

**Readers Resource/ Corporate Finance/ Ross, Westerfield, Jaffe & Kakani/ 8<sup>th</sup> Edition/  
Special Indian Edition/ McGraw Hill /2009 \* Chapter 1 Pioneer Distilleries Limited \***

Pioneer Distilleries was originally incorporated as a Public Limited Company on 25.11.1992 under the name GANGA ORGCHEM LIMITED with Registrar of Companies, Andhra Pradesh and obtained certificate of commencement of business on 30.03.1993 under the Companies Act, 1956.

The name was changed in the Extra-Ordinary General Meeting held on 04-07-1994 and a revised certificate of incorporation obtained from Registrar of Companies, Andhra Pradesh. The Company had shifted its Registered Office to the State of Maharashtra & certificate of Registration of the Order of the Company Law Board confirming the shift in Registered Office was issued by the Registrar of Companies, Maharashtra on 26th July, 1995.

It belongs to the Breweries & Distilleries Industry. It is engaged in manufacturing of industrial alcohol with a capacity of 15 mn liters p.a. It produces rectified spirit, ENA, and Ethanol. Corn, rice husk, and other agricultural grains are its raw materials.

The project of the company was appraised by: Industrial Development Bank of India (IDBI). Company was sanctioned term loan assistance by IDBI, LIC, SICOM, and IREDA among others.

It is currently headed by Mr. K V Rajeshwar Rao, Chairman and K Sudhir Rao, Vice Chairman. The managing director of the company is K Suhan Rao. All being owner-managers i.e., part of the same business group. The Registered office is located at Balapur Village, Dharmabad Taluk, Nanded District, Maharashtra - 431809.

The shares of PDL are listed at Pune and Mumbai Stock Exchanges. The Face Value of the equity shares is 10.

**Financial Indicators:**

	In Millions
Net Sales	404.01
PAT	13.47

**Data As on 08-Mar-2007:**

**Share Price Details:**

Last Trade	19.80
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**Non-financial indicators:**

Capacity: 15 mn liters  
Land Area: 300 acres.  
Employees: 80

**Some Peers:**

1. Associated Alcohols and Breweries Ltd.
2. Balaji distilleries Ltd.
3. Empee Distilleries
4. Tilaknagar Industries

**Observations:**

- DPS is 0, as there is no issue of dividends.
- Increase in both Secured Loans (19.94 to 20.28) and Unsecured Loans (14.02 to 18.70).

**References:**

- 1) [www.bseindia.com](http://www.bseindia.com)
- 2) [www.myiris.com](http://www.myiris.com)
- 3) [www.icicidirect.com](http://www.icicidirect.com)
- 4) Company's annual report