



EMPEE DISTILLERIES LIMITED

No.59, Harris Road, Pudupet, Chennai-600002
Email:investor@cameoindia.com

NOTICE OF POSTAL BALLOT

Dear Member,

Notice pursuant to Section 192A of the Companies Act, 1956

Notice is hereby given pursuant to Section 192A of the Companies Act, 1956, read with the Companies (passing of the Resolution by Postal Ballot) Rules, 2001, for the consent of the members through postal ballot for obtaining the approval of the members of the company pursuant to section 224 of the Companies Act, 1956 by way of an ordinary resolution to appoint an Auditor in the casual vacancy caused by the resignation of existing Auditor and to seek approval of members by way of a special resolution pursuant to section 372A of the Companies Act, to increase the limits from Rs.1000 Crores to Rs.1,500 Crores.

Accordingly, the said draft of the resolutions along with their explanatory statement setting out all material facts and the reasons thereto, the requisite postal ballot form and the self-addressed postage prepaid envelope is enclosed for your consideration.

Place: Chennai.
Date: 15.04.2009

By Order of the Board

M.P.Purushothaman
Chairman

Notes:

You are requested to carefully read the instructions printed in the Postal Ballot Form and return the form duly completed and signed in the attached self addressed, postage prepaid envelope, so as to reach the Scrutinizer before the closing of working hours (17.30 Hrs.) on or before 27.05.2009 Please note that any Postal Ballot forms(s) received after the said date will be treated as not having been received. No other form or photocopy thereof is permitted.

The Board of Directors has appointed Mr. S Dhanapal, of **S Dhanapal & Associates**, Practicing Company Secretaries as the Scrutinizer for conducting this postal ballot voting process in a fair and transparent manner. The Scrutinizer will submit his report to the Chairman or any Director of the Company as soon as possible after the last date for receipt of Postal Ballot Forms, but not later than the closing business hours of 01.06.2009. Result of the Postal Ballot shall be declared and confirmed by the Chairman or any other director of the company as authorised by the Board on 02.06.2009 at the Registered Office of the Company mentioned above.

Encl: 1.Draft Resolution with explanatory statement
2.Postal Ballot Form & Self addressed postage envelope.

DRAFT RESOLUTION

SPECIAL BUSINESS

Item No.1:

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

“RESOLVED that Mr.R.Rajagopalan, Chartered Accountant, 15, Station Road, West Mambalam, Chennai-600 033, be and is hereby appointed as auditors of the Company to fill up the casual vacancy caused by the resignation of Mr.N.C.Ananthakumar, Chartered Accountant, No.19, Trustpakkam South, Raja Annamalaipuram, Chennai-600 028, until the conclusion of the next Annual General Meeting of the Company at a remuneration of Rs.40,000/- plus reimbursement of any out-of-pocket expenses that may be incurred, in connection with the audit.”

Item No.2:

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

“RESOLVED THAT SUBJECT TO THE Provision of Section 372 A of the Companies Act, 1956 as amended from time to time and other applicable provisions of the Companies Act, consent of the shareholders be and are hereby accorded to the Company to make any loans or inter corporate loans, Investments and to give any guarantees or to provide security in connection with a loan made by any other person to, or to any other person, by any body corporate upto Rs.1500 Crores notwithstanding that such investments, outstanding loan given or to be given and guarantees & security provided are in excess of 60 percent of the Paid Up Share Capital and Free Reserves of the Company or 100 percent of the Free Reserves of the Company, which ever is more, as prescribed under Section 372A, as detailed in the attached Explanatory Statement, as they in their absolute discretion deem beneficial and in the interest of the Company.

FURTHER RESOLVED that the Board of Directors (or a Committee formed by them for this purpose), be and are hereby authorized to discuss, negotiate and finalize the terms and conditions of the proposed loans, Inter corporate loans, investment/lending or giving guarantees which they may deem fit in the interests of the Company.”

