TO MEMBERS

IN THE HIGH COURT OF DELHI COMPANY APPLICATION (MAIN) NO 178/2015

In the matter of Sections 391 to 394 of the Companies Act, 1956 And Companies Act 2013(to the extent applicable)

Scheme of Arrangement between

Legend Distilleries Private Limited (Non Applicant/Transferor Company)

Som Distilleries and Breweries Limited (Applicant /Transferee Company)

Notice Convening Meeting of the Equity Shareholders of the Applicant company

SOM DISTILLERIES AND BREWERIES LTD. CIN: L74899DL1993PLC052787

To
The Equity Shareholders of
Som Distilleries and Breweries Ltd.

TAKE NOTICE that by an order made on 23rd December, 2015, the Hon'ble High Court of Delhi has directed that a meeting of the equity shareholders of the Applicant company be held at Executive Club, Dolly Farms and Resorts, 349, Village Shahoorpur, near Chattarpur, Post Office Fatehpur Beri, New Delhi–110030, on Thursday the 3rd day of March 2016 at 11.00 hours for the purpose of considering and if thought fit, approving, with or without modification, the scheme of Arrangement proposed to be made between Legend Distilleries Private Limited (transferor company) and Som Distilleries and Breweries Limited (transferoe company)

TAKE FURTHER NOTICE that in pursuance of the said order a meeting of the equity shareholders of the Som Distilleries and Breweries Limited (transferee company) will be held at Executive Club, Dolly Farms and Resorts, 349, Village Shahoorpur, near Chattarpur, Post Office Fatehpur Beri, New Delhi–110030 on Thursday the 3rd day March 2016 at 11.00 hours when you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by you is deposited at the registered office of the applicant company, not later than 48 hours before the meeting.

The Hon'ble High Court of Delhi has appointed Mr Sanjay Sood, Advocate and failing him Ms Khushbu Sahu, Advocate, to be the Chairman and Alternate Chairperson respectively, of the said meeting.

A copy each of the Scheme of Arrangement, the statement under section 393 of the Companies Act 1956 and a proxy form is enclosed.

Dated: 08.02.2016 SANJAY SOOD
Chairman appointed by the High Court

NOTES:

- i) All alterations made in the form of the proxy should be initialed.
- ii) Only registered Equity shareholders of the Applicant Company may attend and vote (either in person or by proxy) at the Equity Shareholders' meeting. The authorised representative of a body corporate which is a registered Equity Shareholder of the Applicant Company may attend and vote at the Equity Shareholders' meeting provided that a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorizing such representative to attend and vote at the Equity Shareholders' meeting is deposited at the Registered office of the Applicant Company not later than 48 hours before the meeting.
- iii) A member entitled to attend and vote at the meeting is also entitled to appoint one or more proxies to attend and vote at the meeting instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must be received at the Registered Office of the company at least 48 hours before the commencement of the meeting.
- iv) Members who hold shares in dematerialized form are requested to bring their client ID and DP ID number for easy identification of attendance at the meeting.
- v) Member are informed that in case of joint holders attending the meeting, only such joint holder whose name stands first in the Register of Members of the Applicant Company in respect of such joint holding will be entitled to vote.
- vi) As per requirement of regulation 77 of The Companies (Court) Rules, 1959 the voting at the meeting will be held through poll. A copy of polling paper is attached.
- vii) Electronic Voting is allowed in respect of each of the items of business mentioned above. Notes/Procedure on electronic voting is being annexed with this notice.

TO MEMBERS

IN THE HIGH COURT OF DELHI **COMPANY APPLICATION (MAIN) NO 178/2015**

In the matter of Sections 391 to 394 of the Companies Act, 1956 And Companies Act 2013(to the extent applicable) Scheme of Arrangement between

Legend Distilleries Private Limited (Non Applicant/Transferor Company) AND

Som Distilleries and Breweries Limited (Applicant /Transferee Company)

Court Convened Meeting of the Equity Shareholders of the Applicant company SOM DISTILLERIES AND BREWERIES LTD.

CIN: L74899DL1993PLC052787

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT 1956 TO THE NOTICE OF THE COURT CONVENED MEETING OF EQUITY SHAREHOLDERS OF SOM DISTILLERIES AND BREWERIES LIMITED.

- 1. Pursuant to an order dated 23rd December 2015, passed by the Hon'ble High Court of Delhi, this meeting is being held on Thursday the 3rd March, 2016 at 11.00 Hours at Executive Club, Dolly Farms and Resorts, 349, Village Shahoorpur, near Chattarpur, Post Office Fatehpur Beri, New Delhi-110030 for considering and if thought fit approving with or without modification the proposed scheme of arrangement involving merger of Legend Distilleries Private Limited into Som Distilleries and Breweries Ltd. (The Scheme)
- **2.** A copy of the proposed the Scheme is attached.
- 3. Legend Distilleries Private Limited (The Transferor Company) incorporated on 15.04.1993 CIN NO: U15531MP1993PTC007633 is engaged in the business of manufacturing Indian manufactured Foreign Liquor with its manufacturing facilities at Bilaspur, Chhattisgarh. Its shares are not listed on any stock exchange. Som Disilleries and Breweries Limited was incorporated on 26.03.1993, CIN:L74899DL1993PLC052787, and is engaged in brewing, fermentation, bottling, canning and blending beer and Indian manufactured foreign Liquor. Its shares are listed on BSE and NSE.
- 4. The Rationale and benefits of the scheme of arrangement are given in Para B of the Preamble of the scheme. After approval of the scheme and on its implementation the effect will be the transfer of undertaking of the transferor to the transferee for a consideration of the shares of the transferee company. For every share of the transferor company, 0.447790 share of the transferee company is proposed to be issued. The copy of the scheme attached gives the detailed effects.
- 5. The promoters of the transferee company are Shri Jagdish Kumar Arora (DIN: 00224633), Shri Ajay kumar Arora (DIN: 00497255) and Som Distilleries Pvt. Ltd (CIN: U15500MH1986PTC124248). These promoters along with their relatives/ persons acting in concern held 22.55% of the equity of the transferee company as on 31.03.2014. These promoters and relatives held 100% of the equity of the transferor as on 31.03.2014.
- 6. The paid up capital of the transferor is Rs 32371000 consisting of 3237100 equity shares of Rs 10 each. After approval of the scheme, 1449541 equity shares of Rs 10 each of the transferee company will be issued to the shareholders of the transferor company at the rate of 0.447790 share for each share of the transferor company.

