's Reports received on both e-voting and poll, the following Ordinary Resolutions were approved by the Members unanimously. The result of the e-voting and poll in respect of Item Nos.1 to 7 of the Notice (as per format attached in Annexure I), forms part of the proceedings.

**Item No.1 – Adoption of Accounts for the financial year ended March 31, 2015 together with the Auditor's Reports & Directors' Report thereon:**

The following resolution was proposed as an Ordinary Resolution by Mr. Shantilal C Shah and seconded by Mr. Kamal Kishore:

**RESOLVED** that the Audited Statement of Profit and Loss for the financial year ended March 31, 2015, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon, be and are hereby adopted.

**Item No. 2 – Ratification of Appointment of Auditors till the next AGM to be held in 2016 and to fix their remuneration:**

The following resolution was proposed as an Ordinary Resolution by Mr. Gangi Raghavender Rao and seconded by Mr. Subba Rao:

**RESOLVED** that pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder, the appointment of M/s. Lodha & Co, Chartered Accountants (Firm Registration Number: 301051E) as the Statutory Auditors of the Company, which has been approved at the Annual General Meeting held on September 26, 2014, to hold office from the conclusion of 21<sup>st</sup>

AGM till the conclusion of the 23<sup>rd</sup> AGM, be and is hereby ratified and the Board of Directors be and is hereby authorized to fix their remuneration.

**Item No. 3 – Appointment of Mr. Vinod Rao (DIN: 01788921) as a Director:**

The following resolution was proposed as an Ordinary Resolution by Mr. Shanker Lal Ladda and seconded by Mr. Kamal Kishore:

**RESOLVED** that Mr. Vinod Rao (DIN: 01788921), who was appointed as an Additional Director by the Board of Directors of the Company and whose period of office expires on the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

**Item No.4 – Appointment of Ms. Mamta Sundara (DIN: 05356182) as a Director:**

The following resolution was proposed as an Ordinary Resolution by Mr. Subba Rao and seconded by Mr. Shantilal C Shah:

**RESOLVED** that Ms. Mamta Sundara (DIN: 05356182), who was appointed as an Additional Director by the Board of Directors of the Company and whose period of office expires on the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

**Item No.5 – Appointment of Mr. R. Krishnamurthy as an Independent Director for a term of five years:**

The following resolution was proposed as an Ordinary Resolution by Mr. Gangi Raghavender Rao and seconded by Mr. Shantilal C Shah:

**RESOLVED** that pursuant to the provisions of Sections 149, 150 (2), 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. R. Krishnamurthy (DIN: 06940830), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five years from July 13, 2015 to July 12, 2020, who shall not be liable to retire by rotation.

**Item No.6 – Approval of agreements for tie-up manufacture of Indian Made Foreign Liquor products and licensing of trade marks therefor, both dated September 2, 2013, between the Company and United Spirits Limited, which is an existing material related party transaction entered into by the Company, and increase in retention charges payable to the Company:**

The following resolution was proposed as an Ordinary Resolution by Mr. Seetharam Reddy M V and seconded by Mr. Kamal Kishore:

**RESOLVED** that in compliance with and subject to the provisions of the Companies Act, 2013 and the rules made thereunder, the equity listing agreements entered into by the Company with the Stock Exchanges and applicable circulars and regulations issued by the Securities and Exchange Board of India (including circular No. CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 and circular No. CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014), as may be applicable, the agreements for tie-up manufacture of Indian Made Foreign Liquor ("IMFL") products and licensing of trade marks therefor, both dated September 2, 2013, entered into by the Company with United Spirits Limited be and are hereby approved.

**Further RESOLVED** that in compliance with and subject to the provisions of the Companies Act, 2013 and the rules made thereunder, the equity listing agreements entered into by the Company with the Stock Exchanges and applicable circulars and regulations issued by the Securities and Exchange Board of India (including circular No. CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 and circular No. CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014), as may be applicable, and subject to such other approvals, permissions and sanctions as may be necessary and such conditions or modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company and subject to the provisions of the Memorandum and Articles of Association of the Company, the increase in retention charges payable to the Company under the agreement for tie-up manufacture of IMFL dated September 2, 2013 between the Company and United Spirits Limited, such increase ranging from Rs.5 per case to Rs.10 per case over the existing rates with United Spirits Limited, be and is hereby approved.

**Further RESOLVED** that the Board is hereby authorised to do, perform or cause to be done all such acts, deeds, matters and things as may be necessary or desirable, and to do all other acts and things as may be incidental, necessary or desirable to give effect to the above resolutions.

**Further RESOLVED** that the Board is hereby authorised to delegate all or any of its powers conferred by the above resolutions to any director or directors or any other officer or officers of the Company to give effect to the aforesaid resolutions.

**Item No.7 – Approval of arrangements for the sale of Extra Neutral Alcohol by the Company to United Spirits Limited from time to time during the financial years ending March 31, 2015 and March 31, 2016:**

The following resolution was proposed as an Ordinary Resolution by Mr. Shantilal C Shah and seconded by Mr. Seetharam Reddy M V:

**RESOLVED** that in compliance with and subject to the applicable provisions of the Companies Act, 2013 and the rules made thereunder, the equity listing agreements entered into by the Company with the Stock Exchanges and applicable circulars and regulations issued by the Securities and Exchange Board of India (including circular No. CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 and circular No. CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014), as may

be applicable, and subject to such other approvals, permissions and sanctions as may be necessary and such conditions or modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company and subject to the provisions of the Memorandum and Articles of Association of the Company, approval of the shareholders be and is hereby accorded to the Company entering into arrangements for the sale of Extra Neutral Alcohol by the Company to United Spirits Limited from time to time during the financial years ending March 31, 2015 and March 31, 2016 .

**Further RESOLVED** that the Board is hereby authorised to do, perform or cause to be done all such acts, deeds, matters and things as may be necessary or desirable, and to do all other acts and things as may be incidental, necessary or desirable to give effect to the above resolution.

**Further RESOLVED** that the Board is hereby authorised to delegate all or any of its powers conferred by the above resolutions to any director or directors or any other officer or officers of the Company to give effect to the aforesaid resolutions.

The combined results of the e-voting and poll were announced by the Chairman on October 02, 2015 at the Registered Office of the Company and the results along with the Scrutinizer's Report were also placed on the website of the Company and that of NSDL and intimated to the stock exchanges.

The meeting concluded at 12:40 pm, with a vote of thanks to the Chair.

**Sd/-  
CHAIRMAN**

## Annexure I

### RESULTS OF E-VOTING AND POLL AT THE 22<sup>nd</sup> AGM

The combined results of the voting (both e-voting and physical voting) on the following 7 resolutions as per the Scrutinizer's Reports dated October 01, 2015 on e-voting and poll, is as follows:

Item No	Resolutions proposed at the AGM	Votes in favour		Votes against		Invalid votes
		No of Shares	%	No of Shares	%	No of Shares
1	Receive, consider and adopt Audited Statement of Profit and Loss for the financial year ended March 31, 2015, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon;	10980961	100	NIL	NIL	NIL
2	Ratification of the appointment of Statutory Auditors and to fix their remuneration.	10980961	100	NIL	NIL	NIL
3	Appointment of Mr. Vinod Rao (DIN: 01788921), as a Director;	10980961	100	NIL	NIL	NIL
4	Appointment of Ms. Mamta Sundara (DIN: 05356182), as a Director	10980961	100	NIL	NIL	NIL
5	Appointment of Mr. R. Krishnamurthy (DIN: 06940830) as an Independent Director for a term of five years	10980961	100	NIL	NIL	NIL
6	Approval of agreement for tie-up manufacture of Indian Made Foreign Liquor products and licensing of trade marks therefore, both dated September 02, 2013, between the Company and United Spirits Limited, which is an existing material related party transaction entered into by the company, and increase in retention charges payable to the Company;	939811	100	NIL	NIL	NIL
7	Approval of arrangements for the sale of Extra Neutral Alcohol by the Company to United Spirits Limited from time to time during the financial years ending March 31, 2015 and March 31, 2016	939811	100	NIL	NIL	NIL

Sd/-  
**CHAIRMAN**