

EMPEE DISTILLERIES LIMITED

(CIN L15511TN1983PLC010313)

Registered Office: Empee Tower, No.59, Harris Road, Pudupet, Chennai Tamil Nadu - 600002,
Website: empeegroup.co.in; Email: cs@empeegroup.co.in

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extra Ordinary General Meeting of the members of **EMPEE DISTILLERIES LIMITED ("Company")** (CIN No. L15511TN1983PLC010313) will be held on Wednesday, the 15th March 2017 at 11.00 a.m. at "Victoria Hotel " No.3, Kennet Lane, Egmore, Chennai – 600008, Tamil Nadu to transact the following business:

SPECIAL BUSINESS :

Item No: 1

SALE OF EQUITY SHARES HELD BY THE COMPANY IN M/s. EMPEE HOTELS LIMITED:

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

"RESOLVED THAT subject to consents, approvals and/or permissions as may be required and in terms of provisions of Section 180 (1)(a) of Companies Act, 2013 as amended from time to time and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force) and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors to sell/transfer/ dispose 19512997 nos. of Equity shares of Rs.10 each (Face Value per share) in M/s Empee Hotels Limited (unlisted entity) at a price of Rs.28.00 per share as per share valuation report obtained from the Merchant Bankers namely Chartered Finance Management Ltd, Mumbai, to M/s. Appollo Alchobev Limited and other associate companies (Promoter Companies) in one or more tranches."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution Mr. M P Purushothaman, Chairman or Ms. Nisha Purushothaman, Joint Managing Director of the Company be and are hereby authorised to take such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the proposed sale of shares and further to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith".

Item No: 2

TO AMEND/RATIFY EGM NOTICES DATED 27.10.2016 AND 26th DECEMBER 2016 EXPLANATORY STATEMENTS ANNEXED THERETO, FOR THE PURPOSE OF ISSUE OF SHARE WARRANTS ON PREFERENTIAL ALLOTMENT PASSED BY THE SHAREHOLDERS ON 28TH NOVEMBER 2016 and 19TH JANUARY 2017 RESPECTIVELY :

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

"RESOLVED THAT pursuant to EGM notices dated 27th October 2016 and 26th December 2016 and the Explanatory Statements annexed thereto, duly passed by the shareholders on 28th November 2016 and 19th January 2017 respectively, with regard to issue of 11,66,860 Equity Share Warrants, convertible into 11,66,860 Equity Shares, to be issued and allotted on preferential basis as per



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Section 62 (1) (c) read with Section 42 of the Companies Act, 2013 and applicable provisions of Companies (Share Capital and Debenture Rules), 2014 and also in pursuance of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the following clauses/provisions in the said EGM resolutions and the Explanatory Statements annexed thereto, be and are hereby amended/ratified :

RATIFICATION THAT "in the Table of Name of Proposed Allottees" as appearing in the EGM notice dated 27.10.2016 and 26.12.2016 (passed on 28/11/2016 and 19/01/2017) the names of ultimate beneficial owners of the proposed allottees shall be substituted and read as under in accordance with Reg.73 (1)(e) of the SEBI ICDR Regulations:

Sl. No.	Name of proposed Allottees	Category	PAN	No. of Warrants proposed to be allotted	Name of Ultimate beneficial owners of proposed allottee	PAN of the beneficial owners of proposed allottee
1.	EW India Special Assets Fund Pte Ltd	Foreign Portfolio Investor	AADCE 6722H	9,39,727	GAMLA Livförsäkringsaktiebolaget SEB Trygg Liv (Registered Insurance Company)	N.A. (Beneficial owner is a Foreign entity)
2.	Edelcap Securities Limited	Public Bodies Corporate	AABCE 9000A	2,27,133	Edelweiss Financial Services Ltd (Domestic Listed Entity)	AAACE1461E
Total				11,66,860		

RESOLVED FURTHER THAT for the purpose of giving effect to the above ratifications/modifications in the EGM notices and Explanatory Statements dated 27th October 2016 and 26th December 2016 duly passed by the shareholders on 28th November 2016 and 19th January 2017 respectively, the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be required in connection with the proposed allotment of Warrants, and conversion of warrants into equity shares without limitation of finalising the offer letter and entering into the relevant agreements and including any act, matters and things which had already done with statutory authorities/stock Exchanges and further authorize the Board to carry out all necessary acts, deeds, matters etc as may be necessary for giving effect to the above modifications/ratifications/alterations and also to file the amendments/ ratifications with the Stock Exchanges and seek listing of such securities (equity shares) at the Stock Exchanges where the existing securities (equity shares) are listed."