Date: 15.04.2009

M.P.Purushothaman
Chairman

Explanatory Statement pursuant to Section 173 of the Companies Act, 1956:

Item No: 1

N.C.Anantha Kumar, Chartered Accountant who was the present Auditor of the company has submitted his resignation vide his letter dated 12th March, 2009 stating that he could not continue as Auditor of the Company from Financial year 2008-09 due to his involvement in other Audits and income tax matters and also informed the company that he do not have any objection for appointing any person as Auditor of the Company from Financial year 2008-09.

The appointment of new auditor in the casual vacancy caused by the present auditor requires the approval of the members pursuant to section 224 of the Companies Act, 1956.

The Board of the Company recommends the resolution for approval by the Members, by exercising their vote through postal ballot. A Postal Ballot Form sent along with the Notice.

None of the Directors is interested in the resolution.

Item No: 2

You are aware that your company is in the diversification process for which investments are required to be made in the joint Ventures for implementation of the projects. Since the Company may need additional limits to make or inter corporate loans, Investments and to give any guarantees or to provide security in connection with a loan made by any other person to, or to any other person, by Group companies / Companies under the same management / Associate Companies, the limits are to be increased from the existing limit of Rs.1,000 Crores which was approved by the Company in the Extra-Ordinary General meeting held on 25th October, 2007 to Rs.1,500 Crores notwithstanding that such investments, outstanding loan given or to be given and guarantees & security provided are in excess of 60 percent of the Paid Up Share Capital and Free Reserves of the Company or 100 percent of the Free Reserves of the Company, which ever is more, as prescribed under Section 372A, as they in their absolute discretion deem beneficial and in the interest of the Company.

The Board of the Company recommends the resolution for approval by the Members, by exercising their vote through postal ballot. A Postal Ballot Form sent along with the Notice.

None of the Directors is interested in this resolution.

Place: Chennai.
Date: 15.04.2009

By Order of the Board
M.P.Purushothaman
Chairman

Empee Distilleries Limited

No.59, Harris Road, Pudupet, Harris Road, Chennai 600 002.

Email:investor@cameoindia.com

NOTES/INSTRUCTIONS:

1. Pursuant to the provision of Section 192A of the Companies Act, 1956, read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001, the assent or dissent of the members in respect of the resolution included in the Postal Ballot Notice dated 15/04/2009 are being determined through a Postal Ballot.
2. A Member desiring to exercise his/her vote by Postal Ballot may complete the attached Form and sent it to the Scrutinizer appointed by the company in the enclosed postage prepaid self-addressed envelope. Postage will be borne by the company. However, envelopes containing the postal ballot if sent through courier at the cost of the member will also be accepted. The members residing outside India should stamp the envelopes appropriately.
3. The Board of Directors has appointed Mr S.Dhanapal, of S.Dhanapal Associates, Practicing Company Secretaries, Chennai as the Scrutinizer for conducting the Postal Ballot process. The self-addressed envelope attached to this Notice bears the address of the Scrutinizer to whom duly completed Postal ballot Forms are to be sent.
4. There shall be one Postal ballot for every folio, irrespective of the number of joint holders. A proxy shall not exercise the Postal Ballot. Voting rights shall be reckoned on the paid up value of shares registered in the name of the shareholders on the date of dispatch of this Notice.
5. The Postal Ballot Form should be completed and signed by the Shareholder. In case of joint holding this Form should be completed and signed (as per specimen signatures registered with the company) by the first named shareholder and failing him, by the next named shareholder and so on. In case, shares are held by Companies, Trusts, Societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/Authorization.
6. Duly completed Postal Ballot Forms should be received by the Scrutinizer not later than 27th May, 2009. Postal Ballot forms received after this date will be treated as if no reply from the Shareholder has been received.
7. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected. The Scrutinizer's decision on the validity of the Postal Ballot shall be final and binding.
8. The Board of Directors of your company has appointed Mr.S.Kalyanaraman, Company Secretary as person responsible for the entire Postal Ballot process.
9. In case the Postal Ballot Form is signed by a Power of Attorney (POA) holder, POA registration number should be mentioned
10. Member may request for a duplicate Postal Ballot Form, if required. However, the duly filled in duplicate Postal ballot Form should reach the Scrutinizer not later than the date specified as above. Members are requested not to send any other paper along with the postal ballot paper form in the enclosed self-addressed envelope.