

Debt Securities

Pioneer Distilleries does not have any Bonds, Warranties, Debentures, Commercial Papers, etc.

Term Loans from Industrial Development Bank of India, Life Insurance Corporation of India and State Bank of Mysore are secured by first charge by way of equitable mortgage by deposit of title deeds to cover all immovable properties of the company and hypothecation of all movable properties both present and future subject to prior charges created/to be created in favour of Company's bankers for securing borrowings for working capital requirements.

SCHEDULES: SECURED LOANS	As at 31-03-2006 Rs.	As at 31-03-2005 Rs.
Term Loan - IDBI	68007000	83700000
Term Loan - LIC	26517671	31500000
Term Loan (I) - SBM	39399787	48699787
Term Loan (II) - SBM	16350000	0
Term Loan - State Bank of Indore	14264980	0
Working Capital Loan from Bank	31328502	35479184
	195867940	199378971

SCHEDULE 4: UNSECURED LOANS		
Sales Tax Deferment	170736589	136793503
From Others	16323797	3378797
	187060386	140172300

The mortgage/charges created above shall rank pari-passu with the charges created/to be created in favour of the Financial Institutions/ Banks. The above said loans are also guaranteed by some of the directors of the Company in their personal capacities. All the above loans were utilized for the purpose of establishment of the distillery unit and related acquisition of Fixed Assets.