Date : 13.02.2017
Place: Chennai 600 002

By Order of the Board
For EMPEE DISTILLERIES LIMITED



M P PURUSHOTHAMAN
CHAIRMAN



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Notes :

1. The Explanatory note pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE EGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other shareholder. The instrument appointing the Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before commencement of the EGM. A Proxy form is sent herewith.
3. Corporate members intending to send their authorized representatives to attend the EGM are requested to send to the Company a certified true copy of their board resolution authorising their representatives to attend and vote on their behalf at the EGM.
4. Only registered members of the Company or any proxy appointed by such registered member shall be entitled to attend the EGM as provided under the provisions of the Companies Act, 2013.
5. The Company is pleased to provide its Members the facility to cast their vote on the resolution by electronic means ("E-voting").
6. The Board has appointed Mr.R.Kannan, M.Com., ACMA, FCS, Practicing Company Secretary as the scrutinizer to scrutinize the E-voting process in a fair and transparent manner. The scrutinizer shall, within a period not exceeding three working days from the conclusion of E-voting period, unblock the votes in the presence of at least two witnesses not being in the employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of EGM. The results on Resolution shall be declared at or after the EGM and subject to the receipt of requisite votes, the Resolution shall be deemed to be passed on the date of the EGM. The results declared alongwith the scrutinizer's report will be available on the website of the Company (www.empeegroup.co.in) within two days of the passing of the Resolution.
7. Notice of the EGM along with Attendance Slip, Proxy Form and a letter giving the process, instructions and the manner of conducting E-voting is being sent electronically to all the members whose email IDs are registered with the Company / Depository Participants(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
8. Members / Proxies are requested to bring their duly filled attendance slip sent herewith at the EGM.
9. Relevant documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the Members at the Registered Office of the Company during the office hours on all working days except Saturdays between 11.30 a.m. and 1.00 p.m. up to the date of the EGM.
10. Shareholders holding Equity Shares shall have one vote per share as shown against their holding. The shareholders can vote for their entire voting rights as per their discretion.
11. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive any communication from the Company.



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The instructions for shareholders voting electronically (remote e-voting) are as under:

- (i) The remote voting period begins on 12.03.2017 at 10.00 A.M. and ends on 14.03.2017 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date which has been fixed as 03.03.2017 may cast their vote electronically.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.(Sequence number has been provided as Serial Number (SL No.) in the Address Label. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.



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- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

General Instructions:

- (i) Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the Cut Off date i.e. 03.03.2017 may follow the same procedure for e-Voting as mentioned above.
- (ii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting/voting at the EGM through ballot paper.
- (iii) The Chairman shall, at the EGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" / "Poling Paper" for all those members who are present at the EGM but have not cast their votes by availing the remote e-voting facility.
- (iv) The Scrutinizer shall after the conclusion of voting at the EGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the EGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (v) The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on 03.03.2017.
- (vi) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.empeegroup.co.in and on the website of the CDSL within two days of the passing of the resolutions at the EGM of the Company, and communicated to National Stock Exchange of India Limited and Bombay Stock Exchange Ltd.



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ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

Item No: 1

The shareholders may be aware that the Company had invested Rs.95.32 crs in 19512997 equity shares of Empee Hotels Limited and over the years, the Company was carrying on the investment of these shares without any dividend or income to the Company. Further the Company had borrowed Rs.27.69 crs from Appollo Alchobev Ltd (AAL), the Company finds it difficult to repay the loan in the current scenario. Further the Hotel Industry at large, and five star category of Hotels in particular in Tamil Nadu have encountered with various difficulties and undergone slump in business operations for the last five years. Evaluating the prospects, and current operations, and financial factors of Empee Hotels, the Board has taken a step to sell or dispose of these shares which would help the Company to pay off the dues to Appollo Alchobev Ltd. Hence by way of sale of these shares the Company will discharge the loan due to AAL and also realise the balance consideration by way of future cash flows. The valuation report on the fair value of equity shares of Empee Hotels Limited submitted by Merchant Bankers namely Chartered Finance Management Ltd was considered by the Board of Directors at its meeting held on 13.02.2017. The Board observed that the cost per equity share of Empee Hotels Ltd is higher than the fair value computed by the Merchant Bankers. Hence the diminution in the share value of these shares will be duly accounted in the books of accounts.

The Valuation Reports issued by Merchant Bankers are available for inspection by members at the Registered Office of the Company during the office hours on any working day from 15th February 2017 to 9th March 2017 and also at the venue of EGM on 10th March 2017. The sale of these shares is required to be approved by the Shareholders under Section 180(1)(a) of the Companies Act, 2013.

The Board of Directors of the Company recommends passing of the Resolution in Item no. 1 of the Notice as a special resolution so as to enable the Company to sell its shareholding in Empee Hotels Limited.

Memorandum of Interest:

None of the Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, except to the extent of shareholding held by Directors/Key Managerial Personnel of the Company/their relatives in Appollo Alchobev Ltd in the resolution as set out in the Notice.

Item No: 2

The shareholders of the Company at the EGM held on 28th November 2016 and on 19th January 2017 passed necessary resolutions to issue 1166860 nos. of Equity Share Warrants convertible into 1166860 nos. of Equity Shares on preferential basis. However ratifications in relation to the ultimate beneficiary owners of the equity shares to be allotted upon conversion of share warrants with exact entity's name is required to be mentioned as the Ultimate beneficiary owners name mentioned earlier in the EGM notices dated 28th November 2016 and 19.01.2017 do not correctly reflect the same. Hence as advised by the stock exchanges and in order to comply with Reg.73(1)(e) of the SEBI regulations necessary changes are made in the EGM resolution as set out in the notice. Accordingly the ultimate beneficiary owners of the proposed allottees i.e. EW India Special Assets Fund Pte Ltd and 2) Edelcap Securities Limited are: 1) GAMLA Livförsäkringsaktiebolaget SEB Trygg Liv (registered Insurance Company) and 2) Edelweiss Financial Services Ltd (Domestic Listed Entity) and both these entities are exempt as per the provisions of Reg.73 (1)(e) of the SEBI ICDR Regulations under disclosure norms.

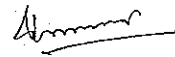
Memorandum of Interest:

None of the Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out in the Notice.

Date : 13.02.2017

Place: Chennai - 600 002

By Order of the Board
For EMPEE DISTILLERIES LIMITED


M P PURUSHOTHAMAN
CHAIRMAN



EMPEE DISTILLERIES LIMITED

(CIN L15511TN1983PLC010313)

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ATTENDANCE SLIP EXTRA-ORDINARY GENERAL MEETING

I/We hereby record my/our presence at the Extra-Ordinary General Meeting of the Company being held at "Victoria Hotel", No.3, Kennet Lane, Egmore, Chennai - 600 008 on Wednesday, 15th March, 2017 at 11.00 a.m.

Members Folio No. /Client ID No. :
Member's Name /Proxy's Name :
Member's signature /Proxy's signature :

Note:

1. Please complete the Folio/ DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance verification counter at the entrance of the meeting hall.
2. Electronic copy of the EGM Notice alongwith Attendance slip and Proxy form is being sent to all the members whose email address is registered with the Company/ DP unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the EGM can print copy of this Attendance slip.
3. Physical copy of the EGM Notice along with Attendance slip and Proxy form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

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PROXY FORM

Name of the member(s) :
Registered address :
E-mail ID :
Folio No./Client ID No. :

I/We being the member(s) of shares of the above named Company hereby appoint:

- | | |
|----------------------|-----------------|
| (1) Name & Address : | Email ID : |
| Signature | or failing him; |
| (2) Name & Address : | Email ID : |
| Signature | |

as my/our proxy to attend and vote for me/us and on my/our behalf at the Extra-Ordinary General Meeting of the Company, to be held on Wednesday, the 15th March, 2017 at 11.00 a.m. at 'Victoria Hotel', No.3, Kennet Lane, Egmore, Chennai - 600 008 and at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Resolutions	Optional	
		For	Against
	Special Business		
1.	To approve Sale of Shares held by the Company in Empee Hotels Limited		
2.	To ratify Ultimate Beneficiary's name in the allotment of Shares upon conversion of share warrants under Preferential allotment, pursuant to the resolutions passed in the EGM held on 28 th Nov. 2016 and 19 th Jan. 2017.		

Signed this Day of
Signature of shareholder :

Signature of Proxy holder :

Affix
Re.1 Revenue
Stamp

Note:

1. The Proxy form must be deposited at the Registered office of the Company at Empee Tower, 59, Harris Road, Pudupet, Chennai- 2 not less than 48 hours before the commencement of the meeting.
2. For the resolution, explanatory statement and notes, please refer to the Notice of the EGM.
3. It is optional to put 'V' in the appropriate column against the Resolutions indicated in the box. If you leave the 'For' or Against column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.

