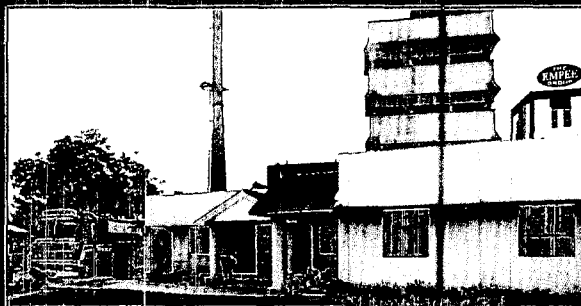
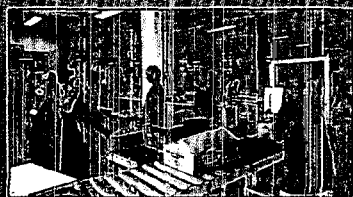
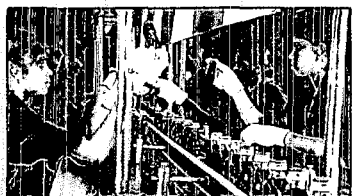
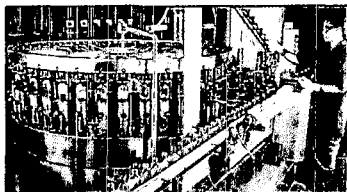
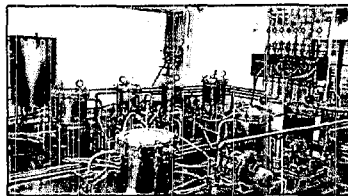
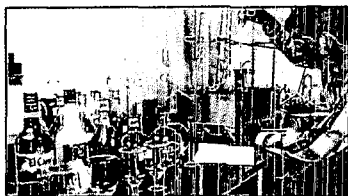




EMPEE DISTILLERIES LTD





Our IMFL unit at Mevalooruppam village in
Sriperumbudur Taluk, Tamilnadu.

**EMPEE DISTILLERIES LIMITED**

| | |
|---|---|
| Board of Directors | <div> M P Purushothaman Shaji Purushothaman Nisha Purushothaman Lt.Gen.R.S.Nagra (Retd.) T.S.Raghavan M.K.Mohan </div> <div> - Chairman - Managing Director - Joint Managing Director </div> |
| Company Secretary cum General Manager(F&A) | C.Shankar |
| Auditors | N.C.Ananthakumar Chartered Accountant No.19, Trustpakkam South Raja Annamalaipuram Chennai – 600 028 |
| Bankers | Andhra Bank Indian Overseas Bank Allahabad Bank |
| Factories | IMFL: 1) Mevalooruppam Village, Sriperumpudur Taluk, Kancheepuram District, Tamil Nadu. 2) Nida, Menonpara Road, Kanjikode Post Palakkad District, Kerala. Power: Kottadivayal Village, Aranthangi Taluk, Pudukottai District, Tamil Nadu. |
| Registered Office | 693, Mount Road, Chennai – 600 006. |
| Corporate Office | 'Empee Towers', 59, Harris Road, Pudupet, Chennai – 600 002. |



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EMPEE DISTILLERIES LIMITED

EMPEE DISTILLERIES LIMITED

Regd Office : 693, Mount Road, Chennai – 600 006

NOTICE TO SHARE HOLDERS

NOTICE is hereby given that the 24th Annual General Meeting of Empee Distilleries Limited will be held on Monday, the 8th, December 2008 at 10.00 A.M at The Music Academy, Mini Hall, Old No.306, New No.168, T.T.K.Road, Chennai – 600 014 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit & Loss Account for 9 months ended 30th June, 2008, the Balance Sheet as on that date, the report of the Board of Directors and the report of the Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr.T.S.Raghavan, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr.Shaji Purushothaman, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors of the Company for the period commencing from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and if thought fit to pass with or without modification the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to section 269, 198, 309, Schedule XIII and other applicable provisions of the Companies Act, the approval of the Company be and is hereby accorded for the appointment of Mr.Shaji Purushothaman, as Managing Director with effect from 10th March, 2008 for a period of 5 years on the following terms of remuneration:

- a) **Basic Salary** - Rs.4,00,000/- per Month. The quantum of annual increase will be decided by the Remuneration Committee.
- b) **Commission** – Subject to a maximum of 1.5% of the net profits of the Company for the financial year, the quantum whereof to be determined by the Board of Directors.
- c) **Perquisites:**
 - i) Free use of furnished accommodation owned or leased by the Company with amenities including Water, Gas, Electricity and Furnishings.