The transferee company has an unissued authorized capital of 74,77,600 equity shares of Rs 10 each (Rs 35 crores minus Rs 27.5224 crores) which will be sufficient to issue the 14,49,541 equity shares to the shareholders of transferor company Thus the authorized capital of transferee company need not be increased for this purpose

7. The Board of Directors of the transferee company consists of following persons who hold shares in the transferee company as indicate below.

Name of Directors No of Shares of Transferee Surjeet Lal 566 i.e.0.002% of the total paid up capital 1. 2. ShailendraS.Sengar NIL 3. Deenanath Singh NIL 4. Nishi Arora NIL

Thus Directors of company have no personal interest in the scheme as members or creditors or otherwise except that Shri Surjeet Lal might gain marginally, if after the merger, market price of his shares mentioned above in this company (i.e. 566 shares comprising 0.002% of the paid up capital) increases, as in the case of other shareholders

8. Following resolution is proposed to be moved at the meeting of the equity shareholders.

"Resolved that pursuant to the provision of section 391 to 394 and other applicable provisions of the companies Act 1956 and subject to the approval of the Honorable High court of Delhi, and subject to other necessary approvals and permissions and sanctions of regulatory and other authorities and subject to such conditions and modification as may be prescribed or imposed by the hon'ble High Court of Delhi, the proposed Scheme of arrangement involving merger of Legend Distilleries Private Limited into Som Distilleries and Breweries Limited (The "Scheme") placed before the meeting and signed by the Managing Director for the purpose of identification be and is hereby approved.

Resolved further that the Board of Directors of the company be and are hereby authorized to do all requisite acts, deeds and matters to give effect to the above resolution."

Dated: 08.02.2016 SANJAY SOOD
Chairman appointed by the High Court

Notes for Shareholders:

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the RTA.

Physical copies of Notice, statement under section 393 of the companies act 1956 along with scheme of Arrangement of the court convened meeting of shareholders to be held on 3rd March 2016, is being sent to all the members, through ordinary post.

Members may also note that the Notice of court convened meeting of shareholder will also be available on the Company's website www.somindia.in and on the website of CDSL, www.evotingindia.com for their download. Even after registering for e-communication, members are entitled to receive such communication in physical mode and free of cost, upon making a specific request for the same by any permissible mode.

Briefcase, Bag(s), Carry Bag(s), Helmets, Eatables, Drinks, etc. will not be allowed inside the Meeting Hall.

Members may kindly note that no 'Gifts' will be distributed at the Court convened shareholder meeting.

Members / Proxy coming to attend the Meeting are requested to carry their original photo ID (passport/driving license/voter's card/PAN card) proof with them for the purpose of verification at the venue.

Members wishing to seek further information are requested to send their queries, at least 10 days before the date of meeting, addressed to the Company Secretary at the registered office of the company.

Members must always mention their Folio / DP-ID & Client ID Number in all correspondence with the company or RTA. **E-voting**

- a. In Compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI(LODR) Regulation, 2015 your Company is pleased to offer E-voting facility to the Members of the Company to exercise their right to vote by electronic means in respect of the item contained in the notice.
- b. The Company has engaged the services of Central Depository Services (India) Limited as the Authorized Agency to provide E-voting facility. E-voting is optional and a member may physically vote at the Meeting at his discretion.
- c. The Board of Directors have appointed FCS Mr. Madan Mohan Chawla, Practising Company Secretary, Bhopal as the Scrutinizer for conducting the E-voting process in fair and transparent manner.
- d. The E-voting facility will be available during the following voting period after which the portal will be blocked and shall not be available for E-voting. Once the vote on a resolution is cast by any member, he/she shall not be allowed to change it subsequently. Commencement of E-voting Thursday, 29thFebruary, 2016, 10:00 a.m. End of E-voting Saturday, 2nd March, 2016, 5:00 p.m.
- e. The cut-off date for the purpose of E-voting is 27th February 2016. The Voting rights of members shall be in proportion to their equity shareholding in the paid up equity share capital of the company as on cut-off date.
- f. The Results of E-voting and Physical Voting at the Meeting along with the scrutinizers' report shall be placed on the website of the Company viz. www.somindia.in and shall also be communicated to the NSE and BSE.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 29/02/2016 at 10:00 a.m. and ends on 02.03.2016 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 of 27.02.2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.

- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical FormPANEnter 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 (as mentioned on the address label of the envelope of this Notice) in the PAN field. 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. DOBEnter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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 strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the Som Distilleries and Breweries limited.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) 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.
- (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 a 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.

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

The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.somindia.in and on the website of CDSL http://www.evotingindia.com within three days of the passing of the Resolutions at the court convened shareholders meeting of the Company and shall also be communicated to BSE Limited and NSE Limited where the shares of the Company are listed.