- ii) Medical reimbursement for self and family including premium payable for medical insurance in accordance with the rules of the Company.
- iii) Leave Travel Concession for self and family once in a year in accordance with the rules of the Company.
- iv) Fees of clubs subject to a maximum of two clubs. This will not include admission fee and life membership fee.
- v) Personal Accident Insurance as per the rules of the Company.
- vi) Contribution to PF and Payment of Gratuity as per the rules of the Company, which shall not be included for computation of the ceiling on the remuneration payable.
- vii) Encashment of Leave at the end of the tenure.
- viii) Provision of Car with driver and telephone at residence, for Company's business.

RESOLVED FURTHER THAT in the absence or inadequacy of profits at any time during the tenure of the appointment of the appointee, the minimum remuneration as set out in Schedule XIII of the Companies Act, 1956 be payable."

7. To consider and if thought fit to pass with or without modification the following Resolution as a Special Resolution:

"RESOLVED THAT the remuneration of Ms. Nisha Purushothaman, who was appointed as Joint Managing Director with effect from 1st January 2007 for a period of 5 years be and is hereby revised with effect from 10th March 2008 till the rest of her tenure as detailed under:

- a) **Basic Salary** - Rs.4,00,000/- per Month. The quantum of annual increase will be decided by the Remuneration Committee.
- b) **Commission** – Subject to a maximum of 1.5% of the net profits of the Company for the financial year, the quantum whereof to be determined by the Board of Directors.
- c) **Perquisites:**
 - i) Free use of furnished accommodation owned or leased by the Company with amenities including Water, Gas, Electricity and Furnishings.
 - ii) Medical reimbursement for self and family including premium payable for medical insurance in accordance with the rules of the Company.
 - iii) Leave Travel Concession for self and family once in a year in accordance with the rules of the Company.



- iv) Fees of clubs subject to a maximum of two clubs. This will not include admission fee and life membership fee.
- v) Personal Accident Insurance as per the rules of the Company.
- vi) Contribution to PF and Payment of Gratuity as per the rules of the Company, which shall not be included for computation of the ceiling on the remuneration payable.
- vii) Encashment of Leave at the end of the tenure.
- viii) Provision of Car with driver and telephone at residence, for Company's business.

RESOLVED FURTHER THAT in the absence or inadequacy of profits at any time during the tenure of the appointment of the appointee, the minimum remuneration as set out in Schedule XIII of the Companies Act, 1956 be payable."

**By Order of the Board
For Empee Distilleries Limited**

Chennai
24/09/2008

M.P.Purushothaman
Chairman



Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll on his behalf and the proxy need not be a member. The proxy form duly completed and stamped must reach the registered office of the company not less than 48 hours before commencement of the Meeting.
2. The Register of members and share transfer books of the company will be closed from 01.12.2008 to 08.12.2008 (Both days inclusive)
3. Members/proxies should bring the attendance slip duly filled along with copy of Annual report for attending the meeting.
4. Members are requested to intimate changes if any, in their address to the Registrars and share transfer Agents of the Company at the following address:

Cameo Corporate Services Limited,
"Subramanian Building", V Floor,
1, Club House Road, Chennai-600 002.



5. The Company's equity shares are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited .
6. An Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the Meeting is annexed hereto.
7. The information/details pertaining to Mr.T.S.Raghavan and Mr.Shaji Purushothaman to be provided in terms of clause 49 of the Listing Agreement with the Stock Exchanges are furnished in the annexure.

ANNEXURE TO THE NOTICE:

Explanatory statement under Section 173(2) of the Companies Act, 1956

Item No 6:

Mr.Shaji Purushothaman, Director was appointed as Managing Director by the Board of Directors at their meeting held on 10th March 2008 with effect from 10th March 2008 for a period of 5 years at a remuneration approved by the remuneration committee and as set out in the resolution. The appointment requires approval of the shareholders by way of a special resolution.

Mr.Shaji Purushothaman is an Arts graduate and has completed Oxford A level from Oxford University, U.K. He has been actively associated with the Company for the last 12 years and has rich administrative experience.

The Company has already given a Notice dated 10th March, 2008 under Section 302 of the Companies Act, 1956 for information of Members intimating the same revised terms of remuneration mentioned in the resolution.

Yours Directors commend the resolution for adoption.

None of the Directors except Mr.Shaji Purushothaman, Mr.M.P.Purushothaman and Ms.Nisha Purushothaman are deemed to be concerned or interested in this resolution.

Item No 7:

Ms.Nisha Purushothaman, Joint Managing Director was sanctioned revised remuneration as set out in the resolution by the Board of Directors with effect from 10th March 2008 till the rest of her tenure considering the current salary levels in the business segments in which the Company operates and also to compensate her for the increased responsibilities shouldered by her in the day to day management of the Company.

The Company has already given a Notice dated 10th March, 2008 under Section 302 of the Companies Act, 1956 for information of Members intimating the same revised terms of remuneration mentioned in the resolution.



Her revision of remuneration requires the approval of the Members of the Company by way of Special Resolution pursuant to Section 269 of the Companies Act, 1956 read with Schedule XIII of the Companies Act, 1956.

None of the Directors except Ms.Nisha Purushothaman, Mr.M.P.Purushothaman and Mr.Shaji Purushothaman are deemed to be concerned or interested in this resolution.

1. INFORMATION AS PER SCHEDULE XIII OF THE COMPANIES ACT, 1956

I. GENERAL INFORMATION:

1. Nature of Industry:
The Company is engaged in the business of manufacture of Indian Made Foreign Liquor and Power.
2. Date or expected date of commencement of Commercial production:
Not applicable as the Company is an existing Company.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:
Not applicable as the Company is an existing Company.
4. Financial Performance based on given indicators.

(Rs. in Lacs)

| Particulars | Year ended 30-9-2005 | Year ended 30-9-2006 | Year ended 30-9-2007 | Period ended 30-6-2008 |
|-------------|-------------------------|-------------------------|-------------------------|---------------------------|
| Sales | 33173.74 | 48298.97 | 63790.71 | 56370.83 |
| PBID | 1290.54 | 1706.70 | 3756.47 | 2250.79 |
| Net Profit | 424.26 | 1538.18 | 2010.47 | 1130.60 |

5. Export performance: Nil.
6. Foreign investments or collaborations, if any. : Nil

II. INFORMATION ABOUT THE APPOINTEES:

Mr.Shaji Purushothman

Mr.Shaji Purushothaman is the Managing Director of the Company. He is an Arts graduate and has completed Oxford A Level from Oxford University, U.K. He has been actively associated with the Company for the last 12 years and has rich administrative experience. In the past he has not drawn any remuneration from the Company. The proposed remuneration as mentioned in the Notice is comparable with the industry, size of the company and profile of the position. He is related to Mr.M.P.Purushothaman, Chairman and Ms.Nisha Purushothaman, Joint Managing Director.



Ms.Nisha Purushothaman

Ms.Nisha Purushothaman is the Joint Managing Director of the Company. She holds a degree in Masters in Business Administration from London Business School and was appointed as a Director of the Company on December 2, 1994 and thereafter appointed as Joint Managing Director on January 1, 1997. She has been looking after administration and human resource management of the Company.

Her past remuneration was as follows.

A. Basic Salary Rs. 2,00,000 per month.

B. Perquisites : (The aggregate value whereof shall not exceed the annual salary in a year)

- i. Rent-free furnished accommodation with service of personnel for maintenance and protection thereof.
- ii. Reimbursement of medical expenses for self and family.
- iii. Leave Travel concession for self and family once in a year in accordance with the rules of the Company.
- iv. Use of Company's car.
- v. Use of telephone at residence.
- vi. Contribution to Provident Fund.
- vii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- viii. Encashment of earned leave as per Company's rules.

The proposed remuneration as mentioned in the Notice is comparable with the industry, size of the company and profile of the position. She is related to Mr.M.P.Purushothaman, Chairman and Mr.Shaji Purushothaman, Managing Director.

III.OTHER INFORMATION:

| S.NO. | DESCRIPTION | PARTICULARS |
|-------|---|--|
| 1 | Reason of loss or inadequate profits. | None. The Company is making adequate profit. |
| 2 | Steps taken or proposed to be taken for improvement. | Does not arise |
| 3 | Expected increase in productivity and profits in measurable terms | Depends upon market dynamics |

2. ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT OR SEEKING ELECTION AT THE ANNUAL GENERAL MEETING:

The brief resume of the Directors seeking reappointment is given below: