



Letter of Offer

December 28, 2007

For Equity Shareholders of the Company Only



UB ENGINEERING LIMITED

(Originally incorporated on January 12, 1970 as Western India Erectors Private Limited under the Companies Act, 1956. We changed our constitution to a public limited company on January 06, 1972. Our Company's name was changed to Western India Enterprises Limited on January 15, 1986 and further to our present name on October 21, 1993.)

Registered Office: Sahyadri Sadan, Tilak Road, Pune - 411 030. **Tel:** +91-20 24333722/24338587;

Fax: +91-20 24338887, **E-mail:** ubel.rights@vsnl.net, **Website:** www.ubengineering.com

Contact Person: Mr. V.M. Pendse, Company Secretary and Compliance officer

ISSUE OF 47,40,819 FULLY PAID-UP EQUITY SHARES OF RS.10/- EACH FOR CASH AT A PRICE OF RS.126/- (INCLUDING A SHARE PREMIUM OF RS.116/-) PER EQUITY SHARE AGGREGATING TO RS.59,73,43,194/- ON RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 5 FULLY PAID-UP EQUITY SHARE FOR EVERY 13 FULLY PAID-UP EQUITY SHARES HELD ON THE RECORD DATE, i.e. DECEMBER 26, 2007.

THE FACE VALUE OF THE EQUITY SHARES IS RS.10 PER EQUITY SHARE. THE ISSUE PRICE OF RS.126/- IS 12.6 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. **Investors are advised to refer to "Risk Factors" on page ix to xxi of this Letter of Offer before making an investment in this Issue.**

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to the Issuer and the Issue, which is material in the context of this Issue, that the information contained in this Letter of Offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares of our Company are listed on Bombay Stock Exchange Limited ("BSE"), which is also the Designated Stock Exchange. We have received in-principle approval from BSE for listing of Equity Shares arising from this Issue vide its letter no. DCS/PREF/SM/IP-RT/794/07-08 dated July 03, 2007.

LEAD MANAGER TO THE ISSUE



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REGISTRAR TO THE ISSUE



Computech Sharecap Limited

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ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR REQUEST FOR SPLIT APPLICATION FORMS	ISSUE CLOSSES ON
JANUARY 09, 2008	JANUARY 24, 2008	FEBRUARY 07, 2008

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OVERSEAS SHAREHOLDERS

The distribution of this Letter of Offer and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer may come are required to inform themselves about and observe such restrictions. The Company is making this issue of Equity Shares on a rights basis to the shareholders of the Company and will dispatch the Letter of Offer and CAF to shareholders who have an Indian address.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Letter of Offer has been filed with SEBI for observations. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer may not be distributed in any jurisdiction outside of India, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, those circumstances, this Letter of Offer must be treated as sent for information only and should not be copied or redistributed. No person receiving a copy of this Letter of Offer in any territory other than in India may treat the same as constituting an invitation or offer to him, nor should he in any event use the CAF. The Company will not accept any CAF where the address as indicated by the applicant is not an Indian address. Accordingly, persons receiving a copy of this Letter of Offer should not, in connection with the issue of Equity Shares or the rights entitlements, distribute or send the same in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. If this Letter of Offer is received by any person in any such territory, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the rights entitlements referred to in this Letter of Offer.

Neither the delivery of this Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in the Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to this date.

European Economic Area Restrictions

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive at any relevant time (each, a "Relevant Member State") the Company has not made and will not make an offer of the Equity Shares to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Equity Shares to the public in that Relevant Member State at any time:

- a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- c) in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purpose of this provision, the expression an "offer of Equity Shares to the public" in relation to any Equity Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State. This European Economic Area selling restriction is in addition to any other selling restriction set out below.



United Kingdom Restrictions

This document is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) to investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). The Equity Shares are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Equity Shares will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

NO OFFER IN THE UNITED STATES

The rights and the shares of our Company have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”), or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof (the “United States” or “U.S.”) or to, or for the account or benefit of, “U.S. Persons” (as defined in Regulation S under the Securities Act (“Regulation S”), except in a transaction exempt from the registration requirements of the Securities Act. The rights referred to in this Letter of Offer are being offered in India, but not in the United States. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any shares or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said shares or rights. Accordingly, this Letter of Offer should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe is, a resident of the United States and to whom an offer, if made, would result in requiring registration of this Letter of Offer with the United States Securities and Exchange Commission.



PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

Financial Data

Unless stated otherwise, in this Letter of Offer unless the context otherwise requires all the references to one gender also refers to another gender. Unless indicated otherwise, the financial data in this Letter of Offer is derived from the consolidated financial statements as of and for the years ended March 31, 2003, 2004, 2005, 2006, 2007 and for six months period ended September 30, 2007 prepared in accordance with Indian GAAP and the Companies Act, restated in accordance with applicable SEBI Guidelines, as stated in the report of our statutory Auditors, M/s V.P. Mehta & Company, Chartered Accountants, included in this Letter of Offer. Unless indicated otherwise, the operational data in this Letter of Offer is presented on a consolidated basis. In accordance with SEBI requirements, we have also presented in this Letter of Offer unconsolidated financial statements of our Company as of and for the years ended March 31, 2003, 2004, 2005, 2006, 2007 and for six months period ended September 30, 2007, prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with applicable SEBI Guidelines.

Our Company's fiscal year commences on April 1 and ends on March 31, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year. In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

Currency of Presentation

All references to "Rupees" or "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to "U.S.\$" or "U.S. Dollar(s)" are to United States Dollars, the official currency of the United States of America.

Unless stated otherwise, throughout this Letter of Offer, all figures have been expressed in Lacs, though certain figures are also expressed in millions and in crores.

Market Data

Unless stated otherwise, Market and industry data used throughout this Letter of Offer has been obtained from industry publications, governmental sources and our estimates/assumptions. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe industry/market data used in this Letter of Offer is reliable, it has not been independently verified.

FORWARD-LOOKING STATEMENTS

We have included statements in this Letter of Offer which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward looking statements”.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Increasing competition in or other factors affecting the industry segments in which our Company operates;
- Changes in laws and regulations relating to the industries in which we operate;
- Our ability to meet our capital expenditure requirements and/or increase in capital expenditure;
- Fluctuations in operating costs and impact on the financial results;
- Our ability to attract and retain qualified personnel;
- Changes in technology in future;
- Changes in political and social conditions in India or in countries that we may enter, the monetary policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally; and
- Any adverse outcome in the legal proceedings in which we are involved.

For a further discussion of factors that could cause our actual results to differ, please refer to the sections titled “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of this Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither the Company nor the Lead Manager nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI / Stock Exchange requirements, our Company and Lead Manager will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

In this Letter of Offer, the terms “we”, “us”, “our”, “the Company”, “our Company” or “UBEL”, unless the context otherwise implies, refer to UB Engineering Limited. All references to “Rs.” or “INR” refers to Rupees, the lawful currency of India, “USD” or “US\$” refers to the United States Dollar, the lawful currency of the United States of America. References to the singular also refer to the plural and one gender also refers to any other gender wherever applicable, and the words “Lakh” or “Lac” mean “100 thousand” and the word “million” means “10 lakh” and the word “crore” means “10 million” or “100 Lacs” and the word “billion” means “1,000 million” or “100 crores”. Any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

Conventional / General Terms

Act	The Companies Act, 1956 and amendments thereto
AGM	Annual General Meeting
Articles / AOA / MOA/AoA	Memorandum and Articles of Association of our Company
AS	Accounting Standard
AY	Assessment Year
BIFR	Board for Industrial and Financial Reconstruction
Board	Board of Directors of UB Engineering Limited
BSE	Bombay Stock Exchange Limited (Designated Stock Exchange)
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CIBIL	Credit Information Bureau (India) Limited
Crore	10 Million
CST Act	Central Sales Tax Act, 1956
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
DP	Depository Participant
EGM	Extra-ordinary General Meeting
Equity Share(s)	Equity shares of our Company having a face value of Rs. 10 unless otherwise specified in the context thereof
Equity Shareholder (s)	Holder of Equity Share(s)
ESOS	Employee Stock Option Scheme
EUR	Euro
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations there under and any amendments thereto
FI	Financial Institution
FIIs	Foreign Institutional Investors registered with SEBI under the applicable regulations
FIPB	Foreign Investment Promotion Board
FV	Face Value
FY	Financial Year
Gol	Government of India
HUF	Hindu Undivided Family
Indian GAAP	Generally Accepted Accounting Principles in India
IT Act	The Income Tax Act, 1961 and amendments thereto
ITAT	Income Tax Appellate Tribunal
Lacs / lacs / Lakh	100 thousand
Ltd.	Limited
mn/mln	Million (10 Lacs)
MoA	Memorandum of Association
MT	Metric Ton
NAV	Net Asset Value

NIC	National Industry Classification
NR	Non-Resident
NRE	Non-Resident External
NRI	Non-Resident Indian
NRO	Non-Resident Ordinary
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCBs	Overseas Corporate Bodies
PAN	Permanent Account Number
POA	Power of Attorney
PSE	Pune Stock Exchange Limited
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934
RoC	Registrar of Companies
Rs./ INR	Indian Rupees
SEBI	The Securities and Exchange Board of India
SEBI (SAST) Regulations / SAST / SEBI Takeover Code / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
SEBI DIP Guidelines	Securities and Exchange Board of India (Disclosure & Investor Protection) Guidelines, 2000 as amended, including instructions and clarifications issued by SEBI from time to time.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985

Issue Related Terms

Bankers to the Issue	Yes Bank Limited and Axis Bank Limited
CAF	Composite Application Form
Collection Centre	As defined in SEBI (DIP) Guidelines, 2000 and amended thereafter, and mentioned in the CAF
Designated Stock Exchange	The designated Stock Exchange for the Issue shall be BSE
Investor(s)	Shall mean the holder(s) of Equity Shares of our Company as on the Record Date, i.e. December 26, 2007 and Renouncees
Issue Closing Date	February 07, 2008
Issue Opening Date	January 09, 2008
Issue Price	Rs.126 per Equity Share
Issue/ Offer/Rights Issue	Issue of 47,40,819 fully paid-up Equity Shares of Rs.10/- each for cash at a price of Rs.126 (including a Share Premium of Rs.116) per Equity Share aggregating Rs.59,73,43,194 on rights basis to the existing Equity Shareholders of our company in the ratio of 5 fully paid-up Equity Share for every 13 fully paid-up Equity Shares held on the Record Date, i.e. December 26, 2007
Lead Manager to the Issue / AMBIT	Ambit Corporate Finance Private Limited
Promoter Group	Companies forming part of the Promoter group of UBEL as per SEBI DIP Guidelines.
Promoters	United Breweries (Holdings) Limited, McDowell Holdings Limited and Devi Investments Private Limited.
Record date	December 26, 2007
Registrar to the Issue or the Registrar	Computech Sharecap Limited
Renouncees	The persons who have acquired Rights Entitlements from Equity Shareholders
Rights Entitlement	The number of Equity Shares that an Equity Shareholder is entitled to under this Letter of Offer in proportion to his/her/its existing shareholding in our Company as on the Record Date
UBEL / the Company / the Issuer/We/Our Company	Refers to UB Engineering Limited



UBHL	United Breweries (Holdings) Limited
You	Refers to the prospective investor

Company / Industry Related Terms and Abbreviations

ABDL	Associated Breweries and Distilleries Limited
AID	Industrial Dispute (Appeals)
CC	Criminal Complaint
CDR	Corporate Debt Restructuring
CIT	Commissioner of Income Tax
DRT	Debt Recovery Tribunal
ECS	Electronic Clearing System
EPC	Engineering, Procurement and Construction Contracts
EPS	Earnings per share
ESIC	Employees State Insurance Corporation
EXIM	Export Import Bank of India
FTA	Free Trade Agreement
GATT	General Agreement on Tariffs and Trade
ICAI	The Institute of Chartered Accountants of India
ID	Industrial Dispute
MABG	Mobilization Advance Bank Guarantee
MoPNG	Ministry of Petroleum and Natural Gas
NCAER	National Council of Applied Economic Research
NEFT	National Exchange Funds Transfer
OTS	One Time Settlement
PG	Performance Guarantee
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement System
SLP	Special Leave Petition
WTO	World Trade Organization

SECTION II – RISK FACTORS

Prospective investors should carefully consider the risks described below, in addition to the other information contained in this Letter of Offer, before making any investment decisions relating to our Equity Shares. The occurrence of any of the following events could have a material adverse effect on our business, results of operation, financial condition and prospects and cause the market price of our Equity Shares to fall significantly and you may lose all or part of your investment.

This Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Issuer's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer.

Prior to making an investment decision, prospective investors should carefully consider all the information contained in this Letter of Offer, including the information related to the financial performance of our Company beginning on page 88 of this Letter of Offer.

These risks are not the only ones that we face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein.

Materiality:

The Risk Factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality:

- 1. Some events may not be material individually but may be found material collectively.*
- 2. Some events may have material impact qualitatively instead of quantitatively.*
- 3. Some events may not be material at present but may be having material impacts in future.*

INTERNAL RISK FACTORS

- 1. *Our Company has received an order issued by SEBI under Rule 5(1) of Securities and Exchange Board of India (Procedure for Holding Enquiry and Imposing Penalty by the Adjudicating Officer) Rules, 1995.***

SEBI had issued an order dated December 11, 2006 under Rule 5(1) of Securities and Exchange Board of India (Procedure for Holding Enquiry and Imposing Penalty by the Adjudicating Officer) Rules, 1995 against us and levied a penalty of Rs.25,000/- (Rupees Twenty Five Thousand only) for failure to appoint a common share agency for handling the share registry work relating to both the dematerialised and physical shares of our Company and belated compliance of regulation 53A of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.

Management Perception: Our Company vide its letter dated January 29, 2007 has paid the said penalty to SEBI. However, the Company had appointed M/s Computech Sharecap Limited as Company's Registrar & Transfer (R&T) agent for handling the share registry work relating to both the dematerialized and physical shares vide memorandum of understanding dated October 23, 2006.

- 2. *Our financial performance has significantly deteriorated and we have incurred losses in the past. As a result, our net worth has been wiped out. As on September 30, 2007, our net worth is Rs.(3,732.46) Lacs. Further, as per the recasted financial statements included in this Letter of Offer, we had negative cash flows for the financial years ending March 31, 2003 and 2005.***

We incurred losses of Rs.8192.24 Lacs, Rs. 1,509.88 Lacs, Rs. 652.29 Lacs and Rs. 1,045.28 Lacs in the financial years ended March 31, 2003, March 31, 2004, March 31, 2005 and March 31, 2006 respectively. For the financial year ended March 31, 2007 and six months period ended September 30, 2007 we had incurred a profit of Rs.8019.03 Lacs and Rs.347.46 Lacs respectively. Our Company had incurred losses in the past due to high cost of input, interest burden, delays in recovery from certain debtors, carrying cost of manpower and other fixed overheads. Interest burden increased as the dues to the banks were not met

on due dates, our bankers stopping issue of guarantees and freezing working capital facilities, thus affecting adversely our ability to do business. Our Company is not covered under SICA, 1985 since we are not engaged in any manufacturing activity and the activities carried on by the Company do not fall under the purview of "Scheduled Industry" under Industrial Development and Regulation Act, 1951.

3. A significant portion of the proceeds to be raised through this Issue are proposed to be utilized for repayment of full amount of loans (including interest) availed by us from UBHL, one of our promoters and its wholly owned subsidiary, UB Infrastructure Projects Limited ("UBIPL").

Out of the total Issue proceeds of Rs.5973.43 Lacs, a sum of Rs.4,282.06 Lacs and Rs.466.52 Lacs (including interest upto January 31, 2008) is proposed to be utilized for repayment of the outstanding loan from UBHL and UBIPL respectively.

4. Our Company is proposing to use the issue proceeds to repay the outstanding loan (including interest) availed by us from UBHL, one of our promoters and its wholly owned subsidiary, UB Infrastructure Projects Limited ("UBIPL"), while the banks have agreed for an one time settlement at a much lower value.

The OTS was approved by the erstwhile bankers of the Company and one of the conditions of most of the banks was that the payment, as agreed upon, would be made within a short span of time. Therefore, UBHL availed a short term loan from UBIPL (one of the subsidiaries of UBHL) for OTS settlement which was subsequently assigned to UBHL in terms of an agreement dated May 21, 2007. UBHL being a listed company has extended the loan at a commercial rate of interest for a short duration and this loan needs to be paid back in terms of the conditions of the loan agreement, under which the loan has been given.

5. In the past we had defaulted on principal and interest payments to Banks and our name figures in the list of willful defaulters as published by CIBIL

In the past we had defaulted on principal and interest payment to banks and our company's name was appearing in the list of defaulter as per the CIBIL Database. We were appearing as a defaulter to State Bank of Mysore and Central Bank of India.

Management Perception: However, as on date all the dues to these banks have been repaid as part of the 'one time settlement' entered with them and the banks have issued no due certificates. As on date, Our Company's name is not appearing in the CIBIL's Database of defaulters.

6. One of our existing directors and one of our erstwhile directors are on the RBI defaulters list.

One of our existing directors, Mr. S. D. Lalla and one of our erstwhile directors, Mr. R. K. Dighe are mentioned in the RBI defaulters list in respect of a default committed by our Company. Our Company is taking necessary steps to have their names struck off from RBI defaulters list.

7. Adjudication proceedings have been ordered and completed against UBHL, one of our Promoters in the matter of Inertia Industries Limited.

Arising out of an adjudication proceedings initiated by SEBI, a penalty of Rs.10,000/- was imposed, in May 2003, on UB General Investments Limited (a subsidiary of UBHL now merged with UBHL) for non-compliance of Regulation 3(3) of the Takeover Code in the matter of acquisition of shares of Inertia Industries Limited, now Millennium Beer Industries Limited, through preferential allotment. UB General Investments Limited was formerly called United Breweries (Holdings) Limited. UB General Investments Limited (a subsidiary of UBHL now merged with UBHL) has paid the said penalty to SEBI.

8. Our Company is involved in certain legal and regulatory proceedings that, if determined against the Company, could have a material adverse impact on our Company.

Our Company is party to various legal proceedings. These proceedings are pending at different levels of adjudication before various courts/ other judicial fora, and if determined against us, could have an adverse impact on the business, financial condition and results of operations. No assurance can be given as to whether these matters will be settled in our favour or against us. Nor can any assurance be given that no

further liability will arise out of these claims. A brief summary of the various legal proceedings involving our company is given below:

Type of cases	Filed against our Company		Filed by our Company	
	No. of Cases	Amount Involved (Rs. In Lacs)	No. of Cases	Amount Involved (Rs. In Lacs)
Civil	50	7073.79	16	12256.50
Labour	12	109.51	3	170.31
Statutory:				
Income Tax	2	376.09	19	6159.09
Sales Tax	-	-	18	943.42
Total	64	7559.39	56	19529.32

For further details on these proceedings, see the section "Outstanding Litigations and Defaults" on page 160 of this Letter of Offer.

9. Some of our Promoters, Promoter Group companies and Subsidiary are involved in certain legal and regulatory proceedings. The litigations related disclosures for APL are based on certification by APL. Please see the section "Outstanding Litigations and Defaults" beginning on page 160 of this Letter of Offer.

Some of our Promoters, Promoter Group companies and Subsidiary are parties to certain legal proceedings initiated by or against certain parties. These proceedings are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate tribunals. For more information regarding legal proceedings involving the Promoters/Promoter Group and Subsidiary, see the section "Outstanding Litigations and Defaults" beginning on page 160 of this Letter of Offer.

10. Statutory approval pending as on date

An approval is awaited from the Reserve Bank of India, for the write off of an amount of Rs.27.23 crores receivable in foreign currency during the financial year 2006-2007.

Management Perception: We have applied to Reserve Bank of India, for the same vide our letter dated December 12, 2007.

11. United Breweries (Holdings) Limited, one of our Promoter Companies has disassociated itself as a promoter, from few companies in the immediately preceding three years

UBHL has disassociated itself from the following Companies in the immediately preceding three years:

Sr. No.	Year Ended	Name of the Company	Remarks
1	31.03.2005	1. UB Networks (Bangalore) Private Limited 2. The Asian Age (South) Limited 3. UB Global Corporation Limited 4. UB Information and Consultancy Services Limited 5. UB Transit Systems Limited 6. UB General Investments Limited 7. UB Pharmaceuticals Limited 8. M W P Limited 9. The Asian Age (West) Limited 10. UB Publications Limited	Pursuant to the Scheme of Amalgamation as approved by the Hon'ble High Court of Karnataka on August 08, 2005, these Companies were merged with UBHL
	31.03.2005	United Breweries Nepal Private Limited	Ceased to be subsidiary consequent upon divestment of the entire holding.
2	31.03.2006	UB Holding (South Africa)	Ceased to be subsidiary consequent

		(Proprietary) Limited	upon divestment of the entire holding.
	31.03.2006	United Vanderhost Limited	Disassociated consequent upon divestment of the entire holding.
3	31.12.2006	Herbertsons Limited United Distillers India Limited Baramati Grape Industries Limited	Pursuant to the Scheme of Amalgamation as approved by the Hon'ble High Courts, these Companies have been merged with United Spirits Limited.
	31.12.2006	Castle Breweries Limited	Disassociated consequent to the Order pronounced on 17.05.2004 by the Hon'ble High Court of Calcutta, the winding up of this company.

12. Application to RBI for certificate of registration by Devi Investments Private Limited (“DIL”), one of our promoters, to carry on business of a Non – Banking Financial Institution was rejected

DIL had made an application dated July 07, 1997 to RBI seeking a certificate of registration to carry on business of a Non – Banking Financial Institution as required under the sub section (1) of Section 45 – IA of the RBI Act, 1934. RBI vide its letter dated February 18, 2003 notified that in terms of the order passed by RBI and in exercise of its power conferred under Section 45 – IA of the RBI, Act, 1934, the said application has been rejected. In view of the above DIL cannot transact the business of a Non – Banking Financial Institution as defined in Clause (a) of Section 45-I of the RBI Act, 1934.

Management Perception: As required by RBI, DIL has passed a resolution at its Board meeting held on August 11, 1999 to the effect that it will not accept public deposits without prior approval of RBI.

13. We have not commissioned an independent appraisal for the use of proceeds to be raised through this Issue.

The use of proceeds of the Issue has been determined based on internal estimates and judgment of our management and no bank or financial institution has appraised the use of proceeds to be raised by us through this Issue. No independent body will be monitoring the use of proceeds. The uses of proceeds of the Issue, which are to be deployed for the purposes mentioned in the section ‘Objects of the Issue’ have been determined based on Company estimates. The amount raised through the Rights Issue shall be disclosed to the Audit Committee and the uses / applications of funds shall also be disclosed on a quarterly basis as a part of the quarterly declaration of financial results.

14. Towards our working capital purposes, we have obtained sanction of non funds based facilities, as disclosed in this Letter of Offer. We have not tied up for the additional bank borrowings in the form of funds based working capital facilities. Our inability to arrange such additional borrowings from banks will affect our operations and the profitability.

As on date we have not tied up funds based working capital borrowing from the banks.

Management Perception: We will approach banks for the same at an appropriate time.

15. We have defaulted on payment of statutory dues

Our Company has defaulted in paying some of the statutory dues. The list of the same as on November 30, 2007 is as follows:

(Rs. In Lacs)

Nature of Liability	As on November 30, 2007
Employee Gratuity	24.23
Sales Tax including electronics division	13.86
Unclaimed Redeemed Debenture Interest	39.11
Total	77.20

16. We have contingent liabilities which are not provided for, which may adversely affect our financial condition.

The contingent liabilities of our Company as on September 30, 2007, as certified by the auditors are as follows:

(Rs. in Lacs)	
Nature of Liability	As on September 30, 2007
Bank Guarantees / Counter Guarantees issued and letter of credit outstanding	2929.87
Corporate Guarantees	53.48
Sales Tax demands under appeal against which Rs. 5.50 lacs has been paid and included under Loans and Advances	944.03
Claims against Company not acknowledged as debts	549.44
Overseas Tax Demand under appeal	391.18
Total	4868.00

17. We have outstanding dues to Small Scale Industrial (“SSI”) undertaking of Rs.23.14 Lacs and disputed claims from SSI undertakings which are outstanding for more than 30 days as on September 30, 2007

Sundry Creditors as on September 30, 2007 include Rs.23.14 Lacs due to Small Scale Industrial Undertaking to the extent such parties have been identified by our Management and relied upon by auditors. Interest if any, on overdue payments is not provided for. The names of the Small Scale Industrial Undertakings, to whom amounts are due for more than 30 days as on September 30, 2007, are as follows:

(Rs. In Lacs)		
Name	Outstanding Amount	Disputed Amount under litigation
Anand Arc Electrodes Private Limited	1.46	-
Vindhyachal Air Products Private Limited*	-	9.82
Rishi Gases Private Limited*#	-	2.28
Metalic Industries	1.07	-
Rewa Gases*#	-	8.51
Total	2.53	20.61

*Under Litigation; # since settled

18. Our operations are dependent on contracts awarded to us and would be adversely impacted if we are not able to get new contracts

We rely on contracts awarded by clients, over whom we have no control. Most contracts are awarded through a competitive bidding process where bids are evaluated on both technical and financial criteria. To the extent that we are not considered for these projects or lose out in the bidding process, our results of operations will be adversely impacted.

19. The economics of our business may become unviable due to our inability to control costs

Typically contracts awarded to us are fixed rate contracts and associated costs have to be managed by us. In case we are not able to control costs in a manner that we are able to keep our operations profitable, our results of operations will be adversely impacted.

20. Most of our construction equipments are old and we may need to incur capital expenditure in the future to replace / refurbish our capital assets

We employ equipment such as mobile cranes, tractor trailers, trucks, welding machines etc. at our construction sites. Most of our equipments are old and may not be able to function adequately in the future. Accordingly, we may be required to make significant investments to replace/ refurbish such equipment, which could have could bring further financial burden on our Company.

21. Our engineering capabilities and equipment may become obsolete

Technological changes have transformed the global engineering industry. Such changes could potentially require capabilities and equipment which we currently may not possess. We may be required to make significant investments to build such capabilities in our Company, which could bring further financial burden on our Company.

22. Our operations are, and will continue to be, primarily dependent on a limited number of work contracts. If the operation under any of these contracts is disrupted, it would have a material adverse effect on our financial condition and results of operations.

We work on a limited number of projects in any given year. Any disruption in the progress of work on these projects can have an adverse impact on our financial condition and result of operations.

23. Presently we are dependent on limited number of clients

Our top 5 clients account for 76.26% of our turnover as on March 31, 2007. In future, our operations may get adversely affected if we are not able to source repeat business from these clients.

24. We rely on contract labour for the performance of many of our operations.

We rely on contractors who engage on-site labourers for performance of many of our operations. In the event that these contractors default on their statutory obligations, our Company may be required to fulfill such obligations, which may impact our operations adversely.

25. Our clients may default on their payment obligations to us, which would have a materially adverse effect on our results of operations

Timely receipt of payments from our clients for work executed for them is critical for the management of our working capital. Any material failure on the part of our customers to fulfill their payment obligations under contracts may have an adverse effect on our revenues, ability to service our debt, business, financial condition and results of operations.

26. We have been unable to recover some of the revenues recorded in the past resulting in write-offs of irrecoverable debt. Further, a portion of our past revenues is in the form of receivables on our balance sheet, the realization of some or all of which may be subject to the outcome of the corresponding litigations. Such outstanding receivables as are ultimately not recoverable may also need to be written off in the future

As of September 30, 2007 we have Rs.7394.93 Lacs as receivables on our books, any write-off on account of these would have an adverse impact on our financial health. In the future also there could be other instances where our client's dispute receivables and we may have to write them off. Such write-offs may have an adverse effect on our results of operations.

27. Availability of material needed for execution of contracts awarded to us may affect our performance

We require assured supply of materials to execute our contracts. In the event that right quantity and quality of materials are not available, our contract execution could get delayed and consequently our results of operations could be adversely affected.

28. We may be exposed to claims for damages on account of work executed by us

In terms of contracts, we are responsible for rectification of defects arising due to faulty workmanship during the guarantee period. If we fail to rectify such defects during the guarantee period, then we may be exposed to claims for damages / compensation.

29. We may be exposed to claims on account of work executed/being executed overseas solely or jointly

Claims/damages expected out of disputes in fulfillment of terms and conditions out of closed/running contracts on subjects such as profit determination, mutual obligations and similar business aspects can arise and those can impact our business, results of operations adversely.

30. Our weak financial position puts us at a disadvantage while bidding for contracts on a competitive basis

Some of the pre-qualification criteria may have weightages for financial strengths of the bidders and we may be rated low on this parameter thus affecting adversely our ability to generate fresh business. In some cases, we may also have to necessarily bid jointly with a financially stronger partner to meet the pre-qualification criteria. This type of arrangement may have an adverse impact on our margins.

31. We have to rely on certain strategic partners for some of our projects and inability to enter into such partnerships or alliances in future may adversely affect our business and results of operations

For some of the specific projects, we may have to enter into strategic partnerships in the form of a joint venture or a consortium with other contractors either out of necessity or in order to meet the prescribed pre-qualification criteria. Thus, our business to some extent depends upon developing and maintaining strategic alliances with other EPC contractors.

Management Perception: We will continue to develop and maintain these relationships and alliances. We intend to establish strategic alliances and share risks with companies, whose resources, skills and strategies are complementary to and are likely to enhance our business opportunities, including the formation of joint ventures and consortia to achieve competitive advantage.

32. Any Default on the part of sub contractors may expose us to liabilities

We have sub-contracted certain parts of the projects. While some of our contracts allow us to sub-contract certain portions of work, subject to prior approval of our clients, as per the terms of the contracts, we are responsible for the deliverables by such sub-contractors. Hence, any acts of omission or commission by our sub-contractors could expose us to liability including termination of the said contracts. Sub-contracting beyond permissible limits, which may at times be a business necessity, may expose us to certain liabilities.

33. Mishaps or accidents at our facilities could lead to property damage, injury, production loss and accident claims

Any mishap or accident at our contract sites could result eventually in damages, which may result into loss to our Company. Our Company could suffer loss of income; receive adverse publicity and experience diversion of management attention and resources in defending such damages. Any such significant event could have an adverse effect on our business, financial condition and results of operations.

34. Most of our work is executed at client locations and to that extent may get affected by factors beyond our control

We execute our contracts at client locations. The facilities, the overall control of work and the availability of necessary approvals and general adherence to timelines by the client are not in our control and thus may have an adverse impact on our results of operations. We operate in foreign countries. Factors like changes in laws of the respective countries governing foreign operators, adverse exchange fluctuations, political relations with these countries etc may affect our operations adversely.

35. Delays in the completion of current and future projects could have adverse effects on our operating results

Our contracts have a defined timeframe for execution of various milestones. If we fail to complete a project as scheduled, we may generally be held liable for penalties/Claims in the form of agreed liquidated

damages. To the extent that such penalties are levied on account of delays in our contracts we could experience reduced profit or a loss on that contract. Further, delays in the completion of current and future projects may disrupt our billing schedule and could have an adverse impact on our financial condition and results of operations.

36. *We are subject to intense competition*

We have many competitors in the engineering construction industry in India and overseas who may have better financial resources and execution capabilities than us and consequently greater capability to win contracts. Competition in the engineering construction industry is often intense with respect to bidding for new contracts. Further, in most cases bidding takes place based on specifications provided by the client providing little scope for product differentiation. Most jobs are awarded based on 'lowest' bid thus making our business subject to intense competition.

37. *Fluctuations in our revenue and profit levels may cause fluctuations in the value of our Equity Shares.*

Fluctuations in revenue levels over short period of time or over sustained period of time due to any set of variable factors, including the failure of maintenance of our competitive advantage in terms of cost and skill, retention of customers, price reduction by existing customers, industry fluctuations, and adverse regulatory changes cannot be ruled out. Any one or a combination of these circumstances could have a material adverse effect on our ability to sustain our revenue levels in the short-term as well as the long-term. A revenue plateau or decline due to any set of reasons may adversely affect our operating performance. Furthermore, there may be instances in the future where our performance is below expectations of market analysts and our investors. This could lead to fluctuations or a decline in the market value of our Equity Shares over the short term or over a sustained period of time.

38. *Certain type of risks may not be covered under our existing insurance policies since these may be uninsurable or not economically insurable*

We maintain insurance policies for our material assets. However, certain losses may arise due to assets being not economically insurable. Should an uninsured loss occur, we might need to incur significant investment to make good the loss. Further, our insurance premium for future policies could also increase. Such eventualities could have an adverse effect on our business, financial condition and result of operations.

39. *We require certain approvals or licenses in the ordinary course of business and the failure to obtain or retain them in a timely manner, or at all, may adversely effect our operations*

We require certain approvals, licenses, registrations and permissions for operating our business, some of which may have expired and for which we may have either made or are in the process of making an application for obtaining the approval or its renewal. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. For further details please refer page 259 of this Letter of Offer.

40. *Compliance with, and changes in, safety, health and environmental laws and regulations may adversely affect our business, financial condition and results of operations.*

Depending upon the nature of the projects undertaken by our Company, environmental laws and regulations such as Environment Protection Act, 1986; Water (Prevention and Control of Pollution) Act, 1974; Air (Prevention and Control of Pollution) Act, 1981; Hazardous Waste (Management and Handling) Rules, 1989; and Hazardous Chemicals Rules, 1989 etc. may apply. Presently there are no specific regulations governing the engineering industry. If new safety, health and environmental regulations are introduced then there could be an effect on our operations, which cannot be predicted. Our failure to meet requirements could expose us to administrative, civil and criminal proceedings by governmental authorities, as well as civil proceedings by environmental groups and other individuals, which could result in substantial fines and penalties against us as well as orders that could limit or halt our operations.

41. The success of our Company depends upon its ability to attract and retain talented and experienced employees.

Our business model is reliant on the efforts and initiatives of our senior level management and our key technical personnel, few of whom have been with us for a significant number of years. If one or more members of our senior management team were to leave their present positions, it may be difficult to find adequate replacements and our business could be adversely affected. Further, in the absence of our ability to attract talented and experienced professionals, two of our key managerial personnel are on deputation from UB Group. In this regard, we cannot assure you that we will be able to retain our skilled senior management or technical personnel or continue to attract new talents in the future.

42. We do not have a formal agreement for the use of the UB brand / logo

We use the common logo of the UB Group as a part of our business communications and we consider ourselves to be a UB Group company. We believe that this assists us in our business development efforts. We do not have a formal agreement for the use of the UB brand / logo, we stand to lose this advantage should use of the UB Group logo / name be denied to us.

43. Our Company has entered into agreements for credit facilities that contain customary restrictive covenants placing certain limitations on our Company.

Our Company has availed various credit facilities from Yes Bank Limited and by virtue of these agreements we are bound by certain restrictive covenants. These restrictive covenants, inter alia, require us to take the prior consent of the lenders for amending our capital structure, creating a charge on our assets, undertaking mergers or amalgamations, expansion or diversification of our business and the like.

Management Perception: We have obtained the consent of our Bankers in relation to the Issue.

44. We are yet to transfer unclaimed redeemed Debentures and interest thereon to investor protection fund

We are yet to transfer unclaimed Redeemed Debentures and Interest thereon aggregating Rs.39.11 Lacs as at September 30, 2007, which has remained unclaimed for more than seven years, to the "Investor Education and Protection Fund", due to pending reconciliation and the paucity of funds. This may also attract penal consequences.

45. Future strategic investments, including acquisitions and partnerships may not necessarily prove advantageous to either your interests or ours

Our growth strategy in future may involve future strategic acquisitions and reconstructions, partnerships and exploration of mutual interests with other parties. These future acquisitions may not contribute to our profitability, and we may be required to incur or assume debt, or assume contingent liabilities, as part of any endeavour. There could be integration issues. These difficulties could disrupt our ongoing business, distract our management and employees and increase our expenses.

46. Our employee attrition rate may increase to a level where we are not able to sustain our deliverables at a given point of time

While we pay competitive compensation packages and benefits to our employees, given the increasing wage levels in India we cannot assure you that our employee attrition rate will not increase to an unsustainable level or that we will be able to recruit experienced professionals to replace the professionals leaving at that particular point of time. Furthermore, increase in compensation payable to employees in India may reduce some of the inherent cost competitiveness enjoyed by us through our operations in India. Employee compensation in India is increasing at a fast rate, which could result in increased costs relating to engineers, managers and other mid-level professionals. We may need to continue to increase the levels of our employee compensation to retain talent and this may reduce our competitiveness compared to competitors in other emerging economies.

47. A change in the regulations governing engineering construction services may have an adverse effect on our business.

Currently there are no specific regulations governing the engineering services industry and hence depending upon the nature of the projects undertaken by our Company, environmental and labour laws and regulations apply. Introduction of any legislation to govern the financial, technical and safety capabilities to carry on the business of engineering construction may adversely affect our business and results of operations.

48. We may continue to be controlled by our Promoters, who by virtue of their aggregate shareholding will collectively own a substantial portion of our issued Equity Shares, as a result of which, the remaining shareholders may not be able to affect the outcome of shareholder voting.

After the completion of this Issue, our Promoters will collectively hold 34.74% of the Equity Shares, assuming all shareholders subscribe to their respective rights entitlement. Further, one of our Promoters, United Breweries (Holdings) Limited has given an undertaking to subscribe to the unsubscribed portion of this Rights Issue. Should there be an unsubscribed portion, the shareholding of our Promoters after the rights issue could be higher than 34.74%. Consequent to all the above mentioned factors, our Promoters may exercise substantial control over us and inter alia, may have the power to elect our Directors and/or influence the outcome of proposals for corporate action requiring approval of our Board of Directors or shareholders, such as borrowing and investment policies, revenue budgets, capital expenditure, dividend policy and strategic acquisitions/joint ventures etc.

49. Future issuances or sales of the Equity Shares could significantly affect the trading price of the Equity Shares

The future issuance of Equity Shares by our Company or the disposal of Equity Shares by any of our Company's major shareholders or the perception that such issuance or sale may occur may significantly affect the trading price of the Equity Shares.

50. You will not receive the Equity Shares you purchase in this Issue until several weeks after you pay for them, which will subject you to market risk

For shareholders holding shares in demat mode, the Equity Shares purchased in this Rights Issue will not be credited to their demat accounts with depository participants and for shareholders holding in physical form, completion of dispatch of physical share certificates may not be completed until approximately forty two (42) days from the Issue Closing Date. You can start trading in your Equity Shares only after receipt of listing and trading approvals in respect of these shares which will require additional time after the credit of Equity Shares into your demat account. Since our Company's Equity Shares are already listed on BSE, you will be subject to market risk from the date you pay for the Equity Shares to the date they are listed.

EXTERNAL RISK FACTORS

1. Accidents at our construction sites could lead to public liability consequences

Accidents at our constructions sites could give rise to claims, liabilities, costs and expenses, relating to loss of life, personal injury, damage to property, damage to equipment and facilities, pollution, inefficient operating processes, loss of production or suspension of operations. Our policy of covering these risks through contractual limitations of liability, indemnities and insurance may not always be effective. In some of the jurisdictions in which we operate, environmental and workers' compensation liability may be assigned to us as a matter of law. Clients and subcontractors may not have adequate financial resources to meet their indemnity obligations to us. Losses may arise from risks not addressed in our indemnity agreements or insurance policies, or it may no longer be possible to obtain adequate insurance against some risks on commercially reasonable terms. Failure to effectively cover ourselves against engineering and construction industry risks for any of these reasons could expose us to substantial costs and potentially lead to material losses. Additionally, the occurrence of any of these risks may also adversely affect public perception about our operations and the perception of our suppliers, clients and employees, leading to an adverse effect on our business. These liabilities and costs could have a material adverse effect on our business, results of operations and financial condition.

2. *Increasing employee compensation in India may erode some of our competitive advantage and may reduce our profit margins*

Employee compensation in India has historically been significantly lower than employee compensation in the developed countries for comparably skilled professionals. However, compensation increases in India may erode some of this competitive advantage and may negatively affect our profit margins. Employee compensation in India is increasing at a fast rate, which could result in increased costs relating to engineers, managers and other mid-level professionals. We may need to continue to increase the levels of our employee compensation to remain competitive and manage attrition. Compensation increases may have a material adverse effect on our results of operation and financial condition.

3. *Absence of entry barriers and increasing competition*

Apart from initial capital investments, skilled manpower and requirement of customer relationships, there are no entry barriers, regulatory or otherwise, for setting up an engineering construction business. Due to absence of such entry barriers, many players from the organized as well as the un-organized sector may enter this industry. The entry of several new large organized players may result in excess competition and resultant price pressure on our business.

4. *Foreign currency risk due to volatile global financial markets*

The volatility in global financial markets may have an adverse impact on our business. Any fluctuations in the exchange rate of the rupee vis-à-vis the foreign currency will have an impact on the turnover and profitability of our Company, to the extent the same is derived from overseas operations.

5. *Risks arising from changes in taxation policies, statutory taxes and other levies that affect the cost of construction and our revenue generation capabilities. Any increase in any of these taxes or levies in the future, may have a material adverse impact on our business, results of operations and financial condition*

6. *Our performance is linked to the stability of policies and political situation in India as well as the countries with which we have business relations*

The role of the Indian central and state governments in the Indian economy on producers, consumers and regulators has remained significant over the years. Since 1991, the Government of India has pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector. We cannot assure you that these liberalization policies will continue in the future. Any adverse move could slowdown the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting technology companies, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

7. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price*

External factors such as potential terrorist attacks, terror threats, pandemics, acts of war or geopolitical and social turmoil in many parts of the world could prevent or hinder our ability to do business, increase our costs and negatively affect our stock price. For example, increased instability may adversely impact investment in industrial infrastructure, our ability to obtain adequate insurance at reasonable rates or require us to incur increased costs for security measures for our domestic and international operations. These uncertainties make it difficult for us and our customers to accurately plan future business activities. More generally, these geopolitical social and economic conditions could result in increased volatility in India and worldwide financial markets and economy.

8. Political instability or changes in the Government in India could delay the further liberalization of the Indian economy and adversely affect economic conditions in India generally and our business in particular

Since 1991, successive Indian Governments have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector. Nevertheless, the roles of the Indian Central and State Governments in the Indian economy as producers, consumers and regulators have remained significant. Possible political instability, changes in the rate of economic liberalization, laws and policies affecting investment in infrastructure and core industries, foreign investment, currency exchange, matters affecting investment in our securities, India's economic liberalization and deregulation policies could all adversely affect business and economic conditions in India generally, and our business in particular, if new restrictions on the private sector are introduced or if existing restrictions are increased.

9. Regional conflicts in the Indian sub-continent could adversely affect the Indian economy and cause our business to suffer

The Indian sub-continent has from time to time experienced instances of civil unrest and hostilities among neighboring countries. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies and on our business.

10. After this Issue, the price of our Equity Shares maybe highly volatile, or an active trading market for our Equity Shares may not develop

The prices of our Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors, including:

- volatility in the Indian and global securities market;
- our results of operations and finance;
- performance of our competitors
- adverse media reports on our Company / Promoters
- Change in shareholding of our major shareholders including Promoters
- changes in the estimates of our performance or recommendations by financial analysts;
- significant developments in India's economic liberalisation and deregulation policies; and
- Significant developments in India's fiscal and environmental regulations.

There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue.

11. Terrorist attacks and other acts of violence or war within India as well as involving India and other countries could adversely affect the financial markets, result in loss of client confidence, and adversely affect our business, results of operations and financial condition

Terrorist attacks, such as the ones that occurred in the US. on September 11, 2001, New Delhi on December 13, 2001, London July, 7, 2005, Mumbai July 11, 2006 and other acts of violence or war, including those involving India, or other countries, may adversely affect Indian and worldwide financial markets. These acts may also result in a loss of business confidence and have other consequences that could adversely affect our business, results of operations and financial condition. More generally, an increased volatility in the financial markets can have an adverse impact on the economies of India and other countries, including economic recession.

12. Natural calamities could cause our business to suffer

The operations at our contract sites can be affected by natural disasters which could adversely affect the business, financial condition and the operations of our Company.

Notes to Risk factors:

- 1) The Net worth of our Company on a standalone basis as on March 31, 2007 was Rs. (4079.91) Lacs and as on September 30, 2007 was Rs. (3,732.46) Lacs.
- 2) The book value of the Equity Shares of our Company on a standalone basis as on March 31, 2007 was Rs. (33.10) per Equity Share and as on September 30, 2007 was Rs. (30.28) per Equity Share.
- 3) Issue of 47,40,819 fully paid-up Equity Shares of Rs.10/- each for cash at a price of Rs.126 (including a Share Premium of Rs.116) per Equity Share aggregating Rs.59,73,43,194 on rights basis to the existing Equity Shareholders of our company in the ratio of 5 fully paid-up Equity Share for every 13 fully paid-up Equity Shares held on the Record Date, i.e. December 26, 2007
- 4) The Average cost per Share in respect of the Promoter's current holding is given below:

Sr. No	Name of our Promoters	Average cost of acquisition of shares (Rs.)
1	United Breweries (Holdings) Limited	27.40
2	McDowell Holdings Limited	9.70*
3	Devi Investments Private Limited	6.94

* The original acquisition of these shares by McDowell & Company Limited in 1988-89 was at Rs.40.35 per equity share. However, this investment was written down by McDowell & Company Limited in 2000-01 to reflect it at its fair value i.e. Rs.9.70 per equity share. Consequently, these equity shares were transferred to McDowell Holdings Limited as per the scheme of de-merger from McDowell & Company Limited, at a holding cost of Rs.9.70 per equity share.

- 5) As on December 26, 2007, our Company had 49,090 shareholders.
- 6) Except as disclosed in the section titled "Capital Structure" beginning on page 15 of this Letter of Offer, we have not issued any shares for consideration other than cash.
- 7) Investors may note that in the event of oversubscription, allotment shall be made in consultation with BSE, which is also the Designated Stock Exchange.
- 8) Except as stated under point no. 7 of notes to capital structure, there have been no transactions in the Company's Equity Shares by the Promoters/Promoter Group, directors of our Company and directors of the Promoters during a period of six months preceding the date of filing of this Letter of Offer with SEBI.
- 9) Our Promoters/ Directors/ key managerial personnel are interested to the extent of the normal remuneration, reimbursement of the expenses incurred, or benefits such as sitting fees and those relating to their respective shareholdings in our company.
- 10) For details of related party transactions, please refer to the Auditors Report on pages 103 and 124 of this Letter of Offer.
- 11) Investors are advised to refer to "Basis for Issue Price" on page 32 of this Letter of Offer before investing in this Issue.
- 12) Please refer to the section on "Basis of Allotment" on page 284 of this Letter of Offer for details of the basis of allotment.
- 13) All information shall be made available by our Company and the Lead Manager to the Equity Shareholders and no selective or additional information would be available for a section of the Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc, after filing of this Letter of Offer with SEBI.
- 14) Investors may contact the Lead Manager or our Compliance Officer for any compliant / clarification / information pertaining to the Issue and no selective or additional information would be available for a section of investors in any manner whatsoever. The Lead Manager is obliged to provide the same to the investors. For contact details of the Lead Manager or the Compliance Officer please refer to the front cover page.

SECTION III: INTRODUCTION

SUMMARY

This is only a summary and does not contain all the information that you should consider before investing in our Equity Shares. You should read the entire Letter of Offer, including the information contained in the chapters titled "Risk Factors" and "Financial Statements" and related notes beginning on pages ix and 88 of this Letter of Offer before deciding to invest in our Equity Shares.

Industry Overview:

We operate in the engineering construction sector. The performance of the engineering construction industry is directly co-related to sectors where the requirement for these services is the most. With the GDP of India growing at a steady rate, there is demand for more goods and services which provides thrust for companies to invest in capacity additions and construction of new facilities to cater to the rising demand. Following are some of the industrial sectors, to which the Company provides services:

Power & Generation: As of March 31, 2006, India's power system had an installed generation capacity of approximately 124,311 MW. Thermal power plants powered by coal, gas, naphtha or oil accounted for 66 per cent of total power capacity in India as of March 31, 2006, hydroelectric stations for 26 per cent and others (including renewable sources of energy and nuclear stations) accounted for 8 per cent. The central power sector undertakings accounted for approximately 32 per cent of total power generation capacity as of March 31, 2006; the various state entities accounted for 55.5 per cent and private sector companies accounted for approximately 12 per cent. The Ninth Plan targeted a capacity addition of 40,245 MW, of which 24.4 per cent was to come from hydro capacity, 73.4 per cent was to come from thermal capacity, and 2.2 per cent was to come from nuclear capacity. The Ministry of Power estimates indicate that only 19,015 MW, or 47 per cent of the planned capacity addition, were added in the aggregate during the Ninth Plan. The target for capacity addition has been set at 41,110 MW under the Tenth Plan.

Oil and Gas: Construction projects in the energy industry include exploration rigs and platforms, refineries and other processing facilities, tanks and terminals for storage of oil and gas and derivative products and pipelines for transportation of such products.

Petroleum: With the growing demand for petrol and petroleum products, the oil refining companies are expanding capacity to cater to the rising demand. India as on July 2005 has 18 oil refineries with a total capacity of 127.37 million metric tons per annum. As of now there are three major grass roots refinery projects on the anvil with BPCL planning one of these and HPCL and IOC planning one refinery project each. In addition Essar is already in the process of constructing a refinery. These projects are Bina Refinery (BPCL and Oman Oil Company); Guru Gobind Singh Refineries (HPCL); Paradip Refinery (IOC); and Essar Refinery, Vadinar. There are also various refineries undergoing capacity expansion such as at the IOCL's Panipat Refinery and Haldia refinery. Significant investment is being made in building and expanding the capacity of refineries. Apart from capacity-expansion projects, the refineries will also investments to make them compatible with new environmental norms in order to make them compliant with Bharath Stage -II, Euro -III, Euro IV norms defined in the Auto Fuel Policy by Ministry of Petroleum & Natural Gas.

Natural Gas: Natural gas has emerged as the most preferred fuel due to its inherent environmentally benign nature, greater efficiency and cost effectiveness. Production of natural gas, which was almost negligible at the time of independence, is at present at the level of around 87 million standard cubic meters per day (MMSCMD). The main producers of natural gas are Oil & Natural Gas Corporation Ltd. (ONGC), Oil India Limited (OIL) and Joint Ventures of Tapti, Panna-Mukta and Ravva. Under the Production Sharing Contracts, private parties from some of the fields are also producing gas. The government has also offered blocks under New Exploration Licensing Policy (NELP) to private and public sector companies.

Steel: The steel industry is another core sector and one of the major contributors to the country's growth. It is one of the most basic construction materials and hence an essential item for the infrastructure development of the country. As of 2004-05, Indian had a production capacity of 38 million tones (MT) which will have to be increased to 110 MT by 2019-20 as projected by Ministry of Steel in the National Steel Policy 2005. These projections have been derived on the basis of the growing domestic demand, exploration of rural markets, exports and consolidation in the industry. The big three steel projects for which MoUs have already been signed. The world's largest, Mittal Steel, is setting up a 12 mtpa plant in Jharkhand; India's largest private sector steel producer, Tata Steel, is setting up a greenfield steel plant of 12 mtpa in Jharkhand and South

Korea's Posco is setting up a 12 mtpa plant in Orissa. As per the MoUs, all these projects are likely to be operational by 2015.

For further information please refer to "Section IV – About Us" beginning on page no.41 of this Letter of Offer.

Business Overview:

UB Engineering Limited was originally incorporated on January 12, 1970 as Western India Erectors Private Limited under the Companies Act. We changed our constitution to a public limited company on January 06, 1972. Our Company's name was changed to Western India Enterprises Limited on January 15, 1986 and further to our present name on October 21, 1993.

UB Engineering Limited is in the field of installation of industrial plants. The sphere of UB Engineering's activities encompasses EPC Projects, Infrastructure, On-site fabrication, Installation, Testing and Commissioning of Structural, Mechanical, Electrical & Instrumentation Equipments, piping etc. for large Industrial projects such as Power, Refineries, Steel, Cement Fertilizer, Petrochemical and Desalination Projects. The Company also undertakes Overhauling & Maintenance of Operating Plants in varied Industries in India. UB Engineering's overseas operations have covered, in the past, Algeria, Bahrain, Bangladesh, Iran, Iraq, Jordon, Kenya, Kuwait, Nepal, Nigeria, Oman, Qatar, Saudi Arabia, Singapore, Sudan and UAE.

Competitive Strengths

- **UB Engineering Limited is a part of the UB Group:** UB Engineering Limited is a part of the UB Group, which is one of India's large conglomerates with a turnover in excess of US\$2 billion. The UB Group has diverse interests in brewing, distilling, real estate, engineering, fertilizers, biotechnology, information technology and civil aviation. UB group is professionally managed and is headed by Dr. Vijay Mallya, Group chairman.
- **Experience and track record:** UB Engineering is supported by a track record of project execution and has acquired requisite expertise to undertake large industrial projects. A few of the major projects executed by our company are as follows:

Sr. No.	Description	Approximate Amount (Rs. In Lacs)	Period of Execution
1.	Design, Engineering, Supply, Installation, Testing & Commissioning of balance of plant for 2 x 210 MW Thermal Power Station at Neyveli for Ansaldo, Italy.	15,250	April 1999 to February 2004
2.	Mechanical Installation works of 8 x 300 MW Boilers at Sabiya, Kuwait for Mitsubishi Heavy Industries, Japan	9,300	May 1995 to November 2003
3.	Fabrication and erection of structures and equipments etc. for 1.8 MTPA Cement Plant at Shuaiba, Kuwait for FabTech - Murray & Roberts UAE	6,200	September 1998 to September 2003
4.	Installation of Mechanical Power Block for 2000 MW Dabhol Power Project Phase I & II for Bechtel, USA	3,500	November 1996 to March 2003
5.	Installation of equipments for 8 x 300 MW Turbine Generators and Auxiliaries at Azzour, Kuwait for Toshiba, Japan	6,000	August 1984 to October 1987
6.	Fabrication & erection of structures, Equipment, Piping, Electrical & Instrumentation Installation works of Refinery at Jamnagar for Reliance Industries Limited.	5,500	May 1997 to December 2000

- We have serviced esteemed clientele like Bechtel International Inc., USA, Mitsubishi Heavy Industries, Japan, Hitachi Plant Construction, Japan, Toshiba Corporation, Japan, Sumitomo Corporation, Japan, Bharat Heavy Electricals Limited, India, Reliance Petroleum Limited, India and have been successful

in sourcing repeat orders from some of them. Our Top 10 clients based on their share in the turnover for the year ended March 31, 2007 are Toshiba Corporation, Paschimanchal Vidyut Vitaran Nigam Ltd., Haryana Vidyut Prasaran Nigam Ltd. Essar Constructions, Reliance Industries, Punjab State Electricity Board, My Home Cement Industries Ltd., Jindal Steel & Power Ltd., Bharat Heavy Electricals Ltd., FFE Minerals India Pvt. Ltd.

- **ISO 9001- 2000 certified company by Phoenix Progressive Certification Enterprises Ltd.**

The Company received “ISO 9001-2000” Certificate for Quality Management Systems specifically for supply, installation, testing, commissioning and mechanical, electrical projects from Phoenix Progressive Certification Enterprises Pvt. Ltd. The certificate is valid up to September 13, 2008.

- Approved and qualified for Rural Electrification Projects and Switchyards upto 400 KV
- **Operations spread across various sectors of infrastructure development:** Our Company has executed various projects in different sectors of infrastructure like Power (Thermal, Gas, Hydro, and Nuclear), Desalination, Refineries & Petrochemicals, Fertilizer, Steel, Cement and electrical substations. Such diversification in different sectors enables us to reduce dependence on any one sector or nature of the project.
- **Owned Construction Equipment:** Our Company owns a number of construction equipments comprising of Cranes, Tractor Trailer combination, independent Trailers, Fork Lift, Trucks etc.
- **Availability of Experienced Management & Supervisory Staff:** We have a qualified and experienced manpower including Engineers and Skilled technicians. In addition, our company engages additional manpower at the project sites through contractors on temporary / contract basis. The skills and diversity of the employees gives the flexibility to adapt to the needs of various projects. Our Company’s management team is qualified and experienced in the industry and has been responsible for execution of diverse projects.

Business Strategy

We recognize the importance of the construction industry in India – especially the importance given by the Government of India to make up deficits in infrastructure rapidly. Our strategic objective is to continue to improve and consolidate our position in the construction space and we aim to achieve this by implementing the following strategies:

- Concentrate on following sectors wherein huge investment is being proposed in next 3 to 5 years.
 - Mega Power Projects
 - Cement Plants
 - Steel Plants
 - Turnkey Electrical Substations & Rural Electrification Schemes
- Capitalize on the “UB Group” brand image and improve our operations in the industrial construction space.
- Actively pursue existing and new clientele for their future expansion projects.
- Focus on Value added Projects: We aim to improve our engineering capabilities to focus on pursuing EPC contracts, which would enable us to become the main contractor for the project and provide us with the opportunity to Bid on higher value projects.
- Augmentation of resources like manpower, construction equipment, tools & tackles to face new challenges.
 - We aim to tie-up with suitable Engineering Consultants and Civil Contractors for our future projects.

THE ISSUE

Equity Shares proposed to be issued by Our Company	47,40,819 Equity Shares
Rights Entitlement	In the ratio of 5 fully paid-up Equity Share for every 13 fully paid-up Equity Shares held on the Record Date
Record Date	December 26, 2007
Issue Opens on	January 09, 2008
Issue Closes on	February 07, 2008
Issue Price per Equity Share	Rs. 126
Equity Shares outstanding prior to the Issue	1,23,26,130 Equity Shares
Equity Shares outstanding after the Issue	17,066,949 Equity Shares
Terms of the Issue	For more information, see “ Section VII – Issue Related Information ” beginning on page 271 of this Letter of Offer.

Terms of Payment

Due Date	Amount
On Rights Issue Application	100% of the Issue Price i.e. Rs.126 per Equity Share, including share premium

SELECTED FINANCIAL INFORMATION

The following tables set forth certain summary financial data derived from our restated financial statements as of and for fiscal years ended March 31, 2003, 2004, 2005, 2006, 2007 and for a period of six months period ended September 30, 2007. These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Guidelines. The financial statements have been restated as described in the auditors' report included therewith, in the section titled "Financial Statements" beginning on page no. 88 of this Letter of Offer. The selected financial information presented below should be read in conjunction with our financial statements contained in the Auditor's Report, the notes thereto and the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 151 of this Letter of Offer.

SUMMARY STATEMENT OF PROFITS AND LOSSES AS RESTATED (STANDALONE)

(Rs. In Lacs)

Particulars	For six months period ended 30th September 2007	For the Financial Years Ended				
		March 31,2007	March 31,2006	March 31,2005	March 31,2004	March 31 2003
INCOME						
Income from Operations	7,769.90	21,628.91	22,912.95	14,917.22	7,474.64	12,158.38
Other Income	256.06	4,810.07	175.20	232.47	44.89	40.87
Change in WIP	(27.22)	(540.72)	1,401.60	56.33	(218.22)	(737.74)
Total Revenue	7,998.74	25,898.26	24,489.75	15,206.02	7,301.31	11,461.51
EXPENDITURE		-	-	-	-	-
Construction Cost	6,853.89	20,545.97	23,014.77	14,436.19	6,424.16	9,098.67
Employee Cost	203.15	237.16	193.32	166.73	186.06	454.54
Other Expenses	291.76	7,177.93	1,716.86	239.59	328.48	430.67
Interest Cost (Net)	346.71	502.68	1,726.25	1,538.54	1,249.79	1,169.39
Depreciation	38.12	76.54	85.82	92.38	161.83	229.79
Miscellaneous expenditure written off	-	8.53	8.53	8.53	8.53	8.53
Total Expenditure	7,733.62	28,548.81	26,745.55	16,481.95	8,358.85	11,391.59
Profit before Taxation and Extra Ordinary Items & interest on overdue balances	265.12	(2,650.55)	(2,255.80)	(1,275.93)	(1,057.55)	69.92
Interest on overdue balances	-	-	-	-	-	-
Prior period expenses	-	-	(32.63)	(76.34)	-	-
Provision for Taxation- Current	-	-	-	-	-	-
Provision for Taxation- Deferred	-	(24.99)	320.40	404.34	143.53	(177.43)
Provision for Taxation- Fringe Benefit Tax	(9.40)	(17.51)	(17.88)	-	-	-
Tax Provision for Earlier years	-	-	-	-	(571.05)	(97.14)
<i>Provision For Wealth Tax</i>	-	(0.01)	(0.06)	(0.09)	(0.12)	(0.14)
Profit after Taxation before Extra Ordinary Items	255.72	(2,693.06)	(1,985.97)	(948.02)	(1,485.19)	(204.78)
Add: Depreciation of Earlier Years	-	-	-	-	-	-
Add: Provision of Retirement Benefits Written Back	-	-	-	-	-	-
Prior period adjustment	-	2,955.52	-	-	-	-

Foreign project reserve no longer required written back	-	999.48	-	255.00	445.00	301.52
Investment allowance reserve no longer required written back	-	-	-	-	-	-
Profit after Taxation and Extra Ordinary Items (A)	255.72	1,261.94	(1,985.97)	(693.02)	(1,040.19)	96.74
Impact of material adjustments in corresponding years (B)	91.74	6,757.08	940.69	40.73	(469.69)	(8,288.98)
Adjusted Profit (A+B)	347.46	8,019.03	(1,045.28)	(652.29)	(1,509.88)	(8,192.24)
Profit available for appropriation	347.46	8,019.03	(1,045.28)	(652.29)	(1,509.88)	(8,192.24)
APPROPRIATIONS		-	-	-	-	-
Interim Dividend	-	-	-	-	-	-
Proposed Final Dividend	-	-	-	-	-	-
Corporate Dividend Tax	-	-	-	-	-	-
Transfer to Debenture Redemption Reserve	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-
Surplus Carried to Balance Sheet	347.46	8,019.03	(1,045.28)	(652.29)	(1,509.88)	(8,192.24)

SUMMARY STATEMENT OF ASSETS AND LIABILITIES AS RESTATED (STANDALONE)

(Rs. In Lacs)

Particulars	As at 30th September 2007	As at 31 st March				
		2007	2006	2005	2004	2003
A. Fixed Assets :						
Gross Block	6,788.91	6,875.02	7,464.70	7,471.79	5,436.24	5,576.72
Less Depreciation	4,072.31	4,129.54	4,274.96	4,055.41	4,113.16	4,071.17
Net Block	2,716.59	2,745.48	3,189.74	3,416.38	1,323.08	1,505.54
Less : Revaluation Reserve	(1,691.08)	(1,837.06)	(2,102.90)	(2,286.41)	(146.11)	(147.67)
Net Block after adj. for Revaluation Reserve	1,025.51	908.41	1,086.84	1,129.97	1,176.97	1,357.87
B. Investments	1.11	1.11	1.11	1.11	3.11	68.03
C. Current Assets, Loans and Advances :						
Inventories	1,254.50	1,283.63	1,806.76	284.92	199.94	426.02
Sundry Debtors	7,394.93	5,764.10	5,008.54	5,962.58	3,944.68	4,761.66
Cash and Bank Balances	1,265.36	552.80	438.21	226.46	344.61	317.27
Loans and Advances	295.84	175.93	797.67	704.41	335.88	313.98
Other Current Assets	665.49	602.21	500.53	439.61	396.55	372.35
Deferred Tax Asset	1,548.37	1,548.37	1,867.73	1,582.82	1,209.41	1,117.57
	12,424.50	9,927.04	10,419.44	9,200.81	6,431.08	7,308.85
D. Liabilities and Provisions :						
Secured Loans	5,107.67	4,838.03	10,760.13	9,583.36	8,098.43	6,878.46
Unsecured Loans	35.00	35.00	53.44	53.02	54.56	86.88
Current Liabilities and Provisions	12,040.91	10,043.45	11,507.43	10,436.90	8,269.86	8,583.04
Deferred Tax Liability	-	-	294.37	329.86	360.79	412.48
	17,183.58	14,916.48	22,615.37	20,403.14	16,783.64	15,960.87
E. Net-worth	(3,732.46)	(4,079.91)	(11,107.98)	(10,071.23)	(9,172.47)	(7,226.12)
F. Represented by						
1. Share Capital	1,232.61	1,232.61	1,232.61	1,232.61	1,232.61	1,232.61
2. Reserves	2,334.15	2,480.14	3,745.46	3,928.97	2,043.67	2,490.23
Less Revaluation Reserve	(1,691.08)	(1,837.06)	(2,102.90)	(2,286.41)	(146.11)	(147.67)
Reserves (Net of Revaluation Reserves)	643.07	643.07	1,642.56	1,642.56	1,897.56	2,342.56
Profit & Loss A/c (to the extent not written off)	(5,608.14)	(5,955.60)	(13,974.62)	(12,929.35)	(12,277.05)	(10,767.17)
Misc. Exps (to the extent not written off)	-	-	8.53	17.06	25.59	34.12
Net-worth	(3,732.46)	(4,079.91)	(11,107.98)	(10,071.23)	(9,172.47)	(7,226.12)

SUMMARY STATEMENT OF PROFITS AND LOSSES AS RESTATED (CONSOLIDATED)

(Rs. In Lacs)

Particulars	For the six months ended 30th September 2007	Financial Year Ended				
		March 31,2007	March 31,2006	March 31,2005	March 31,2004	March 31,2003
INCOME						
Income from Operations	7,769.90	21,628.91	22,912.95	14,922.88	7,474.64	12,163.93
Other Income	256.19	4,810.33	175.23	233.81	45.16	41.02
Increase / (Decrease) in WIP	(27.22)	(547.32)	1,324.52	56.33	(218.22)	(789.65)
Total Revenue	7,998.87	25,891.92	24,412.71	15,213.01	7,301.58	11,415.30
EXPENDITURE						
Construction Cost	6,854.48	20,547.39	22,938.79	14,442.12	6,424.43	9,058.35
Employee Cost	203.15	237.16	193.32	166.73	186.06	454.54
Other Expenses	291.95	7,182.04	1,716.92	240.16	328.72	425.96
Interest Cost (Net)	346.71	502.68	1,726.25	1,538.54	1,249.79	1,169.39
Depreciation	38.12	76.54	85.82	92.38	161.83	229.79
Miscellaneous expenditure written off	-	8.53	8.53	8.53	8.53	8.53
Total Expenditure	7,734.40	28,554.35	26,669.63	16,488.46	8,359.36	11,346.56
Profit before Taxation and Extra Ordinary Items & interest on overdue balances	264.47	(2,662.42)	(2,256.93)	(1,275.45)	(1,057.78)	68.74
Interest on overdue balances	-	-	-	-	-	-
Prior period expenses	-	-	(32.63)	(76.34)	-	-
Provision for Taxation- Current	-	-	-	(0.04)	-	-
Provision for Taxation- Deferred	-	(20.99)	319.76	404.11	143.61	(175.16)
Provision for Taxation- Fringe Benefit Tax	(9.40)	(17.51)	(17.88)	-	-	-
Tax Provision for Earlier years	-	-	-	-	(571.05)	(97.14)
Provision For Wealth Tax	-	(0.01)	(0.06)	(0.09)	(0.12)	(0.14)
Profit after Taxation before Extra Ordinary Items	255.07	(2,700.93)	(1,987.73)	(947.81)	(1,485.34)	(203.69)
Add: Depreciation of Earlier Years	-	-	-	-	-	-
Add: Provision of Retirement Benefits Written Back	-	-	-	-	-	-
Extra Ordinary Item	-	2,955.52	-	-	-	-
Foreign Project reserve no longer required written back	-	999.48	-	255.00	445.00	301.52
Investment allowance reserve no longer required written back	-	-	-	-	-	-
Profit after Taxation and Extra Ordinary Items (A)	255.07	1,254.06	(1,987.73)	(692.81)	(1,040.34)	97.83
Impact of material adjustments in corresponding years (B)	92.39	6,715.10	876.76	1.99	(493.31)	(8,082.26)
Adjusted Profit (A+B)	347.46	7,969.16	(1,110.97)	(690.82)	(1,533.65)	(7,984.44)
Profit available for appropriation	347.46	7,969.16	(1,110.97)	(690.82)	(1,533.65)	(7,984.44)
APPROPRIATIONS						
Interim Dividend	-	-	-	-	-	-
Proposed Final Dividend	-	-	-	-	-	-
Corporate Dividend Tax	-	-	-	-	-	-
Transfer to Debenture Redemption Reserve	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-
Surplus Carried to Balance Sheet	347.46	7,969.16	(1,110.97)	(690.82)	(1,533.65)	(7,984.44)

SUMMARY STATEMENT OF ASSETS AND LIABILITIES AS RESTATED (CONSOLIDATED)

(Rs. In Lacs)

Particulars	As at 30th September 2007	As at				
		March 31,2007	March 31,2006	March 31,2005	March 31,2004	March 31,2003
A. Fixed Assets:						
Gross Block	6,798.85	6,884.96	7,474.65	7,481.74	5,446.19	5,586.66
Less: Depreciation	4,072.31	4,129.54	4,274.96	4,055.41	4,113.16	4,071.17
Net Block	2,726.54	2,755.42	3,199.69	3,426.33	1,333.03	1,515.49
Less: Revaluation Reserve	(1,691.08)	(1,837.06)	(2,102.90)	(2,286.41)	(146.11)	(147.67)
Net Block after adj. for Revaluation Reserve	1,035.46	918.36	1,096.79	1,139.92	1,186.92	1,367.82
B. Investments	1.11	1.11	1.11	1.11	3.11	68.03
C. Current Assets, Loans and Advances :						
Inventories ¹	1,277.84	1,306.97	1,836.69	391.93	306.95	533.03
Sundry Debtors	7,398.64	5,767.81	5,039.13	5,992.82	3,973.15	4,805.45
Cash and Bank Balances	1,280.87	568.32	438.58	227.35	344.86	317.85
Loans and Advances	275.04	155.77	814.32	825.65	466.00	454.03
Other Current Assets	665.49	602.21	516.31	439.61	396.55	372.35
Deferred Tax Asset	1,565.38	1,565.38	1,880.74	1,596.47	1,223.29	718.89
	12,463.26	9,966.46	10,525.78	9,473.83	6,710.81	7,201.61
D. Liabilities and Provisions :						
Secured Loans ²	5,107.67	4,838.03	10,760.13	9,583.36	8,098.43	6,878.46
Unsecured Loans	35.00	35.00	53.44	53.02	54.56	86.88
Current Liabilities and Provisions	12,153.82	10,156.37	11,558.08	10,588.53	8,389.67	8,704.60
Deferred Tax Liability	-	-	294.37	329.86	360.79	-
	17,296.49	15,029.40	22,666.02	20,554.77	16,903.45	15,669.94
E. Net-worth	(3,796.66)	(4,143.47)	(11,042.34)	(9,939.90)	(9,002.61)	(7,032.49)
F. Represented by						
1. Share Capital	1,232.61	1,232.61	1,232.61	1,232.61	1,232.61	1,232.61
2. Reserves	2,334.16	2,480.14	3,745.46	3,928.97	2,043.67	2,490.23
Less Revaluation Reserve	(1,691.08)	(1,837.06)	(2,102.90)	(2,286.41)	(146.11)	(147.67)
Reserves (Net of Revaluation Reserves)	643.08	643.08	1,642.56	1,642.56	1,897.56	2,342.56
Profit & Loss A/c (to the extent not written off)	(5,672.35)	(6,019.16)	(13,908.99)	(12,798.02)	(12,107.20)	(10,573.55)
Misc. Exps (to the extent not written off)	-	-	8.53	17.06	25.59	34.12
Net-worth	(3,796.66)	(4,143.47)	(11,042.34)	(9,939.90)	(9,002.61)	(7,032.49)

Note:

- There is an increasing trend in secured loan only due to accumulation of interest amount with respect to the loans obtained from consortium and other banks. However, after the 'one time settlement', the level of secured loans has substantially reduced.
- Increase in inventory from Rs. 391.93 Lacs in 2004-05 to Rs. 1836.69 in 2005-06 is mainly attributed to unbilled work considered as work in progress for overseas operations.

GENERAL INFORMATION

Dear Equity Shareholder(s),

Pursuant to the resolution passed at the meeting of Board of Directors of our Company on March 02, 2007 and the extra-ordinary general meeting of our Company held on March 26, 2007, it has been decided to make the following offer to the Equity Shareholders of our Company:

ISSUE OF 47,40,819 FULLY PAID-UP EQUITY SHARES OF RS.10/- EACH FOR CASH AT A PRICE OF RS.126/- (INCLUDING A SHARE PREMIUM OF RS.116/-) PER EQUITY SHARE AGGREGATING TO RS.59,73,43,194/- ON RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 5 FULLY PAID-UP EQUITY SHARE FOR EVERY 13 FULLY PAID-UP EQUITY SHARES HELD ON THE RECORD DATE, i.e. DECEMBER 26, 2007.

THE FACE VALUE OF THE EQUITY SHARES IS RS.10 PER EQUITY SHARE. THE ISSUE PRICE OF RS.126/- IS 12.6 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

Important

1. This offer is applicable only to those Equity Shareholders whose names appear as beneficial owners in respect of the Equity Shares held in the electronic form and on the Register of Members of our Company in respect of the Equity Shares held in physical form as on December 26, 2007 i.e. the Record Date fixed in consultation with the Designated Stock Exchange i.e. BSE
2. Your attention is drawn to "Risk Factors" appearing on page no. ix to xxi of this Letter of Offer.
3. Please ensure that you have received the Composite Application Form ('CAF') along with this Letter of Offer. In case the original CAF is not received, lost or misplaced by the shareholder, the Registrar will issue a duplicate CAF on the request of the shareholder who should furnish the registered folio number/DP ID/client ID number and his/her full name and address to the Registrar. Please note that those applicants who are making the application in the duplicate CAF should not utilize the original CAF for any purpose including renunciation, even if it is received/ found subsequently. In case the original and the duplicate CAFs are lodged for subscription, allotment will be made on the basis of the duplicate CAF and the original CAF will be ignored.
4. Please read this Letter of Offer and the instructions contained therein and in CAF carefully, before filling in the CAF. The instructions contained in the CAF are an integral part of this Letter of Offer and must be carefully followed. Application is liable to be rejected for any non-compliance with the terms of this Letter of Offer or the CAF.
5. All enquiries in connection with this Letter of Offer or CAF should be addressed to the Registrars to the Issue, **Computech Sharecap Limited** quoting the registered folio number / Depository Participant (DP) Number and Client ID Number and the CAF numbers, as mentioned in the CAF.
6. The Issue will be kept open for a minimum period of thirty days. If extended, it will be kept open for a maximum period of sixty days.
7. Lead Manager and our Company shall update this Letter of Offer and keep the public informed of any material changes till the listing and trading commences for Equity Shares offered through this Issue.

ISSUE SCHEDULE

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

ISSUE OPENS ON	LAST DATE FOR REQUEST FOR SPLIT APPLICATION FORMS	ISSUE CLOSES ON
January 09, 2008	January 24, 2008	February 07, 2008

Registered Office of Our Company

UB Engineering Limited

Sahyadri Sadan, Tilak Road,
Pune 411 030, Maharashtra, India
Tel: +91-20 24333722, 24338587, 24336762
Fax: +91-20 24338887
E-mail: ubel.rights@vsnl.net
Website: www.ubengineering.com

Registration Number: 11 -14509 of 1969-1970
Company Identification Number: L32109MH1970PLCO14509

We are registered with the Registrar of Companies, Maharashtra located at PMT Building, 3rd Floor, Deccan Gymkhana, Pune - 411 004, India

The Equity Shares of our Company are listed on BSE.

Board of Directors

Our Company is managed by a Board consisting of six directors. The day-to-day operations of our Company are being supervised by Mr. J.K. Sardana, Manager & Chief Operating Officer under superintendence, direction and control of the Board of Directors of our Company. They are assisted by a team of professionals in various functional areas. Our Board comprises:

Name, Designation	Age (yrs)	Status	Residential Address
Mr S D Lalla, Chairman	63	Non Executive	798, Tehmi Villa, 4th Floor, Jame Jamshed Road, Parsi Colony, Dadar, Mumbai - 400014, Maharashtra
Mr. Naval Choudhary, Director	59	Non-Executive-Independent	B 63/64, Kalumal Estate, A B Nair Road, Opp. Juhu Post Office, Juhu, Mumbai – 400 049, Maharashtra
Mr. A Harish Bhat, Director	53	Non-Executive	28, 4 th Main, Shankarnagar, Mahalakshmi Layout Bangalore-560 096, Karnataka
Mr. Sudhir Goyal, Director	58	Non-Executive Independent	A-331, Century Park, 48, Richmond Road, Bangalore – 560 025, Karnataka
Mr. K. K. Rai Director	63	Non-Executive Independent	S-3, Perody Nest, 542, S R S Nagar, Bilekahalli, Banerghatta Road, Bangalore – 560 076, Karnataka
Mr. N. Srinivasan Director	76	Non-Executive Independent	T-19, 6 th Avenue, Besant Nagar, Chennai – 600 090

For further details in relation to our Board and Directors please refer to “Our Management” beginning on page 66 of this Letter of Offer.

Company Secretary & Compliance Officer

Mr. V M Pendse,
UB Engineering Limited,
Sahyadri Sadan, Tilak Road,
Pune – 411 030, Maharashtra
Tel: +91-20 24333722, 24338587, 24336762
Fax: +91-20 24338887
Email: ubel.rights@vsnl.net

Investors may contact the Compliance Officer for any pre-Issue / post-Issue related matters.

Bankers to our Company

Yes Bank Limited

Infrastructure Banking – Corporate Finance Branch,
Nehru Centre, 12th Floor, Discovery India, Worli,
Mumbai – 400 018
Tel: +91 022 – 66699087
Fax: +91 022 – 66699177
Contact person: Mr. Ritesh Gupta
Email: ritesh.gupta@yesbank.in

Issue Management Team

Lead Manager to the Issue

Ambit Corporate Finance Private Limited

Ambit House, 449, Senapati Bapat Marg,
Lower Parel, Mumbai 400 013
Tel: +91 22 3982 1819
Fax: +91 22 3982 3020
Contact person: Mr. Praveen Kumar Sangal / Ms. Astha Daga
Website: www.ambitpte.com
Email: ubelrights@ambitpte.com

Legal Advisor to the Issue

Kanga and Company,

Advocates & Solicitors,
Readymoney Mansion,
43, Veer Nariman Road,
Fort, Mumbai 400 001
Tel: +91- 22- 66332288
Fax: +91-22-5633 9656
Contact person: Ms. Preeti Mehta
Email: preeti.mehta@kangacompany.com

Auditors of our Company

V. P. Mehta & Co.

Chartered Accountants
Room No.17, 3rd Floor, HemPrakash,
90/92, Kazi Syed Street,
Mumbai – 400 003
Tel: + 91 22 2343 4318
Fax: +91 22 2340 0731
Email: mehtavipulp@gmail.com

Registrar to the Issue

Computech Sharecap Limited

147, Mahatma Gandhi Marg,
3rd Floor, Opp. Jehangir Art Gallery,
Fort, Mumbai – 400 001
Tel: +91-22-22635000
Fax: +91-22635005
Contact Person: Mr. Patrick/Ms.Shaila
Website: www.computechsharecap.com
Email: helpdesk@computechsharecap.com

The investor should contact the Compliance Officer or the Registrars to the Issue in case of any Pre-Issue/Post Issue related problems such as non-receipt of letters of allotment/ Equity Share certificates/ refund orders etc.

Bankers to the Issue

Yes Bank Limited

Transaction Banking - Capital Markets Division
Nehru Centre, 5th Floor, Discovery of India,
Dr. Annie Besant Road, Worli,
Mumbai – 400 018
Tel: +91 022 66699029
Fax: +91 022 66699255
Contact person: Mr. Shreejit Nair
Email: shreejit.nair@yesbank.in

Axis Bank Limited

Sterling Plaza, Jangli Maharaj Road,
Deccan Gymkhana,
Pune 411 004
Tel : +91 020 6601 5722 / 2552 0528 / 9860337773
Fax : +91 020 2552 0530 / 2552 0531
Contact person : Mr. Pramod K Chaturvedi
Email : pramod.chaturvedi@axisbank.com

Inter-se Allocation of responsibilities

Not Applicable

Credit Rating

This being a rights issue of Equity Shares, no credit rating is required.

IPO Grading

This being a rights issue of Equity Shares, IPO grading is not applicable.

Debenture Trustee

This being a rights issue of Equity Shares, an appointment of Debenture trustee is not required.

Monitoring Agency

Not Applicable

Appraising Entity

Not Applicable

Underwriting / Standby arrangements

The present Issue is not underwritten and our Company has not made any standby arrangements for the present Rights Issue. UBHL, one of our Promoters, will be subscribing to their rights entitlement and to the unsubscribed portion in the event of other Shareholders not subscribing to their entitlement. For details please refer to note no. 4 of the Capital Structure

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68A of the Companies Act, 1956 which is reproduced below:

“Any person who

- a) **makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or**

- b) **Otherwise induces a company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years.”**

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue, our Company shall forthwith refund the entire subscription amount received within forty two (42) days from the date of closure of the Issue. If there is a delay in the refund of subscription beyond eight days after the date from which our Company becomes liable to pay the subscription amount (i.e. forty two (42) days after the date closure of the Issue), our Company shall pay interest for the delayed period at rates prescribed under sub-sections (2) and (2A) of Section 73 of the Companies Act, 1956.

The Rights Issue will become undersubscribed after considering the number of Equity Shares applied as per entitlement plus additional Equity Shares. The undersubscribed portion, if any, shall be applied for only after the close of the Issue. Devi Investments Private Limited, one of our promoters has confirmed that it will not subscribe to its entitlement in the rights issue and would renounce its entitlement to United Breweries (Holdings) Limited ("UBHL"). UBHL and McDowell Holdings Ltd (earlier known as McDowell India Spirits Limited), our other two Promoters, have confirmed that they would subscribe to their respective entitlements in this Rights Issue in full. Further, UBHL has confirmed that they would subscribe to the renounced entitlement of Devi Investments Private Limited and would also subscribe to the unsubscribed portion, if any, in this Rights Issue such that the entire Issue is subscribed, as per the relevant provisions of the law. Subscription by UBHL to the extent of its entitlement in the Issue and acquisition of additional Equity Shares by UBHL in case of under-subscription, if any, will not result in change of control of the management of the Company and shall be exempt in terms of proviso to Regulation 3(1)(b)(ii) of the Takeover Code. For details please refer to note no. 4 of the Capital Structure.

CAPITAL STRUCTURE

The share capital of our Company as on the date of filing of this Letter of offer with SEBI is set forth below:

(in Rs.)

	Aggregate Value at Nominal Price	Aggregate Value at Issue Price
Authorised Share Capital 5,00,00,000/- Equity Shares of Rs.10/- each	50,00,00,000	
Issued, Subscribed and Paid Up Equity Share Capital before the Issue 1,23,26,130 Equity Shares of Rs.10/- each	12,32,61,300	
Present Issue of Equity Shares in terms of this Letter of Offer 47,40,819 Equity Shares of Rs.10/- each at a price of Rs. 126/- per Equity Share (including a share premium of Rs. 116/- per Equity Share)	4,74,08,190	59,73,43,194
Paid Up Equity Share Capital after Issue 17,066,949 Equity Shares of Rs.10/- each	17,06,69,490	
Share Premium Account Before the Issue After the Issue	5,84,83,779 60,84,18,783	

Increase in Authorised Capital

Date	Authorised Capital Increased From	Authorised Capital Increased to
05/01/1970	-	10,000 Equity Shares of Rs.200/- each 5,000 9.5% Cumulative Redeemable Preference Shares of Rs.100/- each aggregating to Rs. 25 lacs
24/11/1971	10,000 Equity Shares of Rs. 200/- each 5,000 9.5% Cumulative Redeemable Preference Shares of Rs.100/- each aggregating to Rs. 25 lacs	2,00,000 Equity Shares of Rs. 10/- each, 5,000 9.5% Cumulative Redeemable Preference Shares of Rs.100/- each and 7,50,000 Unclassified shares of Rs.10/- each aggregating to Rs. 100 lacs
29/12/1978	2,00,000 Equity Shares of Rs. 10/- each, 5,000 9.5% Cumulative Redeemable Preference Shares of Rs.100/- each and 7,50,000 Unclassified shares of Rs.10/- each aggregating to Rs. 100 lacs	30,00,000 Equity Shares of Rs. 10/- each, 5,000 9.5% Cumulative Redeemable Preference Shares of Rs.100/- each, 70,000 9.5% Cumulative Redeemable Preference Shares of Rs.10/- each and 18,80,000 Unclassified shares of Rs.10/- each aggregating to Rs. 500 lacs
04/02/1983	30,00,000 Equity Shares of Rs. 10/- each, 5,000 9.5% Cumulative Redeemable Preference Shares of Rs.100/- each, 70,000 9.5% Cumulative Redeemable Preference Shares of Rs.10/- each and 18,80,000 Unclassified shares of Rs.10/- each aggregating to Rs. 500 lacs	80,00,000 Equity Shares of Rs. 10/- each, 5,000 9.5% Cumulative Redeemable Preference Shares of Rs.100/- each, 70,000 9.5% Cumulative Redeemable Preference Shares of Rs.10/- each and 18,80,000 Unclassified shares of Rs.10/- each aggregating to Rs. 1000 lacs
04/05/1990	80,00,000 Equity Shares of Rs. 10/- each, 5,000 9.5% Cumulative Redeemable Preference Shares of Rs.100/- each,	1,20,00,000 Equity Shares of Rs. 10/- each, and 30,00,000 Unclassified shares of Rs.10/- each aggregating to Rs. 1500 lacs

	70,000 9.5% Cumulative Redeemable Preference Shares of Rs.10/- each and 18,80,000 Unclassified shares of Rs.10/- each aggregating to Rs. 1000 lacs	30,00,000 Unclassified Shares were subsequently converted into Equity Shares on 27.09.1993
15/09/1994	1,50,00,000 Equity Shares of Rs. 10/- each aggregating to Rs. 1500 lacs	200,00,000 Equity Shares of Rs, 10/- each aggregating to Rs. 2000 lacs
26/03/2007	200,00,000 Equity Shares of Rs, 10/- each aggregating to Rs. 2000 lacs	500,00,000 Equity Shares of Rs, 10/- each aggregating to Rs. 5000 lacs

Notes to Capital Structure:

1. Equity Share capital history of Our Company since inception

Date of allotment	No. of shares	Face Value	Issue Price	Consideration	Reasons for Allotment/Type of Issue	Cumulative Securities Premium Account (in Rs.)	Cumulative Paid-up Capital (in Rs.)
12/01/1970	75	200	200	Cash	Subscription to memorandum	-	15,000
27/01/1970	4200	200	200	Cash	Allotment to erstwhile Promoters	-	8,55,000
26/03/1970	456	200	200	Cash	Allotment to Friends & Relatives	-	9,46,200
01/06/1970	321	200	200	Cash	Allotment to Friends & Relatives	-	10,10,400
02/02/1971	320	200	200	Cash	Allotment to Friends & Relatives	-	10,74,400
1971-1972	635	200	200	Cash	Allotment to Erstwhile Promoters & Relatives (Please refer to Note 1)	-	12,01,400
Equity shares of face value of Rs.200/- per share were sub-divided to face value Rs.10/- per share on November 24, 1971							
29/07/1972	34010	10	10	Cash	Allotment pursuant to prospectus dated 06/06/1972	-	15,41,500
07/09/1972	42546	10	10	Cash	Allotment pursuant to prospectus dated 06/06/1972	-	19,66,960
27/09/1972	13570	10	10	Cash	Allotment pursuant to prospectus dated 06/06/1972	-	21,02,660
10/10/1972	23320	10	10	Cash	Allotment pursuant to prospectus dated 06/06/1972	-	23,35,860
14/11/1972	4984	10	10	Cash	Allotment pursuant to prospectus dated 06/06/1972	-	23,85,700
13/03/1973	1570	10	10	Cash	Allotment to NRIs pursuant to prospectus dated 06/06/1972	-	24,01,400
30/06/1978	2,40,140	10	-	Bonus	Bonus Issue (1:1)	-	48,02,800
25/03/1980	4,80,280	10	15	Cash	Rights Issue Cum Public Issue (Please refer to Note 2)	2,401,400	96,05,600
25/07/1982	1,59,999	10	15	Cash	Allotment to Financial Institutions on conversion	2,687,383	112,05,590

					of loans		
06/05/1983	6,72,336	10	-	Bonus	Bonus Issue (3:5)	2,687,383	179,28,950
30/09/1984	17,89,609	10	15	Cash	Rights Issue (1:1) (Please refer to Note 3)	11,612,186	358,25,040
12/12/1985	12,30,000	10	15	Cash	Allotment on conversion of Debentures	13,460,075	481,25,040
06/02/1987	40	10	15	Cash	Allotment to NRI Shareholder under Rights Issue (1:1) pursuant to RBI Approval (Please refer to Note 3)	12,866,090	481,25,440
22/04/1987	46	10	15	Cash	Allotment to NRI Shareholder under Rights Issue (1:1) pursuant to RBI Approval (Please refer to Note 3)	12,866,320	481,25,900
25/04/1991	54,04,405	10	14	Cash	Rights Issue	31,972,348	1021,69,950
31/05/1991	1,24,490	10	14	Cash	Rights Issue	32,470,308	1034,14,850
24/11/1993	3,200	10	15	Cash	Allotment under Rights Issue (1:1) pursuant to the order passed by Civil Judge Court, Pune (Please refer to Note 3)	28,372,589	1034,46,850
16/03/1995	4,89,135	10	38	Cash	Allotment on Conversion of Loans	42,068,369	1083,38,200
05/03/1998	7,25,645	10	21	Cash	Allotment on Preferential Basis	50,050,464	1155,94,650
30/04/1998	7,66,665	10	21	Cash	Allotment on Preferential Basis	58,483,779	1232,61,300
Total	12,326,130						

Note:

1. The corporate records of our Company relevant to the allotment of 635 Equity Shares from 1971 - 1972 are not available.
2. Our Company made a rights issue of 4,80,280 Equity Shares in the ratio 1:1, wherein the erstwhile Promoters were entitled to subscribe to 2,42,868 Equity Shares out of which they subscribed to 50,756 Equity Shares and the balance 1,92,112 unsubscribed Equity Shares were issued to public vide our prospectus dated December 28, 1979.
3. Our Company made a rights issue of 17,92,895 Equity Shares in the ratio of 1:1, out of which 17,89,609 Equity Shares were allotted on September 30, 1984, 40 Equity Shares were allotted on February 06, 1987, 46 Equity Shares were allotted on April 22, 1987 and 3,200 Equity Shares were allotted on November 24, 1993
4. The earlier rights issue / debentures issue expenses aggregating to Rs.121.14 lacs have been debited in tranches to the securities premium account.

2. Promoters' Contribution and Lock-in

The present Issue being a Rights Issue, provisions of Promoters' contribution and lock-in are not applicable.

3. Present Rights Issue

Type of Instrument	Ratio	Face Value (Rs.)	No. of shares	Issue Price (Rs.)	Consideration
Equity Shares	5:13	10	47,40,819	126	Cash

4. Shareholding Pattern before and after the Issue is as under:

Category	Pre – Issue as on September 30, 2007		After the Present Issue ^{\$}	
	Total Number of shares	Shareholding as a percentage of total number of shares	Total Number of shares	Shareholding as a percentage of total number of shares
(A) Shareholding of Promoters				
(1) Indian				
United Breweries (Holdings) Limited	37,99,469	30.82	53,20,707	31.18 [^]
McDowell Holdings Limited	3,26,620	2.65	4,52,243	2.65
Devi Investments Private Limited	1,55,750	1.26	1,55,750	0.91 [^]
Sub Total (A) (1)	42,81,839	34.74	59,28,700	34.74
(2) Foreign (A) (2)	-	-	-	-
Total shareholding of Promoters (A) = (A)(1) + (A) (2)	42,81,839	34.74	59,28,700	34.74
(B) Public Shareholding				
(1) Institutions				
Mutual Funds / UTI	250	-	346	-
Financial Institutions / Banks	1,595	0.01	2,208	0.01
Insurance Companies	3,53,983	2.87	4,90,130	2.87
Sub Total (B) (1)	3,55,828	2.89	4,92,685	2.89
(2) Non-Institutions				
Bodies Corporate	9,65,877	7.84	13,37,368	7.84
Individuals				
Individual shareholders holding nominal share capital up to Rs. 1 lakh	56,60,541	45.92	78,37,672	45.92
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	10,62,045	8.62	14,70,524	8.62
Sub Total (B) (2)	76,88,463	62.38	106,45,564	62.38
Total Public shareholding (B) = (B) (1) + (B) (2)	80,44,291	65.26	111,38,249	65.26
Total (A)+(B)	1,23,26,130	100.00	170,66,949	100.00
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-
Total (A)+(B)+(C)	1,23,26,130	100.00	1,70,66,949	100.00

\$ Assuming all the shareholders, except for Devi Investments Private Limited (who have confirmed their intention to renounce their entitlement in favour of UBHL), apply for their entitlement and are allotted Equity Shares in full.

[^] Devi Investments Private Limited, one of our promoters has confirmed that it will not subscribe to its entitlement in the rights issue and would renounce its entitlement in favour of United Breweries (Holdings) Limited ("UBHL"). UBHL and McDowell Holdings Ltd (earlier known as McDowell India Spirits Limited), our other two Promoters, have confirmed that they would subscribe to their respective entitlements in this Rights Issue in full. Further, UBHL has confirmed that they would subscribe to the renounced entitlement of Devi Investments Private Limited and would also subscribe to the unsubscribed portion, if any, in this Rights Issue such that the entire Issue is subscribed.

As a result of the said subscription and consequent allotment, UBHL may acquire equity shares over and above its entitlement in this Rights Issue, which may result in an increase of its shareholding above the current shareholding. This subscription to entitlement by our Promoters and acquisition of additional Equity Shares by UBHL, if any, will not result in change of control of the management of our Company and shall be exempt,

from the requirements of making a public offer, in terms of proviso to Regulation 3(1)(b)(ii) of the Takeover Code.

In case no subscription is received from other shareholders the promoters' shareholding shall increase to 52.87% of the post rights issue equity capital of our Company. UBHL has confirmed that in case the Rights Issue of our Company is completed with their subscribing to equity shares over and above their entitlement and as a result, if the public shareholding in the Company after the Issue falls below the permissible minimum level as specified in the listing condition or listing agreement, they will make an offer for sale of their holdings so that the public shareholding is raised to the minimum level specified in the listing agreement or in the listing conditions within a period of 3 months, as per the requirements of sub-clause 17.2 of SEBI (Delisting of Securities) Guidelines, 2003 or as per any amendment thereto.

Our Company had availed a loan of Rs.4,000 lacs from UB IPL vide agreement dated October 03, 2006, which is now assigned to UBHL in terms of the agreement dated May 21, 2007. The total outstanding to United Breweries (Holdings) Limited (including interest of Rs.282.06 Lacs) upto January 31, 2008 would be Rs.4,282.06 Lacs. UBHL has given its consent to adjust the said secured loan and interest accrued, against subscription money payable by them. The said loan given by UBHL will be adjusted against the share application money due from UBHL towards its subscription to its entitlement in full, subscription to renounced equity shares of Devi Investments Private Limited and subscription to the unsubscribed portion, if any, in this Rights Issue, which is in compliance with the provisions of the Companies Act. For more details on the secured loans from UBHL please refer to the section on "Objects of the Issue" on page 26 of this Letter of Offer.

5. Details of the shareholding of the Promoters, Promoter Group, directors of the Promoter in our Company as on the date of filing of this Letter of Offer with SEBI are as follows:

Name of entities	Number of Equity Shares	Percentage of shareholding
Promoters		
United Breweries (Holdings) Limited	37,99,469	30.82
McDowell Holdings Limited	3,26,620	2.65
Devi Investments Private Limited	1,55,750	1.26
Promoter Group	Nil	Nil
Total Promoter and Promoter Group Shareholding	42,81,839	34.74
Directors of the Promoters	Nil	Nil

6. The total number of shareholders in our company as on December 26, 2007 was 49,090.

7. Except as stated below, there have been no transactions in the Equity Shares of our Company that has been undertaken / financed directly or indirectly by the Promoters/Promoter Group, directors of our Company and directors of the Promoters during a period of six months preceding the date of filing of this Letter of Offer with Stock Exchange:

Name	Transaction	Date of Transaction	No. of Equity Shares	Price per Equity Share (in Rs.)
Mr. Sudhir Goyal	Purchase	03.05.2007	558	39.02
	Sale	10.05.2007	-1000	39.80
	Sale	16.05.22007	-923	42.40
	Sale	17.05.2007	-1000	43.73
	Purchase	24.05.2007	1000	40.10
	Purchase	25.05.2007	-1000	40.90
	Purchase	12.06.2007	5000	40.10
	Sale	14.06.2007	-2000	41.40
	Sale	15.06.2007	-1000	42.89
	Sale	18.06.2007	-1000	43.64
	Purchase	19.06.2007	150	43.86

Name	Transaction	Date of Transaction	No. of Equity Shares	Price per Equity Share (in Rs.)
	Sale	20.06.2007	-1150	46.63
	Sale	21.06.2007	-1000	52.37
	Purchase	25.06.2007	1000	51.63
	Sale	26.06.2007	-805	52.34
	Purchase	27.06.2007	1805	49.68
	Purchase	28.06.2007	1000	48.62
	Purchase	29.06.2007	1000	47.62
	Purchase	03.07.2007	1000	46.62
	Purchase	04.07.2007	1000	44.11
	Sale	05.07.2007	-1000	44.39
	Sale	06.07.2007	-2000	48.35
	Sale	11.07.2007	-1000	47.88
	Purchase	12.07.2007	1000	47.12
	Purchase	13.07.2007	505	46.12
	Sale	16.07.2007	-3502	50.71
	Sale	17.07.2007	-1500	53.87
	Purchase	18.07.2007	1000	53.13
	Sale	19.07.2007	-294	55.76
	Purchase	25.07.2007	1000	51.13
	Sale	26.07.2007	-52	50.49
	Sale	30.07.2007	-1000	49.98
	Sale	31.07.2007	-1000	62.14
	Sale	01.08.2007	-1000	64.97
	Sale	08.08.2007	-500	79.81
	Purchase	16.08.2007	500	81.93
	Purchase	05.09.2007	500	73.16
	Purchase	07.09.2007	500	71.30
	Sale	13.09.2007	-500	73.54
	Sale	14.09.2007	-500	77.18
	Purchase	17.09.2007	750	76.12
	Sale	19.09.2007	-200	78.67
	Sale	20.09.1007	-500	83.44
	Sale	20.09.2007	-100	87.67
	Purchase	21.09.2007	1000	82.34
	Sale	25.09.2007	-1000	81.52
	Purchase	25.09.2007	1000	80.00
	Purchase	27.09.2007	400	79.58
	Purchase	28.09.2007	1000	78.43
	Purchase	01.10.2007	500	76.57
	Purchase	08.10.2007	500	71.30
	Sale	19.10.2007	-2000	91.79
Mr. Naval Choudhary	Sale	24.09.2007	1000	81.75
	Purchase	05.10.2007	2000	75.23
	Purchase	08.10.2007	2000	71.71
	Sale	26.10.2007	2000	118.89
	Sale	26.10.2007	185	131.05

Note: Mr. Sudhir Goyal and Mr. Naval Choudhary are directors of the Company.

8. Our Company has not issued any warrant, option, convertible loan, debenture or any other securities convertible at a later date into equity, which would entitle the holders to acquire further Equity Shares of our Company.

9. The shareholders' approval for the increase in Authorised Share Capital from Rs. 2000 lacs to Rs. 5000 lacs has been obtained at the Extra-Ordinary General Meeting of our Company held on March 26, 2007.

10. Name of the top ten shareholders:

a) The top ten (10) shareholders of our Company as on the date of filing of this Letter of Offer with Stock Exchange is as follows:

Sr. No.	Name of the shareholder	No. of shares	%
1	United Breweries Holdings Limited	37,99,469	30.82%
2	Life Insurance Corporation Of India	3,50,586	2.84%
3	Mcdowell Holdings Limited	3,26,620	2.65%
4	Chakan Investment Private Ltd	2,17,877	1.77%
5	Devi Investments Private Limited	1,55,750	1.26%
6	Harjit Pal Singh	1,01,189	0.82%
7	Hafeez Sorab Contractor	1,00,000	0.81%
8	Paresh P Mehta	75,000	0.61%
9	Madhav Stock Vision Pvt. Ltd.	74,488	0.60%
10	Tarun Jain	73,471	0.60%

b) The top ten (10) shareholders of our Company as on ten (10) days prior to date of filing of this Letter of Offer with Stock Exchange is as follows:

Sr. No.	Name of the shareholder	No. of shares	%
1	United Breweries Holdings Limited	37,99,469	30.82
2	Life Insurance Corporation of India	3,50,586	2.84
3	McDowell Holdings Limited	3,26,620	2.65
4	Chakan Investment Private Ltd	1,62,369	1.32
5	Devi Investments Private Limited	1,55,750	1.26
6	Harjit Pal Singh	1,02,393	0.83
7	Murarilal Hariram Gupta	83,739	0.68
8	Tarun Jain	73,471	0.60
9	Santosh Murarilal Gupta	67,064	0.54
10	Ashok Babulal Shah	65,389	0.53

c) The top ten (10) shareholders of our Company as on two (2) years prior to the date of filing of this Letter of Offer with Stock Exchange is as follows:

Sr. No.	Name of the shareholder	No. of shares	%
1.	United Breweries Limited	37,26,749	30.23
2.	Life Insurance Corporation of India	3,66,082	2.96
3.	McDowell Holdings Limited	3,26,620	2.65
4.	TCS Stock Broking	1,78,050	1.44
5.	Devi Investments Private Limited	1,55,750	1.26
6.	Crimson Financial Services	1,50,000	1.22
7.	Harjit Pal Singh	1,02,393	0.83
8.	UB General Investments Limited	72,720	0.58
9.	K G Mohta	66,080	0.54
10.	Oriental Insurance Company Limited	64,397	0.52

11. The Equity Shares held by our Company's Promoters are not pledged to any party as on the date of this Letter of Offer except for the details given below:

- a. United Breweries (Holdings) Limited has pledged 36,97,500 equity shares of UBEL with the Bank of Rajasthan Limited on July 20, 2005 as a security for certain facilities availed.

Our Promoters may pledge their Equity Shares with Banks or Financial Institutions as additional security for loan whenever availed of from Banks or Financial Institutions provided pledge of Equity Shares is one of the terms of the sanction of loan.

12. The names of the natural persons in control (holding 10% or more voting rights) or are on the Board of the Board of Directors of any body corporate forming part of promoters group are as follows: -

Name of persons holding 10% or more voting rights are as follows:

Name of the company	Name of the person
Devi Investments Private Limited	Dr. Vijay Mallya, Mr. Neeraj Rawal
Kingfisher Airlines Limited	Dr. Vijay Mallya
United Racing & Bloodstock Breeders Ltd	Mr. Sreenivasulu Reddy

Names of persons on the Board of Directors of any body corporate forming part of Promoter Group are as follows:

Name of the Body Corporate	Board of Directors
United Breweries (Holdings) Limited	Dr. Vijay Mallya, Mr. Shrikant G. Ruparel, Mr. B.S.Patil, Mr. N Srinivasan, Mr. P A Murali, Mr. A. Harish Bhat, Mr. R N Pillai, Mr. Sidhartha V.Mallya, Mr. Piyush.G. Mankad
McDowell Holdings Limited	Dr. Vijay Mallya, Mr. A.Harish Bhat, Mr. N. Srinivasan, Mr. M.R.Doraiswamy Iyengar, Mr. V.S. Venkataraman.
Devi Investments Private Limited	Mr. Neeraj Rawal, Mr. P.K.Daruwalla, Mr. A.Raghunathan, Mr. K Subramani, Mr. P.G.Govindan
Kingfisher Radio Limited	Mr. A. Harish Bhat, Mr. P A Murali, Mr.Hemanth Menon
Deccan Aviation Limited	Lt.Gen. N S Narahari, Dr. Vijay Mallya, Mr. S N Ladhani, Capt. G.R. Gopinath, Capt. K J Samuel, Col. (Retd.) Jayanth K Poovaiah, Mr. Sudhir Choudhire, Mr. M. G. Mohan Kumar, Mr. Vivel Kalra, Mr. A. K. Ravi Nedungadi, Mr. Hitesh Harshad Patel, Mr. Vijay Amritraj, Prof. P. N. Thirunarayana, Mr. Anil Kumar Ganguly, Mr. Bala Deshpande
UB Infrastructure Projects Limited	Mr. A. Harish Bhat, Mr. P A Murali, Mr. Madhu K. Swamy
UB International Trading Limited	Mr.Shashikanth, Mr. V.Parameshwaran, Mr. K.Chandrasekhar, Mr. Shivender Singh, Mr.B.S.Patil, Mr. Deepak Sridhar
Kingfisher Training Academy Ltd	Mr. P Subramani, Mr A Harish Bhat & Mr Hemanth Menon
City Properties Maintenance Company Bangalore Ltd	Mr P Subramani, Mr A Harish Bhat & Mr V Shashikanth
UB Electronic Instruments Limited	Mr. S R Gupte, Mr. Deepak Anand, Mr. P Subramani
Kingfisher Airlines Limited	Dr. Vijay Mallya, Mr. S. R. Gupte, Mr. A. K. Ravi Nedungadi, Mr. V.K.Rekhi, Mr. Piyush.G Mankad, Mr. Arun Nanda, Mr. R. N. Pillai, Dr. Naresh Trehan
Asian Age Holdings Limited	Mr. M J Akbar, Mr. Venkatarama Reddy T V, Mr. Ravi Reddy, Mr. P.K.Iyer
Aventis Pharma Limited	Dr. Vijay Mallya, Dr. Shailesh Ayyangar, Mr. S R Gupte, Mr. A K Ravi Nedungadi, Mr. J M Gandhi, Mr. M Lienard, Mr. J Silvestre, Mr. Christophe Germain, Mr. O. Charmeil (alternate to Mr. M. Lienard), Mr. A Peychaud, Dr. S. Bhattacharya (alternate to Mr. J Silvestre), Mr. M. G. Rao (alternate Mr. A. Peychaud)
United Breweries Limited	Dr. Vijay Mallya, Mr. A K Ravi Nedungadi, Mr. Kalyan Ganguly, Mr.

	Sunil Kumar Alagh, Mr. John Nicholson, Mr. John Simon Hunt, Ms. Veronica Lesley Jackson, Mr. Chaghan Lal Jain, Mr. C.Y.Pal.
Mangalore Chemicals & Fertilisers Limited	Dr. Vijay Mallya, Mr. S R Gupte, Mr. Deepak Anand, Mr. Pratap Narayan, Mr. Shrikant G. Ruparel, Mr. B.S.Patil, Mr. N. Sunder Rajan, Mr K.Prabhakar Rao
WIE Engg Limited	Under Liquidation
Maltex Malsters Limited	Mr.Kalyan Ganguly, Mr. P.A.Murali, Mr. B.M.Labroo, Mrs.Kanta Labroo, Mr.Sanjay Labroo, Ms. Loveleena Labroo, Mr. Ajay Labroo, Mr. Tej Bhadur Saraf
United Racing & Bloodstock Breeders Limited	Dr. Vijay Mallya, Mr. P K Daruwalla, Mrs. Rekha Mallya, Mr. V Shashikanth, Mr. Zeyn Mirza
Pixray (India) Limited	Dr. C N Rao, Mr. T.P.N.Murthy, Mr. S.K.Saha
H. Parsons Private Limited	Mr. P.K.Daruwalla, Mr. Shekhar Rammurthy, Mr. Y.D.Acidwala
Face One Models Private Limited	560 application made to ROC to strike of the name from the Register of Registrar of Companies.
Rossi & Associates Private Limited	Mr. S.D.Lalla, Mr. A. Raghunathan, Mrs. Lalith Mallya, Mr. P.G.Govindan.
Associated Breweries and Distilleries Ltd	Mr. S.R.Gupte, Mr. Kalyan Ganguly, Ms.Veronica Lesley Jackson, Mr.S.D. Lalla, Mr. A.K.Das, Mr. Sharad Dalmia
United Spirits Limited	Dr. Vijay Mallya, Mr. S.R.Gupte, Mr. V.K.Rekhi, Mr. M.R.Doraiswamy Iyengar, Mr.Sudhindar Krishan Khanna, Mr. B.M.Labroo, Mr. Sreedhara Menon
Herbertsons Limited	Mr. A. Harish Bhat, Mr. P. A. Murali, Mr. V S Venkataraman
McDowell & Company Limited	Mr. P A Murali, Mr. V S Venkataraman, Mr. S N Prasad
Shaw Wallace & Co. Limited	Dr. Vijay Mallya, Mr. S R Gupte, Mr. A.K.Ravi Nedungadi, Mr. S D Lalla, Mr. C L Jain, Mr. S.G.Ruparel
Shaw Wallace Breweries limited	Dr. Vijay Mallya, Mr. S R Gupte, Mr. S D Lalla, A.K.Ravi Nedungadi, Mr.C.L.Jain, Mr. A.Harish Bhat, Mr. S. Narasimha Prasad
Ramonereti Investments & Trading Company Limited	Mr. A.Harish Bhat, Mr. P.A. Murali, Mr. P.M. Nene
Utkal Distilleries Limited	Mr. T.R.Ghosh, Mr. S.C.Singhal, Mr. Ronajoy Sarcar
United Alcobev Limited	Mr. A.Harish Bhat, Mr. R.N.Pillai, Mr.V.S.Venkataraman
United Vintners Limited	Mr. P.A.Murali, Mr. R.N.Pillai, Mr.V.S.Venkataraman, Mr. I.P.Suresh Menon.
McDowell Beverages Limited	Mr. P.A.Murali, Mr.V.S.Venkataraman, Mr. S. Narasimha Prasad.
Four Seasons Wines Limited	Dr. Vijay Mallya, Mr. V.K.Rekhi, Mr. S.D. Lalla, Mr. P.A.Murali, Mr. Abhay Khewadkar.
Daffodils Flavours and Fragrances Private Limited	Mr. P.A.Murali, Mr.V.S.Venkataraman, Mr. S. Narasimha Prasad.
Primo Distributors Private Limited	Mr. P.A.Murali, Mr. V.S.Venkataraman, Mr. A.Harish Bhat, Mr.S. Narasimha Prasad.
Watson Limited	Mr Jay Vallabh and Mrs. Susanne Vallabh

13. There are no 'buyback', 'standby' or similar arrangement for the purchase of securities offered through this Letter of Offer by our Company, its Promoters, Directors and the Lead Manager, except as mentioned in this Letter of Offer.
14. The Equity Shares of our Company are of face value of Rs.10/- and marketable lot is 1 (one) Equity Share. At any given time there shall be only one denomination for the Equity Shares of our Company and our Company shall adhere to the disclosure and accounting norms specified by SEBI from time to time for this purpose.
15. Our Company has not issued any Equity Shares or granted any options under any scheme of employees' stock option or employees' stock purchase.
16. Our Company has not availed of "bridge loans" to be repaid from the proceeds of the Issue.

17. Our Company has not revalued its assets in the last five years preceding the date of this Letter of Offer except for the year ended March 31, 2005, as detailed below:

Particulars	Amount Added on Revaluation (Rs. In Lacs)
Land	298.76
Buildings	274.41
Plant & Machinery	1569.19
Total	2142.36

18. Our Company has not issued any shares out of the revaluation reserves at any point of time.
19. No further issue of capital by way of issue of bonus shares, preferential allotment, rights issue or public issue or in any other manner which will affect the equity capital of our Company, shall be made during the period commencing from the filing of the Letter of Offer with SEBI and the date on which the Equity Shares issued under the Letter of Offer are listed or application moneys are refunded on account of the failure of the Issue. Further, our Company, presently, does not have any proposal, intention, negotiation or consideration to alter the capital structure by way of split/ consolidation of the denomination of the shares/ issue of shares on a preferential basis or issue of bonus or rights or public issue of Equity Shares or any other securities within a period of six months from the date of opening of the present Issue. However, if business needs of our Company so require, our Company may alter the capital structure by way of split/ consolidation of the denomination of the shares/ issue of shares on a preferential basis or issue of bonus or rights or public issue of shares or any other securities whether in India or abroad during the period of six months from the date of listing of the Equity Shares issued under this Letter of Offer or from the date the application moneys are refunded on account of failure of the Issue, after seeking and obtaining all the approvals which may be required for such alteration.
20. Our Company has no partly paid up Equity Shares and no calls in arrears. The entire Issue price of Rs.126 per Equity Share is to be paid on application. Hence there will be no partly paid up shares arising out of this Issue.
21. None of the shares held by the Promoters are locked-in.
22. The Equity Shares offered through this Issue shall be made fully paid up or may be forfeited within twelve months from the date of allotment of securities in the manner specified in clause 8.6.2 of SEBI (DIP) Guidelines.
23. Our Company, its Promoter(s), its directors or any of our Company's Promoter Group companies and companies in which the directors of our Company are associated as director(s) or Promoter(s) have not been prohibited from accessing the capital market under any order or direction passed by SEBI or any other regulatory authority.
24. Our Company has not capitalized any of its reserves or profits since inception except for the details given below:

Date of Allotment	No. of Equity Shares	Face Value	Reasons for Allotment/ Reduction
30/06/1978	2,40,140	10	Bonus Issue (1:1)
06/05/1983	6,72,336	10	Bonus Issue (3:5)

25. As per Notification No. FEMA 20/2000-RB dated May 03, 2000 of the RBI, the RBI has given general permission to Indian companies to issue shares on rights basis to Non-Residents. Hence our Company does not need in-principle permission from RBI for issue of shares on rights basis to Non-Residents, on a repatriable basis.

By virtue of Circular No. 14 dated September 16, 2003 issued by the RBI, overseas corporate bodies ("OCBs") have been derecognised as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Accordingly, OCBs shall not be eligible to subscribe to the Equity Shares. The

RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated nonresident entities. Thus, OCBs desiring to participate in this Issue must obtain prior approval from the RBI. On providing such approval to our Company at its registered office, the OCB shall receive the Letter of Offer and the CAF.

However, the right shares would be subject to the same conditions, including restrictions in regard to repatriability as are applicable to the original shares against which right shares are issued. The Board of Directors may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the allotment of shares, payment of interest etc. to the NR Shareholders.

- 26.** The Issue will remain open for 30 days. However, the Board will have the right to extend the Issue period as it may determine from time to time but not exceeding 60 days from the Issue Opening Date.

OBJECTS OF THE ISSUE

Our company intends to use the proceeds of the present Rights Issue of 47,40,819 Equity Shares of Rs.10/- each at Rs. 126 per Equity Share aggregating Rs. 59,73,43,194 for meeting the following objectives:

- I. Repayment of loans along with interest due
- II. Working Capital Requirement
- III. To augment the networth of our Company
- IV. General Corporate Purposes
- V. Meeting Issue Expenses

The details of the proceeds of the Issue are summarized below:

Particulars	Amount (Rs. in Lacs)
Gross proceeds of the Issue	5973.43
Estimated Issue related expenses	200.00
Net Proceeds of the Issue	5773.43

Use of Net Proceeds of the Issue

The details of the proceeds utilization of the net Issue proceeds are as follows:

Sr. No	Particulars	Amount (Rs. In Lacs)
1	Repayment of loans along with interest due	4748.58
2	Working Capital Requirement	800.00
3	General Corporate Purposes	224.85
	Total	5773.43

The main objects clause and objects incidental or ancillary to the main objects clause of the Memorandum of Association of our Company enable us to undertake its existing activities. The above fund requirements and deployment are based on the estimates of our management and have not been appraised by any bank or financial institution or independent third party entity. These fund requirements are based on the current business plans of our Company. In view of the competitive nature of the industry in which our Company operates, our Company may have to revise its business plans from time to time and consequently its fund requirements may also change. This may include rescheduling of capital expenditure programs, starting non-planned new project's, terminating projects currently planned and increase or decrease in the capital expenditure for a particular business unit vis-à-vis current plans at the discretion of the management of our Company. In case of any shortfall/cost overrun, our Company intends to meet the fund requirements from the internal accruals/borrowings.

Details of the use of Issue Proceeds

A detailed break up of the funds required is provided in the following paragraphs.

I. Repayment of loans along with interest due

As on September 30, 2007 our Company has a negative net worth of Rs. 3732.46 lacs. Further, our secured loans and unsecured loans as on September 30, 2007 are Rs. 5107.67 lacs and Rs. 35.00 lacs respectively. Due to increased debt burden and lower margins, we incurred losses of Rs.8192.24 Lacs, Rs. 1,509.88 Lacs, Rs. 652.29 Lacs and Rs. 1,045.28 Lacs in the financial years ended March 31, 2003, March 31, 2004, March

31, 2005 and March 31, 2006 respectively. For the financial year ended March 31, 2007 and six months period ended September 30, 2007 we had incurred a profit of Rs.8019.03 Lacs and Rs.347.46 Lacs respectively.

In order to improve the financial position of our Company by focusing on reduction in debt levels, we initiated a One Time Settlement with Consortium of Bankers. Under the OTS, our Company has paid 42% of the outstanding bank ledger balances as on the date of filing of the application in Debt Recovery Tribunal of every bank towards full and final settlement of all their dues.

As on March 31, 2006 total outstanding principal and interest payable to the consortium was Rs. 52.01 Crores and Rs. 40.51 Crores respectively. As per OTS proposal, 42% of the principal amount i.e. Rs. 21.76 Crores was paid and the balance along with interest was waived off. As on date, our Company has paid all the dues of all the members of Consortium, as per terms of the OTS.

Out of the Issue Proceeds, we propose to repay loans including interest amounting to Rs.4748.58 Lacs, availed from our promoter United Breweries (Holdings) Limited and its wholly owned subsidiary UB Infrastructure Projects Limited. The loan from United Breweries (Holdings) Limited to the extent of Rs.4,282.06 Lacs (including estimated interest upto January 31, 2008 of Rs.282.06 Lacs) and from UB Infrastructure Projects Limited is to the extent of Rs.466.52 Lacs (including estimated interest upto January 31, 2008 of Rs. 307.54 Lacs). This repayment will help us to reduce the interest burden and thereby improve the profitability. The terms and conditions of the said loan agreements are as follows:

A. Loan availed from United Breweries (Holdings) Limited:

Our Company had availed another loan of Rs. 4000 lacs from UBIPL vide agreement dated October 03, 2006, which was subsequently assigned to UBHL in terms of an agreement dated May 21, 2007. The terms and conditions of the said loan agreement are as follows:

Name of the Lender	United Breweries (Holdings) Limited
Date of Loan Agreement	May 21, 2007
Amount Sanctioned (Rs. In Lacs)	4,000
Amount Due upto January 31, 2008 (Rs. In Lacs)	Principal Amount – 4,000.00 Interest Amount till January 31, 2008 – 282.06 Aggregate Amount – 4282.06
Purpose	To meet corporate commitments
Tenor	One year
Interest Rate & payment	13% per annum & Interest payable in quarterly installments
Due Date of Repayment	One year from the date of disbursement of the last tranche of the loan
Principal Repayment	Repayable at the end of the tenure through a single bullet payment
Pre Payment	Borrower can repay the loan together with accrued interest before the expiry of its tenure by giving the lender three months written notice.
Restrictive covenants	Nil
Prime Security/Collateral	Second Charge on all the assets of our Company, both fixed assets, movable and immovable
Recall	At any time during the tenure of the loan, the lender may recall the entire loan with interest outstanding as at that date by giving the borrower written notice of three months.

B. Loan availed from UB Infrastructure Projects Limited:

Our Company entered into an agreement with UB Infrastructure Projects Limited and raised an amount of Rs. 1000 lacs. The terms and conditions of the said loan agreement are as follows:

Name of the Lender	UB Infrastructure Projects Limited
Date of Loan Agreement	January 24, 2007
Amount Sanctioned (Rs. In Lacs)	1,000
Amount Due upto January 31, 2008 (Rs. In Lacs)	Principal Amount – 158.98 Interest Amount till January 31, 2008 – 307.54 Aggregate Amount – 466.52
Purpose	To meet corporate commitments
Tenor	One year
Interest Rate & payment	13% per annum & Interest payable in quarterly installments Upfront Interest payment of 2% on the loan amount
Due Date of Repayment	One year from the date of disbursement of the last tranche of the loan
Principal Repayment	Repayable at the end of the tenure through a single bullet payment
Pre Payment	Borrower can repay the loan together with accrued interest before the expiry of its tenure by giving the lender three months written notice.
Restrictive covenants	Nil
Prime Security/Collateral	Second Charge on all the assets of our Company, both fixed and movable
Recall	At any time during the tenure of the loan, the lender may recall the entire loan with interest outstanding as at that date by giving the borrower written notice of three months.

UBHL has given its consent to adjust the said secured loan against their Rights entitlement. The said loan given by UBHL will be adjusted against the share application money due from UBHL towards its subscription to its entitlement in full, subscription to renounced equity shares of Devi Investments Private Limited and subscription to the unsubscribed portion, if any, in this Rights Issue, which is in compliance with the provisions of the Companies Act.

M/s V.P. Mehta & Company, our Statutory Auditors have certified vide their certificate dated December 10, 2007, that the above loans were utilized as follows:

Particulars	Amount (Rs. in Lacs)
One Time Settlement to Consortium Banks	2,176.00
Repayment of earlier loans from other bank	420.00
Payment towards invoked Bank Guarantees and Commission	328.00
Other General Corporate Purposes	1,234.98
Repayment of earlier loans from Apna Sahkari Bank	200.00
Payment towards BG commission, bank management fees, margin deposits etc.	411.42
Arrear payment towards government duties and taxes	109.72
Payment towards statutory dues	178.88
Settlement of old claims	216.82
Other payments	118.14
Total	4,158.98

II. Working Capital Requirement:

Due to financial constraints faced by us, we did not have access to non-fund based facilities and accordingly, our Company had resorted to third party contracts. Further, to circumvent the problem of lack of access to non-fund based facilities from banks, we had to partner with other companies to jointly bid for contracts

wherein we brought in the execution capabilities and our partners provided the financial commitments. In these joint bids our margins are lower as compared to the contracts that we executed on our own in the past. However, consequent to OTS with Consortium Bankers, we expect that increasingly contracts would be executed independently by our Company.

The Company had negative working capital gap for the year ended March 31, 2007 and for six months period ended September 30, 2007. However, in view of the developments mentioned above, there would be an increase in working capital requirement of our Company and is proposed to be met partly through the proceeds of the issue. The basis of estimation of working capital requirement is given below:

Particulars	Period in days (FY 06-07)	Period in days (FY 07-08) for six months period ended 30.09.2007	Period in days (FY 07-08)
Debtors	110	192	132
Creditors	139	142	140

(Rs. in lacs)

Particulars	Year ended 31.03.2007 (Audited)	Six months period ended 30.09.2007 (Audited)	Year ended 31.03.2008 (Estimated)
Current Assets			
Work In Progress	1283.63	1254.50	315.00
Sundry Debtors	6583.68	8123.78	8448.34
Other Advances	857.47	1041.32	1,215.32
Cash & Bank	552.80	1265.36	851.00
Total	9277.58	11684.96	10829.66
Current Liabilities			
Sundry Creditors	8017.39	9176.09	8,077.66
Other Current Liabilities	1916.06	2754.81	1,252.00
Total	9933.45	11930.90	9,329.66
Working Capital Gap	(655.87)	(245.94)	1500.00
Financed by:			
Banks	-	-	-
Internal Accruals	-	-	750.00
Proceeds of the issue	-	-	800.00

The company presently enjoys the Non- Fund facilities of Rs.3,500 lacs from Yes Bank Limited. For funds based facilities, we do not envisage any difficulty in raising the additional working capital requirements from banks and the same shall be done at an appropriate time.

III. Augmentation of the networth of Our Company

As on September 30, 2007, our Company has a negative net worth of Rs. 3732.46 lacs. To augment the net worth and improve the overall financial health of our Company, including improvement of our financial gearing, our Board has proposed to raise equity funds from our existing shareholders through a Rights Issue.

IV. General Corporate Purposes

The application of issue proceeds for general corporate purposes for our Company, would include but not be restricted to payment of outstanding dues, financing our further expansion plans, capital expenditure, investment in technology up-gradation, meeting exigencies, which our Company in the ordinary course of business may not foresee. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

V. Issue expenses

The total expenses of the Issue are estimated to be approximately Rs.200 lacs. The Issue related expenses include, among others, issue management fees, registrar fees, printing and distribution expenses, auditor fees, legal fees, advertisement expenses, stamp duty, depository charges and listing fees to the stock exchanges. The total expenses for the Issue are 3.35% of the size of the Rights Issue. The following table gives break-up of estimated Issue expenses:

Particulars	Estimated Expenses (Rs. In lacs)	% of the Issue Expenses	% of Total Issue Size
Fees payable to advisors	121	60.50%	2.03%
Advertisement Expenses	5	2.50%	0.08%
Printing, Postage and Stationery	44	22.00%	0.74%
Filing & Stamp duty fees	24	12.00%	0.40%
Contingency	6	3.00%	0.10%
Total	200	100.00%	3.35%

Means of Finance

Particular	Amount (Rs in Lacs)
Rights Issue of 47,40,819 Equity Shares of Rs. 10/- each at Rs. 126 per Equity Share	5,973.43
Total	5,973.43

Appraisal

The fund requirements and deployment have not been appraised by any Bank or Financial Institution.

Year wise break up of expenditure

The entire Issue proceeds are expected to be utilized within the current financial year. Hence the year wise break up of expenditure is not disclosed.

Interim Use of Proceeds

Pending any use as described above, Our Company intends to invest the proceeds of this Issue in short term liquid instruments/securities including deposits with banks for the necessary duration. These investments would be authorized by our board or by a duly authorized committee thereof.

Monitoring of Utilization of funds

The Board of Directors of our Company will monitor the utilization of the proceeds of the Issue. Our Company has not appointed any monitoring agency. The Company will disclose the utilization of proceeds of the Issue under a separate head in its balance sheet for FY 2008 specifying the purpose for which such proceeds have been utilized. Our Company, in its balance sheet for FY 2008, will provide details, if any, in relation to all such proceeds of the Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Issue. However, at any point of time the proceeds of the Issue will not be used for any other purposes, except as those stated in the Memorandum of Association of our Company.

As disclosed under the head "Objects of the Issue" a significant portion of the Rights Issue proceeds will be used towards meeting the liability in respect of loans availed by our Company from UBHL, one of the Promoters and its subsidiary. No part of the Rights Issue proceeds, will be paid by the Company, as consideration to Directors, Company's Key managerial personnel's or companies promoted by the Promoters except in the normal course of business.

BASIC TERMS OF THE ISSUE

EQUITY SHARES

Face Value	Each Equity Share has the face value of Rs.10/-.
Issue Price	Each Equity Share is being offered at a price of Rs.126/- per share (including a premium of Rs.116/- per share).
No. of Equity Shares offered	47,40,819 Equity Shares of Rs.10/- each
Rights Entitlement Ratio	The Equity Shares are being offered on rights basis to the existing Equity Shareholders of the Company in the ratio of 5 Equity Shares for every 13 Equity Shares held as on the Record Date.
Record Date	December 26, 2007
Market Lot	The market lot for Equity Shares in dematerialized mode is 1 (one). In case of holding of Equity Shares in physical form, our Company would issue to the allottees one (1) certificate for the Equity Shares allotted to one (1) folio ("Consolidated Certificate").
Terms of Payment	100% of the issue price i.e. Rs.126/- per Equity Share (Rs.10/- face value + Rs.116/- share premium) is payable on Application.
Fractional Entitlements	<p>Fractional entitlement will be ignored. Equity shareholders whose fractional entitlement are being ignored would be given preferential allotment of one additional equity share, if they apply for additional Equity Shares.</p> <p>Those Equity shareholders having holding less than 3 (Three) Equity shares and therefore entitled to zero Equity Shares under the Rights Issue shall be dispatched a CAF with zero entitlement. Such Equity Shareholders are entitled to apply for additional Equity Shares. However, they cannot renunciate the same to third parties. CAF with zero entitlement will be non negotiable/non renunciabile.</p>
Ranking of Equity Share	The Equity Shares allotted pursuant to this Issue shall be subject to the Memorandum and Articles of Association of our Company and the Companies Act, 1956 and shall rank <i>pari passu</i> with the existing Equity Shares in all respects including dividend.

For more details please refer to "Section VII – Issue Related Information" beginning on page 271 of this letter of offer.

BASIS OF ISSUE PRICE

The Issue Price has been determined in consultation with Lead Manager to the Issue considering following qualitative & quantitative factors. Investors should also refer to the section “Risk Factors” and “Auditors’ Report” beginning on page no.ix and 88 respectively to get a more informed view before making the investment decision.

Qualitative Factors:

- **UB Engineering Limited is a part of the UB Group:** The UB Group is one of India’s large conglomerates with a turnover in excess of US\$2 billion. The UB Group has diverse interests in brewing, distilling, real estate, engineering, fertilizers, information technology and civil aviation. The UB Group is professionally managed and is lead by Dr. Vijay Mallya, Group chairman.
- **Experience and track record:** UB Engineering is supported by a track record of over three decades and has acquired requisite expertise to undertake large industrial projects.
- **Established Clientele:** We have serviced esteemed clientele like Bechtel International Inc., USA, Mitsubishi Heavy Industries, Japan, Hitachi Plant Construction, Japan, Toshiba Corporation, Japan, Sumitomo Corporation, Japan, Bharat Heavy Electricals Limited, India, Reliance Petroleum Limited, India.
- **ISO 9001- 2000 certified company** by Phoenix Progressive Certification Enterprises Ltd.
- **Existing base of owned construction equipments**
- **Operations spread across various sectors of infrastructure development:** Our Company has executed various projects in different sectors of infrastructure like Power (Thermal, Gas, Hydro and Nuclear), Desalination, Refineries & Petrochemicals, Fertilizer, Steel, Cement and electrical substations. Such diversification in different sectors enables us to reduce dependence on any one sector or nature of the project.
- **Availability of Experienced Management & Supervisory Staff**

Quantitative Factors:

Information presented in this section is derived from our standalone audited restated financial statements prepared in accordance with Indian GAAP.

(i) Weighted Average Earning per Equity Share (EPS)

In Rupees

Particulars	Before the Extra Ordinary Items	After the Extra Ordinary Items	Weight
Year ended March 31, 2005	(7.69)	(5.29)	1
Year ended March 31, 2006	(16.11)	(8.48)	2
Year ended March 31, 2007	(21.85)	65.06	3
Weighted Average	(17.58)	28.82	

Note:

1. The above figures are based on recast financial statements included in this Letter of Offer. The EPS for six months period ended September 30, 2007 before the Extra Ordinary Items is Rs.2.07 and after the Extra Ordinary Items is Rs.2.82. The EPS as per the books of accounts for the year ended March 31, 2007 was Rs.2.13.
2. Our Company’s adjusted net profit was Rs.8,019.03 lacs for the year ended March 31, 2007 as compared to adjusted loss of Rs.1.045.28 lacs for the year ended March 31, 2006. This increase in our net profit is mainly on account of one time benefit of OTS with Consortium of Banks and reversal of excess provisions related to earlier years, written back in the year ended March 31,

2007. While recasting the financials in accordance with SEBI (DIP) Guidelines and based on audit qualifications, the Company has shown a loss of Rs.8,288.98 lacs in the financial year ended March 31, 2003. The amounts relating to these audit qualifications were recorded in the books of accounts of the Company over a period of time with a major adjustment of Rs.6,757.08 in the financial year ended March 31, 2007. The said amount is set off against actual debtors and other write offs amounting to Rs.6,685.09 lacs in the books of accounts as on March 31, 2007.

(ii) Price Earnings Ratio (P/E Ratio) pre-Issue in relation to Issue Price of Rs.126 per Equity Share

- For the year ended March 31, 2007, EPS, as restated, before the Extra Ordinary Items is Rs.(21.85).
- P/E based on profits before the Extra Ordinary Items, as restated, for the year ended March 31, 2007 is not meaningful.
- Industry P/E

Highest (Lanco Infratech Ltd.)	103.2
Lowest (Pitti Laminations Ltd.)	6.2
Industry Composite	34.4

Source: Capital Market, December 03 – December 16, 2007, Category – Engineering

(iii) Weighted Average Return on Net Worth

Particulars	RONW %	Weight
Year ended March 31, 2005	-	1
Year ended March 31, 2006	-	2
Year ended March 31, 2007	-	3
Weighted Average	-	

This parameter is not meaningful since our Company has a negative network.

RONW has been computed by dividing Adjusted Profit after Tax and extraordinary items by Net Worth. The Weighted Average of Return on Net Worth (%) for these fiscal years have been computed by giving weights of 1, 2 and 3 for the fiscal years ending March 31, 2005, 2006 and 2007 respectively.

(iv) Minimum Return on Increased Net Worth required to maintain pre-issue EPS as on March 31, 2007 – Not meaningful since our Company has a negative EPS & network

(v) Net Asset Value (NAV):

- NAV per Equity Share for the year ended March 31, 2007 is Rs. (33.10)
- NAV per Equity Share for six months period ended September 30, 2007 is Rs. (30.28)
- NAV per Equity Share after the Issue is Rs.13.13
- Issue Price per Equity Share is Rs.126/-.

Net Asset Value per Equity Share represents shareholders' equity (after deduction of preference capital) as per restated standalone financial statements less revaluation reserves, miscellaneous expenses and debit balance in the profit and loss account as divided by weighted average number of Equity Shares outstanding as of date .

(vi) Comparison of key ratios with some of the comparable Companies in the same industry group

Description	Period Ended	EPS (Rs)	P/E (Times)	Return on Net Worth (%)	Net Asset Value per Equity Share (Rs.)
UB Engineering Limited	March '07	(21.85)*	-	(1.97)	(33.10)
Stewarts & Lloyds of India Ltd	March '07	11.20	19.3	19.7	64.60
Alstom Projects India Ltd.	March '07	14.60	60.2	34.6	49.50
Mukand Engineers Ltd.	March '07	1.70	13.8	5.7	29.70
Sunil Hitech Engineers Ltd	March '07	7.50	20.6	14.2	56.30

Industry Average – Engineering		34.4		
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* EPS before Extra Ordinary Items

Source: Our EPS, Return on Networth and Net Asset Value per Equity Share is as per our audited restated financial statements; Sources for all other peer group companies and industry average for P/E Multiple is "Capital Market" December 03 – December 16, 2007, Category – 'Engineering' & 'Engineering & Turnkey Projects'

Un-audited Working Results for the latest Period

Information as required by Government of India, Ministry of Finance Circular No. F2/5/SE/76 dated February 5, 1977 as amended vide Circular of even no dated March 8, 1997 is given below:

Please refer to page no. 158 of this Letter of Offer.

Share Prices of UB Engineering Limited

Week end prices of Equity Shares of our Company for the last four weeks on BSE along with the highest and lowest price are as below:

Week ended on	Closing Price	Highest Price	Lowest Price
December 20, 2007	136.40	146.95	135.50
December 14, 2007	167.85	174.95	165.00
December 07, 2007	151.40	161.45	151.40
November 30, 2007	144.75	144.75	144.75

Market Price as on December 07, 2007 is: Rs. 151.40

Source: BSE Website

The Equity Shares of our Company were trading cum-rights till December 14, 2007 and started trading on ex-rights basis from December 17, 2007 on BSE.

The Face Value of the shares is Rs. 10/- per share and the Issue Price of Rs.126/- is 12.6 times the Face Value of the Equity Shares.

Based on the above mentioned qualitative factors and market price of the Equity Shares of our Company, we and the Lead Manager to the Issue, are of the opinion that the Issue price of Rs.126 per Equity Share is reasonable and justified.

STATEMENT OF TAX BENEFITS

UB Engineering Limited,
Sahyadri Sadan,
Tilak Road,
Pune – 411 030

Dear Sirs,

Statement of possible Tax Benefits available to the Company and its shareholders

We report that the enclosed statement states the possible tax benefits available to the Company and to the shareholders of the Company under the Income Tax Act, 1961 and Wealth Tax Act, 1957, presently in force in India. Several of these benefits are dependent on the company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholder to derive the tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

We do not express any opinion or provide any assurance as to whether:

1. The Company or its shareholders will continue to obtain these benefits in future. or
2. The conditions prescribed for availing the benefits have been / would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the company and on the basis of their understanding of the business activities and operations of the Company.

For V. P. Mehta & Company
Chartered Accountants

Vipul Pranlal Mehta
Proprietor
Membership No. 35722

Place: Mumbai
Date: December 10, 2007

The Statement of Possible Tax Benefits available to the Company and its Shareholders

The tax benefits listed below are the possible benefits available under the current tax laws in India. Several of these benefits are dependent on the Company or its Shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its Shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may not choose to fulfill.

The following tax benefits shall be available to the Company and the prospective shareholders under Direct Tax.

1 **To the Company - Under the Income-tax Act, 1961 (the Act)**

- 2.1 Under section 10(34) of the Act, any income by way of dividends referred to in Section 115O (i.e. dividends declared, distributed or paid on or after April 1, 2003 by domestic companies) received on the shares of any company is exempt from tax.
- 2.2 Under section 10(35) of the Act, any income received in respect of the units of a Mutual Fund specified under section 10(23D) is exempt from tax.
- 2.3 Under Section 32 of the Act, the Company can claim depreciation allowance at the prescribed rates on tangible assets such as building, plant and machinery, furniture and fixtures, etc. and intangible assets such as patent, trademark, copyright, know-how, licenses, etc. if acquired after March 31, 1998. In terms of Clause (iia) of sub-section (1) of section 32 of the Act, the Company is entitled to further deduction of 20% as additional depreciation on new plant & machinery acquired and installed after March 31st March 2005, subject to conditions specified therein.
- 2.4 Under Section 35D of the Act, the Company will be entitled to a deduction equal to 1/5th of the expenditure incurred of the nature specified in the said section, including expenditure incurred on present issue, such as under writing commission, brokerage and other charges, as specified in the provision, by way of amortization over a period of 5 successive years, beginning with the previous year in which the new unit commences production, subject to the stipulated limits.
- 2.5 Under Section 35DDA of the Act, the company will be entitled to a deduction equal to 1/5th of the expenditure incurred in connection with Voluntary Retirement Scheme in the said section, by way of amortization over a period of 5 successive years, beginning with the previous year in which such sum has been paid to the employees in connection with such scheme.
- 2.6 In terms of Section 115JAA (1A) of the Act tax credit shall be allowed for any Assessment Year commencing on or after April 01, 2006. Credit eligible for carry forward is the difference between MAT paid and the tax computed as per the normal provisions of the Act. The credit is available for set off only when tax becomes payable under the normal provisions and that tax credit can be utilized to set-off any tax payable under the normal provisions in excess of MAT payable for that relevant year. Such MAT credit shall not be available for set-off beyond 5 years succeeding the year in which the MAT credit initially arose. However, as per Finance Act 2006 MAT credit can be set-off up to 7 years succeeding the year in which the MAT credit initially arose in respect of tax paid under MAT for FY 2006-07 onwards.
- 2.7 In terms of sub section (2) of 32 of the Act, the company is entitled to carry forward and set off the unabsorbed depreciation arising due to absence / insufficiency of profits or gains chargeable for the previous year. The amount is allowed to be carried forward and set off for the succeeding previous years until the amount is exhausted without any time limit.
- 2.8 In terms of section 72 of the Act, the Company is entitled to carry forward business losses for a period of 8 consecutive assessment years commencing from the assessment year when the losses were first computed and set off such losses from income chargeable under the head "Profits and gains from business or profession".
- 2.9 In terms of section 74 of the Act, the Company is entitled to carry forward losses under the head capital gains for a period of 8 consecutive assessment years commencing from the assessment year when the

losses were first computed. Short term capital losses can be set off against any income chargeable under the head “capital gains”; long term capital losses can be set off only against long term capital gains.

Wealth-tax Act, 1957

2.10 In terms of section 2(m) of the Wealth tax Act, 1957, the Company is entitled to reduce debts owed in relation to the assets which are chargeable to wealth tax in computing the net taxable wealth.

2. To the Members of the Company – Under the Income Tax Act

a) Resident Members

- i. Under Section 10(34) of the Act, income earned by way of dividend from domestic company referred to in Section 115-O of the Act is exempt from income-tax in the hands of the shareholders.
- ii. Under Section 10(38) of the Act, long term capital gain arising to the shareholder from transfer of a long term capital asset being an equity share in the company (i.e. capital asset held for the period of more than twelve months) entered into in a recognized stock exchange in India and being such a transaction, which is chargeable to Securities Transaction Tax, shall be exempt from tax. However, as per Finance Act 2006 long term capital gains of a company shall be taken into account in computing tax payable under section 115JB.
- iii. In terms of Section 88E of the Act, the Securities Transaction Tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of the business would be eligible for rebate from the amount of income-tax on the income chargeable under the head ‘Profits and Gains under Business or Profession’ arising from taxable securities transactions.
- iv. As per the provisions of Section 10(23D) of the Act, all mutual funds set up by public sector banks, public financial institutions or mutual funds registered under the Securities and Exchange Board of India (SEBI) or authorized by the Reserve Bank of India are eligible for exemption from income-tax, subject to the conditions specified therein, on their entire income including income from investment in the shares of the company.
- v. Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by –
 - National Highways Authority of India (‘NHAI’) constituted under Section 3 of National Highways Authority of India Act, 1988 and notified by the Central Government in the Official Gazette for the purpose of this section;
 - Rural Electrification Corporation Limited (‘RECL’), a company formed and registered under the Companies Act, 1956 and notified by the Central Government in the Official Gazette for the purpose of this section;

If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. However, the amount so exempted shall be chargeable to tax subsequently, if the new bonds are transferred or converted into money within three years from the date of their acquisition.

The Finance Bill, 2007 has proposed a maximum limit of Rs. 50 Lacs that can be invested by any assessee in the above Bonds. (The Bill is yet to be passed by the Parliament)

- vi. Under Section 54F of the Act, where in the case of an individual or HUF capital gain arise from transfer of long term assets [other than a residential house and those exempt u/s 10(38) of the Act] then such capital gain, subject to the conditions and to the extent specified therein, will be exempt if the net sales consideration from such transfer is utilized for purchase of residential house property within a period of one year before or two year after the date on which the transfer took place or for construction of

residential house property within a period of three years after the date of transfer. If only a part of the net consideration is so reinvested, the exemption shall be proportionately reduced.

- vii. Under Section 111A of the Act, capital gains arising from transfer of short term capital assets, being an equity share in a company which is subject to Securities Transaction Tax will be taxable under the Act @ 10% (plus applicable surcharge and educational cess).
- viii. Under Section 112 of the Act and other relevant provisions of the Act, long term capital gains [not covered under Section 10(38) of the Act] arising on transfer of shares in the Company, if shares are held for a period exceeding 12 months, shall be taxed at a rate of 20% (plus applicable surcharge and educational cess on income-tax) after indexation as provided in the second proviso to Section 48 or at 10% (plus applicable surcharge and educational cess on income-tax) (without indexation), at the option of the Shareholders.

2.2 Non Resident Indians/Members other than Foreign Institutional Investors and Foreign Venture Capital Investors

- i) By virtue of Section 10(34) of the Act, income earned by way of dividend income from a domestic company referred to in Section 115-O of the Act, is exempt from tax in the hands of the recipients.
- ii) Under Section 10(38) of the Act, long term capital gain arising to the shareholder from transfer of a long term capital asset being an equity share in the company or unit of an equity oriented mutual fund (i.e. capital asset held for the period of more than twelve months) entered into in a recognized stock exchange in India and being such a transaction, which is chargeable to Securities Transaction Tax, shall be exempt from tax.
- iii) In terms of Section 88E of the Act, the Securities Transaction Tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of the business would be eligible for rebate from the amount of income-tax on the income chargeable under the head 'Profits and Gains under Business or Profession' arising from taxable securities transactions.
- iv) Under the first proviso to section 48 of the Act, in case of a non resident, in computing the capital gains arising from transfer of shares of the company acquired in convertible foreign exchange (as per exchange control regulations), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. Cost indexation benefits will not be available in such a case.
- v) Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets [other than those exempt u/s 10(38) of the Act] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds issued by—
 - a) National Highways Authority of India ('NHAI') constituted under Section 3 of National Highways Authority of India Act, 1988 and notified by the Central Government in the Official Gazette for the purpose of this section;
 - b) Rural Electrification Corporation Limited ('RECL'), a company formed and registered under the Companies Act, 1956 and notified by the Central Government in the Official Gazette for the purpose of this section; and

If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. However, the amount so exempted shall be chargeable to tax subsequently, if the new bonds are transferred or converted into money within three years from the date of their acquisition.

The Finance Bill, 2007 has proposed a maximum limit of Rs. 50 Lacs that can be invested by any assessee in the above Bonds. (The Bill is yet to be passed by the Parliament)

- vi) Under Section 54F of the Act, where in the case of an individual or HUF capital gain arise from transfer of long term assets [other than a residential house and those exempt u/s 10(38) of the Act] then such capital

gain, subject to the conditions and to the extent specified therein, will be exempt if the net sales consideration from such transfer is utilized for purchase of residential house property within a period of one year before or two year after the date on which the transfer took place or for construction of residential house property within a period of three years after the date of transfer. If only a part of the net consideration is so reinvested, the exemption shall be proportionately reduced.

- vii) Under Section 111A of the Act, capital gains arising from transfer of short term capital assets, being an equity share in a company which is subject to Securities Transaction Tax will be taxable under the Act @ 10% (plus applicable surcharge and educational cess).
- viii) Under Section 112 of the Act and other relevant provisions of the Act, long term capital gains [not covered under Section 10(38) of the Act] arising on transfer of shares in the Company, if shares are held for a period exceeding 12 months, shall be taxed at applicable rates.
- ix) **Taxation of Income from investment and Long Term Capital Gains [other than those exempt u/s 10(38)]**
 - a) A non-resident Indian, i.e. an individual being a citizen of India or person of Indian origin has an option to be governed by the special provisions contained in Chapter XIIA of the Act, i.e. "Special Provisions Relating to certain incomes of Non-Residents".
 - b) Under Section 115E of the Act, where shares in the company are subscribed for in convertible Foreign Exchange by a non-resident Indian, capital gains arising to the non resident on transfer of shares held for a period exceeding 12 months shall [in cases not covered under Section 10(38) of the Act] be concessionally taxed at a flat rate of 10% (plus applicable surcharge and educational cess) without indexation benefit but with protection against foreign exchange fluctuation under the first proviso to Section 48 of the Act.
 - c) Under provisions of section 115F of the Act, long term capital gains [not covered under section 10(38) of the Act] arising to a non-resident Indian from the transfer of shares of the company subscribed to in convertible Foreign Exchange shall be exempt from income tax if the net consideration is reinvested in specified assets within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted within three years from the date of their acquisition.
 - d) Under provisions of Section 115-G of the Act, it shall not be necessary for a non-resident Indian to furnish his return of income if his only source of income is investment income or long term capital gains or both arising out of assets acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted there from.
 - e) Under Section 115-I of the Act, a non resident Indian may elect not to be governed by the provisions of Chapter XII-A of the Act for any assessment year by furnishing his return of income under section 139 of the Act declaring therein that the provisions of the Chapter shall not apply to him for that assessment year and if he does so the provisions of this Chapter shall not apply to him. In such a case the tax on investment income and long term capital gains would be computed as per normal provisions of the Act.

2.3 Foreign Institutional Investors (FIIs)

- By virtue of Section 10(34) of the Act, income earned by way of dividend income from another domestic company referred to in Section 115-O of the Act, are exempt from tax in the hands of the institutional investor.
- Under Section 10(38) of the Act, long term capital gain arising to the shareholder from transfer of a long term capital asset being an equity share in the company (i.e. capital asset held for the period of more than twelve months) entered into in a recognized stock exchange in India and being such a transaction, which is chargeable to Securities Transaction Tax, shall be exempt from tax.
- In terms of Section 88E of the Act, the Securities Transaction Tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of the business would be eligible for rebate

from the amount of income-tax on the income chargeable under the head 'Profits and Gains under Business or Profession' arising from taxable securities transactions.

- Under Section 111A of the Act, capital gains arising from transfer of short term capital assets, being an equity share in a company which is subject to Securities Transaction Tax will be taxable under the Act at the rate of 10% (plus applicable surcharge and educational cess).
- Under Section 115AD capital gain arising on transfer of long term capital assets, being shares in a company (other than those mentioned in point b) above), are taxed at the rate of 10% (plus applicable surcharge and education cess). Such capital gains would be computed without giving effect to the first and second proviso to Section 48 of the Act. In other words, the benefit of indexation, direct or indirect, as mentioned under the two provisos would not be allowed while computing the capital gains.
- Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets [other than those exempt u/s 10(38) of the Act] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds issued by—
 - (i) National Highways Authority of India ('NHAI') constituted under Section 3 of National Highways Authority of India Act, 1988 and notified by the Central Government in the Official Gazette for the purpose of this section; and
 - (ii) Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956 and notified by the Central Government in the Official Gazette for the purpose of this section;

If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. However, the amount so exempted shall be chargeable to tax subsequently, if the new bonds are transferred or converted into money within three years from the date of their acquisition.

2.4 Venture Capital Companies / Funds

As per the provisions of section 10(23FB) of the Act, income of

1. Venture Capital Company which has been granted a certificate of registration under the Securities and Exchange Board of India Act, 1992 and notified as such in the Official Gazette; and
2. Venture Capital Fund, operating under a registered trust deed or a venture capital scheme made by Unit Trust of India, which has been granted a certificate of registration under the Securities and Exchange Board of India Act, 1992 and fulfilling such conditions as may be notified in the Official Gazette, set up for raising funds for investment in a Venture Capital Undertaking,

is exempt from income tax.

3. Wealth Tax Act, 1957

Shares in a company held by a shareholder will not be treated as an asset within the meaning of Section 2(ea) of Wealth-tax Act, 1957; hence, wealth tax is not leviable on shares held in a company.

4. Special Tax Benefit

Company does not enjoy any special tax benefit under the Income tax act, 1961.

Notes

- a. All the above benefits are as per the current tax law and will be available only to the sole/ first named holder in case the shares are held by joint holders.
- b. In respect of non-residents, taxability of capital gains mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any between India and the country in which the non-resident has fiscal domicile.
- c. In view of the individual nature of tax consequence, each investor is advised to consult his/ her own tax adviser with respect to specific tax consequences of his/ her participation in the scheme.
- d.

SECTION IV: ABOUT US

INDUSTRY OVERVIEW

We operate in the engineering construction sector. The performance of the engineering construction industry is directly co-related to sectors where the requirement for these services is the most.

With the GDP of India growing at a steady rate, there is demand for more goods and services which provides thrust for companies to invest in capacity additions and construction of new facilities to cater to the rising demand.

The engineering construction industry can be broadly classified in two categories, namely:

- Infrastructure Construction covering road, power and urban infrastructure
- Industrial Construction covering steel plants, textile plants and refining pipeline/refineries

The following paragraphs cover the sectors to which our Company provides its engineering construction services:

Power & Generation

Power is one of the prime movers of economic development. The level of availability and accessibility of affordable and quality power is also one of the main determinants of the quality of life. The Indian Government has, since the time of Independence, been giving high priority to this sector while fixing the Plan Outlays. As a result, the installed generation capacity has risen from a mere 1,300 Megawatt (MW) at the time of Independence to more than 100,000 MW today. Along with the growth in installed generation capacity, there has also been a phenomenal increase in the transmission and distribution (T&D) capacity. However, despite these achievements, the power sector has not kept pace with the growth in demand with the result that the country has always faced energy and peaking shortages. To address the acute power shortage, government had aggressive plans for capacity addition in the 9th and the 10th five year plans.

Another problem faced by India is the concentration of power generation plants in fuel abundant regions. This will require new capacities to be created to put in place a proper power evacuation system at both, the transmission and distribution end.

The power industry is broadly bifurcated into the following segments:

- Generation
- Transmission and Distribution

The construction component is highest for generation with transmission and distribution requiring minimal construction expenditure as compared to generation.

As of March 31, 2006, India's power system had an installed generation capacity of approximately 124,311 MW. Thermal power plants powered by coal, gas, naphtha or oil accounted for 66 per cent of total power capacity in India as of March 31, 2006, hydroelectric stations for 26 per cent and others (including renewable sources of energy and nuclear stations) accounted for 8 per cent. The central power sector undertakings accounted for approximately 32 per cent of total power generation capacity as of March 31, 2006; the various state entities accounted for 55.5 per cent and private sector companies accounted for approximately 12 per cent.

The Government adopts a system of successive Five Year Plans that set out targets for economic development in various sectors, including the power sector. Each successive Five Year Plan has increased power generation capacity addition targets.

The Ninth Plan targeted a capacity addition of 40,245 MW, of which 24.4 per cent was to come from hydro capacity, 73.4 per cent was to come from thermal capacity, and 2.2 per cent was to come from nuclear capacity. The Ministry of Power estimates indicate that only 19,015 MW, or 47 per cent of the planned capacity

addition, were added in the aggregate during the Ninth Plan. The target for capacity addition has been set at 41,110 MW under the Tenth Plan.

To address the acute power shortage in many regions of the country, The Ministry of Power has set a goal - Mission 2012: Power for All. A comprehensive Blueprint for Power Sector development has been prepared encompassing an integrated strategy for the sector development with following objectives:-

- Sufficient power to achieve GDP growth rate of 8 per cent
- Reliable of power
- Quality power
- Optimum power cost
- Commercial viability of power industry - Power for all

Source: Ministry of Power website: Indian Electricity Scenario as appearing in June 2007

Transmission and Distribution

Transmission of electricity is defined as bulk transfer of power over a long distance at a high voltage, generally of 132 KV and above. In India, bulk transmission has increased from 3708 ckm in 1950 to more than 265,000 ckm today. The entire country has been divided into five regions for transmission system, namely, Northern Region, North Eastern Region, Eastern Region, Southern Region and Western Region. The interconnected transmission system within each region is also called the regional grid.

Given the aggressive capacity additions in power till 2012, the government is trying to put in place an efficient power evacuation mechanism. The problem faced by a country like India is the concentration of power generation facilities at fuel rich regions. This has given rise to a scenario wherein some areas/regions have surplus power while others are in deficit. This necessitates the transmission of power to regions facing a deficit from areas enjoying a surplus.

Earlier, the transmission network was developed so that the regions would meet the requirements of the states encompassed within. Yet, with the gradual increase in capacity, the skewed locations of power generation units in fuel rich areas has changed the focus from regional self sufficiency to optimization of resources on a national basis. As of now the construction of National Grid is in progress to interconnect the five regions.

Some of the provisions provided in The Electricity Act 2003, for development of transmission are as follows:

- Transmission Sector opened up to private investment through grant of license by an appropriate authority
- No surcharge for transmission of energy from captive power generation unit for end use consumption
- The planning, co-ordination and development of transmission systems at inter-state levels is the responsibility of the Central transmission utility (CTU), whereas intra-state transmission of electricity will be controlled by state transmission utilities (STU).
- The formation of a National Load Dispatch Centre (NLDC) at the national level for optimum scheduling and dispatch of electricity between Regional Load Dispatch Centres (RLDCs).
- Establishment of RLDCs, to monitor grid operations, the quantity of electricity transmitted through the regional grid and exercise supervision and control of the inter-state transmission system.
- The respective state governments have to establish State Load Dispatch Centres (SLDCs), which will be responsible for optimum scheduling, dispatch of electricity and real time operations to ensure stability in respect of the intra-state transmission of electricity.
- The transmission licensees have to provide non-discriminatory access to their transmission systems, on payment of transmission charges along with a cross-subsidy surcharge as specified by the Central / State Electricity Regulatory Commission (CERC/SERC).
- NLDC, RLDC, SLDC, CTU, STU and other transmission licensees not to engage in trading of electricity.

Apart from these, some of the provisions for transmission included in the National Electricity Policy are as follows:

- The augmentation of transmission capacity, in view of the aggressive capacity expansion plans in generation. The requirement of additional transmission capacity to supplement the increase in generation capacity needs to be considered to avoid a mismatch between generation and transmission facilities.
- Development of the national grid for providing adequate infrastructure for inter-state transmission of power and ensuring the optimum utilization of generation capacity from the surplus to the deficit regions.
- The responsibility of network planning and development rests with CTU and STU (based on the National Electricity Plan) in coordination with all the concerned agencies specified in the Electricity Act, 2003.
- Network expansion has to be planned and implemented factoring in the capacity needs for open access, which is to be gradually implemented by states as per their stage-wise schedule.
- For a secure and reliable operation of the grid, adequate margins and redundancy levels in the transmission system should be created as per global standards and practices.
- A national transmission tariff framework needs to be implemented by CERC for transmission pricing. The tariff would be determined on the basis of distance, direction and quantum of flow. At present, the CERC has recommended the usage of the regional postage stamp method. A proper infrastructure network and appropriate planning are required if some other method has to be adopted.

Source – Website of Ministry of Power & Central Electricity Authority: National Electricity Policy, Electricity Act, 2003

Oil and Gas

Demand for engineering construction services in the energy industry is dependent on the level of exploration, production, storage, refining and transportation activity in the energy industry and the corresponding capital spending by energy industry conglomerates. Construction projects in the energy industry include exploration rigs and platforms, refineries and other processing facilities, tanks and terminals for storage of oil and gas and derivative products and pipelines for transportation of such products.

Petroleum

With the growing demand for petrol and petroleum products, the oil refining companies are expanding capacity to cater to the rising demand. India as on July 2005 has 18 oil refineries with a total capacity of 127.37 million metric tons per annum. As of now there are three major grass roots refinery projects on the anvil with BPCL planning one of these and HPCL and IOC planning one refinery project each. In addition Essar is already in the process of constructing a refinery. These projects are Bina Refinery (BPCL and Oman Oil Company); Guru Gobind Singh Refineries (HPCL); Paradip Refinery (IOC); and Essar Refinery, Vadinar. There are also various refineries undergoing capacity expansion such as at the IOCL's Panipat Refinery and Haldia refinery. Significant investment is being made in building and expanding the capacity of refineries. Apart from capacity-expansion projects, the refineries will also invest to make them compatible with new environmental norms in order to make them compliant with Bharath Stage -II, Euro -III, Euro IV norms defined in the Auto Fuel Policy by Ministry of Petroleum & Natural Gas.

Source: MoPNG Website: section on Refineries, as appearing in June 2007

Natural Gas

Natural gas has emerged as the most preferred fuel due to its inherent environmentally benign nature, greater efficiency and cost effectiveness. The demand of natural gas has sharply increased in the last two decades at the global level. In India too, the natural gas sector has gained importance, particularly over the last decade, and is being termed as the Fuel of the 21st Century.

Production of natural gas, which was almost negligible at the time of independence, is at present at the level of around 87 million standard cubic meters per day (MMSCMD). The main producers of natural gas are Oil & Natural Gas Corporation Ltd. (ONGC), Oil India Limited (OIL) and JVs of Tapti, Panna-Mukta and Ravva. Under the Production Sharing Contracts, private parties from some of the fields are also producing gas. The government has also offered blocks under New Exploration Licensing Policy (NELP) to private and public sector companies.

Source: MoPNG Website: section on Refineries, as appearing in June 2007

Steel

The steel industry is another core sector and one of the major contributors to the country's growth. It is one of the most basic construction materials and hence an essential item for the infrastructure development of the country. As of 2004-05, India had a production capacity of 38 million tones (MT) which will have to be increased to 110 MT by 2019-20 as projected by Ministry of Steel in the National Steel Policy 2005. These projections have been derived on the basis of the growing domestic demand, exploration of rural markets, exports and consolidation in the industry.

The demand from steel comes typically from urban and rural areas and export markets. At present, per capita consumption of steel is about 30 kg in India, as against 150 kg in the world and 350 kg in the developed countries. Growth in construction activities, oil and gas transportation and infrastructure sector will be the key drivers of domestic demand. Over the past decade, the steel exports have grown around 10 per cent. Cost being one of the most important criteria for export demand, the government of India has encouraged strategic alliances with buyback arrangements and dedicated export production through 100 per cent units to help the local steel manufacturers control cost. To meet the targets of National Steel Policy 2005 of the Ministry of Steel, the steel manufacturers would have to invest additional capital to the tune of Rs. 230,000 crores for technological up gradation of existing facilities, capacity expansion and also for installation of captive power plants.

Source: National Steel Policy 2005, Ministry of Steel – Annual Report 2005-06

BUSINESS OVERVIEW

Overview

UB Engineering Limited was originally incorporated on January 12, 1970 as Western India Erectors Private Limited under the Companies Act, 1956. We changed our constitution to a public limited company on January 06, 1972. Our Company's name was changed to Western India Enterprises Limited on January 15, 1986 and further to our present name on October 21, 1993.

UB Engineering Limited is in the field of installation of industrial plants. The sphere of UB Engineering's activities encompasses EPC Projects, Infrastructure, On-site fabrication, Installation, Testing and Commissioning of Structural, Mechanical, Electrical & Instrumentation Equipments, piping etc. for Industrial projects such as Power, Refineries, Steel, Cement Fertilizer, Petrochemical and Desalination Projects. The Company also undertakes Overhauling & Maintenance of Operating Plants in varied Industries in India. In the past, UB Engineering's overseas operations have covered Algeria, Bahrain, Bangladesh, Iran, Iraq, Jordan, Kenya, Kuwait, Nepal, Nigeria, Oman, Qatar, Saudi Arabia, Singapore, Sudan and UAE.

Competitive Strengths

- **UB Engineering Limited is a part of the UB Group:**

UB Engineering Limited is a part of the UB Group, which is one of India's large conglomerates with a turnover in excess of US\$2 billion. The UB Group has diverse interests in brewing, distilling, real estate, engineering, fertilizers, biotechnology, information technology and civil aviation. UB group is professionally managed and is headed by Dr. Vijay Mallya, Group chairman.

- **Experience and track record:**

UB Engineering is supported by a track record of project execution and has acquired requisite expertise to undertake large industrial projects. A few of the major projects executed by our company are as follows:

Sr. No.	Description	Approx Amount (Rs. In Lacs)	Period of execution
1.	Design, Engineering, Supply, Installation, Testing & Commissioning of balance of plant for 2 x 210 MW Thermal Power Station at Neyveli for Ansaldo, Italy.	15,250	April 1999 to February 2004
2.	Mechanical Installation works of 8 x 300 MW Boilers at Sabiya, Kuwait for Mitsubishi Heavy Industries, Japan	9,300	May 1995 to November 2003
3.	Fabrication and erection of structures and equipments etc. for 1.8 MTPA Cement Plant at Shuaiba, Kuwait for FabTech - Murray & Roberts UAE	6,200	September 1998 to June 2003
4.	Installation of Mechanical Power Block for 2000 MW Dabhol Power Project Phase I & II for Bechtel, USA	3,500	November 1996 to March 2003
5.	Installation of equipments for 8 x 300 MW Turbine Generators and Auxiliaries at Azzour, Kuwait for Toshiba, Japan	6,000	August 1984 to October 1987
6.	Fabrication & erection of structures, Equipment, Piping, Electrical & Instrumentation Installation works of Refinery at Jamnagar for Reliance Industries Limited.	5,500	May 1997 to December 2000

- We have serviced esteemed clientele like Bechtel International Inc., USA, Mitsubishi Heavy Industries, Japan, Hitachi Plant Construction, Japan, Toshiba Corporation, Japan, Sumitomo Corporation, Japan, Bharat Heavy Electricals Limited, India, Reliance Petroleum Limited, India and have been successful in bagging repeat orders from them. Our Top 10 clients based on their share in the turnover for the

year ended March 31, 2007 are Toshiba Corporation, Paschimanchal Vidyut Vitaran Nigam Ltd., Haryana Vidyut Prasaran Nigam Ltd. Essar Constructions, Reliance Industries, Punjab State Electricity Board, My Home Cement Industries Ltd., Jindal Steel & Power Ltd., Bharat Heavy Electricals Ltd., FFE Minerals India Pvt. Ltd.

- **ISO 9001- 2000 certified company by Phoenix Progressive Certification Enterprises Ltd.**

The Company received “ISO 9001-2000” Certificate for Quality Management Systems specifically for supply, installation, testing, commissioning and mechanical, electrical projects from Phoenix Progressive Certification Enterprises Pvt. Ltd. The certificate is valid up to September 13, 2008.

- Approved and qualified for Rural Electrification Projects and Switchyards upto 400 KV

- **Operations spread across various sectors of infrastructure development:**

Our Company has executed various projects in different sectors of infrastructure like Power (Thermal, Gas, Hydro, Nuclear), Desalination, Refineries & Petrochemicals, Fertilizer, Steel, Cement and electrical substations. Such diversification in different sectors enables us to reduce dependence on any one sector or nature of the project.

- **Owned Construction Equipment:** Our Company owns a number of construction equipments comprising of Cranes, Tractor Trailer combination, independent Trailers, Fork Lift, Trucks etc.

- **Availability of Experienced Management & Supervisory Staff:**

We have a qualified and experienced manpower including Engineers and Skilled technicians. In addition, our company engages additional manpower at the project sites through contractors on temporary / contract basis. The skills and diversity of the employees gives the flexibility to adapt to the needs of various projects. Our Company’s management team is qualified and experienced in the industry and has been responsible for execution of diverse projects.

Business Operations:

We operate through the following divisions:

- I. Projects Division
- II. Turnkey Division
- III. Overhauling and Maintenance Division

I. Projects Division

The Projects Division has been the mainstay of the company's business both in India and abroad and contributed approximately 76.41% of our turnover in FY 2005-06. In the last 5 years, our company has executed a number of projects in India and abroad valued at over Rs. 48,747 Lacs.

Services Offered

Our activities typically include:

- Installation, testing and commissioning of Mechanical, Electrical, Control and Instrumentation works for
 - Power plants - Thermal, Gas, Nuclear, Diesel, Wind and Hydel
 - Fertilizer, Petrochemical, Refineries and Chemical plants
 - Oil and gas installations
 - Metallurgical plants
 - Desalination plants
 - Other industrial plants in sectors like Steel, Cement, Sugar, Paper and Pulp
 - High Voltage Switchyards
 - HVDC Networks

- Site fabrication of Structures, Ducts, Stacks, Flues and Hoppers, Tanks and Low pressure Vessels, Piping and Pipe Supports

Major Projects Executed:

Job Description	Job Location	Client	Approx Amount (Rs. In Lacs)	Period of Execution
Installation, Testing, Assistance in Commissioning & fire protection sealing of cable laying work of four gas turbines, two steam turbines and Electromechanical erection of 600 MW combined cycle power project at NTPC power plant	Auraiya, U.P.	Mitsubishi Heavy Industries, Japan & MELCO, Japan	791	January '88 – June '91
Mechanical, Piping, Electrical & Instrumentation erection work of 2x500 MW Turbine Generators & Auxiliaries at Anpara "B" Thermal Power Station	Anpara, U.P.	Mitsui & Co., Japan	2,516	May '90 – October '94
Fabrication of steel chimney pipe racks and other structures including supply of paints, nuts, bolts, etc. & Erection works of waste-heat recovery boilers at combined cycle power project	Gandhar, Guj.	Kawasaki Heavy Industries, Japan & ABB India Ltd., Baroda	1,374	September '92 – March '95
Electrical, Instrumentation & Mechanical Works	Haldia, W.B.	Mitsubishi Heavy Industries, Japan	1,330	April '98 – March '00
Equipment Erection, Fabrication & Erection work for piping, painting works, Erection, Testing, Supply of material for instrument works & Piping work in control Building of Fluidized Catalytic Cracker Unit at IOCL Refinery Expansion Project.	Barauni, Bihar	Samsung Engg. Co. Ltd., Korea	1,463	April '00 – January '03

II. Turnkey (Mechanical / Electrical) Division

UB Engineering through its turnkey division focuses on EPC projects in Power, Fertilizers, Oil & Gas, Fire Fighting, Effluent Treatment, Agrotech and other sectors. The Turnkey Division contributed approximately 14.85% of our turnover in FY 2005-06. Our company aims for providing total solutions to clients by leveraging on its execution capabilities in the industrial construction both in India and abroad. In the last 5 years, our company has executed projects valued at over Rs. 10,900 Lacs.

Services Offered

- Engineering and design services.
- Complete civil and structural construction services for all types of industrial and infrastructure projects.
- Engineering, Procurement and Construction (EPC) contracts for balance of plant for power projects and co-generation plants.
- Complete mechanical system engineering including fabrication and erection of structural steel works; erection, testing and commissioning of plant and equipment; high-pressure piping; fire-fighting; Heating, Ventilation and Air Conditioning and Low Pressure/ utility piping networks.
- Electrical system design, rural electrification, automation and control system including instrumentation for all types of industrial projects.
- Design, sourcing, supply and installation of EHV switchyards up to 400 KV Class, transmission lines

Major Projects Executed:

Job Description	Job Location	Client	Approx Amount (Rs. In Lacs)	Period of Execution
Design, Engineering, Manufacture Testing at works, Supply of equipment & materials, Transportation, handling, storage, erection incl. Civil works for 400/220 KV substations	Meerut & Mandola, U.P.	Power Grid Corp. of India Ltd., New Delhi	1,520	March '00 – March '04
Design, supply, erection, testing & commissioning of 132/66 KV substations & transmission lines & associated civil work	Malikpur, Jathlana, Pipli & Pai, Haryana	Haryana State Electricity Board, Panipat	2,603	August '97 – May '00
Supply of equipment, erection, civil works, testing & commissioning for turnkey construction of 220/132 KV substations	Jind, Uchhana & Julana, Haryana	Haryana Vidyut Prasaran Nigam Ltd., Panipat	2,428	April '04 – March '06
Fabrication & Erection of Gates & Supply, Installation, Testing & Commissioning of 220 KV & 33 KV Switchyards with equipment & accessories at Lift Irrigation Scheme for Maharashtra Krishna Valley Development Corporation.	Tembhu, Maharashtra	Shri Mahalakshmi Constructions Corp., Pune	1,500	February '01 – March '05
Supply, Fabrication, Erection, Testing & Commissioning of Under Ground & Above Ground piping works for Auxiliaries Service Water (ASW) system at 2 x 500 MW Unit 3 & 4 of Tarapur Atomic Power Project	Tarapur, Maharashtra	Nuclear Power Corp. of India Ltd., Tarapur	536	March '01 – March '06

III. Overhauling and Maintenance Division

We offer Overhauling and Maintenance services to customers in Power, Refinery, Fertilizers, Petrochemicals, Desalination, Cement, Paper & Pulp and Sugar sectors. The O&M Division contributed to approximately 8.74% of our turnover in FY 2005-06. In the last 5 years, our company has carried out O&M activities valued at over Rs.11,100 Lacs.

Services Offered

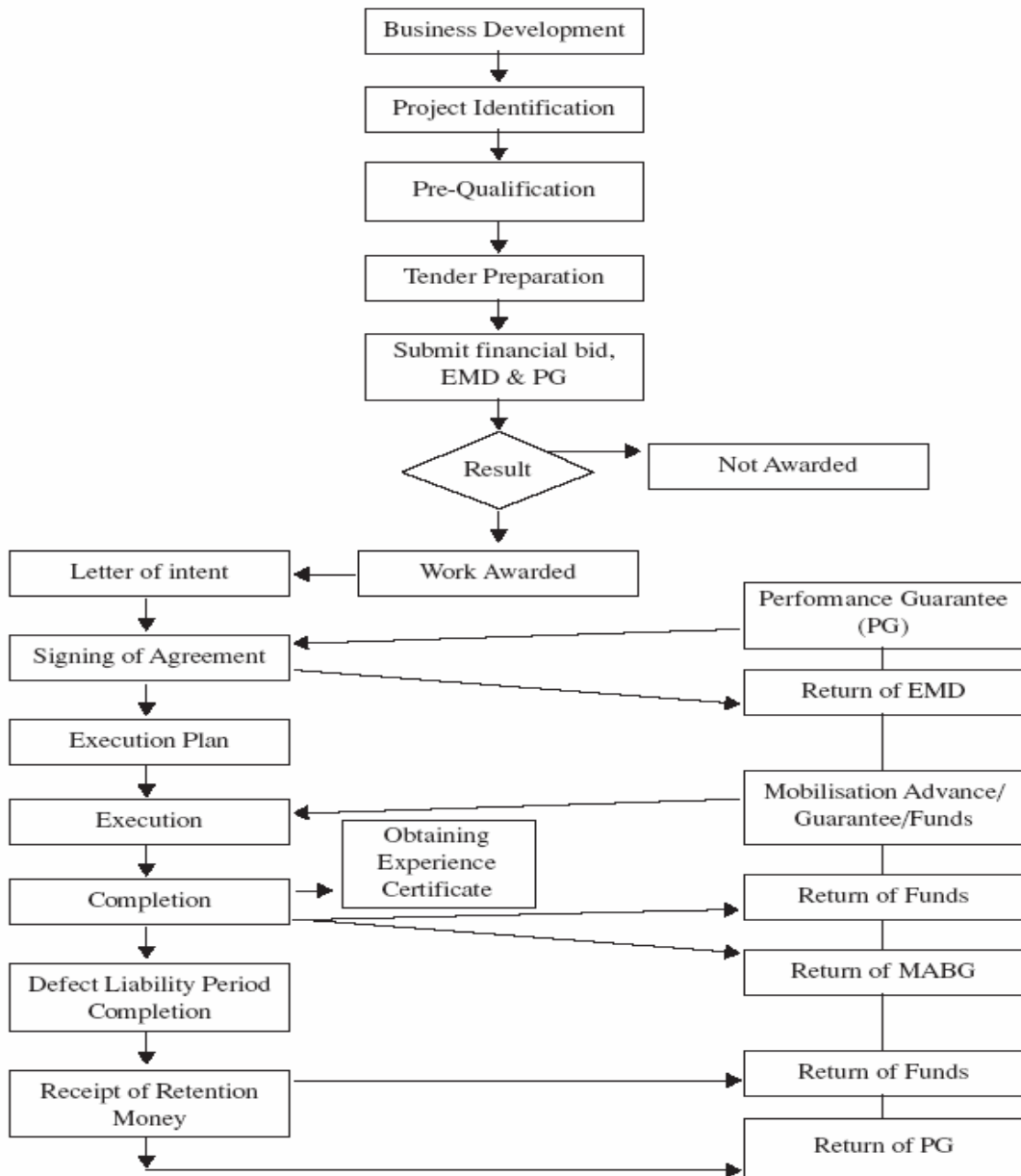
- Annual Maintenance, test, inspection, overhauling and repairs of equipments and machinery
- Providing services to assist in preparation of life expectancy survey reports
- Diagnostic Surveys
- Refurbishing and Upgradation of Industrial Plants

Major Projects Executed:

Job Description	Job Location	Client	Approx Amount (Rs. In Lacs)	Period of Execution
Maintenance works of electrical control equipment & system	Shuaiba, Kuwait	Petrochemical Industries Co. KSC, Kuwait	2,073	October '99 – March '04
Maintenance works of desalination & power plants at Umm Al Naar Power Station	Umm Al Naar, UAE	ETA Electric Co. LLC, Abu Dhabi, UAE	1,085	December '99 – March '01
Maintenance works of desalination & power plants at Abu Dhabi Water & Electricity	Abu Dhabi, UAE	ETA Electric Co. LLC, Abu Dhabi, UAE	1,146	October '98 –

Authority Power & Desalination Plant Maintenance-2				October '02
Rehabilitation work of Distillers 5 & 6 at Layyah Power Station	Layyah, UAE	ETA Electric Co. LLC, Abu Dhabi, UAE	452	January '02 – December '02
Refurbishment works of 5 x 50 MW boiler & auxiliaries at Obra Thermal Power Station	Obra, U.P.	Techno Promo Export, Moscow	604	July '05 – December '07

Typical Business Process



The various stages typically involved in project management are detailed below:-

PHASE I

Award of the Contract

- Expression of interest- called for by the project owners
- Request for Qualification (RFQ) or Pre-qualification for new customers.
- Invitation to tender / request for proposal (RFP)
- Obtain Document- purchase of tender document
- Site Visit and Pre-Bid Queries
- Post -qualification / technical Documentation and Financial Bid
- Submission of the tender along with Earnest Money Deposit (“EMD”)
- Award of the contract to the lowest bidder and issue of Letter of Intent
- Signing of the contract along with submission of performance securities and refund of EMD

PHASE II

Execution of the project

- Prepare and analyze detailed execution plan, detailed resource plan and expenditure plan
- Mobilization of resources
- Purchase of materials required in the project
- Execution of the project as per execution plan
- Raising monthly Interim Payment Certificates (As per contract condition)

Project Closure

- Implement all project completion activities to the satisfaction of the client.
- Receipt of final bill
- Taking substantial completion certificate
- Taking / handing over certificate
- Implementing Defect Liability / O & M period, if there is any
- Receive the final retention money after Defect Liability Period
- Taking Final Completion Certificate

Location of the project

UB Engineering executes construction contracts for its clients across India and abroad. Considering the nature of our Company’s business the location of project depends upon the contracted site, which usually varies from project to project. Currently, we have projects at various locations in India and in UAE

Plant & Machinery

Our Company owns a number of construction equipments comprising of Cranes upto, Tractor Trailer combination, independent Trailers, Fork Lift, Trucks etc.

Collaborations, any performance guarantee or assistance in marketing by the collaborators

As of the date of filing of the Letter of Offer, our Company has not entered into any collaborations or agreements.

Utilities

- Consumables - The requirement of consumable materials depends upon the nature of the project. Some of the basic consumables typically required are Electrodes, Gases, Cutting & Welding accessories, paints, grouting materials etc.

- Power & Water – Power and Water required for the construction activities is usually sourced from the clients supply points.
- Company owns capital equipment such as Cranes, handling equipments, vehicles, welding equipments etc. Based on the requirement of the project we also at times hire the equipments.

Marketing set-up

We have a Business Development Department at our Head Quarters in Pune. Qualified & experienced engineers from various disciplines i.e. Civil, Structural, Mechanical, Electrical and Instrumentation are engaged in monitoring of various upcoming projects in India and abroad. The project valuation for acceptance is based on detailed study and analysis of Client's requirement and feed back received from identical executed projects. Based on the outcome of the analysis, wherever a decision to bid is taken, Techno-Commercial Proposals are prepared and submitted.

Established Clientele

We have serviced esteemed clientele like Bechtel International Inc., USA, Mitsubishi Heavy Industries, Japan, Hitachi Plant Construction, Japan, Toshiba Corporation, Japan, Sumitomo Corporation, Japan, Bharat Heavy Electricals Limited, Reliance Petroleum Limited, etc. and have been successful in sourcing repeat orders from some of them.

Export obligations

There is no export obligation on the company

Details of Order Book

As on November 30, 2007, the Company has an unexecuted order book of approx. Rs.49,673 lacs

Sr. No.	Description	Amount (Rs. In Lacs.)
1	Domestic Construction Orders	
	Projects Division and O&M Division	15,134
	Turnkey (Mechanical / Electrical) Division	26,877
2	Overseas Construction Orders	
	Projects Division	7,662
	Total	49,673

Competition

Our competition varies depending on the size, nature and complexity of the project and on the geographical region in which the project is executed. In selecting contractors for major projects, clients generally invite the tenders from contractors that have pre-qualification criteria including experience, technological capability, capacity, performance record, reputation for quality, safety record, financial strength, bonding capacity and size of previous contracts in similar projects, although price competitiveness of the bid is, the most important selection criterion. Prequalification is one of the important criteria in getting project contracts. The construction industry is highly fragmented with large number of players operating in an unorganized sector and a few of them in the organized sector.

Business Strategy

We recognize the importance of the construction industry in India – especially the importance given by the Government of India in creating infrastructure rapidly. Our strategic objective is to continue to improve and consolidate our position in the construction space and we aim to achieve this by implementing the following strategies:

- Concentrate on following sectors wherein huge investment is being proposed in next 3 to 5 years.
 - Mega Power Projects
 - Cement Plants
 - Steel Plants
 - Turnkey Electrical Substations & Rural Electrification Schemes
- Capitalize on the “UB Group” brand image and improve our operations in the industrial construction space.
- Actively pursue existing and new clientele for their future expansion projects.
- Focus on Value added Projects: We aim to improve our engineering capabilities to focus on pursuing EPC contracts, which would enable us to become the main contractor for projects and provide us with the opportunity to Bid for higher value projects.
- Augmentation of resources like manpower, construction equipment, tools & tackles to face new challenges.
 - We aim to tie-up with suitable engineering consultants and civil contractors for our future projects.

Capacity & Capacity Utilization

In our business it is not feasible to determine the capacity. The ability to undertake a project depends on requisite qualifications to execute the project and bid capacity available. The bid capacity is determined on the basis of a formula given by project owner which generally takes into consideration various financial and other parameters. Bid Capacity is a function of the value of proposed project, duration of project, value of pending orders with the company and the average duration of the pending projects, turnover of the company and other factors which are used in conjunction with the above variables to determine the capacity to bid.

Property

The following are the properties owned or taken on long term lease basis by our Company:

Sr. No.	Description of the property	Description of the document	Area	Consideration	Details as to registration and stamp duty.
1.	Commercial premises in the building known as Sahyadri Sadan, situated at Plot Nos.7 & 13, C.S. Nos.2044, 2049, 2183, Sadashiv Peth, Pune 411 030, Maharashtra, comprising of Apartment Nos.2,5,7 & 8.	3 Deeds of Apartments all dated 19 th December 1986.	Total area approx. 12,368.61 sq. ft.	Rs. 25,94,558/-	The said deeds of Apartment are duly stamped & Registered with the Sub – Registrar at Pune at SI No 12136,,12930, 12931, & 12929 on 19 th December 1986 The Company has allowed USL to use and occupy Flat No. 5 admeasuring 2782 sq. ft. built up, on the first Floor of the said Building, for five years from July 1, 2007.

					<p>USL has agreed to pay Rs. 80,000/- per month for such user and has deposited Rs. 9,60,000/- towards refundable security deposit .</p> <p>Either the Company or USL may terminate the arrangement by giving three months notice.</p>
2.	<p>Non-Agricultural land (for industrial use) situated at Gat Nos. 201, 202, 203, 204, 205, 206, 207, 211, 303 and 304 at Shindewadi, Pune Satara Road, Near Shirwal, Taluka Khandala, Dist. Satara, Maharashtra.</p>	<p>Sale Deed dated 28th June 1985.</p> <p>Conveyance dated 19th July 1983.</p> <p>Conveyance dated 19th July 1983.</p>	<p>Total Area 19.75 Acres</p>	<p>Rs.17,250/-</p> <p>Rs.4,35,275/-</p> <p>Rs.1,89,750/- -</p>	<p>The said Sale Deed is duly stamped and registered with the Sub-Registrar of Assurances, WVAI under SI no. 1188 dt 28th June 1985</p> <p>The said conveyance is not stamped & or registered at SI no 1273 with Sub Registrar of Assurances,WAI on 19th July 1983.</p> <p>The said conveyance is duly stamped & registered at SI no 1272 with Sub Registrar of Assurances,WAI on 19th July 1983</p> <p>The said conveyance is not stamped or registered.</p>
3.	<p>Industrial Unit/Gala No.12, along with corresponding basement / Car parking, situated at Pragati Industrial Complex, Plot No.5, Survey No.17B, Kothrud Industrial Estate, Kothrud, Pune 411 029, Regn. Dist. Pune, Taluka Haveli, Dist. Pune.</p>	<p>Conveyance deed dated 28th October 1976. for purchase of land (Subsequently converted into Industrial Gala)</p> <p>Deed of Declaration dated 12th October 1994 under Maharashtra Apartment Ownership Act</p>	<p>2194 sq. ft. including car parking/basement</p>	<p>Rs 150,000 for the land which has been converted into Industrial Gala</p>	<p>No conveyance executed since the Company has developed its own land</p>
4.	<p>Freehold non-agricultural land hereditaments and premises situate at Private Plot No.47/W/2 forming part of a larger principal property bearing Block No.47 of Mouje Bileshwarpura of Kalol Taluka, Regn. Dist.</p>	<p>Deed of conveyance dated 28th of May 1985</p>	<p>1247 sq. yds. Equivalent to 1043 sq. mtrs.</p>	<p>Rs 26,810/-.</p>	<p>The sale deed is Stamped & Registered at SI No 673 on 28th May 1985 with Sub Registrar of Assurances , Kalol, North Gujarat</p>

	Mehsana and Sub-Dist. Kalol, Gujarat.				
5.	(a) 3 independent Bungalows of 3 B/R (b) 8 Independent Bungalows of 2 B/R. 16 Nos. of 1 B/R Apartments. (c) 1 Canteen All Buildings constructed on the land situated at S.No.31A, Pimpri, Budruk, Taluka: Chiplun, Dist. Ratnagiri (Owned by subsidiary WIE Estate Development Ltd.)	Lease Deed dated 12.4.2001 (Lease for 99 years w.e.f. 5.4.2001)	1615 sq. ft. each 1184 sq. ft. each 861 sq. ft. each 2000 sq. ft.	Rs.25,000 per year.	Lease Deed is stamped and registered.

Purchase of Property

The company has no plans to purchase or acquire any property. Therefore, the net proceeds of the present Issue will not be utilised for purchasing any property.

Insurance

SI No	Insurance Company's Name	Policy Number	Name / Nature Of Policy	Policy Date	Sum Assured (Rs in lacs)	Policy Covered	
						From	To
01	Royal Sundaram Alliance Insurance Company Ltd	EY00000932000100	Contractors Plant and Machinery Policy (GPM)	24-02-2007	808.42	24-02-2007	23-02-2008
02	Royal Sundaram Alliance Insurance Company Limited	AG-0000-1507-000-100	Group Personal Accident Policy (PA)	06-07-2007	9,975.00	03-07-2007	02-07-2008
03	The Oriental Insurance Company Limited	163900/48/2007/3319	Money Insurance Policy	19-12-2006	105.00	19-12-2006	18-12-2007
04	The Oriental Insurance Company Limited	163900/11/2007/1081	Standard Fire & Special Perils Policy Head Office Building Furniture Fixtures & Fittings	19-12-2006	180.00	19-12-2006	18-12-2007
05	Th New India Assurance Company Limited	112800/34/07/87/00004111	Tailor-made Floater Group Mediclaim Policy	17.11.2007	561.00	13.11.2007	12.11.2008
Details of Vehicle Insurance							
05	The Oriental Insurance Company Limited	163900/31/2008/1130	Motor Insurance-Private Car. Cielo MH-12YA-9251	7/10/2007	0.50	11-07-2007	10-07-2008

06	The Oriental Insurance Company Limited	163900/31/2008/1129	Motor Insurance-Private Car. Maruti Esteem LX-MH-12-W-3911	7/10/2007	1.26	11-07-2007	10-07-2008
07	The Oriental Insurance Company Limited	163900/31/2008/1128	Motor Insurance-Private Car. Maruti-800 MH-12-W-2960	7/10/2007	0.48	11-07-2007	10-07-2008
08	The Oriental Insurance Company Limited	163900/31/2008/1943	Motor Insurance-Private Car. Maruti Esteem Ax- MH-12-YA-3631	09/27/2007	1.70	01-10-2007	30-09-2008
09	The Oriental Insurance Company Limited	163900/31/2007/1281	Motor Insurance-Two Wheeler Bajaj M-80 4S	7/10/2007	0.05	13-07-2006	12-07-2007
10	United India Insurance Company Limited	162400/31/07/01/000024 44	Motor Insurance Private – Toyota Innova MH12EG1462	13/08/2007	8.46	13/08/2007	12/08/2008

Our operations are subject to hazards inherent in providing engineering and/or construction services, such as risk of equipment failure, work accidents, fire, earthquake, flood and other force majeure events, acts of terrorism and explosion including hazards that may cause injury and loss of life, severe damage to and destruction of property, equipment and environmental damage.

Our Company has insurance coverage, which it considers adequate to cover all normal risks associated with the operation of the business. The insurance covers Group Personnel Accident Policy, Standard Fire & Special Perils Policy and Insurance of Construction Equipment. The Company believes that its current level of insurance coverage is in line with industry norms in India.

Environmental Aspects

Our Company adheres to corporate Environment, Health and Safety (“EHS”) policies to promote accident free construction work at site and avoid damage to surroundings. We provide healthy, safe and environmental friendly atmosphere at sites with due regards to save the valuable human lives and property damage. EHS document of our Company regular revised in the light of changes in environment and project conditions. Our Company also complies with client’s EHS policy standards and regulations at various construction sites. We have, therefore, committed to protect and safeguard our employees, equipments and environment against possible ill effects arising from our business operations.

Manpower

As of November 30, 2007, we employed 779 full-time employees including mechanical, electrical, instrumentation and civil engineers. In addition, we also employ casual and temporary contract labor on our project sites on a need basis. The skills and diversity of our employees gives us the flexibility to adapt to the needs of our clients by organizing our employees into multicultural and mobile teams. We are dedicated to the development of the expertise and know-how of our employees.

We believe that we maintain good relationships with our employees. While we consider our current labor relations to be good, there can be no assurance that we will not experience future disruptions to our operations due to disputes or other problems with our work force, which may adversely affect our business and results of operations. The number of contract laborers varies from time to time based on the nature and extent of work contracted to independent contractors. We enter into contracts with independent contractors to complete specified assignments.

The details of our employees, as on November 30, 2007, are given below:

Particulars	Total Strength
Corporate	10
Project Executives	25
Technical Managers	24
Managerial Staff	38
Support Staff	87
Sub Total	184
Project Managers	28
Engineers	305
Supervisors	122
Admn. & Support Staff	140
Sub Total	595
Grand Total	779

FINANCIAL INDEBTEDNESS

The following table sets out the details of financial indebtedness of our Company as on November 30, 2007:

Sr. No.	Name of Lender	Date of Agreement	Rate of Interest	Securities Offered	Sanction Amount	Outstanding Amount including interest
1	Yes Bank Term Loan	28.10.06	15.50%	Unconditional and Irrevocable Corporate guarantee of UB - Holdings till the end of the tenor of the facility Pledge of Unencumbered shares of United Spirits Ltd valued at INR 400 mn Top-up Undertaking from a Shareholder of United Spirits Ltd (acceptable to the Lender) to provide additional shares as security in the event that the value of shares pledged to the Lender decrease in value. Lien on the Cash Margin Account maintained with Yes Bank. Post dated cheques for the principal amount of the facility	500.00	500.00
2	United Breweries (Holdings) Ltd.**	21.05.07 #	13%	Second charge on all the assets (movable and immovable)	4,000.00	4213.75
3	UB Infrastructure Projects Ltd.**	03.10.06	13%	Second charge on all the assets (movable and immovable)	1,000.00	463.80

** Proposed to be paid out of the Issue proceeds.

This loan was initially granted by UB Infrastructure Projects Ltd under an agreement dated October 03, 2006 and was subsequently assigned by UB Infrastructure Projects Ltd to UBHL vide agreement dated May 21, 2007.

REGULATIONS AND POLICIES

There are no specific regulations in India governing the construction industry. Following are certain significant legislations and regulations that generally govern this industry in India:

General

Our Company is engaged in the business of providing integrated design, engineering, procurement, construction and project management services for energy industry and infrastructure sector projects. Contracts are executed in pursuance of tenders/quotations issued by the Government, Government agencies, Government companies, private companies, public companies and multinational companies or by orders placed by them. For the purpose of executing the work undertaken by our Company, we may be required to obtain licenses and approvals depending upon the prevailing laws and regulations applicable in the relevant state. For details of such approvals please see "Government/Statutory, Business Approvals and Licences" on page 259 of this Letter of Offer.

Foreign Ownership

Under the Industrial Policy and FEMA, foreign direct investment up to 100% is permitted in construction and related engineering services.

Further, the Industrial Policy now also permits foreign direct investment under the automatic route in projects for construction and maintenance of roads, highways, vehicular bridges, toll roads, vehicular bridges and ports and harbors. Similarly up to 100% foreign direct investment is also allowed in projects for electricity generation, transmission, and distribution produced in hydroelectric power plants, coal/lignite based thermal plants and oil based thermal power plants.

Investment by Foreign Institutional Investors

Foreign Institutional Investors ("FIIs") including institutions such as pension funds, investment trusts, asset management companies, nominee companies and incorporated, institutional portfolio managers can invest in all the securities traded on the primary and secondary markets in India. FIIs are required to obtain an initial registration from the SEBI and a general permission from the RBI to engage in transactions regulated under FEMA. FIIs must also comply with the provisions of the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended from time to time. The initial registration and the RBI's general permission together enable the registered FII to buy (subject to the ownership restrictions discussed below) and sell freely securities issued by Indian companies, to realize capital gains or investments made through the initial amount invested in India, to subscribe or renounce Rights Issues for shares, to appoint a domestic custodian for custody of investments held and to repatriate the capital, capital gains, dividends, income received by way of interest and any compensation received towards sale or renunciation of Rights Issues of shares.

Ownership restrictions on FIIs

Under the portfolio investment scheme, the overall issue of Equity Shares to FIIs on a repatriation basis should not exceed 24% of post-Issue paid-up capital of our Company. However, the limit of 24% can be raised up to the permitted sectoral cap for that company after approval of the board of directors and shareholders of our Company. The offer of Equity Shares to a single FII should not exceed 10% of the post-Issue paid-up capital of our Company or 5% of the total paid-up capital in case such sub-account is a foreign corporate or an individual. In respect of an FII investing in Equity Shares of a company on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of the total issued capital of that company.

Environmental and Labour Regulations

Depending upon the nature of the projects undertaken by our Company, applicable environmental and labour laws and regulations include the following:

- Contract Labour (Regulation and Abolition) Act, 1970;
- Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996;

- Inter State Migrant Workers Act, 1979;
- Factories Act, 1948.
- Payment of Wages Act, 1936.
- Payment of Bonus Act, 1965.
- Employees' State Insurance Act, 1948.
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- Payment of Gratuity Act, 1972.
- Shops and Commercial Establishments Acts, wherever applicable.
- Environment Protection Act, 1986;
- Water (Prevention and Control of Pollution) Act, 1974;
- Air (Prevention and Control of Pollution) Act, 1981;
- Minimum Wages Act;
- Hazardous Waste (Management and Handling) Rules, 1989; and
- Hazardous Chemicals Rules, 1989.

OUR HISTORY AND MAIN OBJECTS

Incorporation

Our Company was incorporated on January 12, 1970 as Western India Erectors Private Limited under the Companies Act, 1956 with the Registrar of the Companies (“ROC”), Maharashtra under Registration No. 14509 of 1969-70. Subsequently, pursuant to the resolution passed in the Extra- Ordinary General Meeting on the November 24, 1971 our Company was converted into a public limited company and the name of our Company was changed from Western India Erectors Private Limited to Western India Erectors Limited on January 6, 1972. Subsequently, the name of our Company was again changed to Western India Enterprises Limited and the same was registered with the ROC, Maharashtra and a fresh certificate of incorporation was issued on January 15, 1986.

Further, pursuant to resolution passed by the shareholders of our Company in the meeting held on September 27, 1993, the name of our Company was changed from Western India Enterprises Limited to UB Engineering Limited and the same was registered with the ROC, Maharashtra and ROC issued a fresh certificate of incorporation on October 21, 1993.

The Registered Office of our Company is situated at Sahyadri Sadan, Tilak Road, Pune - 411 030.

Brief History of Our Company

In or around 1963, Mr. B W Gadgil and Mr. S V Wadthekar and Ms. Asha P Gadgil formed a partnership firm in Calcutta by the name M/s Western India Erectors essentially for undertaking contracts for the execution of heavy electrical and mechanical construction work i.e. erection of boilers and turbines, piping and electrical installation work for power projects, equipment and piping installation for fertilizer and chemical plants, Cement plants, Sugar plants, and other industrial units both in the public as well as private sector.

The partnership firm was subsequently converted into a private Company on January 12, 1970 as Western India Erectors Private Limited under the Companies Act, 1956. With a view to diversify its business activities, our company set up Chemical unit, having facilities to manufacture dye-intermediates at Roha, District Raigad, Maharashtra in 1979. In 1982, Our Company diversified its activities in the field of electronics and as a first step, undertook to manufacture hybrid integrated circuits in technical collaboration with New Market Micro Systems, Cambridge. In 1987, our Company decided to dispose its Chemical unit to Amal Rasayan Limited. Due to the recessionary trend in the Dye intermediates market and increased competition, the chemical unit was incurring substantial losses since inception. In 1988-99, UB Group acquired shares in our Company. In 1990, our Company further diversified its activities in the field of liquor by acquiring Kay distillery, Nasik from Forbes Campbell & Co. Ltd. In 1992, our Company decided to dispose its Liquor division to McDowell & Co. Ltd. who had a larger distribution network and expertise in manufacturing and marketing liquor products. In order to focus on its core competencies our company in the 1997 decided to sell its Electronics division which was dragging down the profitability of our company. The Electronics division was sold to Weiler International Electronics Private Limited. Our Company came out with Public Offering of 1,92,112 Equity Shares of Rs.10/- each for cash at a premium of Rs. 5/- per Equity Share and got listed on April 24, 1980 at Bombay Stock Exchange Limited. Subsequently, our Company got listed on Pune Stock Exchange Limited in the year 1982-83. However, w.e.f May 10, 2004, the Equity Shares of our Company were voluntarily delisted from the Pune Stock Exchange Limited in terms of SEBI (Delisting of Securities) Guidelines, 2003 and approved by the Shareholders on September 30, 2003. Our Company has established a branch office at Khartoum (Sudan) on August 13, 2007 for 10x125 MW Merowe project awarded by Alsthom (Switzerland).

Key events

Year	Major Events
1979	Diversified into the Chemical business
1980	Listing at Bombay Stock Exchange Limited
1982	Diversified into the Electronics business
1983	Listing with Pune Stock Exchange Ltd.
1987	Sale of Chemical Business to Amal Rasayan Limited
1988-89	UB Group acquired shares in Company

Year	Major Events
1990	Diversified into the liquor business
1992	Sale of liquor Division to McDowell & Co. Ltd.
1997	Sale of Electronic Division to Weiler International Electronics Private Ltd.
2001 onwards	Deterioration of financial position resulting consequential defaults in meeting financial obligations
2006	One Time Settlement with the consortium of Banks

Details of awards, recognitions won by Our Company

Year	Award/Certification	Issued by
1985 - 86	Trophy for Maximum Foreign Exchange repatriated from Overseas Service Contracts during 1985-86	Overseas Construction Council of India (Set up by Ministry of Commerce Govt. of India)
1991-92	All India Special Shield Services Exporters (non SSI)	Engineering Export Promotion Council ("EEPC"), All India basis
1991-92	Exporter's Shield of Engineering Consultancy & Exporting Services etc.	EEPC, Western Region
1995-1996	Received export excellence in the category of project exports	EEPC, Western Region
1996-1997	Certificate of achieving highest export performance during 1996-97 amongst the Non-SSI	EEPC, Mumbai

Changes in Registered Office of our Company

There has been no change in the registered office of our Company

Mergers and Amalgamations

There have been no mergers and amalgamations

One-Time Settlement

Due to consistent losses incurred by our Company, the financial condition of our Company deteriorated and our Company was not able to service the interest payment and also repayment of other dues to our lenders/Consortium Members from 2000-01 onwards. One by one all the bank accounts with the Consortium Members became Non Performing Assets. Therefore, members of the Consortium initiated recovery proceedings in Debt Recovery Tribunal, Pune. Accordingly HDFC Bank Limited, State Bank of Mysore and Central Bank of India filed independent recovery proceedings and lastly Bank of Maharashtra, Bank of India, Canara Bank, Development Credit Bank filed jointly recovery proceedings in DRT, Pune.

Under these circumstances, our Company's banking operations came to stand still. This affected our Company's business adversely. We initiated a One Time Settlement with Consortium of Bankers. Accordingly, on March 29, 2006 in the consortium meeting, our Company gave One Time Settlement proposal. Under and in terms of the proposal our Company was willing to pay 42% of the outstanding ledger balances as on the date of filing the application in DRT of every bank towards full and final satisfaction of all the dues payable by our Company. After a series of discussions and representations the members of the Consortium accepted the offer.

As on March 31, 2006 total outstanding principal and interest payable to the consortium was Rs. 52.01 Crores and Rs. 40.51 Crores. As per OTS proposal, our Company has paid 42% of the outstanding ledger balances as on the date of filing of the application in Debt Recovery Tribunal of every bank towards full and final settlement of all the dues payable by our Company. Our Company made a payment of Rs. 21.76 Crores to the Consortium of Bankers and the balance along with interest was waived off. Thus a total amount of Rs. 21.76 Crores was paid under OTS against the total outstanding of Rs. 92.52 Crores, thereby making a net reduction of Rs. 70.76 Crores in our Company's liabilities.

As on date our Company has paid all the outstanding dues of all the members of Consortium. Our Company has obtained no due certificate from all the consortium banks and released all charges on fixed assets and current assets of our Company. The recovery proceedings filed by the consortium Bankers are in process of being withdrawn.

As per Apna Sahakari Bank Limited letter dated March 20, 2007 the bank has accepted the proposal of our Company and therefore agreed to accept Rs.640 lacs as full and final settlement of the term loan. As per the terms and conditions agreed upon, our Company has already made the said payment and all the cases and recovery proceedings that were pending in different courts and authorities for recovery of loan dues have been withdrawn by the bank.

Main Objects of our Company

The objects as contained in the Memorandum of Association include:

- To carry on and execute in any part of the world the business of mechanical, electrical, hydraulic, chemical and civil engineers, Government, military, railway and civil constructors and as construction engineers and building and supervising contractors, and/or any turnkey jobs in respect of the same.
- To carry on in any part of the world, the business of consultants, planners and designers in regard to all matters pertaining to the business of mechanical, electrical, hydraulic, chemical and civil engineers and building and supervising contractors or any manufacturing business of all types.
- To manufacture, buy, sell, lease, import, export, take on hire purchase system or otherwise acquire and deal in all kinds and any description of machinery, tools, tackles, spare parts, fixed or loose, accessories, stores, plants furnaces, transformers of all types, tubes, tank pipes and pipe tools, all kinds of metal and alloy converters, prime movers and other manufacturers, implements and other things in connection with the business of mechanical, electrical, hydraulic, chemical and civil engineers.
- To promote or be interested in promoting or undertaking the formation and establishment of such institution, business of company, whether industrial engineering and construction, trading, manufacturing or otherwise as may be considered to be conducive to the interest of our Company and to carry on any other business, whether industrial, engineering and construction, trading, manufacturing or otherwise, which may contribute to the interest of our Company or render any of our Company's properties or rights for the time being profitable and also to acquire, promote, aid foster, subsidize or acquire interest or management rights in any industry or undertaking.
- To procure the registration or incorporation or recognition of our Company and or any other institution, business or company promoted, undertaken, formed, established, aided, fostered, subsidized, acquire interest or management rights in by our Company in or under the laws of any place in or outside India.

Changes in the Memorandum of Association of our Company

The following changes have been made in our Company's Memorandum of Association since inception:

Date of Change	Remarks
24.11.1971	Sub-division in Equity Shares from Rs.200/- to Rs.10/-
24.11.1971	Authorized capital increased from Rs. 25 Lacs to Rs. 100 Lacs comprising of 200000 Equity Shares of Rs.10/- each, 5000 9.5% Cumulative Redeemable Preference Shares of Rs.100/- each, 750000 unclassified shares Rs.10/- each
24.11.1971	Name changed from Western India Erectors Private Ltd. to Western India Erectors Limited
10.10.1972	Reclassification of Authorized Capital into 440940 Equity Shares of Rs. 10/- each, 70000 9.5% Cumulative Redeemable 1 st Preference Shares of Rs.10/- each, 5000 9.5% Cumulative Redeemable 2 nd Preference Shares of Rs.100/- each, 439060 unclassified shares of Rs.10/- each

Date of Change	Remarks
07.04.1978	Alteration in object clause - addition of new sub clauses 10-16 in "Part C" vide CLB Order dated 23.12.1978
20.04.1978	Reclassification of Authorized Capital into 480280 Equity Shares of Rs.10/- each, 70000 9.5% Cumulative Redeemable 1 st Preference Shares of Rs.10/- each, 5000 9.5% Cumulative Redeemable 2 nd Preference Shares of Rs.100/- each, 399720 unclassified shares of Rs. 10/- each
29.12.1978	Authorised Capital increased from Rs. 100 Lacs to Rs.500 Lacs comprising 3000000 Equity Shares of Rs.10/- each, 70000 9.5% Cumulative Redeemable 1 st Preference Shares of Rs.10/- each, 5000 9.5% Cumulative Redeemable 2 nd Preference Shares of Rs.100/- each, 1880000 unclassified shares of Rs.10/- each
04.02.1983	Authorised Capital increased from Rs. 500 Lacs to Rs.1000 Lacs comprising 8000000 Equity Shares of Rs.10/- each, 70000 9.5% Cumulative Redeemable 1 st Preference Shares of Rs.10/- each, 5000 9.5% Cumulative Redeemable 2 nd Preference Shares of Rs.100/- each, 1880000 unclassified shares of Rs.10/- each
30.12.1983	Alteration in Object Clause – Addition of new sub clauses 17 to 21 after 16 in "Part C" vide CLB Order dated 28.11.1984
07.01.1986	Name changed from Western India Erectors Limited to Western India Enterprises Limited
04.05.1990	Authorised Capital increased from Rs.1000 Lacs to Rs.1500 Lacs comprising 12000000 Equity Shares of Rs.10/- each, 3000000 unclassified shares of Rs.10/- each
04.05.1990	Amendment in Object Clause – Addition of new sub clauses from 22 to 28 in "Part C" vide CLB Order dated 29.10.1990
27.09.1993	Reclassification of Authorised Capital comprising 15000000 Equity Shares of Rs.10/- each
27.09.1993	Name changed from Western India Enterprises Limited to UB Engineering Limited
15.09.1994	Authorised Capital increased from Rs. 1500 Lacs to Rs. 2000 Lacs comprising 20000000 Equity Shares of Rs.10/- each
26.03.2007	Authorized Capital increased from Rs. 2000 Lacs to Rs. 5000 Lacs comprising 50000000 Equity Shares of Rs.10/- each

The details of the capital raised by our Company are given in the section entitled "Capital Structure" on page 15 of this Letter of Offer.

Raising of Equity

For details in relation to the raising of equity, please refer to chapter titled "Capital Structure" on page 15 of this Letter of Offer.

Subsidiary of our Company

WIE Estate Development Limited

Our Company has one subsidiary, WIE Estate Development Limited, which is a wholly owned subsidiary of our Company. The Brief details of WIE Estate Development Limited are as follows:

The WIE Estate Development Limited was incorporated on August 07, 1987 and its name was changed from WIE Estate Development Private Limited to WIE Estate Development Limited on November 28, 1989

The main objects of our Company is to purchase or acquire, take on lease or hire or in exchange, build, construct, erect, manage, develop, exploit, maintain estates, lands, properties, or interests and sell transfer, dispose of or give on hire, lease, or sub lease, let or sub-let lands, estates, properties, buildings, easements, rights, privileges, options, contracts, claims

Board of Directors:

- Mr. A. Harish Bhat
- Mr. Sudhir Goyal
- Mr. G. M. Bapat

Business Activity: It is engaged in the business of real estate development and erection.

Financial Performance

The audited financial performance for the last three years is given below:

Rs in lacs

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005
Total income	0.25	89.33	7.24
Expenditure	12.13	90.45	6.76
Profit/(Loss) before tax	(11.87)	(1.13)	0.48
Profit after Tax	(7.88)	(1.76)	0.21
Equity Share Capital (Face Value – Rs. 10/- per Share)	5.00	5.00	5.00
Reserves & Surplus (excluding revaluation reserve)	0.01	0.01	0.01
Earnings per Share (in Rs.)	-	-	0.42
Net Asset Value per Equity Share (in Rs.)	(45.34)	(29.58)	(26.06)

Other Details:

The equity shares of WIE Estate Development Limited are not listed on any stock exchange and it has not made any public or rights issue in the preceding three (3) years. WIE Estate Development Limited is not a sick company as defined under the Sick Industrial Companies (Special Provisions) Act, 1985. WIE Estate Development Limited has made a loss in the immediately preceding year and the details of the profit or loss figures for the immediately preceding three years are given in the table above.

There are no outstanding litigations against WIE Estate Development Limited except as disclosed under section "Outstanding Litigation, Defaults and Material Development" on page no 160 of this Letter of Offer. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against WIE Estate Development Limited.

Shareholders Agreement

Our Company has not entered into any shareholders agreement.

Other Agreements

Except for the details given below, our Company had not entered into any other significant joint venture agreements / arrangements:

Joint Venture in Kuwait:

The Joint Venture arrangement with Thuwainy Trading Company (TTC) under the name and style UB Kuwait, KSC (Closed) has ceased consequent to settlement of TTC dues. The related formalities are in process.

Joint Venture in U.A.E.:

- Our company operated a jointly controlled contract with ETA Electric Co. L.L.C. at Dubai, U.A.E., for Erection, Testing and Commissioning project. Details of the same are as under:

Description of Interest	Proportion of Ownership Interest
-------------------------	----------------------------------

Operations with dual control (Erection, Testing and Commissioning of Auxiliary Boilers units 1 & 2 for Jebel Ali Power and Desalination Station 'L' Phase -I)	30 %
Operations with dual control (Erection, Testing and Commissioning of Package 'P' for Jebel Ali Power and Desalination Station 'L' Phase -I)	30 %

ii) Our Company's interest in the aforementioned jointly controlled operations' assets, liabilities, income & expenditure is as follows:

(Rs. In Lacs)

Particulars	Six months Period ended 30.09.2007	Year Ended 31.03.2007
Assets	713.21	838.32
Liabilities	766.47	870.64
Income	313.76	6217.92
Expenditure	390.37	6122.97
Book Profit	(76.61)	94.95

Dubai job operations are at an advanced stage and major portion of the receivables have been realised and the liabilities have been settled.

Strategic Partners

There are no strategic partnership agreements entered into by our Company.

Financial Partners

There are no financial partnership agreements entered into by our Company

Dividend Policy

Our Company has not paid dividends for the last five years. We do not have a formal dividend policy. The declaration and payment of dividends are recommended by our Board of Directors and approved by our shareholders, at their discretion, and depends on a number of factors, including but not limited to the earnings, capital requirements, overall financial conditions and other factors prevailing at the time.

The amounts paid as dividends in the past are not necessarily indicative of our dividend policy or dividend amounts, if any, in the future.

OUR MANAGEMENT

Our Company is managed by a Board consisting of six directors. The day-to-day operations of our Company are being looked after by Mr. J.K. Sardana, Manager & Chief Operating Officer under superintendence, direction and control of the Board of Directors of our Company. They are assisted by a team of professionals in various functional areas.

The Board of Directors of our Company is as mentioned below. The composition of the Board of Directors is in compliance with requirements of corporate governance:

Sr. No.	Name, Father's name, Age (Years), Designation, Occupation, Residential Address	Date of Appointment*	Qualifications	List of Other Directorships
1.	Mr. Sammy D Lalla s/o Dara P Lalla Age 63 years Designation Chairman & Non-Executive Director Occupation Service Address: 798, Tehmi Vila 4th Floor, Jame Jamshed Road, Parsi Colony, Dadar Mumbai - 400 014	Non-Executive Director w.e.f 29.11.1988 Chairman w.e.f 26.03.2007	L.C. & S.E. A.M.I.E. (Civil)	1. Associated Breweries and Distilleries Limited 2. Face One Models Private Limited 3. Rossi and Associates Pvt. Ltd. 4. Mallya Private Limited 5. Pharma Trading Company Pvt. Ltd. 6. The Gem Investment and Trading Company Limited 7. Kamsco Industries Private Limited 8. CineBlitz Productions Pvt. Ltd. 9. VJM Media Private Limited 10. Shaw Wallace and Company Ltd. 11. Shaw Wallace Breweries Limited 12. Shaw Wallace Executives Welfare and Benefit Company 13. Four Seasons Wines Limited 14. Kingfisher Goodtimes Pvt. Ltd.
2.	Mr. Naval Choudhary s/o Jiwan Singh Choudhary Age 59 years Designation Non-Executive Independent Director Occupation Service Address: B 63/64 Kalumal Estate A B Nair Road Opp. Juhu Post Office Juhu Mumbai - 400 049	30.07.2004	B.E., M.B.A. (I.I.M.A.)	1. Albright and Wilson Chemicals India Limited 2. Rhodia Chemicals India Private Limited 3. Indo Swiss Fabrics Private Limited 4. Associated Transrail Structures Limited
3.	Mr. A Harish Bhat s/o Atikukke Chandra Bhat Age 53 years Designation Non-Executive Director Occupation Service Address: #28, 4th Main, Shankarnagar, Mahalakshmi Layout Bangalore-560 096 Karnataka	29.11.2006	B.Com., A.C.A.	1. United Alcobev Limited 2. United Breweries (Holdings) Ltd 3. McDowell Holdings Limited 4. Shaw Wallace Breweries Limited 5. Shaw Wallace Financial Services Ltd. 6. Primo Distributors Private Limited 7. Yenkey Associates Private Limited 8. Ramonreti Investments & Trading Private Limited 9. Shaw Wallace Exe-cutive Welfare & Benefit Company 10. Shaw Wallace Beer Brands Pvt.

Sr. No.	Name, Father's name, Age (Years), Designation, Occupation, Residential Address	Date of Appointment*	Qualifications	List of Other Directorships
				Ltd. 11. Kingfisher Aviation Training Ltd. 12. Herbertsons Limited 13. Kingfisher Radio Limited 14. City Property Maintenance Company (Bangalore) Limited 15. Kingfisher Training Academy Ltd. 16. WIE Estate Development Ltd.
4.	Mr. Sudhir Goyal s/o Shiam Lal Goyal Age 58 years Designation Non-Executive Independent Director Occupation Service Address: A-331, Century Park, 48, Richmond Road, Bangalore – 560 025 Karnataka	29.11.2006	M. A.	1. Argo Communications Private Limited 2. WIE Estate Development Ltd.
5.	Mr. K. K. Rai s/o K. Venkappa Rai Age 63 years Designation Non-Executive Independent Director Occupation Consultant Address: S-3, Perody Nest, 542, S R S Nagar Bilekahalli, Banerghatta Road Bangalore – 560 076	23.07.2007	B.A., C.A. I.I.B	1. Techno Electric & Engineering Company Limited 2. Ram Sarup Lohh Udyog Limited 3. ISMT Limited 4. Canbank Mutual Fund-Trustee
6.	Mr. N. Srinivasan S/o Shri Natesan Age 76 years Designation Non-Executive Independent Director Occupation Consultant Address: T 19, 6 th Avenue, Besant Nagar, Chennai – 600 090	14.09.2007	B.Com, C.A.	1. United Breweries (Holdings) Ltd. 2. The India Cements Limited 3. Tractors & Farm Equipment Ltd. 4. The Andhra Pradesh Paper Mills Limited 5. India Cements Capital & Finance Limited 6. Ador Multiproducts Limited 7. Amco Batteries Limited 8. The United Nilgiri Tea Estates Co. Limited 9. GATI Limited 10. Ador Fontech Limited 11. Tafe Motors and Tractors Limited 12. Essar Shipping Limited 13. McDowell Holdings Limited 14. Best & Crompton Engg. Limited

* All the Directors of our Company are liable to retire by rotation.

None of the Directors are relatives of each other .

All the Directors have confirmed that there is no pending litigation / dispute or criminal / civil prosecution against them.

Brief Profile of the Board of Directors

1. **Mr Sammy D Lalla** has varied experience in senior positions in the UB Group and has also served the RPG Group for five years as a President of a Joint Venture Company. He was the Managing Director of Herbertsons Limited, a listed company, upto October 2006. Subsequently Herbertsons Limited was merged to form United Spirits Limited and, at present he is the Joint President of United Spirits Limited. He is presently also the Managing Director of Shaw Wallace & Co. Limited, which was acquired by the UB Group in mid 2005. He is on the Board of several companies and has been appointed Chairman of UB Engineering Limited w.e.f. 26.03.2007.
2. **Mr Naval Choudhary** has experience of 37 years including overseas in the Middle East for 8 years in various management disciplines such as Strategic Planning, Marketing, Production, Cost Control, Finance, Material Management, Personnel, Administration, etc. Since 1999, Mr. Choudhary has been working as the Managing Director of Albright & Wilson Chemicals India Ltd. (Group Company Rhodia a French Multinational). He was earlier associated with various large organizations such as Caprihans India Ltd., Kalpataru Power Limited, Saeed Kalpataru Industries Ltd., Kalpataru International U.A.E, Mangalam Cement Ltd., Jaipur Udyog Ltd., Asian Paints Ltd., Saeed Kalpataru Construction Co. Ltd. He has successfully handled two profit centres turning heavy loss making units into profitable ventures in India and Yemen. He is a member of British Institute of Management (UK) and life member of Bombay Management Association.
3. **Mr. A Harish Bhat**, a Chartered Accountant has over 29 years of experience in finance, accounts, banking and taxation and has held various important positions in Listed Companies, MNC and in the UB Group. He is presently Deputy President & Group Treasurer.
4. **Mr. Sudhir Goyal**, Executive Deputy President – Human Resources, UB Group, is a Post Graduate in Arts and has three decades experience in human resources and business restructuring, having worked in many blue chip companies in the country.
5. **Mr. K. K. Rai** has over 40 years experience in banking, administration and operations. He held important position in Vijaya Bank and was Executive Director of Allahabad Bank.
6. **Mr. N. Srinivasan** has professional experience over 4 decades in the field of finance, accounts, and audit. He was senior partner of Fraser & Ross, Deloitte, Haskins and Sells and was also the Chairman of the Southern India Regional Council and Central Council of Institute of Chartered Accountants of India. He held important positions with Chamber of Commerce & Industries, Institute of Internal Auditors and Management Associations in India and abroad. He is currently on the Board of various companies.

Borrowing Powers

The Board of Directors of our Company is authorized to borrow under the provisions of its Memorandum and Articles of Association. The shareholders of our Company have, by their resolution dated December 6, 1995 authorized the Board to borrow an amount up to Rs. 500 crores (Rupees Five Hundred Crores)

CORPORATE GOVERNANCE

Our Company firmly believes in good Corporate Governance for effective management and control of business over a sustained period of time.

The above philosophy along with Code of Conduct, sustenance of high ethical standards, govern the Company and its employees in all corporate activities.

The composition of Board of Directors, Audit Committee, Investor Grievance Committee, Remuneration Committee and Compensation Committee are in compliance with the requirement of Clause 49 of the listing agreement and Circular No. SEBI/ CFD/DIL/CG/1/2004/12/10 dated October 29, 2004.

Composition of Board of Directors

The Board of Directors comprises six Non-Executive Directors of whom four are independent as defined by Clause 49 of the listing agreement. This ensures a good blend of non-executive and independent Directors and achieves the desired level of independence of the Board. All Non-Executive Directors are persons of eminence and bring in a wide range of expertise and experience to the Board.

Name of the Director	Position	Category
Mr. S D Lalla	Chairman	Non Executive
Mr. Naval Choudhary	Director	Non- Executive- Independent
Mr. A Harish Bhat	Director	Non-Executive
Mr. Sudhir Goyal	Director	Non-Executive- Independent
Mr. K. K. Rai	Director	Non- Executive- Independent
Mr. N. Srinivasan	Director	Non- Executive- Independent

The following committees of the Board of Directors for compliance with the corporate governance requirements have been constituted:

- Audit Committee;
- Remuneration/Compensation Committee
- Shareholder's /Investor Grievances Committee

Audit Committee

The powers of the Audit Committee are as mentioned in Clause 49(II) (c) and (d) of the Listing Agreement and Section 292A of the Companies Act, 1956. The terms of reference of this Committee are wide enough covering the matters specified for Audit Committees under the Listing Agreement. The Committee acts as a link between the management, the Statutory and the Internal Auditors on one side and the Board of Directors of our Company on the other side and oversees the financial reporting process.

Our Company continued to derive immense benefit from the deliberation of the Audit Committee comprising two Independent Directors and one Non-Executive Director, who are eminent professionals knowledgeable in finance, accounts and company law. Minutes of each audit committee meeting are placed before and discussed in the meeting of the Board.

The Chief Financial Officer, UB Group, and the Internal Auditors are permanent invitees. The Statutory Auditors are also invited to attend the meetings. Our Company Secretary acts as the Secretary to the Committee. The Composition of the Audit Committee is as follows:

Directors	Designation in the Committee	Category
Mr. N. Srinivasan	Chairman	Non-Executive-Independent
Mr. A. Harish Bhat	Member	Non-Executive
Mr. Sudhir Goyal	Member	Non – Executive-Independent

Remuneration/Compensation Committee

The Remuneration / Compensation Committee of the Board was constituted in March 2006 to formulate and recommend to the Board, from time to time, a compensation structure for Whole time Members of the Board.

Our Company's remuneration policy is reviewed and revised by the Compensation Committee. Its key objective is to attract and retain the best talent in the organization and to motivate employees towards excellence in performance. In addition to monetary remuneration, the policy also considers granting of stock options to instill a sense of ownership and foster commitment.

None of the Non-Executive Independent Directors of our Company have any pecuniary relationships or transactions with our Company except for any professional services, if any, rendered by them. Composition of Remuneration Committee is as follows:

Directors	Designation in the Committee	Category
Mr. Sudhir Goyal	Chairman	Non-Executive-Independent
Mr. N. Srinivasan	Member	Non-Executive-Independent

Shareholders /Investor Grievances Committee

The Committee oversees Grievances pertaining to transfer of shares, non receipt of balance sheet, etc. In compliance with the Listing Agreement, every quarter, the system is audited by a practicing Company Secretary and Compliance Certificate to that effect is issued and filed with the Stock Exchanges where our Company's shares are listed.

Our Company also submits on a quarterly basis in accordance with SEBI requirements to the Stock Exchanges within the stipulated period, the Secretarial Audit report issued by a Practicing Company Secretary *inter alia* confirming that the Equity Shares of our Company held in dematerialized form and in physical form tally with the issued and paid-up Equity Share capital of our Company.

The Board has delegated the powers for approval of share transfer, issue of duplicate share certificates, etc. to Committee of Directors.

Composition of Shareholders /Investor Grievances Committee is as follows:

Directors	Designation in the Committee	Category
Mr. Naval Choudhary	Chairman	Non-Executive Independent
Mr. A. Harish Bhat	Member	Non-Executive
Mr. Sudhir Goyal	Member	Non-Executive Independent

Shareholding of our Directors

As per Article 117 of the Articles of Association of our Company our Directors are not required to hold any qualification shares. The following is the details of the shareholding of the Directors who hold shares either in their personal capacity or as joint holders, as on the date of filing of this Letter of Offer:

Name of the Director	No. of shares held	Percentage of total paid-up capital
Mr. Sudhir Goyal	12	0.00
Mr. Naval Choudhary	1815	0.01

Details as to the remuneration of directors for the last three years:

All our non-executive Directors w.e.f April 01, 2007 are entitled to sitting fees of Rs.5,000/- per Board meeting and Rs.5,000/- per meeting of a committee of the Board. The remuneration paid to the executive director / whole time director is as follows:

Name of the Director	Payment received in 2004 – 05 (in Rs.)	Payment received in 2005 – 06 (in Rs.)	Payment received 2006-07 (in Rs.)
Mr. R K Dighe*	1704802	1883305	Nil

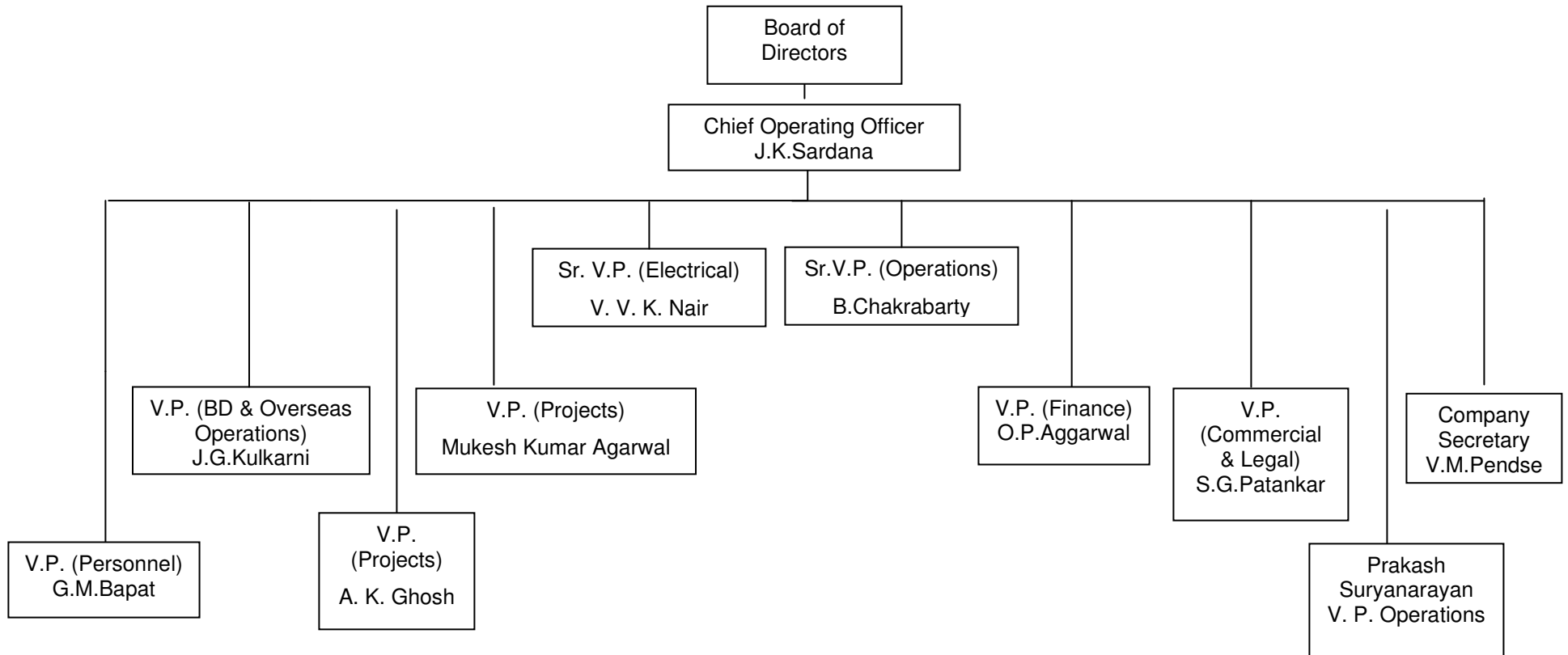
* Mr. R K Dighe ceased to be a Whole –Time Director & CEO with effect from April 01, 2006 and Non-Executive Director with effect from July 01, 2007.

Changes in our Board of Directors during the last three years

Name of the Director	Date of appointment	Date of Cessation	Reason for change
Mr. Ramesh Maneklal Parekh	01.02.2002	28.01.2004	Ceased to be Director due to demise
Mr. Naval Choudhary	30.07.2004	-	Appointment as Director
Mr Subhash Raghunath Gupte	18.05.1992	26.08.2005	Resignation
Mr. K P Venugopalan	29.03.2006	10.10.2006	Resignation
Mr. Harish Bhat	29.11.2006	-	Appointment as Director
Mr. Sudhir Goyal	29.11.2006	-	Appointment as Director
Mr. L Ranganathan	01.04.2006	31.03.2007	Resignation
Mr. Dipak Ravindranath Desai	24.04.2003	01.07.2007	Resignation
Mr. R. K. Dighe	31.03.2001	01.07.2007	Resignation
Mr. K. K. Rai	23.07.2007	-	Appointed as Director
Mr. N. Srinivasan	14.09.2007	-	Appointed as Director



Management Organization Structure



Our Key Managerial Personnel

The key managerial personnel of our Company are as follows:

Name, Designation & Qualification	Age (Years)	Previous Employment	Date of Joining	Total Experience (Years)	Gross Salary for fiscal 2007 (Rs. in Lacs)
Mr.Bidyut Chakraborty Sr. Vice President - Operations DME	58	-	01.10.1972	35	10.9
Mr.S.G.Patankar Vice President - Commercial B.Sc., LLB, LLM, Diploma in Business Management	56	Garware Nylons Finolex Cables	11.08.1980	32	7.82
Mr.J.G.Kulkarni Head (BD & Overseas Operations) B.E.(M)	59	Kirloskar Pneumatic UBEL Automatic Electric Ltd.	20.10.2006	36	7.59
Mr.V.M.Pendse Company Secretary M.Com., Fellow Company Secretary	52	Kirloskar Pneumatic Rapicut Carbides	06.05.1980	31	5.42
Mr.G.M.Bapat Vice President – Personnel B.Com., LLB, Diploma in Financial Management, Masters in Personnel Management	52	Regional Director - National Savings	03.03.1980	31	7.13
A. K. Ghosh Vice President-Projects B.E.-Mechanical	52	Alstom Projects India Ltd.	29.05.2007	26	-
Prakash Suryanarayan Vice President-Operations B.Tech (Met.Engg.)IIT, Kanpur	59	Walchandnagar Industries Ltd.	01.06.2007	36	-
Mukesh Kumar Agarwal Vice President- Projects B.E. (Electrical), MBA	50	Sudhir Gensets Ltd.	09.10.2000	30	9.86
V.V. K. Nair Sr. Vice President - Electrical	59	U. P. Power Corporation, Lucknow	15.11.2007	36	-

Mr.B.Chakraborty, Sr.Vice President (Operations) is DME & has over 35 years experience in Business Development & Operations in India and Overseas. The experience has been in functional areas like Formulate business strategies and planning in relation with corporate objective and goals, Monitoring effective implementation of strategies, Market research for upcoming projects in India/Overseas market, Liaison with project management team, clients and related departments.

Mr.J.G.Kulkarni, Head (Business Development & Overseas Operations) is B.E. (M) & has over 36 years experience. The experience has been in functional areas like Marketing (Indian and International), preparation of contract proposals, Contract negotiations and contract finalization, Contract Management and Project Management. He was earlier associated with Kirloskar Pneumatic Co. Ltd., Fertilizer Corporation (I) Ltd., UBEL, Automatic Electric Ltd.



Mr.S.G.Patankar, Vice President (Commercial) is B.Sc., LL.M., DBM & has over 32 years experience in Legal & related commercial matters. The experience has been in functional areas like liaison with Banks/Financial Institutions, Indirect Taxes, finalization of deeds & documents, follow-up of legal cases and arbitration matters. He was earlier associated with Garware Nylons, Finolex Cables.

Mr.V.M.Pendse, Company Secretary is M.Com., FCS & has over 31 years experience in Secretarial area. The experience has been in functional areas like handling Company's in-house share department, handled various share/debenture issues, secretarial matters and compliances under the Companies Act 1956, SEBI Regulations etc. and other functions delegated by the Board from time to time. He was earlier associated with Kirloskar Pneumatic Ltd., Rapicut Carbides Ltd.

Mr.G.M.Bapat, Vice President (Personnel) is B.Com., LL.B., DFM, MPM & has over 31 years experience in Human Resource & Personnel. The experience has been in functional areas like Planning, Development, Grievance redressal, Implementation of Salary & Perquisite administration, MIS, Recruitment, Deployment of manpower, Industrial Relations, Establishment and management representation for ISO certification. He was earlier associated with Regional Director National Savings.

Mr.A.K.Ghosh, Vice President-Projects- holds a BE- Mechanical degree and has over 28 years experience in various Projects. The experience has been in key functional areas of execution, estimation and tendering, monitoring and cost control, planning and coordination with particular emphasis on timely completion of projects within budgetary limits.

Mr.Prakash Suryanarayan, Vice President (Operations) holds B.Tech (Met. Engg) IIT, Kanpur, has 36 years experience in industry. His experience has been in functional areas of Marketing and Business Development of capital equipment and projects, in the energy and environment sectors, as well as handling general management responsibilities of a strategic business unit encompassing all functions of profit center. He has been involved in Contracts (Formulation, Negotiation, Finalization), Project Management, Product Development, Organization Development, Selection, Training and Performance Appraisal and Total Quality Management. He has been a member of a Top Management Team in Thermax Ltd., and has also been associated with Triveni Exports Ltd., ISGEC- John Thompson & Walchandnagar Industries Ltd.

Mr. Mukesh Kumar Agarwal, Vice President- Projects, B.E. (Electrical), MBA, has over 30 years experience in fields of project execution upto 400 KV sub-station. His experience has been in functional areas of planning, co-ordination, procurement, quality surveying, quality control, cost control, monitoring contracts, marketing etc.

Mr. V. V. K. Nair, Senior Vice President- Electrical Division, B.Sc (Engg), MBA, has 36 years experience in power sector and telecom management. His experience has been in functional areas of Project Implementation and Management, Contract Administration, Procurement, Inspection as well as installation of HVLV sub-stations & lines and maintenance. He has been specifically chosen by the Government to implement transmission projects in Prime Minister's constituency to implement country's first ever microwave communication system in power sector and implementation of first ATRS system.

Apart from above, the following personnel are on deputation from the UB Group:

Name, Designation & Qualification	Age (Years)	Previous Employment	Date of Joining	Total Experience (Years)	Remarks
Mr. J. K. Sardana Manager & Chief Operating Officer B.Tech (Mechanical)	51	Alstom Projects India Ltd.	20.03.2007	30	On deputation from UBHL for a period of 3 years
Mr.O.P.Aggarwal Vice President - Finance B.Com	53	Triumph Distilleries & Vinters (P) Ltd.	01.12.2006	30	On deputation from USL for a period of 3 years



Mr.J.K.Sardana, Manager & Chief Operating Officer is B.Tech. (Mechanical) & has over 30 years experience in Power Plant, worked as Head Project Management/Country Manager for business development in Bangladesh, Pakistan, Sri Lanka. The experience has been in functional areas like Project monitoring, commercial negotiation, business development, HR, planning and co-ordination with primary focus on completion of work as per time schedule. He was earlier associated with Alstom Projects India Ltd.

Mr.O.P.Aggarwal, Vice President (Finance) is B.Com. & has over 30 years experience in Finance & Accounts. The experience has been in functional areas like Finalization of Audit Report, MIS & Cost Control, Liaison with Project Executives, Bankers, etc., Establishing checks & controls, Administration / Monitoring of various Indian and Overseas accounts work for finalization of Quarterly results, review audit reports, Annual Accounts with Statutory Auditors, to keep track/control on all funds received from various sites at Head office. He was earlier associated with Triumph Distilleries & Vinters (P) Ltd.

All the key managerial personnel are permanent employees of our Company. Mr. O.P. Aggarwal and Mr. J. K. Sardana, are on deputation from the UB Group, as mentioned above and Mr. J.G. Kulkarni and Mr Mukesh Kumar Agarwal are employed on a contractual basis.

We confirm that there are no persons whose name appears as key management personnel are on the rolls of the wholly-owned subsidiary as permanent employees.

The remuneration of each of our key personnel is as per Section 217(2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975.

Shareholding of Key Managerial Personnel in our Company

None of our key managerial employees hold any Equity Shares in our Company except for the following:

Sr. No.	Names of our Key Managerial Personnel	No. of Equity Shares
1	Mr. Bidyut Chakraborty	7370
3	Mr. V M Pendse	80

Bonus or Profit Sharing Plan for our Key Managerial Employees

Our Company does not have any bonus or profit sharing plan for its Key Managerial Employees.

Employee Stock Option Plan

Our Company does not have any stock option Plans or Stock Purchase Schemes for its employees.

Payment or Benefit to Officers of our Company (Non-Salary Related)

No amount or benefit has been paid or given within the two preceding years or intended to be given to any of the directors or key managerial personnel except for the following:

- The normal remuneration for services rendered as officers or employees
- Mr. R. K. Dighe was appointed as Technical Consultant w.e.f. 01.04.06 for a period of one year with Consultancy fee of Rs. 60,000/- p.m. in terms of Central Government approval. The said arrangement was discontinued w.e.f. 01.12.06. Mr. R. K. Dighe resigned as Non-Executive Director on July 01, 2007.

Remuneration

The remuneration of each key managerial personnel includes salary, company's contribution to provident fund, leave travel concessions, medical reimbursements expenses and value of other facilities inclusive of accommodation as may be applicable in such case.

Changes in our Key Managerial Personnel during last three years

Name and designation of the employee	Date of Appointment	Date of Resignation	Reason for change
Mr. A. K. Ghosh	29.05.2007	-	Appointment

Vice President-Projects			
Mr. Prakash Suryanarayan Vice President-Operations	01.06.2007	-	Appointment
Mukesh Kumar Agarwal Vice President- Projects B.E. (Electrical), MBA	09.10.2000	-	Promoted
V.V. K. Nair Sr. Vice President -Electrical	15.11.2007	-	Appointment
Mr. R.K.Sathe Vice President - Operations	02.08.1976	31.10.2006	Resignation
Mr.U.K.Madhavan Vice President - Projects	01.02.1978	19.10.2007	Resignation
Mr.S.D.Kumar Vice President	01.11.1993	14.11.2007	Resignation

Interest of Promoters, Directors and Key Managerial Personnel

Except as stated in “Related Party Transactions” on pages 103 and 124 of this Letter of Offer, and to the extent of shareholding in our Company, our Promoters do not have any other interest in our business.

All Directors of our Company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to them under our Articles of Association. All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, held by them or that may be subscribed for and allotted to them, out of the present Issue in terms of this Letter of Offer and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. None of our Directors are interested in any advances or facilities that have been provided by us to their relatives or persons in which such relatives are interested.

The key managerial personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of the Equity Shares held by them in our Company, if any.

OUR PROMOTERS

Our promoters are United Breweries (Holdings) Limited, McDowell Holdings Limited (earlier known as McDowell India Spirits Limited) and Devi Investments Private Limited, who together own a majority of the equity shares issued by us. As on the date of filing of this Letter of Offer our Promoters together hold 42,81,839 equity shares representing 34.74% of our fully paid up equity capital.

1. United Breweries (Holdings) Limited (“UBHL”)

UBHL was originally incorporated on March 23, 1915 as United Breweries Limited under the provisions of the Indian Companies Act, 1913. The name of UBHL was changed to UB Limited on January 9, 1989. Subsequently, the name was again changed to United Breweries Limited on July 2, 1993. On August 7, 2002, the name of UBHL was again changed to Kingfisher Properties & Holdings Limited. And finally, on October 11, 2002, the name was changed to United Breweries (Holdings) Limited. UBHL is the flagship holding company of the UB Group. The present activities of UBHL consist of carrying on the business of Investment holding, exports, development of its real estate.

Scheme of Arrangement

Consequent to the Scheme of Arrangement approved by the Hon'ble High Court of Karnataka vide its Order dated July 4, 2002, the Brewery business carried on by United Breweries Limited (now known as United Breweries [Holdings] Limited) [UBHL] [the De-merged Company], was transferred to and vested in UB Beer Limited [now known as United Breweries Limited] [the Resulting Company], save and except the Brewery Unit located at Bangalore. Consequent thereto, the remaining business and all the assets, investments, liabilities and obligations pertaining thereto, continued to belong to and vested in and managed by UBHL.

In terms of the Scheme, the members of UBHL were allotted 4 Equity shares in United Breweries Limited of Rs.10/- each credited as fully paid up in cash for every 10 Equity shares of Rs.10/- each fully paid up held by such members in UBHL.

In view of the de-merger and other related provisions of the Scheme of Arrangement and concurrently and as an integrally connected part of the Scheme, the paid up capital of UBHL was reduced by Rs.15,09,39,710/- and that such reduction was effected by reducing the paid up capital by Rs.4/- per Equity share of Rs.10/- each of UBHL, which were issued and outstanding.

Simultaneously with the reduction of share capital of UBHL, Equity shares so reduced were consolidated into Equity Share of Rs.10/- each.

There has been no change in management of United Breweries (Holdings) Limited.

Shareholding of persons belonging to "Promoter and Promoter Group" of UBHL:

Sr. No.	Name of the shareholder	No. of shares	Shares as a % of total number of shares
1.	Dr Vijay Mallya	5765478	9.70
2.	Kamsco Industries Pvt Ltd	2642400	4.45
3.	Gem Investment & Trading Company Pvt Ltd	1165084	1.96
4.	Pharma Trading Company Pvt Ltd	414882	0.7
5.	Mallya Pvt Ltd	2642400	4.45
6.	Devi Investments Pvt Ltd	502012	0.84
7.	McDowell Holdings Ltd	5260002	8.85
8.	Vittal Investments Pvt Ltd	101508	0.17
9.	Watson Ltd	14159986	23.82
	Total	32653752	54.93

Board of Directors

The Board of Directors of UBHL is as follows:

Sr. No.	Name	Designation
1	Dr. Vijay Mallya	Chairman
2	Mr. N.Srinivasan	Director
3	Mr. Shrikant G.Ruparel	Director
4	Mr. Pathai Ananthasubramanian Murali	Director
5	Mr.A.Harish Bhat	Director
6	Mr.Sidhartha V.Mallya	Director
7	Mr.Piyush G.Mankad	Director
8	Mr.B.S.Patil	Director
9	Mr.R.N.Pillai	Managing Director

Shareholding Pattern

The shareholding pattern of UBHL as on September 30, 2007 is as follows:

Category of shareholder	No. of shareholders	Total no. of shares	Total no. of shares held in dematerialized form	Total shareholding as a % of total no. of shares	
				As a % of (A+B)	As a % of (A+B+C)
(A) Shareholding of Promoter and Promoter Group					
(1) Indian					
Individuals / Hindu Undivided Family	4	5765478	-	9.7	9.7
Bodies Corporate	7	12728288	5622938	21.41	21.41
Sub Total (A) (1)	11	18493766	5622938	31.11	31.11
(2) Foreign					
Bodies Corporate	1	14159986	14159986	23.82	23.82
Sub Total (A) (2)	1	14159986	14159986	23.82	23.82
Total shareholding of Promoter and Promoter Group (A) = (A)(1) + (A) (2)	12	32653752	19782924	54.93	54.93
(B) Public Shareholding					
(1) Institutions					
Mutual Funds / UTI	27	1827448	1823972	3.07	3.07
Financial Institutions / Banks	10	15614	4716	0.03	0.03
Central Government / State Government(s)	1	198	-	-	-
Insurance Companies	2	1363946	1363946	2.29	2.29
Foreign Institutional Investors	31	14681880	14680236	24.7	24.7
Sub Total (B) (1)	71	17889086	17872870	30.1	30.1
(2) Non-Institutions					
Bodies Corporate	600	1746323	1613520	2.94	2.94
Individuals					
Individual shareholders holding nominal share capital up to Rs. 1 lakh	35724	5456088	3369799	9.18	9.18
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	47	1610085	1573107	2.71	2.71
Any Others (Specify)	-	-	-	-	-

Trusts	6	86564	86564	0.15	0.15
Sub Total (B) (2)	36377	8899060	6642990	14.97	14.97
Total Public shareholding (B) = (B) (1) + (B) (2)	36448	26788146	24515860	45.07	45.07
Total (A)+(B)	36460	59441898	44298784	100	100
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-
Total (A)+(B)+(C)	36460	59441898	44298784	-	100

Pursuant to the resolution passed by the Board of Directors of UBHL at its meeting held on October 29, 2007 and by the shareholders of UBHL at its annual general meeting held on November 28, 2007, UBHL had filed a preliminary placement document with the Stock Exchanges on December 03, 2007 in accordance with Chapter XIII-A of the SEBI DIP Guidelines for issuing upto 59,80,000 equity shares of Rs.10/- each.

The Adhoc Committee of Director of UBHL appointed for this purpose at its meeting held on December 13, 2007, has allotted the following:

a. 5,405,405 Equity of Rs.10/- each for Cash at a price of Rs.1,110/- per Equity Share, aggregating to Rs 5,999,999,550 to the Qualified Institutional Buyers, on Private Placement basis, as defined under Clause 2.2.2B(v) of Chapter XIII-A of the SEBI DIP Guidelines.

b. 6,387,117 Warrants of Rs 10/- each at a premium of Rs 1,100/- aggregating to Rs 7,089,699,870/- crores to FirStart Inc., a member of the Promoter Group of UBHL, on Preferential basis. The said warrants carry the option and right of conversion, to be executed by the holder thereof, of One warrant into One Equity Shares of Rs 10 each in the share capital of UBHL at a premium of Rs 1,100 per equity share, the option being exercisable within a period not exceeding 18 months from the date of issue of the Warrants.

Consequent upon the allotment of 5,405,405 equity shares to Qualified Institutional Buyers, the total issued and paid up capital of UBHL stands increased to Rs.648,473,030 divided into 64,847,303 equity shares of Rs.10/- each.

Financial Performance

The audited financial performance of UBHL for the last three years is given below:

Rs in Lacs

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005
Total income	28,434.01	68,226.03	23,102.41
Sales & Services	23,458.00	18,095.33	13,681.04
Profit after Tax	2,522.73	42,030.07	71.86
Equity Capital	5,944.19	2,972.09	2,972.09
Reserves (excluding revaluation reserve)	38,646.51	39,791.31	6,930.51
Earnings per Share (in Rs.)	4.24	141.42	0.27
Net Asset Value per share (in Rs.)	75.02	143.88	3.04

Share Price Performance

The equity shares of UBHL are listed on the Bangalore Stock Exchange Limited ("BgSE") and Bombay Stock Exchange Limited ("BSE"). The high and low for the Equity Shares of UBHL in the last six months as quoted on BSE is as follows:

Month	Monthly High	Monthly Low
November 2007	1279.95	990.00
October 2007	1,374.40	881.00
September 2007	989.00	730.00
August 2007	925.00	652.00
July 2007	842.80	600.00



June 2007	752.15	557.00
May 2007	798.95	342.00

Source: www.bseindia.com

The share price of UBHL on BSE as on November 30, 2007 was Rs.1163.35

Promise versus Performance

UBHL has not made any public issue or rights issue in the preceding three years. The listing of the securities of UBHL has never been refused at any time by any Stock Exchanges.

There has been no default of any kind of the Listing Agreement. No penalty of any kind including suspension of trading have been imposed on UBHL by SEBI or any other Stock Exchange or any other Regulatory Authority in India or abroad. The equity shares of UBHL are being traded in demat mode. Arising out of an adjudication proceedings initiated by SEBI, a penalty of Rs.10,000/- was imposed, in May 2003, on UB General Investments Limited (a subsidiary of UBHL now merged with UBHL) for non-compliance of Regulation 3(3) of the Takeover Code in the matter of acquisition of shares of Inertia Industries Limited, now Millennium Beer Industries Limited, through preferential allotment. UB General Investments Limited was formerly called United Breweries (Holdings) Limited. UB General Investments Limited (a subsidiary of UBHL now merged with UBHL) has paid the said penalty to SEBI.

UBHL (which was earlier known as United Breweries Limited) had a Pharma division, which was hived off into a separate company viz. UB Pharmaceuticals Limited, which had a dispute with Bank of Tokyo involving a claim of about Rs.11 crores. Dominion Chemical Industries Limited [DCIL], a then associate of UBHL, had availed of facilities from The Bank of Tokyo for which UBHL had furnished a corporate guarantee. Upon default by DCIL, UBHL as guarantor settled the matter with the Bank of Tokyo. The claim against DCIL was about Rs.11 crores. UBHL entered into an out of court full and final settlement with the Bank of Tokyo in respect of both the disputes by paying an aggregate amount of Rs.9,69,33,171/- in May 2005. Subsequently, the court proceedings were withdrawn by Bank of Tokyo. Similarly, there was a dispute with IDBI regarding a loan liability pertaining to the pharma division of erstwhile United Breweries Limited, which was settled by UBHL.

Information regarding adverse factors

UBHL is not a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is it under winding up. UBHL has not made any loss in the immediately preceding year. There are no litigations pending by or against UBHL except as disclosed under section "Outstanding Litigation, Defaults and Material Development" on page no 160 of this Letter of Offer.

Related Party Transactions between UBHL and our Company

As on May 22, 2007, UBHL has a right to recover Rs.40 crores plus interest owing by the Issuer Company. UBHL is also entitled to a guarantee commission calculated at the rate of 1% for the guarantee value issued in favour of the Lender on behalf of the Issuer Company. For more details on the terms and conditions of the said loan please refer to page no. 26 of this Letter of Offer.

Particulars of Nature and Interest of UBHL

UBHL is a promoter and holds 30.82% of the Company's pre issue equity share capital. UBHL may therefore, be deemed to be interested to the extent of dividend, if any, declared by the Company.

Common Pursuits

There are no common pursuits between UBHL and our Company.

Payment of Benefits to UBHL within the last two years

No Benefits are paid to UBHL by the Company within the last two years.



Investor Grievance Redressal Mechanism and Investor Complaints

As regards investor grievance redressal system, UBHL has an investor service centre located at its registered office at “UB Anchorage”, 5th Floor, 100/1, Richmond Road, Bangalore-560 025, which handles investor complaints and is headed by the Company Secretary. UBHL’s share transfer agents, Alpha Systems Private Limited, No.30, Ramana Residency, 4th Cross, Sampige Road, Malleshwaram, Bangalore - 560003, have a separate department headed by a Manager and assisted by dealing assistants to attend investors queries pertaining to issue of share certificates, share transfers and related matters. The investors’ complaints are generally resolved within three days from the date of receipt of letter /complaint.

As on September 30, 2007, there are no investor grievances pending redressal by UBHL.

Other Ventures of UBHL

Except subsidiaries of UBHL and the list of companies given below there are no companies that are under the same management as per section 370 (1B) of the Companies Act:

- UB Electronic Instruments Limited
- UB Infrastructure Projects Limited
- Kingfisher Radio Limited
- Kingfisher Airlines Limited
- UB International Trading Limited
- Kingfisher Training Academy Limited
- City Properties Maintenance Company Bangalore Limited
- Kingfisher Aviation Training Limited

The list of companies wherein UBHL holds (directly or indirectly) more than 10% of the equity capital (Other than subsidiaries) is given below:

- United Breweries Limited
- United Spirits Limited
- Mangalore Chemicals & Fertilizers Limited
- Herbertsons Limited
- McDowell & Company Limited
- Deccan Aviation Limited
- Maltex Malsters Limited
- United Racing & Bloodstock Breeders Limited
- Asian Age Holdings Limited
- WIE Engineering Limited (In Liquidation)
- McDowell Holdings Limited
- Pixray (India) Limited
- H Parsons Private Limited
- Aventis Pharma Limited
- Shaw Wallace & Company Limited
- Utkal Distilleries Limited
- Shaw Wallace Breweries Limited
- Ramonreti Investment & Trading Private Limited
- United Alcobev Limited
- United Vintners Limited
- McDowell Beverages Limited
- Four Seasons Wines Limited
- Daffodils Flavours & Fragrances Private Limited
- Primo Distributors Private Limited

List of companies which hold 10% or more of UBHL’s equity capital

- Watson Limited

2. McDowell Holdings Limited (formerly known as McDowell India Spirits Limited) ("MHL")

MHL was incorporated on March 1, 2004 under the provisions of the Companies Act 1956 as United Golden Beverages Limited. Subsequently, the name was changed from United Golden Beverages Limited to McDowell India Spirits Limited with effect from March 31, 2004. MHL was a subsidiary of McDowell & Company Limited (now known as United Spirits Limited). The main object of MHL is to establish and carry on the business of liquors, beverages, alcohols, wines and other products like brandy, whisky, rum, gin, beer or their derivatives. Consequent upon the Composite Scheme of Arrangement becoming effective, MHL also hold investments. As MHL is essentially an investment Company, it has filed an application with the Reserve Bank of India for registration as Non-Banking Financial Company vide its letter dated October 30, 2007.

Pursuant to the Composite Scheme of Arrangement ("the Scheme"), the investment business of McDowell & Company Limited (now known as United Spirits Limited), primarily comprising equity shares in the UB Group Companies was de-merged into MHL and the investments stood transferred to and vested with MHL with effect from opening hours of April 1, 2005, being the De-merger Appointed Date. As part of the Scheme, the name of the Company was changed from McDowell India Spirits Limited to McDowell Holdings Limited, with effect from October 17, 2006. MHL's main source of income presently is the return from its investments in UB Group Companies.

In terms of the Scheme, MHL allotted 12,094,281 Equity Shares on November 6, 2006, to the shareholders of USL in the ratio of 1 share for every 5 shares held in USL. Consequent upon the said allotment, MHL ceased to be a subsidiary of USL. In terms of the Scheme, MHL listed its equity shares on Ahmedabad Stock Exchange Limited, The Calcutta Stock Exchange Association Limited, Madras Stock Exchange Limited, The Delhi Stock Exchange Association Limited, Bangalore Stock Exchange Limited, Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. At the Annual General Meeting held on September 28, 2007 the Shareholders of MHL unanimously approved the special resolution for de-listing of equity shares from the Stock Exchanges situated at Ahmedabad, Chennai, Kolkata and New Delhi. Applications seeking de-listing of the equity shares from the Stock Exchanges situated at Ahmedabad, Chennai, Kolkata and New Delhi have been filed and necessary approvals are awaited.

There has been no change in management of McDowell Holdings Limited.

Shareholding of persons belonging to "Promoter and Promoter Group" of MHL:

Sr. No.	Name of the shareholder	No. of shares	Shares as a % of total number of shares
1	United Breweries Holdings Ltd	4392691	36.17
2	Mallya Private Limited	201	0
3	Dr. Vijay Mallya	2	0
4	Kingfisher Radio Ltd	8730	0.07
5	United Spirits Ltd	50000	0.41
	Total	4451624	36.66

Board of Directors

The Board of Directors of MHL is as follows:

Sr. No.	Name	Designation
1	Dr. Vijay Mallya	Chairman
2	Mr. A. Harish Bhat	Managing Director
3	Mr. N. Srinivasan	Director
4	Mr. M R Doraiswamy Iyengar	Director
5	Mr. V.S. Venkataraman	Director

Shareholding Pattern

The shareholding pattern of MHL as on September 30, 2007 is as follows:

Category of shareholder	No. of shareholders	Total no. of shares	Total no. of shares held in dematerialized form	Total shareholding as a % of total no. of shares	
				As a % of (A+B)	As a % of (A+B+C)
(A) Shareholding of Promoter and Promoter Group					
(1) Indian					
Individuals / Hindu Undivided Family	1	2	-	-	-
Bodies Corporate	4	4451622	4401421	36.66	36.66
Sub Total	5	4451624	4401421	36.66	36.66
(2) Foreign					
Total shareholding of Promoter and Promoter Group (A)	5	4451624	4401421	36.66	36.66
(B) Public Shareholding					
(1) Institutions					
Mutual Funds / UTI	14	637938	637428	5.25	5.25
Financial Institutions / Banks	22	20586	17447	0.17	0.17
Foreign Institutional Investors	31	2279106	2278717	18.77	18.77
Sub Total	67	2937630	2933592	24.19	24.19
(2) Non-Institutions					
Bodies Corporate	1208	883510	878004	7.28	7.28
Individuals					
Individual shareholders holding nominal share capital up to Rs. 1 lakh	67088	3294325	2791613	27.13	27.13
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	8	133912	123512	1.1	1.1
Any Others (Specify)	-	-	-	-	-
Trusts	5	13170	13170	0.11	0.11
Clearing Members	268	132859	132859	1.09	1.09
Foreign Corporate Bodies	1	20200	20200	0.17	0.17
Overseas Corporate Bodies	3	1497	688	0.01	0.01
Foreign Nationals	21	2859	-	0.02	0.02
Non Resident Indians	5714	272695	114641	2.25	2.25
Sub Total	74316	4755027	4074687	39.15	39.15
Total Public shareholding (B)	74383	7692657	7008279	63.34	63.34
Total (A)+(B)	74388	12144281	11409700	100	100
(C) Shares held by Custodians and against which Depository Receipts have been issued					
	-	-	-	-	-
Total (A)+(B)+(C)	74388	12144281	11409700	-	100

Financial Performance

The audited financial highlights of MHL for the last three years are given below:

(Rs. In lacs)

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005
Total income	115.82	45.47	0.69
Profit after Tax	86.88	30.04	(1.79)
Equity Capital	1214.43	1214.43	5.00
Reserves (excluding revaluation reserve)	3263.29	3176.41	-

Earnings per Share	0.72	0.25	(3.57)
Net Asset Value	36.87	36.16	6.42

Share Price Performance

MHL listed its equity shares on Ahmedabad Stock Exchange Limited, The Calcutta Stock Exchange Association Limited, Madras Stock Exchange Limited, The Delhi Stock Exchange Association Limited, Bangalore Stock Exchange Limited, Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. Applications seeking de-listing of the equity shares from the Stock Exchanges situated at Ahmedabad, Chennai, Kolkata and New Delhi have been filed and necessary approvals are awaited.

The high and low for the Equity Shares of MHL in the last six months as quoted on BSE is as follows:

Month	Monthly High	Monthly Low
November 2007	249.00	201.10
October 2007	270.00	195.00
September 2007	268.40	190.00
August 2007	232.90	182.10
July 2007	251.40	201.15
June 2007	339.55	222.75
May 2007	234.70	195.60

Source: www.bseindia.com

The share price of MHL on BSE as on November 30, 2007 was Rs.230.95

Promise versus Performance

MHL has not made any public issue or rights issue in the preceding three years. No penalty of any kind has been imposed on MHL by SEBI or any other stock exchange or any other authority in India or abroad.

Information regarding adverse factors

MHL is not a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is it under winding up. MHL has not made any loss in the immediately preceding year. There are no litigations pending by or against MHL.

Related Party Transactions between MHL and our Company

There are no related party transactions entered into by MHL with our Company.

Particulars of Nature and Interest of MHL

MHL is a promoter and holds 2.65 per cent of the Company's pre issued equity share capital. MHL may therefore be deemed to be interested to the extent of dividend, if any, declared by the Company.

Common Pursuits

There are no common pursuits between MHL and our Company.

Payment of Benefits to MHL within the last two years

No Benefits are paid to MHL by our Company within the last two years.

Investor Grievance Redressal Mechanism and Investor Complaints

Shareholders / Investors' Grievance Committee operates in terms of the provisions related thereto in the Listing Agreements with the Stock Exchanges. The Committee comprises of the following Directors:

Mr. M.R.Doraiswamy Iyengar, Chairman
Mr. V S Venkataraman

Mr. Ritesh Shah, Company Secretary & Compliance Officer, is the Secretary of the Committee.

The Share Transfer Agent of the Company, M/s. Alpha Systems Private Limited, 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore 560 003, have a separate department headed by a Manager and assisted by Dealing Assistants to attend to the investors' queries on issue of share certificates, share transfers and related matters. The investors' complaints are generally attended to within 3 days from the date of receipt of the letter.

As on September 30, 2007, there are no investor grievances pending redressal by MHL.

Other Ventures of MHL

MHL is one of the promoter companies of the companies listed below:

- United Breweries (Holdings) Limited
- United Breweries Limited
- Mangalore Chemicals & Fertilizers Limited
- Aventis Pharma Limited

3. Devi Investments Private Limited (DIL)

Devi Investments Private Limited was incorporated on May 19, 1977 as private company under the provisions of the Companies Act, 1956. The main object of DIL is to acquire, hold, exchange, sell and deal in shares, stocks, debentures, debenture-stocks, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere.

There has been no change in management of Devi Investments Private Limited. DIL has been promoted by Mr. Neeraj Rawal and Dr. Vijay Mallya.

Board of Directors

The Board of Directors of DIL is as follows:

Sr. No.	Name	Designation
1	Mr. P.K. Darurwalla	Non-Executive Director
2	Mr. Neeraj Rawal	Non-Executive Director
3	Mr. A. Raghunathan	Non-Executive Director
4	Mr. K. Subramani	Non-Executive Director
5	Mr. P.G. Govindan	Non-Executive Director

Shareholding Pattern

Shareholding Pattern of DIL as on September 30, 2007 is as follows:

Name of the Shareholder	No. of Shares	% Holding
Mr. Neeraj Rawal	7,501	75.01
Dr. Vijay Mallya	2,499	24.99

Financial Performance

The audited financial highlights of DIL for the last three years are given below:

(Rs. In Lacs)

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005
Share Capital	1.00	1.00	1.00
Reserves (Excluding revaluation reserves)	-	-	-
Sales (Revenue)	5.02	3.25	0.68
Profit after Tax	4.86	3.20	0.61
Earnings per Share (Rs.)	48.59	31.99	6.11
Net Asset Value (per share)	10.00	10.00	10.00

Share Price Performance

DIL is an unlisted company.

Information regarding adverse factors

DIL is not a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is it under winding up. DIL has not made any loss in the immediately preceding year. There are no litigations pending by or against DIL except as disclosed under section "Outstanding Litigation, Defaults and Material Development" on page no 160 of this Letter of Offer.

DIL Limited had made an application dated July 07, 1997 to RBI seeking a certificate of registration to carry on business of a Non – Banking Financial Institution as required under the sub section (1) of Section 45 – IA of the RBI Act, 1934. RBI vide its letter dated February 18, 2003 notified that in terms of the order passed by RBI and in exercise of its power conferred under Section 45 – IA of the RBI, Act, 1934, the said application has been rejected. In view of the above Devi Investments Private Limited cannot transact the business of a Non – Banking Financial Institution as defined in Clause (a) of Section 45-I of the RBI Act, 1934. As required by RBI, DIL has passed a resolution to the effect that it will not accept public deposits without prior approval of RBI.

Related Party Transactions between DIL and our Company

There are no related party transactions entered into by DIL with the Company.

Particulars of Nature and Interest of DIL

DIL is a promoter and holds 1.26 per cent of the Company's pre issued equity share capital. DIL may therefore be deemed to be interested to the extent of dividend, if any, declared by the Company.

Common Pursuits

There are no common pursuits between DIL and our Company.

Payment of Benefits to DIL within the last two years

No Benefits are paid to DIL by the Company within the last two years.

Other Ventures of DIL

The list of companies wherein DIL holds (directly or indirectly) more than 10% of the equity capital is given below:

- Face One Models Private Limited
- Rossi & Associates Private Limited

We confirm that the Permanent Account Numbers, Bank Account Numbers, the Company Registration Numbers and the addresses of the Registrars of Companies where our promoters are registered have been submitted to the Bombay Stock Exchange Limited at the time of filing of this Letter of Offer. Further, Our Promoters have not been detained as a willful defaulter by the Reserve Bank of India or any other Government authority and there are no violations of securities laws committed by our Promoters in the past or any such proceedings are pending against our Promoters.

Companies with which the Promoters have disassociated themselves in the last three years

UBHL has disassociated itself from the following Companies in the immediately preceding three years:

Sr. No.	Year Ended	Name of the Company	Remarks
1	31.03.2005	1. UB Networks (Bangalore) Private Limited 2. The Asian Age (South) Limited 3. UB Global Corporation Limited 4. UB Information and Consultancy Services Limited 5. UB Transit Systems Limited 6. UB General Investments Limited 7. UB Pharmaceuticals Limited 8. M W P Limited 9. The Asian Age (West) Limited 10. UB Publications Limited	Pursuant to the Scheme of Amalgamation as approved by the Hon'ble High Court of Karnataka on August 08, 2005, these Companies were merged with UBHL
	31.03.2005	United Breweries Nepal Private Limited	Ceased to be subsidiary consequent upon divestment of the entire holding.
2	31.03.2006	UB Holding (South Africa) (Proprietary) Limited	Ceased to be subsidiary consequent upon divestment of the entire holding.
	31.03.2006	United Vanderhost Limited	Disassociated consequent upon divestment of the entire holding.
3	31.12.2006	Herbertsons Limited United Distillers India Limited Baramati Grape Industries Limited	Pursuant to the Scheme of Amalgamation as approved by the Hon'ble High Courts, these Companies have been merged with United Spirits Limited.
	31.12.2006	Castle Breweries Limited	Disassociated consequent to the Order pronounced on 17.05.2004 by the Hon'ble High Court of Calcutta, the winding up of this company.

Except as stated above, the Promoters have not disassociated themselves from any Companies in the immediately preceding three years.

Conflict of interest between companies that are in the same line of business

There is no conflict of interest between the Promoters and our Company.

Interest of Promoters and Promoter Group in our Company

Except to the extent of their respective shareholding in our Company, our Promoters do not have any other interest in our business.

SECTION V – FINANCIAL STATEMENTS

AUDITORS REPORT

The Board of Directors
 UB Engineering Ltd
 Sahyadri Sadan, Tilak Road
 Pune-411030

Dear Sirs,

We have examined the financial information contained in the statements to this report, which is proposed to be included in the Offer Document being issued by UB Engineering Ltd (“Company”) in connection with its Rights issue of Equity Shares referred to as “the issue”) which is in accordance to the requirement of :-

- a) Paragraph B(1) of Part II of Schedule II to the Companies Act, 1956(“the Act”);
- b) The Securities and Exchange Board of India(Disclosure and Investor Protection) Guidelines,2000 (“the guidelines”) issued by SEBI on January 19, 2000 as amended from time to time in pursuance of Section 11 of the SEBI Act, 1992, and;
- c) The terms of reference received from the Company, requesting us to carry out work, proposed to be included in the Offer Document in connection with its proposed Rights Issue of Equity Shares.

Financial information as per audited financial statements:

1. We have examined the attached restated summary statements of Profits and Losses of the Company for the six months ended September 30, 2007 and each of the years ended on March 31, 2003, 2004, 2005, 2006 and 2007 (Annexure I) and the attached restated summary statement of assets and liabilities for each of the period/years ended on those dates Annexure II) together referred to as ‘summary statements’ as prepared by the Company and approved by the Board of Directors. The financial accounts for the year ending March 31, 2003, 2004, 2005, 2006 and 2007 have been audited by previous statutory auditors’ of the company M/s. Narkar & Associates & we have relied on their work. These profits have been arrived at after making such adjustments and regroupings as in our opinion are appropriate and more fully described in the notes appearing in Annexure III to this report. We have audited the Profit and Loss Account for six months ended on September 30, 2007 and Balance Sheet as at that date. Based on our examination of these summary statements, we state that:
 - i. The restated profits have been arrived at after charging all expenses including depreciation and after making such adjustments and regroupings as in our opinion are appropriate in the year/period to which those are related, subject to our remarks in Annexure IV.
 - ii. The significant accounting policies being adopted by the company as at 30th September 2007 are stated vide Annexure ‘O’ to this report.

Other Financial Information:

2. We have examined the following financial information, listed in Annexure ‘a’ to Annexure ‘q’ herein below, relating to the Company for the years ended March 31,2003, 2004, 2005, 2006, 2007 and six months ended September 30, 2007, proposed to be included in the Offer Document as approved by the Board of Directors and annexed to this report :

Sr. No.	Particulars	Annexures
1.	Statement giving details of Other Income	Annexure a
2.	Cash Flow Statement	Annexure b
3.	Details of Secured Loans	Annexure c
4.	Details of Unsecured Loans	Annexure d
5.	Details of Loans & Advances	Annexure e
6.	Details of Sundry Debtors	Annexure f
7.	Details of Current Liabilities & Provisions	Annexure g
8.	Statement of summary of Investments	Annexure h
9.	Details of Contingent Liabilities	Annexure i

10.	Summary of accounting ratio based on adjusted profit relating to earning per share, net assets value and return on net worth	Annexure j
11.	Capitalization statement of the Company	Annexure k
12.	Related party disclosure	Annexure l
13.	Statement of Tax Shelters	Annexure m
14.	Statement of Dividend paid	Annexure n
15.	Statement of significant Accounting Policies	Annexure o
16.	Statement of Segment reporting	Annexure p
17.	Notes to Accounts	Annexure q

Consolidated Group:

3. We have examined the 'Statement of Consolidated restated Profits and Losses for each of the financial years ended on March 31, 2003, 2004, 2005, 2006, 2007 and six months period ended September 30, 2007, (**Annexure V**), the 'Statement of Consolidated restated Assets and Liabilities – (**Annexure VI**) as on those dates, the statement of Consolidated re-stated Cash Flows – (**Annexure VII**) for the period/ years ended on September 30, 2007 and each of the financial years ended on March 31, 2003, 2004, 2005, 2006 and 2007, the related financial statements schedules (**Annexure 1 to 10**) as prepared by the Company and approved by the Board of Directors of the Company in pursuance of Accounting Standard 21- "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India. The financial statements of the Subsidiary for the years ended March 31, 2003, 2004, 2005, 2006, 2007 and six months ended September 30, 2007 have been audited by other auditors whose reports have been furnished to us, and in our opinion, in so far as those relate to the amounts included in respect of the subsidiary audited by the other auditors, are based solely on the report of the other auditors. The significant accounting policies being adopted as at September 30, 2007, as consolidated, are stated vide **Annexure 9** to this report.
4. In our view, the 'Financial information as per the audited financial statements' and "other financial information" mentioned above has been prepared in accordance with Part II of Schedule VI of the Act and the Guidelines.
5. The sufficiency of the procedures performed, as set forth in the above paragraph of this report, is the sole responsibility of the Company. Consequently, we make no representation regarding the sufficiency of the procedures described above either for the purpose for which this report has been requested or for any other purpose.
6. This report should not be in any way construed as a re issuance or redrafting of any of the previous audit reports issued by us or by other auditors nor should this report be construed as a new opinion on any of the financial statements referred to herein.
7. This report is intended solely for your information and for inclusion in the Offer Document in connection with the proposed Rights issue of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For M/s V.P.MEHTA & CO.
Chartered Accountants

Place: Mumbai
Date: December 10, 2007

V. P. Mehta
Membership No: 35722

SUMMARY STATEMENT OF PROFITS AND LOSSES AS RESTATED (STANDALONE)

Rs. In Lacs

Particulars	For six months period ended 30th September 2007	For the Financial Years Ended				
		March 31, 2007	March 31, 2006	March 31, 2005	March 31, 2004	March 31, 2003
INCOME						
Income from Operations	7,769.90	21,628.91	22,912.95	14,917.22	7,474.64	12,158.38
Other Income	256.06	4,810.07	175.20	232.47	44.89	40.87
Change in WIP	(27.22)	(540.72)	1,401.60	56.33	(218.22)	(737.74)
Total Revenue	7,998.74	25,898.26	24,489.75	15,206.02	7,301.31	11,461.51
EXPENDITURE		-	-	-	-	-
Construction Cost	6,853.89	20,545.97	23,014.77	14,436.19	6,424.16	9,098.67
Employee Cost	203.15	237.16	193.32	166.73	186.06	454.54
Other Expenses	291.76	7,177.93	1,716.86	239.59	328.48	430.67
Interest Cost (Net)	346.71	502.68	1,726.25	1,538.54	1,249.79	1,169.39
Depreciation	38.12	76.54	85.82	92.38	161.83	229.79
Miscellaneous expenditure written off	-	8.53	8.53	8.53	8.53	8.53
Total Expenditure	7,733.62	28,548.81	26,745.55	16,481.95	8,358.85	11,391.59
Profit before Taxation and Extra Ordinary Items & interest on overdue balances	265.12	(2,650.55)	(2,255.80)	(1,275.93)	(1,057.55)	69.92
Interest on overdue balances	-	-	-	-	-	-
Prior period expenses	-	-	(32.63)	(76.34)	-	-
Provision for Taxation- Current	-	-	-	-	-	-
Provision for Taxation- Deferred	-	(24.99)	320.40	404.34	143.53	(177.43)
Provision for Taxation- Fringe Benefit Tax	(9.40)	(17.51)	(17.88)	-	-	-
Tax Provision for Earlier years	-	-	-	-	(571.05)	(97.14)
Provision For Wealth Tax	-	(0.01)	(0.06)	(0.09)	(0.12)	(0.14)
Profit after Taxation before Extra Ordinary Items	255.72	(2,693.06)	(1,985.97)	(948.02)	(1,485.19)	(204.78)
Add: Depreciation of Earlier Years	-	-	-	-	-	-
Add: Provision of Retirement Benefits Written Back	-	-	-	-	-	-
Extra Ordinary Item	-	2,955.52	-	-	-	-
Foreign project reserve no longer required written back	-	999.48	-	255.00	445.00	301.52
Investment allowance reserve no longer required written back	-	-	-	-	-	-
Profit after Taxation and Extra Ordinary Items (A)	255.72	1,261.94	(1,985.97)	(693.02)	(1,040.19)	96.74
Impact of material adjustments in corresponding years (B)	91.74	6,757.08	940.69	40.73	(469.69)	(8,288.98)
Adjusted Profit (A+B)	347.46	8,019.03	(1,045.28)	(652.29)	(1,509.88)	(8,192.24)
Profit available for appropriation	347.46	8,019.03	(1,045.28)	(652.29)	(1,509.88)	(8,192.24)
APPROPRIATIONS		-	-	-	-	-
Interim Dividend	-	-	-	-	-	-



Proposed Final Dividend	-	-	-	-	-	-
Corporate Dividend Tax	-	-	-	-	-	-
Transfer to Debenture Redemption Reserve	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-
Surplus Carried to Balance Sheet	347.46	8,019.03	(1,045.28)	(652.29)	(1,509.88)	(8,192.24)

SUMMARY STATEMENT OF ASSETS AND LIABILITIES AS RESTATED (STANDALONE)

Rs. In Lacs

Particulars	As at 30th September 2007	As at 31 st March				
		2007	2006	2005	2004	2003
A. Fixed Assets :						
Gross Block	6,788.91	6,875.02	7,464.70	7,471.79	5,436.24	5,576.72
Less Depreciation	4,072.31	4,129.54	4,274.96	4,055.41	4,113.16	4,071.17
Net Block	2,716.59	2,745.48	3,189.74	3,416.38	1,323.08	1,505.54
Less : Revaluation Reserve	(1,691.08)	(1,837.06)	(2,102.90)	(2,286.41)	(146.11)	(147.67)
Net Block after adj. for Revaluation Reserve	1,025.51	908.41	1,086.84	1,129.97	1,176.97	1,357.87
B. Investments	1.11	1.11	1.11	1.11	3.11	68.03
C. Current Assets, Loans and Advances :						
Inventories	1,254.50	1,283.63	1,806.76	284.92	199.94	426.02
Sundry Debtors	7,394.93	5,764.10	5,008.54	5,962.58	3,944.68	4,761.66
Cash and Bank Balances	1,265.36	552.80	438.21	226.46	344.61	317.27
Loans and Advances	295.84	175.93	797.67	704.41	335.88	313.98
Other Current Assets	665.49	602.21	500.53	439.61	396.55	372.35
Deferred Tax Asset	1,548.37	1,548.37	1,867.73	1,582.82	1,209.41	1,117.57
	12,424.50	9,927.04	10,419.44	9,200.81	6,431.08	7,308.85
D. Liabilities and Provisions :						
Secured Loans	5,107.67	4,838.03	10,760.13	9,583.36	8,098.43	6,878.46
Unsecured Loans	35.00	35.00	53.44	53.02	54.56	86.88
Current Liabilities and Provisions	12,040.91	10,043.45	11,507.43	10,436.90	8,269.86	8,583.04
Deferred Tax Liability	-	-	294.37	329.86	360.79	412.48
	17,183.58	14,916.48	22,615.37	20,403.14	16,783.64	15,960.87
E. Net-worth	(3,732.46)	(4,079.91)	(11,107.98)	(10,071.23)	(9,172.47)	(7,226.12)
F. Represented by						
1. Share Capital	1,232.61	1,232.61	1,232.61	1,232.61	1,232.61	1,232.61
2. Reserves	2,334.15	2,480.14	3,745.46	3,928.97	2,043.67	2,490.23
Less Revaluation Reserve	(1,691.08)	(1,837.06)	(2,102.90)	(2,286.41)	(146.11)	(147.67)
Reserves (Net of Revaluation Reserves)	643.07	643.07	1,642.56	1,642.56	1,897.56	2,342.56
Profit & Loss A/c (to the extent not written off)	(5,608.14)	(5,955.60)	(13,974.62)	(12,929.35)	(12,277.05)	(10,767.17)
Misc. Exps (to the extent not written off)	-	-	8.53	17.06	25.59	34.12
Net-worth	(3,732.46)	(4,079.91)	(11,107.98)	(10,071.23)	(9,172.47)	(7,226.12)

NOTES TO ACCOUNTS
Rs. In Lacs
Impact of adjustments of Auditor's qualifications on P&L A/c

Particulars	For Six months period ended September 30, 2007	As at Financial Year Ended				
		March 31 2007	March 31 2006	March 31 2005	March 31 2004	March 31 2003
Net Profit / (Loss) as per audited statement of account (A)	255.72	1,261.94	(1,985.97)	(693.02)	(1,040.19)	96.74
Adjustments on account of qualifications:						
1. Debtors written off	90.73	6,695.32	875.10	0.33	(453.31)	(7,937.02)
2. Provision for Income Tax Demand	-	-	-	-	-	(110.00)
3. Advances to Subsidiary Written off	(0.65)	60.10	63.93	38.74	(0.15)	(241.96)
4. Assets of Kochi Plant written off	1.66	1.66	1.66	1.66	(16.24)	-
Total (B)	91.74	6,757.08	940.69	40.73	(469.69)	(8,288.98)
Adjusted Profit (A+B)	347.46	8,019.03	(1,045.28)	(652.29)	(1,509.88)	(8,192.24)

Annexure IV

Auditor's qualifications pertaining to the adjustments carried out in the financial statements and response of the company in respect of the same:

Claim of Rs. 2815.66 Lacs receivable from a State Government Enterprise:

This amount is receivable from Uttar Pradesh Rajya Vidyut Nigam Ltd., (Formerly known as: U.P. State Electricity Board) a State Government Enterprise on the judicial confirmation of the Arbitration award on 12th September, 2000. Based on Legal Opinion, the Claim and Interest upto 30th September, 2003 amounting to Rs. 2815.66 Lacs was considered as Income in previous years. The said amount of Rs. 2,815.66 Lac has been written off in the restated financial statements. The Management, however, is of the view that, considering the present legal status of the case, there is high probability of a favorable outcome.

Other Income:

Rs. In Lacs

SOURCES OF INCOME	For Six months period ended September 30, 2007	Financial Year Ended					Nature of Income	Related or not related to business
		March 31,2007	March 31,2006	March 31,2005	March 31,2004	March 31,2003		
Dividend	0.19	0.19	0.03	0.18	0.17	0.17	Recurring	Related
Misc. Receipts	172.34	21.19	17.79	7.61	5.86	7.86	Recurring	Related
Profit on sale of Assets	14.40	0.12	16.14	0.41	10.27	6.57	Recurring	Related
Profit on sale of Investments	-	-	-	-	13.36	-	Non Recurring	Related
Interest	6.14	22.07	8.39	20.61	10.95	26.26	Recurring	Related
Lease Rental	2.70	0.00	0.00	0.00	0.00	0.00	Recurring	Related
Liabilities/ Provisions write back	0.10	4,746.78	83.31	161.95	4.27	-	Non Recurring	Related
Foreign Exchange Gain	60.19	19.73	49.54	41.71	-	-	Recurring	Related
TOTAL	256.06	4,810.07	175.20	232.47	44.89	40.87		

SUMMARY STATEMENT OF CASH FLOWS AS RESTATED (STANDALONE)

Rs. In Lacs

	Particulars	For Six months period ended September 30, 2007	Financial Year Ended				
			March 31,2007	March 31,2006	March 31,2005	March 31,2004	March 31,2003
A	CASH FLOW FROM OPERATING ACTIVITIES						
	PROFIT / (LOSS) BEFORE TAXATION	265.12	304.97	(2255.80)	(1275.93)	(1057.55)	69.92
	ADJUSTMENTS FOR :						
	ADD						
	Depreciation	38.12	76.54	85.82	92.38	161.83	229.79
	Interest	346.70	502.68	1726.25	1538.54	1249.79	1169.39
	Bad Debts Written off	25.37	6685.09	1574.62	85.39	3.22	45.12
	Credit Balances Written Back	(0.10)	(4746.78)	(83.31)	(161.95)	(4.27)	63.86
	Loss / (Gain) on Sale of Assets / Asset Write Off (Net)	(9.30)	141.81	15.45	10.03	(7.64)	-
	Loss / (Gain) on Sale of Investment	-	-	-	-	(13.36)	5.00
	Misc. Expenses (Non-Cash Expenses Charged To P & L)	-	8.53	8.53	8.53	8.53	(34.12)
	Extra Ordinary item (Income)	-	(2955.52)	-	-	-	-
	Expenses For Right Issue	-	-	-	-	-	-
	Exchange Rate Fluctuation Loss / (Gain)	(21.67)	42.50	(66.01)	(42.36)	242.84	17.40
	Sub Total	644.24	59.82	974.65	254.63	583.38	1566.36
	LESS						
	Interest Income	6.14	22.07	8.39	20.61	10.95	26.26
	Dividend Income	0.19	0.19	0.03	0.18	0.17	0.17
	Unclaimed Credit Balances Written Back	-	-	-	-	-	-
	Exchange Rate Fluctuation	-	-	-	-	-	-
	Sub Total	6.33	22.26	8.42	20.79	11.13	26.44
	OPERATING PROFIT / (LOSS) BEFORE WC CHANGES	637.91	37.56	966.23	233.85	572.26	1539.93
	ADJUSTMENTS FOR WORKING CAPITAL CHANGES						
	(Increase) / Decrease In Trade And Other Receivables	(1823.74)	(279.99)	333.85	(2495.15)	(684.44)	(456.20)
	Direct taxes paid	(4.93)	(32.12)	-	-	-	-
	(Increase) / Decrease In Inventories	29.13	523.13	(1521.83)	(84.98)	226.07	741.23
	Increase / (Decrease) In Trade Payables	2087.82	(87.85)	1007.03	2305.43	(101.95)	(1414.45)
	NET CASH FROM OPERATING ACTIVITIES	926.19	160.73	785.27	(40.86)	11.95	410.50
B	CASH FLOW FROM INVESTING						

	ACTIVITIES						
	Purchases of Fixed Assets / Inv	(212.09)	(44.01)	(58.23)	(54.84)	(1.16)	(14.59)
	Wealth Tax Paid	-	-	(0.09)	(0.12)	-	(1.50)
	Fringe Benefit Tax Paid	-	-	(3.32)	-	(0.13)	(0.14)
	Sale of Investments	-	-	-	2.00	64.91	-
	Sale of Fixed Assets	67.84	5.75	32.66	1.10	11.64	51.81
	Interest Received	7.50	19.71	7.77	29.58	6.91	15.39
	Dividend Received	0.19	0.19	0.03	0.18	0.17	0.17
	NET CASH FLOW FROM INVESTING ACTIVITIES	(136.57)	(18.36)	(21.18)	(22.11)	82.34	51.14
C	CASH FLOW FROM FINANCING ACTIVITIES						
	Proceeds From Borrowings - Secured Loans	269.65	477.17	1012.87	1361.74	1114.73	612.78
	Exchange Fluctuation (Gain) / Loss on Secured Loans	-	-	(9.60)	8.18	(34.00)	(2.58)
	Repayment of Unpaid Debentures	-	-	-	(0.02)	0.00	(0.06)
	Proceeds / (Repayment) from / (of) Borrowings- Unsecured Loans	-	(1.19)	-	11.99	(9.55)	(39.73)
	Repayment of Fixed Deposits	-	(0.60)	(0.15)	(12.33)	(23.35)	(50.14)
	Unclaimed Dividends Paid	-	-	(3.28)	0.01	(3.86)	(3.36)
	Interest Paid	(346.71)	(503.16)	(1552.18)	(1424.76)	(1110.92)	(988.97)
	NET CASH USED IN FINANCING ACTIVITIES	(77.06)	(27.77)	(552.34)	(55.18)	(66.95)	(472.05)
	NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)	712.56	114.59	211.75	(118.15)	27.34	(10.41)
	CASH & CASH EQUIVALENTS AS AT (OPENING)	552.80	438.21	226.46	344.61	317.27	327.68
	CASH & CASH EQUIVALENTS AS AT (CLOSING)	1265.36	552.80	438.21	226.46	344.61	317.27

Details of Secured Loans:
Rs. In Lacs

PARTICULARS	As at 30.09.2007	As at 31.12.2007	As at 31.03.2006	As at 31.03.2005	As at 31.03.2004	As at 31.03.2003
FROM BANK						
A) Cash Credit including Interest	-	-	7,177.39	6,138.27	5,018.33	4,128.93
B) Term Loan	500.00	440.00	313.60	500.60	500.01	500.01
C) Working Capital Term Loan Including Interest	-	-	2,186.78	1,913.71	1,710.34	1,511.48
D) Foreign Projects Finance Including Interest	-	-	401.21	523.14	477.12	484.65
Interest Accrued and Due On Term Loan (B) Above	-	-	681.14	507.64	392.63	253.39
UB Infrastructure Projects Ltd. ("UBIPL")	461.13	4,398.03	-	-	-	-
United Breweries (Holdings) Ltd.	4,146.54	-	-	-	-	-
Total Secured Loans	5,107.67	4,838.03	10,760.13	9,583.36	8,098.43	6,878.46

Notes:

- A. Cash Credit is secured against hypothecation of Inventory and book debts and second charge on certain fixed Assets. During the year the One Time Settlement with the consortium bankers has been accepted in principle. (Refer note no. 2 in Notes on Accounts in Schedule 'L')
- B. Term Loan is secured by, exclusive charge, on certain fixed assets created by way of hypothecation and company's premises at Pune.
- C. Working Capital Term Loan is secured by way of hypothecation of book debts, tangible movable machinery on parri passu basis and part of the working capital term loan and is further secured by exclusive charge by way of hypothecation of certain fixed assets and current assets. During the year the One Time Settlement with the consortium bankers has been accepted in principle. (Refer note no. 2 in Notes on Accounts in Schedule 'L')
- D. Foreign Project finance is secured by counter guarantees issued by the member of consortium bankers to whom the assets of the company have been offered as security.
- E. Loan from UBIPL & UBHL is secured against 2nd charge on all fixed and movable assets of the Company.

Details of Secured Loans:

Our secured borrowings as at 30.09.2007 are as follows:--

Rs. In Lacs

Sr. No.	Nature of borrowing / debt	Sanction Amount	Outstanding	Repayment terms and Interest	Securities Offered
1	Yes Bank Limited	500.00	500.00	15.50%	First Exclusive charge on all the fixed (moveable & immovable) and current assets. Lien on the Cash Margin Account maintained with Yes Bank Limited Post dated Cheques for the principal amount of the facility
2	UB Infrastructure Projects Limited	1000.00	461.13	13%	Second charge of all the assets (moveable and immovable assets)
3	United Breweries (Holdings) Limited	4000.00	4146.54	13%	Second charge of all the assets (moveable and immovable assets)

Details of Unsecured Loans:

 Annexure d
Rs. In Lacs

PARTICULARS	As at 30.09.2007	As at 31.03.2007	As at 31.03.2006	As at 31.03.2005	As at 31.03.2004	As at 31.03.2003
Fixed Deposits	-	-	0.60	0.75	13.08	36.43
Short Term Loans from Banks	-	-	1.19	1.19	4.20	47.81
Inter Corporate Deposits	35.00	35.00	50.00	50.00	35.00	-
Other Loan in Foreign Currency	-	-	-	-	-	0.93
Interest accrued and due on unsecured loans	-	-	1.65	1.08	2.28	1.71
TOTAL	35.00	35.00	53.44	53.02	54.56	86.88

Details of Outstanding Unsecured Loan as on September 30, 2007

Sr. No.	Name of the Lender	Amount Rs. In Lacs	ROI	Repayment Schedule	
				Date	Amount (Rs.)
1	Inter Corporate Deposits				
#	UB Electronic Instruments Ltd.	35.00	7%	24.03.2008	2,000,000
				04.01.2008	1,500,000
	Total	35.00			3,500,000

Group Company

Details of advances recoverable in Cash & Kind
Rs. In Lacs

PARTICULARS	As at 30.09.2007	As at 31.03.2007	As at 31.03.2006	As at 31.03.2005	As at 31.03.2004	As at 31.03.2003
Other Advances	104.64	112.30	112.70	139.14	152.76	165.67
Prepaid Expenses	111.33	6.44	597.06	479.90	5.69	15.43
Excise Duty	-	-	31.93	31.93	31.93	31.93
Sales Tax Receivable	53.44	53.44	53.44	53.44	99.96	100.95
Service Tax Receivable	26.43	3.75	2.54	-	45.54	-
TOTAL	295.84	175.93	797.67	704.41	335.88	313.98

Annexure f
Details of Sundry Debtors Ageing
Rs. In Lacs

PARTICULARS	As at 30.09.2007	As at 31.03.2007	As at 31.03.2006	As at 31.03.2005	As at 31.03.2004	As at 31.03.2003
Debts outstanding for a period exceeding six months	3,452.63	2,269.99	922.22	1,719.54	2,691.93	2,708.73
Debts outstanding for a period less than six months	3,942.30	3,494.11	4,086.32	4,243.04	1,252.75	2,052.93
TOTAL	7,394.93	5,764.10	5,008.54	5,962.58	3,944.68	4,761.66

Sundry Debtors Include the Following Debts Due From Related Parties:-
Rs. In Lacs

PARTICULARS	As at 30.09.2007	As at 31.03.2007	As at 31.03.2006	As at 31.03.2005	As at 31.03.2004	As at 31.03.2003
Associate Company	79.99	25.46	21.27	22.03	65.61	51.97
TOTAL	79.99	25.46	21.27	22.03	65.61	51.97

Details of Current Liabilities & Provisions

SL. NO	PARTICULARS	As at 30.09.2007	As at 31.03.2007	As at 31.03.2006	As at 31.03.2005	As at 31.03.2004	As at 31.03.2003
	Current Liabilities						
1	Sundry Creditors *						
	Due To Small Scale Industrial Undertakings	23.14	23.14	23.18	15.52	15.52	15.52
	Due To Others	9,152.95	7,994.25	8,827.61	9,103.14	6,469.12	6,848.62
2	Advances From Customers **	1,951.23	1,141.91	1,348.83	351.72	992.23	1,072.88
3	Security Deposit From Suppliers	-	-	9.02	9.02	9.02	9.02
4	Unclaimed Dividend	-	-	-	3.28	3.27	7.13
5	Interest Accrued But Not Due	-	-	-	-	0.02	0.97
	Total Current Liabilities	11,127.32	9,159.30	10,208.64	9,482.68	7,489.18	7,954.14
	Provisions						
1	Provision For Taxation	110.00	110.00	110.00	110.00	110.00	110.00
2	Provision For Taxation - Wealth Tax	0.01	0.01	0.06	0.09	0.12	-
3	Provision For Taxation - Fringe Benefit Tax	4.47	-	14.56	-	-	-
4	Provision For Gratuity, Superannuation & Leave Encashment Etc.	799.10	774.14	1,174.17	844.13	670.56	518.90
	Total Provisions	913.58	884.15	1,298.79	954.22	780.68	628.90
	Total Current Liabilities & Provisions	12,040.91	10,043.45	11,507.43	10,436.90	8,269.86	8,583.04

* Includes Unclaimed Redeemed Debentures along with interest for Rs. 39.11 Lacs as on September 30, 2007

Details of Investments

PARTICULARS	As at 30.09.2007	As at 31.03.2007	As at 31.03.2006	As at 31.03.2005	As at 31.03.2004	As at 31.03.2003
Subsidiary Company	Nil	Nil	Nil	Nil	Nil	Nil
Equity Shares - Unquoted (Traded)	0.05	0.05	0.05	0.05	0.05	64.97
Equity Shares - Quoted (Traded)	0.05	0.05	0.05	0.05	0.05	0.05
Others - Unquoted (Non-Traded)	1.01	1.01	1.01	1.01	1.01	1.01
In Government Securities	Nil	Nil	Nil	Nil	2.00	2.00
Total	1.11	1.11	1.11	1.11	3.11	68.03
Aggregate book value of quoted investment	0.05	0.05	0.05	0.05	0.05	0.05
Aggregate Market value of quoted investment	7.20	4.75	3.85	2.67	1.85	1.17
Diminution in value of investments	Nil	Nil	Nil	Nil	Nil	Nil
Aggregate book value of Unquoted investment	1.06	1.06	1.06	1.06	3.06	67.98

Details of Contingent Liabilities:

Rs. In Lacs

	Particulars	As at 30.09.2007	As at 31.03.2007	As at 31.03.2006	As at 31.03.2005	As at 31.03.2004	As at 31.03.2003
a)	Bank Guarantees / Counter Guarantees issued & letters of credit outstanding	2,929.86	853.82	1,922.27	3,544.67	5,577.01	6,747.86
b)	Corporate Guarantees	53.48	66.92	127.50	-	93.53	102.08
c)	Uncalled liability in respect of partly paid up shares	-	-	-	-	-	-
d)	Sales Tax demands under appeal **	944.03	944.03	785.63	811.23	116.18	108.43
e)	Claims against the Company not acknowledged as debts	549.43	571.07	485.53	291.82	144.21	88.28
f)	Liability for Joint Venture Arrangement	-	-	-	-	1.41	33.43
g)	Overseas Tax Demand under appeal	391.18	412.67	419.46	409.42	403.02	-
h)	Service Tax Recoverable	-	-	-	3.26	45.54	-
i)	Claim- Goyal Gases Limited	-	1,319.85	-	-	-	-
j)	Counter claim by BHEL	6,074.75	6,074.75	-	-	-	-
	TOTAL	10,942.73	10,243.11	3,740.39	5,060.40	6,380.90	7,080.08
**	Deposits against Sales Tax Liabilities.	5.50	5.50	1.50	1.50	7.26	4.60

Annexure j

Mandatory Accounting Ratios

Accounting Ratios	As at 30.09.2007	As at 31.03.2007	As at 31.03.2006	As at 31.03.2005	As at 31.03.2004	As at 31.03.2003
Net Worth (Rs. In lacs) (A)	(3,732.46)	(4,079.91)	(11,107.98)	(10,071.23)	(9,172.47)	(7,226.12)
Profit after Taxation before Extra Ordinary Items (B)	255.72	(2,693.06)	(1,985.97)	(948.02)	(1,485.19)	(204.78)
Adjusted Profit after Tax (Rs. In lacs) (C)	347.46	8,019.03	(1,045.28)	(652.29)	(1,509.88)	(8,192.24)
No. of Shares outstanding (in lacs) (D)	123.26	123.26	123.26	123.26	123.26	123.26
Earnings per Share before Extra Ordinary Items (EPS) (Rs) (B/D)	2.07	(21.85)	(16.11)	(7.69)	(12.05)	(1.66)
Earnings per Share (EPS) (Rs) (C/D)	2.82	65.06	(8.48)	(5.29)	(12.25)	(66.46)
Return on Net-worth (%) (C/A)	(9.31)	(196.55)	-	-	-	-
Net Asset Value per Share (Rs) (A/D)	(30.28)	(33.10)	(90.12)	(81.71)	(74.42)	(58.63)
Other ratio (Working as per j 1 below)						
Cash Earnings (Rs. In Lacs.)	401.55	7,228.69	524.93	(617.91)	(1,361.57)	(7,844.95)
Cash Earnings per Share (Rs) (E/C)	3.26	58.65	4.26	(5.01)	(11.05)	(63.65)

Working for Cash Earnings per Share

	As at 30.09.2007	As at 31.03.2007	As at 31.03.2006	As at 31.03.2005	As at 31.03.2004	As at 31.03.2003
Profit After Tax (PAT)	347.46	8,019.03	(1,045.28)	(652.29)	(1,509.88)	(8,192.24)
Add:						
Depreciation	38.12	76.54	85.82	92.38	161.83	229.79
Bad Debts	25.37	6,685.09	1,574.62	85.39	3.22	45.12
Loss on sale of Fixed Assets	5.10	141.92	0.69	10.44	2.63	70.42
Miscellaneous Expenditure Written off	-	8.53	8.53	8.53	8.53	8.53
Less:						
Profit on sale of Fixed Assets	14.40	0.12	16.14	0.41	10.27	6.57
Liabilities/Provisions written back	0.10	7,702.30	83.31	161.95	4.27	-
Profit on sale of Investments	-	-	-	-	13.36	-
Total Cash Earnings (E)	401.55	7,228.69	524.93	(617.91)	(1,361.57)	(7,844.95)

Capitalisation Statement

	Pre-issue as at 30.09.2007	Adjusted for the Rights Issue
Borrowing		
Short - Term debt	5,107.67	5,107.67
Long-term debt	-	-
Total Debt	5,107.67	5,107.67
Shareholders' funds		
Share Capital		
- Equity	1,232.61	1,706.69
Share premium	584.84	6084.19
Reserves & surplus *	58.24	58.24
	1,875.69	7,849.12
Less: Miscellaneous Expenditure not written off	-	-
Less: Profit & Loss A/c. Debit Balance	(5,608.14)	(5,608.14)
Total Shareholders Funds	(3,732.45)	2,240.99
Debt / Equity ratio	-	2.28

* 1) Capital Reserves	51.35
2) Capital Redemption	6.89
3) Foreign Reserves & Project Reserves	-
	58.24

* Excluding Revaluation Reserve of 1,691.08 Lacs

Related Party Disclosures:

The Company has identified following related parties:

A) Subsidiaries:

WIE Estate Development Limited, Pune

B) Associate Companies:

United Breweries (Holding) Limited, Bangalore
 UB Infrastructure Projects Limited, Bangalore
 United Spirits Limited, Bangalore
 UB Electronic Instruments Limited, Secundrabad
 Kingfisher Radio Limited, Bangalore

C) Directors – Key Management Personnel

Mr. R K Dighe – Erstwhile Director (resigned on 01.07.2007)
 Mr. J. K. Sardana – Manager & Chief Operating Officer

Related party transactions: with the above mentioned parties:

Rs. In Lacs

Sr. No.	Particulars	Year/ Period Ended	Subsidiary Company	Associate Companies	Directors- Key Managerial Personnel	Relatives of Key Management Personnel	Total
1.	Sale of Goods / Service	30/09/2007		Nil			Nil
		31/03/2007		Nil			Nil
		31/03/2006		2.20			2.20
		31/03/2005		48.00			48.00
		31/03/2004		115.25			115.25
		31/03/2003		23.59			23.59
2.	Purchase of Services	30/09/2007	Nil				Nil
		31/03/2007	Nil				Nil
		31/03/2006	89.05				89.05
		31/03/2005	-				-
		31/03/2004	4.30				4.30
		31/03/2003	109.40				109.40
3.	Deposits received	30/09/2007		35.00			35.00
		31/03/2007		35.00			35.00
		31/03/2006		35.00			35.00
		31/03/2005		35.00			35.00
		31/03/2004		35.00			35.00
		31/03/2003		-			-
4.	Interest paid on deposits	30/09/2007		1.23			1.23
		31/03/2007		2.45			2.45
		31/03/2006		2.45			2.45

		31/03/2005		2.45			2.45
		31/03/2004		-			-
		31/03/2003		-			-
5.	Remuneration Consultation	30/09/2007			Nil		Nil
		31/03/2007			4.80		4.80
		31/03/2006			18.83		18.83
		31/03/2005			17.05		17.05
		31/03/2004			17.89		17.89
		31/03/2003			30.60		30.60
6.	Balance receivable	30/09/2007	79.99	25.46			105.45
		31/03/2007	79.34	25.46			104.80
		31/03/2006	139.44	21.27			160.71
		31/03/2005	203.36	22.02			225.40
		31/03/2004	242.11	65.61			307.72
		31/03/2003	241.96	51.97			293.93
7.	Balance payable	30/09/2007		4797.96			4797.96
		31/03/2007		4596.61			4596.61
		31/03/2006		71.50			71.50
		31/03/2005		71.50			71.50
		31/03/2004		101.49			101.49
		31/03/2003		101.49			101.49
8.	Lease Rentals / Rent	30/09/2007	0.13			Nil	0.13
		31/03/2007	0.25			Nil	0.25
		31/03/2006	0.25			4.20	4.45
		31/03/2005	0.25			3.53	3.78
		31/03/2004	0.25			3.30	3.55
		31/03/2003	0.25			3.30	3.55
9.	Rent / Deposit received	30/09/2007	12.30				12.30
		31/03/2007	-				-
		31/03/2006	-				-
		31/03/2005	-				-
		31/03/2004	-				-
		31/03/2003	-				-

Statement of Tax Shelter

Rs. In Lacs

Particulars	Financial Year Ended				
	March 31 2007	March 31 2006	March 31 2005	March 31 2004	March 31 2003
Profit / (Loss) after tax as per Profit & Loss A/c (A)	304.96	(2,255.80)	(1,275.93)	(1,057.55)	69.92
Tax there on - rate (B)	33.66%	33.66%	36.59%	35.88%	36.75%
Tax at the above rate Adjustments C (A * B)	-	-	-	-	*
Permanent Differences	-	-	-	-	-
Loss / Profit on sale of investments	-	-	-	(13.36)	-
Prior Period Expenses	-	-	-	-	-
Donations	-	-	-	0.15	-
Unrealized loss on investments / shares	-	-	-	-	-
Penalty & Fines	0.01	0.15	4.86	-	-
Disallowance u/s 40 A (3)	11.64	23.73	3.55	0.79	5.84
Loose Tools Write off	7.75	18.48	5.67	15.60	21.96
Expenditure not debited to P & L	-	-	-	-	-
Disallowance u/s 40(a)	(0.23)	0.68	-	-	-
ESOP Compensation	-	-	-	-	-
Bonus issue Expenses	-	-	-	-	-
Share of Loss/Profit in Joint Venture (Net)	-	-	-	-	-
Net effect of / 80IA/80IB	-	-	-	-	-
Others	(2952.11)	3.72	78.83	6.21	12.89
Total Permanent Difference (D)	(2932.48)	46.76	92.91	9.39	40.69
Timing Differences	-	-	-	-	-
Loss / Profit on sale of Fixed Assets (Net)	141.81	(15.45)	10.03	(7.64)	63.86
Unpaid Gratuity	-	-	-	32.07	-
Depreciation	15.00	24.69	28.84	101.87	158.59
Disallowances U/S. 43B (Net)	(148.98)	430.96	206.42	133.74	111.61
Total Timing Differences (E)	7.83	440.20	245.29	260.03	334.05
Net Adjustments F (D+E)	(2924.65)	486.96	338.20	269.43	374.74
Tax Expense / (Saving) thereon G (F*B)	-	-	-	-	-
Profit / (Loss) as per Income Tax as Returned H (A - F)	(2619.69)	(1,768.85)	(937.73)	(788.12)	444.67
Taxable Income / (Loss)	(2619.69)	(1,768.85)	(937.73)	(788.12)	-
Taxable Income as per MAT	-	-	-	-	-
Tax as per Income Tax returned	Nil	Nil	Nil	Nil	Nil *
Yearwise C/F losses as per IT Return	(8712.32)	(6092.63)	(4323.78)	(3386.05)	2597.94
Assessment	Pending	Pending	Pending	Completed	Completed

Note:

1. Except the carry forward losses, there are no other Tax Shelter available to the Company.
2. The information pertaining to the Years ended March 31, 2003 to 2007 are as per the returns of the income filed by the Company. The effects of the assessment / appellate orders have not been considered above as those are not final.
3. * For the Financial Year ended 31st March 2003 (Assessment Year 2003-2004), the Taxable Income was set off against carried Losses.
4. The Statement of Tax Shelter has been prepared based on the Income Tax Returns filed by the Company and are not based on restated profits as Annexure – I. The above statement of Tax Shelter does not include the six months period ended 30.09.2007, as the Return of Income for that period is filed only for the whole year.

Dividend

The Company has not paid any dividend during the financial year 2002-2003 to 2006-2007 and for the period ended 30th September 2007.

Annexure - O

Accounting Policies and Notes forming part of accounts for the period ended September 30, 2007

I) Significant Accounting Policies

A) These Accounts are prepared under the Historical cost convention on accrual basis, except revaluation of certain Fixed Assets, in earlier years, as stated in D (ii) below and that those comply with the Companies Act, 1956 and with the mandatory accounting standards and statements issued by the Institute of Chartered Accountants of India.

B) Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual result and estimates are recognized in the period in which the results are known / materialized.

C) Revenue Recognition

Revenue on long-term contracts is recognized on the basis of "Stage of Completion" reached as evaluated by the Management at the end of each accounting year. Similarly, revenue from services rendered is recognized based on services rendered.

Additional Claims (including for escalation), which in the opinion of the Management are recoverable on the contract, are also recognized as and when claims are lodged. Extra work is accounted for after Clients acceptance or realization.

Income from technical services is accrued as per terms of relevant agreement.

D) Fixed Assets and Depreciation

- i) Fixed Assets are stated at cost inclusive of all expenses directly attributable in bringing the Assets to their working condition.
- ii) Based on independent valuation reports by approved valuers the Company has revalued its Land and Buildings as on 31st March 1989 and certain Assets such as Building, Plant & Machinery and Cranes as on 31st March 1994. The surplus arising on such revaluation was credited to "Revaluation Reserve" and the incremental annual differential depreciation on account of the revaluation is being charged against such reserve.

Based on independent valuation reports by approved valuers the Company had revalued Land, Building, Plant and Machinery (including Cranes) as on 31st March 2005 , and the excess of revalued worth over the present carrying value of the said assets has been credited to 'Revaluation Reserve'.

- iii) With regard to assets acquired under the Hire Purchase installment scheme, the cost of the Assets is capitalized, while the annual financial charges are charged to revenue.
- iv) In respect of assets taken on lease, the value thereof is not capitalized but the contracted lease rentals are charged to revenue on accrual basis.

Depreciation on Fixed Assets is provided on straight-line method at the rates prescribed under Schedule XIV to the Companies Act, 1956.



As per AS 28 –Impairment of Assets, Fixed assets are reviewed for impairment with reference to their carrying cost compared to the recoverable value and the effect of impairment, if any, is considered accordingly.

E) Investments

Investments (Long term) are stated at cost, less provision for permanent diminution in the value, if any. Current Investments are stated at the lower of cost and fair / market value.

F) Inventories

- i) Inventory of Consumables, Stores and Spares at Project Sites included under Contract Work in Progress is valued at cost on FIFO basis.
- ii) Work in Progress on Construction Contracts is valued at lower of cost comprising Materials, Labour & Site Overheads or proportionate Contract Value.
- iii) Loose Tools stock purchased during the year is written off at the end of the third year.

G) Borrowing Costs

Borrowing Costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which those are incurred.

H) Contract Costs

All the expenditure incurred at / for contract sites is shown under Contract Costs. Taxes payable on Foreign Contracts are recognized on payment basis.

I) Retirement Benefits

- i) Company provides liability towards Contribution to Provident Fund and it is charged to the P & L account on accrual basis, accordingly.
- ii) Company accrues liability for Gratuity as per the actuarial valuation and the same has been accrued and provided for in the current period.
- iii) Company provides for liability for Superannuation on accrual basis and liability for the period has been provided for.
- iv) Liability on account of encashment of Leave entitlement of employees in accordance with the Rules of the Company is provided for the period on the basis of actuarial valuation.

J) Foreign Currency Transactions

- i) Fixed Assets acquired at foreign sites are translated into Rupees at the closing rates prevailing during the month of Purchase / acquisition.
- ii) All other Foreign Currency transactions are accounted for at the rates prevailing on the date of the transaction. Exchange rate Differences are accounted for under appropriate heads in the Profit & Loss Account.
- iii) Translation of the financial statements of foreign site offices other than fixed assets have been made in accordance with the AS 11 dealing with Accounting for the Effect of Changes in Foreign Exchange Rates issued by the Institute of Chartered Accountants of India.

K) Taxes on income

Provision for Income Tax is made on the basis of taxable income for the current accounting period in accordance with the Income Tax Act , 1961 and considering the consensus opinion in relation to recent amendments on T.D.S. issues and implications there of in computing taxable income.

Deferred tax asset / liability is calculated at the current income tax rate and is recognized on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets subject to the consideration of prudence, are recognized and carried forward only to the extent that there is a reasonable



certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

L) Contingent Liabilities

All known Liabilities, wherever material, are provided for and Liabilities, which are disputed, are referred to by way of Notes to the Accounts.

M) Sundry Debtors Loans & Advances

Specific Debts and advances identified as irrecoverable or doubtful, if any, are written off or provided for, respectively.



STANDALONE STATEMENT OF SEGMENT REPORTING

The Company has classified its business operations into two primary segments in accordance with the requirement of AS 17 – Segment Reporting issued by the Institute of Chartered Accountants of India. The two segments are domestic and overseas. The required disclosures are as follows:

Rs. in Lacs

Particulars	Domestic (2007-08) Apr-Sept 07	Overse as (2007-2008) Apr-Sept 07	Total (2007-2008) Apr-Sept 07	Domestic (2006-2007)	Overse as (2006-2007)	Total (2006-2007)	Domestic (01-04-06 To 31-12-06)	Overseas (01-04-06 To 31-12-06)	Total (01-04-06 To 31-12-06)	Domestic (2005-2006)	Overse as (2005-2006)	Total (2005-2006)	Domesti c (2004-2005)	Oversea s (2004-2005)	Total (2004-2005)	Domestic (2003-2004)	Oversea s (2003-2004)	Total (2003-2004)
Revenue																		
External Revenue	7665.32	360.64	8025.96	20042.77	6396.21	26438.98	11801.98	11286.17	23088.15	9581.56	5568.13	15149.69	6458.49	1061.04	7519.53	8820.16	3379.09	12199.25
Inter segment Revenue																		
Total Revenue	7665.32	360.64	8025.96	20042.77	6396.21	26438.98	11801.98	11286.17	23088.15	9581.56	5568.13	15149.69	6458.49	1061.04	7519.53	8820.16	3379.09	12199.25
Expenses	6974.62	439.51	7414.13	22066.10	6520.75	28586.85	11607.35	12010.35	23617.70	9471.37	5415.71	14887.08	6017.81	1309.48	7327.29	8984.60	1975.33	10959.93
Segment Results / Operating Profit	690.70	(78.87)	611.83	(2023.33)	(124.54)	(2147.87)	194.63	(724.18)	(529.55)	110.19	152.42	262.61	440.68	(248.44)	192.24	(164.44)	1403.76	1239.32
Interest	346.71	0.00	346.71	467.63	35.05	502.68	1683.74	42.51	1726.25	1486.58	51.96	1538.54	1199.51	50.28	1249.79	1066.30	103.09	1169.39
Profit / (Loss) after Interest before tax	343.99	(78.87)	265.12	(2490.96)	(159.59)	(2650.55)	(1489.11)	(766.69)	(2255.80)	(1376.39)	100.46	(1275.93)	(758.83)	(298.72)	(1057.55)	(1230.74)	1300.67	69.92
Segment Assets	19549.30	1091.03	20640.33	17412.69	1106.54	18519.23	10923.67	2686.62	13610.29	8947.76	3670.55	12618.31	6138.10	1621.18	7759.28	6338.63	2543.79	8882.42
Segment Liabilities	18649.41	1990.93	20640.33	16374.93	2144.30	18519.23	10349.16	3261.13	13610.29	7787.60	4830.71	12618.31	4883.81	2875.47	7759.28	5544.57	3337.85	8882.42
Capital Expenditure *	212.09	0.00	212.09	44.01	0.00	44.01	58.23	0.00	58.23	2197.20	0.00	2197.20	1.16	0.00	1.16	14.59	0.00	14.59
Depreciation	38.12	0.00	38.12	71.26	5.28	76.54	79.28	6.54	85.82	81.64	10.74	92.38	145.69	16.14	161.83	209.66	20.13	229.79

* Including Revaluation of Land, Building, Plant & Machinery as on 31st March 2005 of Rs.2142.36 Lacs

NOTES ON ACCOUNTS
1. PREPARATION OF ACCOUNTS ON GOING CONCERN BASIS:

The Promoter Group has infused Rs.4,607.67 lacs as secured loan and is proposing to acquire further equity interest in the company. The Promoter Group's active involvement to further the business developments of this company would augur well for the future growth and profitability of the company. The order book position has shown improvement. The company's business plan projects profitability and with the support of the UB Group, the management feels confident of improved performance; considering all the above developments, even though the net worth of the company has been eroded more than 50%, the accounts are presented on principles applicable to a going concern.

2. An amount of Rs.2,723.07 being receivables in Foreign Currency has been written off as Bad Debts in Previous year, for which the Company is in process of applying to Reserve Bank of India for approval.
3. There is no income tax liability on the profit for the period, in view of carry forward losses under the provisions of the Income Tax Act.
4. At the Extra Ordinary General Meeting held on 26th March 2007, the shareholders have approved the issue of Equity Shares on Rights basis including premium for a total limit up to Rs.6,000 lacs.

5. Contingent Liabilities:

a. Guarantees and Statutory Dues:

Rs in lacs			
Sr. No	Particulars	For six months ended September 30, 2007	For the year ended March 31,2007
i	Bank guarantees / counter guarantees issued & letters of credit outstanding	2929.86	853.83
ii	Corporate Guarantees	53.48	66.93
iii	Sales tax demands under appeal against which Rs. 550,000 (Rs.550,000) has been paid and included under loans & advances	944.03	944.03
iv	Claims against the Company not acknowledged as debts	549.44	571.08
v	Overseas Tax Demand under appeal	391.18	412.68

- b. The re-opening of the assessment for accounting year 1994-95 has been questioned on appeal at various stages. The company approached for a settlement under KVSS and deposited Rs.110 lacs as per the directives of High Court, which is included under Advances. The application for settlement is pending disposal.
 - c. At Kochi Refineries Limited (KRL), Kochi Site, a dispute has arisen between the Suppliers and the Company due to non payment of dues of the Suppliers. The Suppliers, through a Court Order, have asked KRL to deny Company access to its assets lying at the Site. Settlement has been reached with six suppliers out of eleven suppliers and for others still pending. No provision has been made for any possible liability or potential loss of assets, as they are not presently ascertainable.
 - d. The Company has filed arbitration proceedings against Bharat Heavy Electricals Limited (BHEL) to recover Rs.3663.51 lacs with interest, against which BHEL has filed counter-claims of Rs.6074.75 lacs.
6. Liability for Gratuity and Superannuation, though provided in the accounts up to and including the current period, has been funded with LIC only up to 31st March, 1999. Such unfunded liability as at 30th September 2007 amounts to Rs.683.41 lacs which the company proposes to discharge directly to the employees in due course.

7. Sundry Debtors include the following major items, the status of which is given below:

Sl. No.	Particulars	Amount (Rs. in lacs)
a)	Debts covered by Court cases	21.55
b)	Bills / Retention money outstanding against Completed Contracts	532.87
c)	Debts outstanding for more than three years not covered by Court Cases	183.42

8. Unclaimed Redeemed Debentures and Interest thereon aggregating Rs.39.11 lacs remaining unpaid for more than seven years has not been transferred to "Investor Education and Protection Fund", pending reconciliation.
9. Balances under the head Loans and Advances, Deposits, Debtors and Creditors are taken as per books and are subject to confirmation. In the opinion of the Management, these are realisable in the ordinary course of business at the values stated there against.
10. As per consistent practice followed by the Company, the entire expenditure incurred at or for contract sites is shown under "CONTRACT COSTS" without classifying the same under various heads of expenditure as referred to under Para 3 (x) of Part II of Schedule VI to the Companies Act, 1956.

11. Disclosure in accordance with AS 27 - Financial Reporting of Interest in Joint Ventures - Operations in U.A.E. :

- i. The company operated a jointly controlled Contract with ETA Star Engineering CO. L.L.C. at Dubai, U.A.E., for Erection, Testing and Commissioning project. Details of the same are as under:

Sr.No.	Description of Interest	Proportion of Ownership Interest
1	Operations with dual control (Erection, Testing and Commissioning of Auxiliary Boilers units 1 & 2 for Jebel Ali Power and Desalination Station 'L' Phase -I)	30 %
2	Operations with dual control (Erection, Testing and Commissioning of Package 'P' for Jebel Ali Power and Desalination Station 'L' Phase -I)	30 %

- ii. The Company's interest in the aforementioned jointly controlled operations' assets, liabilities, income & expenditure

Particulars	Rs. in lacs	
	For six months ended September 30, 2007	Financial Year Ended March 31,2007
Assets	713.21	838.32
Liabilities	766.47	870.64
Income	313.76	6217.92
Expenditure	390.37	6122.97
Book Profit	(76.61)	94.95

- iii. Contingent Liabilities incurred in relation to interest in operations with dual control as on 30th September 2007 Rs. NIL
- iv. Capital Commitments incurred in relation to interest in operations with dual control as on 30th September 2007 Rs. NIL

12. Sundry Creditors include Rs.23.14 lacs due to Small Scale Industrial Undertaking to the extent such parties have been identified by the Management and relied upon by auditors. Interest, if any, on overdue payments is not provided for. The names of the Small Scale Industrial Undertakings, to whom amounts are due for more than 30 days as on the Balance Sheet date, are as follows:

(Rs. In Lacs)

Name	Outstanding Amount	Disputed Amount under litigation
Anand Arc Electrodes Private Limited	1.46	-
Vindhyachal Air Products Private Limited*	-	9.82
Rishi Gases Private Limited*#	-	2.28
Metalic Industries	1.07	-
Rewa Gases*#	-	8.51
Total	2.53	20.61

*Under Litigation; # since settled

The company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act 2006) claiming their status as micro, small or medium enterprises. Consequently, the amount paid / payable to these parties during the year is Nil.

13. Bank balances include:

- Certain accounts aggregating Rs.1.21 lacs (including in-operative accounts aggregating Rs.1.21 lacs) for which neither statement of account nor confirmations of balances have been received.
- Fixed Deposits with Banks include Rs.513.21 lacs lodged as margin money deposits.
- Balances with Indian Scheduled Banks in foreign currency account Rs.358.35 lacs which are incorporated in the accounts as appearing in the books.

14. Segment Reporting:

The Company has classified its business operations into one primary segment & two secondary segments, in accordance with the requirement of AS 17 – Segment Reporting issued by the Institute of Chartered Accountants of India. The two segments are Domestic and Overseas. The required disclosures are as follows:

Particulars	Domestic Apr-Sept 2007	Overseas Apr-Sept 2007	Consolidated Total Apr-Sept 2007	Domestic (2006-2007)	Overseas (2006-2007)	Consolidated Total (2006-2007)
Revenue						
External Revenue	7,665.33	360.64	8,025.96	20,042.77	6,396.21	26,438.98
Inter segment Revenue	-	-	-	-	-	-
Total Revenue	7,665.33	360.64	8,025.96	20,042.77	6,396.21	26,438.98
Segment Results / Operating Profit	690.70	(78.87)	611.83	(2,023.33)	(124.54)	(2,147.87)
Interest & Finance charges	346.71	-	346.71	467.63	35.05	502.68
Profit / (Loss) after Interest before tax	343.99	(78.87)	265.12	(2,490.96)	(159.59)	(2,650.55)
Segment Assets (Net of Current Liabilities)	9,609.34	(899.90)	8,709.44	9,623.54	(1,037.76)	8,585.78
Segment Liabilities	8,709.44	-	8,709.44	8,585.78	-	8,585.78

Other Information:

Particulars	Domestic Apr-Sept 2007	Overseas Apr-Sept 2007	Consolidated Total Apr-Sept 2007	Domestic (2006-2007)	Overseas (2006-2007)	Consolidated Total (2006-2007)
Capital Expenditure	212.09	-	212.09	44.01	-	44.01
Depreciation	38.12	-	38.12	71.26	5.28	76.54

15. Related Party Disclosures:

A) Subsidiaries:

WIE Estate Development Limited, Pune

B) Associate Companies:

United Breweries (Holding) Limited, Bangalore
UB Infrastructure Projects Limited, Bangalore
United Spirits Limited, Bangalore
UB Electronic Instruments Limited, Secunderabad
Kingfisher Radio Limited, Bangalore

C) Directors – Key Management Personnel

Mr. R.K. Dighe – Erstwhile Director (Resigned on 01.07.2007)
Mr. J. K. Sardana - Manager & Chief Operating Officer

Transactions with related parties

Rs in lacs

Sr. No.	Nature of Transaction	Subsidiary Companies	Associate Companies	Directors – Key Management Persons	Relatives of Key Management Persons	Total
1.	Sale of Goods / Service	-	-	-	-	-
2.	Purchase of Services	-	-	-	-	-
3.	Deposits received	-	35.00	-	-	35.00
4.	Interest paid on deposits	-	1.23	-	-	1.23
5.	Rent / Deposit received	-	12.30	-	-	12.30
6.	Consultation	-	-	-	-	-
7.	Balance receivable	79.99	25.46	-	-	105.45
8.	Balance payable (including Interest)	-	4797.96	-	-	4797.96
9.	Lease Rentals / Rent	0.13	-	-	-	0.13

16. Estimated amount of Contract remaining to be executed on Capital Account not provided for Rs.81 lacs.

17. Expenditure in foreign currency:

Rs. in lacs

Sr. No	Particulars	For six months ended September 30, 2007	Financial Year Ended March 31,2007
1	On Works Contracts	389.29	5441.93
2	For Other Matters	1.02	2.06

18. Earnings in foreign currency :

Rs. in lacs

Sr. No	Particulars	For six months ended September 30, 2007	Financial Year Ended March 31,2007
1	Overseas Contracts	360.64	6227.96

19. Additional information pursuant to the provisions of Para 3,4C and 4D of Part II of Schedule VI to the Companies Act, 1956 is not given as construction being service activity is not covered under Para 3(ii) (C) of Schedule VI to the Companies Act, 1956.

20. Auditors' Remuneration:

Rs in lacs

Sr. No	Particulars	For six months ended September 30, 2007	Financial Year Ended March 31,2007
1	Audit Fees	1.43	2.70
2	For Other Services	0.10	0.47
3	For Expenses	0.50	0.42
	TOTAL	2.02	3.59

21. **Remuneration to Director / Manager & Chief Operating Officer:** No remuneration was drawn by the Manager & Chief Operating Officer during the period.

22. Earning per share (EPS)

		For six months ended September 30, 2007	Financial Year Ended March 31,2007
(i)	Profit / (Loss) after Tax (For Basic and Diluted EPS) Rs. in lacs	255.72	262.46
(ii)	Weighted average no. of Equity Shares (For Basic and Diluted EPS)	12,326,130	12,326,130
(iii)	Nominal Value of Ordinary Shares	Rs. 10	Rs. 10
(iv)	Basic & Diluted Earning per Equity Shares	2.07	2.13

23. Previous year figures have been reclassified wherever necessary to conform to the current period classification.

24. Current period figures are for six months; therefore those are not comparable with Previous Year figures.

SUMMARY STATEMENT OF PROFITS AND LOSSES AS RESTATED (CONSOLIDATED)
(Rs. In Lacs)

Particulars	For the six months ended 30th September 2007	Financial Year Ended				
		March 31,2007	March 31,2006	March 31,2005	March 31,2004	March 31,2003
INCOME						
Income from Operations	7,769.90	21,628.91	22,912.95	14,922.88	7,474.64	12,163.93
Other Income	256.19	4,810.33	175.23	233.81	45.16	41.02
Increase / (Decrease) in WIP	(27.22)	(547.32)	1,324.52	56.33	(218.22)	(789.65)
Total Revenue	7,998.87	25,891.92	24,412.71	15,213.01	7,301.58	11,415.30
EXPENDITURE						
Construction Cost	6,854.48	20,547.39	22,938.79	14,442.12	6,424.43	9,058.35
Employee Cost	203.15	237.16	193.32	166.73	186.06	454.54
Other Expenses	291.95	7,182.04	1,716.92	240.16	328.72	425.96
Interest Cost (Net)	346.71	502.68	1,726.25	1,538.54	1,249.79	1,169.39
Depreciation	38.12	76.54	85.82	92.38	161.83	229.79
Miscellaneous expenditure written off	-	8.53	8.53	8.53	8.53	8.53
Total Expenditure	7,734.40	28,554.35	26,669.63	16,488.46	8,359.36	11,346.56
Profit before Taxation and Extra Ordinary Items & interest on overdue balances	264.47	(2,662.42)	(2,256.93)	(1,275.45)	(1,057.78)	68.74
Interest on overdue balances	-	-	-	-	-	-
Prior period expenses	-	-	(32.63)	(76.34)	-	-
Provision for Taxation- Current	-	-	-	(0.04)	-	-
Provision for Taxation- Deferred	-	(20.99)	319.76	404.11	143.61	(175.16)
Provision for Taxation- Fringe Benefit Tax	(9.40)	(17.51)	(17.88)	-	-	-
Tax Provision for Earlier years	-	-	-	-	(571.05)	(97.14)
Provision For Wealth Tax	-	(0.01)	(0.06)	(0.09)	(0.12)	(0.14)
Profit after Taxation before Extra Ordinary Items	255.07	(2,700.93)	(1,987.73)	(947.81)	(1,485.34)	(203.69)
Add: Depreciation of Earlier Years	-	-	-	-	-	-
Add: Provision of Retirement Benefits Written Back	-	-	-	-	-	-
Extra Ordinary Item	-	2,955.52	-	-	-	-
Foreign Project reserve no longer required written back	-	999.48	-	255.00	445.00	301.52
Investment allowance reserve no longer required written back	-	-	-	-	-	-
Profit after Taxation and Extra Ordinary Items (A)	255.07	1,254.06	(1,987.73)	(692.81)	(1,040.34)	97.83
Impact of material adjustments in corresponding years (B)	92.39	6,715.10	876.76	1.99	(493.31)	(8,082.26)
Adjusted Profit (A+B)	347.46	7,969.16	(1,110.97)	(690.82)	(1,533.65)	(7,984.44)
Profit available for appropriation	347.46	7,969.16	(1,110.97)	(690.82)	(1,533.65)	(7,984.44)
APPROPRIATIONS						
Interim Dividend	-	-	-	-	-	-
Proposed Final Dividend	-	-	-	-	-	-
Corporate Dividend Tax	-	-	-	-	-	-
Transfer to Debenture Redemption Reserve	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-
Surplus Carried to Balance Sheet	347.46	7,969.16	(1,110.97)	(690.82)	(1,533.65)	(7,984.44)

SUMMARY STATEMENT OF ASSETS AND LIABILITIES AS RESTATED (CONSOLIDATED)

(Rs. In Lacs)

Particulars	As at 30th September 2007	As at				
		March 31,2007	March 31,2006	March 31,2005	March 31,2004	March 31,2003
A. Fixed Assets:						
Gross Block	6,798.85	6,884.96	7,474.65	7,481.74	5,446.19	5,586.66
Less: Depreciation	4,072.31	4,129.54	4,274.96	4,055.41	4,113.16	4,071.17
Net Block	2,726.54	2,755.42	3,199.69	3,426.33	1,333.03	1,515.49
Less: Revaluation Reserve	(1,691.08)	(1,837.06)	(2,102.90)	(2,286.41)	(146.11)	(147.67)
Net Block after adj. for Revaluation Reserve	1,035.46	918.36	1,096.79	1,139.92	1,186.92	1,367.82
B. Investments	1.11	1.11	1.11	1.11	3.11	68.03
C. Current Assets, Loans and Advances :						
Inventories ¹	1,277.84	1,306.97	1,836.69	391.93	306.95	533.03
Sundry Debtors	7,398.64	5,767.81	5,039.13	5,992.82	3,973.15	4,805.45
Cash and Bank Balances	1,280.87	568.32	438.58	227.35	344.86	317.85
Loans and Advances	275.04	155.77	814.32	825.65	466.00	454.03
Other Current Assets	665.49	602.21	516.31	439.61	396.55	372.35
Deferred Tax Asset	1,565.38	1,565.38	1,880.74	1,596.47	1,223.29	718.89
	12,463.26	9,966.46	10,525.78	9,473.83	6,710.81	7,201.61
D. Liabilities and Provisions :						
Secured Loans ²	5,107.67	4,838.03	10,760.13	9,583.36	8,098.43	6,878.46
Unsecured Loans	35.00	35.00	53.44	53.02	54.56	86.88
Current Liabilities and Provisions	12,153.82	10,156.37	11,558.08	10,588.53	8,389.67	8,704.60
Deferred Tax Liability	-	-	294.37	329.86	360.79	-
	17,296.49	15,029.40	22,666.02	20,554.77	16,903.45	15,669.94
E. Net-worth	(3,796.66)	(4,143.47)	(11,042.34)	(9,939.90)	(9,002.61)	(7,032.49)
F. Represented by						
1. Share Capital	1,232.61	1,232.61	1,232.61	1,232.61	1,232.61	1,232.61
2. Reserves	2,334.16	2,480.14	3,745.46	3,928.97	2,043.67	2,490.23
Less Revaluation Reserve	(1,691.08)	(1,837.06)	(2,102.90)	(2,286.41)	(146.11)	(147.67)
Reserves (Net of Revaluation Reserves)	643.08	643.08	1,642.56	1,642.56	1,897.56	2,342.56
Profit & Loss A/c (to the extent not written off)	(5,672.35)	(6,019.16)	(13,908.99)	(12,798.02)	(12,107.20)	(10,573.55)
Misc. Exps (to the extent not written off)	-	-	8.53	17.06	25.59	34.12
Net-worth	(3,796.66)	(4,143.47)	(11,042.34)	(9,939.90)	(9,002.61)	(7,032.49)

Impact of adjustments of Auditor's qualifications on P&L A/c

Particulars	For six months period ended 30th September 2007	As at Financial Year Ended				
		March 31 2007	March 31 2006	March 31 2005	March 31 2004	March 31 2003
Net Profit / (Loss) as per audited statement of account (A)	255.07	1,254.06	(1,987.73)	(692.81)	(1,040.34)	97.83
Adjustments on account of qualifications:						
1. Debtors written off	90.73	6,695.32	875.10	0.33	(453.31)	(7,937.02)
2. Provision for Income Tax Demand	-	-	-	-	-	(110.00)
3. Advances to Subsidiary Written off	-	-	-	-	-	-
4. Assets of KOCHI Plant written off	1.66	1.66	1.66	1.66	(16.24)	-
5. For WIE Estate Development						
a. Sundry Debtors written off- WIE	-	9.68	-	-	(15.33)	(13.44)
b. Loans and Advances written off - WIE	-	8.44	-	-	(8.44)	(21.80)
Total (B)	92.39	6,715.10	876.76	1.99	(493.31)	(8,082.26)
Adjusted Profit (A+B)	347.46	7,969.16	(1,110.97)	(690.82)	(1,533.65)	(7,984.44)

SUMMARY STATEMENT OF CASH FLOWS AS RESTATED (CONSOLIDATED)

		Rs. In Lacs					
	Particulars	For the six months ended September 30, 2007	Financial Year Ended				
			March 31,2007	March 31,2006	March 31,2005	March 31,2004	March 31,2003
A	CASH FLOW FROM OPERATING ACTIVITIES						
	PROFIT / (LOSS) BEFORE TAXATION	264.47	293.09	(2256.93)	(1275.45)	(1057.78)	63.74
	ADJUSTMENTS FOR :						
	ADD						
	Depreciation	38.12	76.54	85.82	92.38	161.83	229.79
	Interest	346.70	502.68	1726.25	1538.54	1249.79	1169.39
	Bad Debts Written off	25.37	6,685.09	1574.62	85.39	3.22	45.12
	Credit Balances Written Back	(0.10)	(4,746.78)	(83.31)	(161.95)	(4.27)	-
	Loss / (Gain) on Sale of Investment	-	-	-	-	(13.36)	-
	Loss / (Gain) on Sale of Assets / Asset Write Off (Net)	(9.30)	141.81	(15.45)	10.03	(7.64)	63.86
	Provision For Diminution In Value of Investment	-	-	-	-	-	5.00
	Expenses For Right Issue	-	-	-	-	-	-
	Misc. Expenses (Non-Cash Expenses Charged To P & L)	-	8.53	8.53	8.53	8.53	(34.12)
	Extra Ordinary item (Income)	-	(2,955.52)	-	-	-	-
	Exchange Rate Fluctuation Loss / (Gain)	(21.67)	42.50	(66.01)	(42.36)	242.84	17.40
	Sub Total	643.59	47.95	973.53	255.12	583.15	1560.18
	LESS						
	Interest Income	6.14	22.07	8.39	20.61	10.95	26.26
	Dividend Income	0.19	0.19	0.03	0.18	0.17	0.17
	Unclaimed Credit Balances Written Back	-	-	-	-	-	-
	Exchange Rate Fluctuation	-	-	-	-	-	-
	Sub Total	6.33	22.26	8.42	20.79	11.13	26.44
	OPERATING PROFIT / (LOSS) BEFORE WC CHANGES	637.26	25.69	965.10	234.33	572.02	1533.75
	ADJUSTMENTS FOR WORKING CAPITAL CHANGES						
	Direct taxes paid	(4.93)	(32.12)	-	-	-	-
	(Increase) / Decrease In Trade And Other Receivables	(1823.74)	(310.64)	411.08	(2488.04)	(682.94)	(453.60)
	(Increase) / Decrease In Inventories	29.13	529.72	(1444.76)	(84.98)	226.07	793.14
	Increase / (Decrease) In Trade Payables	2087.82	(32.12)	-	-	-	-
	NET CASH FROM OPERATING ACTIVITIES	925.54	175.87	848.69	(1.48)	11.46	320.02
B	CASH FLOW FROM INVESTING						

	ACTIVITIES						
	Purchases Of Fixed Assets	(212.09)	(44.01)	(58.23)	(54.84)	(1.16)	(14.59)
	Wealth Tax Paid	-	-	(0.09)	(0.12)	-	(0.14)
	Purchases Of Investments	-	-	-	-	-	(1.50)
	Fringe Benefit Tax Paid	-	5.75	(3.32)	-	(0.13)	-
	Sale of Investments	-	-	32.66	1.10	11.64	-
	Sale of Fixed Assets	67.84	-	-	2.00	64.91	51.81
	Interest Received	7.50	19.71	7.77	29.58	6.91	15.39
	Dividend Received	0.19	0.19	0.03	0.18	0.17	0.17
	NET CASH FLOW FROM INVESTING ACTIVITIES	(136.57)	(18.36)	(21.18)	(22.11)	82.34	51.14
C	CASH FLOW FROM FINANCING ACTIVITIES						
	Proceeds From Borrowings - Secured Loans	269.65	477.17	1012.87	1361.74	1114.73	612.78
	Exchange Fluctuation (Gain) / Loss On Secured Loans	-	-	(9.60)	8.18	(34.00)	(2.58)
	Increase In Share Capital Of Subsidiary	-	-	-	-	-	1.50
	Repayment Of Unpaid Debentures	-	-	-	(0.02)	0.00	(0.06)
	Proceeds / (Repayment) From / (Of) Borrowings	0.65	-	(63.93)	(26.74)	(9.40)	48.43
	Unsecured Loans	-	(1.19)	-	-	(23.35)	(50.14)
	Repayment Of Fixed Deposits	-	(0.60)	(0.15)	(12.33)	-	(0.00)
	Unclaimed Dividends Paid	-	-	(3.28)	0.01	(3.86)	(3.36)
	Interest Paid	(346.71)	(503.15)	(1552.18)	(1424.76)	(1110.92)	(988.97)
	NET CASH USED IN FINANCING ACTIVITIES	(76.41)	(27.77)	(616.27)	(93.92)	(66.80)	(382.39)
	NET INCREASE IN CASH & CASH EQUIVALENTS (A + B + C)	712.56	129.74	211.23	(117.51)	27.01	(11.23)
	CASH & CASH EQUIVALENTS AS AT (OPENING)	568.31	438.58	227.35	344.86	317.85	329.08
	CASH & CASH EQUIVALENTS AS AT (CLOSING)	1280.87	568.32	438.58	227.35	344.86	317.85

Annexure - 1
Other Income: (Consolidated)
Rs. In Lacs

SOURCES OF INCOME	For the six months ended 30th September 2007	Financial Year Ended					Nature of Income	Related or not related to business
		March 31,2007	March 31,2006	March 31,2005	March 31,2004	March 31,2003		
Dividend	0.19	0.19	0.03	0.17	0.17	0.17	Recurring	Related
Misc. Receipts	172.34	21.19	17.79	7.61	5.85	7.86	Recurring	Related
Profit on sale of Assets	14.40	0.12	16.14	0.41	10.27	6.56	Recurring	Related
Profit on sale of Investments	-	-	-	-	13.36	-	Non Recurring	Related
Interest	6.14	22.07	8.42	21.94	11.22	26.41	Recurring	Related
Lease Rental	2.83	0.25	0.03	0.03	0.03	0.02	Recurring	Related
Liabilities/ Provisions write back	0.10	4,746.78	83.30	161.94	4.26	-	Non Recurring	Related

Foreign Exchange Gain	60.19	19.73	49.52	41.71	-	-	Recurring	Related
TOTAL	256.19	4,810.33	175.23	233.81	45.16	41.02		

Annexure - 2
Details of Secured Loans: (Consolidated)
Rs. In Lacs

PARTICULARS	As at September 30, 2007	As at March 31, 2007	As at March 31, 2006	As at March 31, 2005	As at March 31, 2004	As at March 31, 2003
FROM BANK						
A) Cash Credit including Interest	-	-	7,177.39	6,138.27	5,018.33	4,128.93
B) Term Loan	500.00	440.00	313.60	500.60	500.01	500.01
C) Working Capital Term Loan Including Interest	-	-	2,186.78	1,913.71	1,710.34	1,511.48
D) Foreign Projects Finance Including Interest	-	-	401.21	523.14	477.12	484.65
Interest Accrued And Due On Term Loan (B) Above	-	-	681.14	507.64	392.63	253.39
UB Infrastructure Ltd.	461.13	4,398.03	-	-	-	-
United Breweries (Holdings) Limited	4,146.54	-	-	-	-	-
Total Secured Loans	5,107.67	4,838.03	10,760.13	9,583.36	8,098.43	6,878.46

NOTES:

- Cash Credit is secured against hypothecation of Inventory and book debts and second charge on certain fixed Assets. During the period the One Time Settlement with the consortium bankers has been accepted in principle. (Refer note no. 2 in Notes on Accounts in Schedule 'L')
- Term Loan is secured by, exclusive charge, on certain fixed assets created by way of hypothecation and company's premises at Pune.
- Working Capital Term Loan is secured by way of hypothecation of book debts, tangible movable machinery on parri passu basis and part of the working capital term loan and is further secured by exclusive charge by way of hypothecation of certain fixed assets and current assets. During the year the One Time Settlement with the consortium bankers has been accepted in principle. (Refer note no. 2 in Notes on Accounts in Schedule 'L')
- Foreign Project finance is secured by counter guarantees issued by the member of consortium bankers to whom the assets of the company has been offered as security.
- Loan from UB IPL & UBHL is secured against 2nd charge on all fixed and movable assets of the Company.

Annexure 3
Details of Unsecured Loans:
Rs. in Lacs

PARTICULARS	As at 30.09.2007	As at 31.03.2007	As at 31.03.2006	As at 31.03.2005	As at 31.03.2004	As at 31.03.2003
Fixed Deposits	-	-	0.60	0.75	13.08	36.43
Short Term Loans from Banks	-	-	1.19	1.19	4.20	47.81
Inter Corporate Deposits	35.00	35.00	50.00	50.00	35.00	-
Other Loan in Foreign Currency	-	-	-	-	-	0.93
Interest accrued and due on unsecured loans	-	-	1.65	1.08	2.28	1.71
TOTAL	35.00	35.00	53.44	53.02	54.56	86.88

Break-Up of Outstanding Unsecured Loan as on September 30, 2007

Sr. No.	Name of the Lender	Amount Rs. In Lacs	ROI	Repayment Schedule	
				Date	Amount (Rs.)
1	INTER CORPORATE DEPOSITS				
#	UB Electronic Instruments Ltd.	35.00	7%	24.03.2008	2,000,000
				04.01.2008	1,500,000
	Total	35.00			5,000,000

Group Company

Annexure 4

Consolidated Details of Sundry Debtors

Rs. In Lacs

PARTICULARS	As at September 30, 2007	As at March 31,2007	As at March 31,2006	As at March 31,2005	As at March 31,2004	As at March 31,2003
Debts outstanding for a period exceeding six months	3,456.34	2,273.70	952.81	1,749.78	2,720.40	2,752.52
Debts outstanding for a period less than six months	3,942.30	3,494.11	4,086.32	4,243.04	1,252.75	2,052.93
TOTAL	7,398.64	5,767.81	5,039.13	5,992.82	3,973.15	4,805.45

Consolidated Sundry Debtors include the following Debts due from Related Parties:-

Rs. In Lacs

PARTICULARS	As at September 30, 2007	As at March 31,2007	As at March 31,2006	As at March 31,2005	As at March 31,2004	As at March 31,2003
Associate Company	79.99	25.46	21.27	22.03	65.61	51.97
TOTAL	79.99	25.46	21.27	22.03	65.61	51.97

Details of Current Liabilities & Provisions

Sl. No	PARTICULARS	As at 30th September 2007	As at March 2007	As at March 2006	As at March 2005	As at March 2004	As at March 2003
	Current Liabilities						
1	Sundry Creditors	9,267.20	8,108.49	8,900.90	9,270.26	6,604.45	6,985.70
2	Advances From Customers	1,958.30	1,148.98	1,349.33	351.72	992.22	1,072.88
3	Security Deposit From Suppliers	14.74	14.74	9.02	9.02	9.02	9.02
4	Unclaimed Dividend	-	-	-	3.28	3.27	7.13
5	Interest Accrued But Not Due	-	-	-	-	0.03	0.97
	Total Current Liabilities	11,240.24	9,272.21	10,259.25	9,634.28	7,608.99	8,075.70
	Provisions						
1	Provision For Taxation	110.00	110.00	110.04	110.04	110.00	110.00
2	Provision For Taxation - Wealth Tax	0.01	0.01	0.06	0.09	0.12	-
3	Provision For Taxation - Fringe Benefit Tax	4.47	-	14.56	-	-	-
4	Provision For Gratuity, Superannuation & Leave Encashment Etc.	799.10	774.14	1,174.17	844.12	670.56	518.90
	Total Provisions	913.58	884.16	1,298.83	954.25	780.68	628.90
	Total Current Liabilities & Provisions	12,153.82	10,156.37	11,558.08	10,588.53	8,389.67	8,704.60

Annexure 6

Details of Investments

Rs. In Lacs

PARTICULARS	As at 30th September 2007	As at March 2007	As at March 2006	As at March 2005	As at March 2004	As at March 2003
Subsidiary Company	Nil	Nil	Nil	Nil	Nil	Nil
Equity Shares - Unquoted (Traded)	0.05	0.05	0.05	0.05	0.05	64.97
Equity Shares - Quoted (Traded)	0.05	0.05	0.05	0.05	0.05	0.05
Others - Unquoted (Non-Traded)	1.01	1.01	1.01	1.01	1.01	1.01
In Government Securities	Nil	Nil	Nil	Nil	2.00	2.00
TOTAL	1.11	1.11	1.11	1.11	3.11	68.03
Aggregate book value of quoted investment	0.05	0.05	0.05	0.05	0.05	0.05
Aggregate Market value of quoted investment	7.20	4.75	3.85	2.67	1.85	1.17
Diminution in value of investments	Nil	Nil	Nil	Nil	Nil	Nil
Aggregate book value of Unquoted investment	1.06	1.06	1.06	1.06	3.06	67.98

Mandatory Accounting Ratios

Accounting Ratios	As at 30th September 2007	As at March 2007	As at March 2006	As at March 2005	As at March 2004	As at March 2003
Net Worth (Rs) (A)	(3,796.66)	(4,143.47)	(11,042.34)	(9,939.90)	(9,002.61)	(7,032.49)
Profit after Taxation before Extra Ordinary Items (B)	255.07	(2,700.93)	(1,987.73)	(947.81)	(1,485.34)	(203.69)
Adjusted Profit after Tax (Rs) (C)	347.46	7,969.16	(1,110.97)	(690.82)	(1,533.65)	(7,984.44)
No. of Shares outstanding (D)	123.26	123.26	123.26	123.26	123.26	123.26
Earnings per Share before Extra Ordinary Items (EPS) (Rs) (B/D)	2.07	(21.91)	(16.13)	(7.69)	(12.05)	(1.65)
Earnings per Share (EPS) (Rs) (C/D)	2.82	64.65	(9.01)	(5.60)	(12.44)	(64.78)
Return on Net worth (%) (C/A)	(9.15)	(192.33)	-	-	-	-
Net Asset Value per Share (Rs) (A/D)	(30.80)	(33.62)	(89.59)	(80.64)	(73.04)	(57.05)
Other ratio (Working as per j 1 below)						
Cash Earnings	401.55	7,182.54	459.24	(656.44)	(1,385.34)	(7,637.15)
Cash Earnings per Share (Rs) (E/D)	3.26	58.27	3.73	(5.33)	(11.24)	(61.96)

Rs. In Lacs
Working for Cash Earnings per Share

	As at 30th September 2007	As at March 2007	As at March 2006	As at March 2005	As at March 2004	As at March 2003
Profit After Tax (PAT)	347.46	7,969.16	(1,110.97)	(690.82)	(1,533.65)	(7,984.44)
Add:						
Depreciation	38.12	76.54	85.82	92.38	161.83	229.79
Bad Debts	25.37	6,688.80	1,574.62	85.39	3.22	45.12
Loss on sale of Fixed Assets	5.10	141.92	0.69	10.44	2.63	70.42
Miscellaneous Expenditure Written off	-	8.53	8.53	8.53	8.53	8.53
Less:						
Profit on sale of Fixed Assets	14.40	0.12	16.14	0.41	10.27	6.57
Liabilities/Provisions written back	0.10	7,702.30	83.31	161.95	4.27	-
Profit on sale of Investments	-	-	-	-	13.36	-
Total Cash Earnings (E)	401.55	7,182.54	459.24	(656.44)	(1,385.34)	(7,637.15)

Consolidated Statement of Related Party Disclosures

The Company has identified following related parties.

A. Associate Companies:

United Breweries (Holding) Limited, Bangalore
 UB Infrastructure Projects Limited, Bangalore
 United Spirits Limited, Bangalore
 UB Electronic Instruments Limited, Secundrabad
 Kingfisher Radio Limited, Bangalore

B. Directors – Key Management Personnel

Mr. R K Dighe – Erstwhile Director (Resigned on 01.07.2007)
 Mr. J. K. Sardana – Manager & Chief Operating Officer

Consolidated Related Party Transactions with the above mentioned parties:
Rs. In Lacs

Sr. No.	Particulars	Year/ Period Ended	Associate Companies	Directors- Key Managerial Personnel	Relatives of Key Management Personnel	Total
1	Sale of Goods / Service	30/09/2007	Nil	-	-	Nil
		31/03/2007	Nil	-	-	Nil
		31/03/2006	2.20	-	-	2.20
		31/03/2005	48.00	-	-	48.00
		31/03/2004	115.25	-	-	115.25
		31/03/2003	23.59	-	-	23.59
2	Deposits received	30/09/2007	35.00	-	-	35.00
		31/03/2007	35.00	-	-	35.00
		31/03/2006	35.00	-	-	35.00
		31/03/2005	35.00	-	-	35.00
		31/03/2004	35.00	-	-	35.00
		31/03/2003	Nil	-	-	Nil
3	Interest paid on deposits	30/09/2007	1.23	-	-	1.23
		31/03/2007	2.45	-	-	2.45
		31/03/2006	2.45	-	-	2.45
		31/03/2005	2.45	-	-	2.45
		31/03/2004	Nil	-	-	Nil
		31/03/2003	Nil	-	-	Nil
4	Remuneration – Consultation	30/09/2007	-	Nil	-	Nil
		31/03/2007	-	4.80	-	4.80
		31/03/2006	-	18.83	-	18.83
		31/03/2005	-	17.05	-	17.05
		31/03/2004	-	17.89	-	17.89
		31/03/2003	-	30.60	-	30.60

5	Balance receivable	30/09/2007	25.46	-	-	25.46
		31/03/2007	25.46	-	-	25.46
		31/03/2006	21.27	-	-	21.27
		31/03/2005	22.03	-	-	22.03
		31/03/2004	65.61	-	-	65.61
		31/03/2003	51.97	-	-	51.97
6	Balance payable	30/09/2007	4797.96	-	-	4797.96
		31/03/2007	4596.61	-	-	4596.61
		31/03/2006	71.50	-	-	71.50
		31/03/2005	71.50	-	-	71.50
		31/03/2004	101.50	-	-	101.50
		31/03/2003	101.50	-	-	101.50
7	Lease Rentals / Rent	30/09/2007	12.30	-	Nil	12.30
		31/03/2007	-	-	Nil	Nil
		31/03/2006	-	-	4.20	4.20
		31/03/2005	-	-	3.53	3.53
		31/03/2004	-	-	3.30	3.30
		31/03/2003	-	-	3.30	3.30
8	Rent / Deposit received	30/09/2007	12.30	-	Nil	12.30
		31/03/2007	-	-	Nil	Nil
		31/03/2006	-	-	Nil	Nil
		31/03/2005	-	-	Nil	Nil
		31/03/2004	-	-	Nil	Nil
		31/03/2003	-	-	Nil	Nil

CONSOLIDATED - SIGNIFICANT ACCOUNTING NOTES & POLICIES

Accounting Policies and Notes forming part of Consolidated Financial Statements for the six months period ended September 30, 2007.

1. Significant Accounting Policies

i. Basis of Accounting

These Accounts are prepared under the Historical cost convention on accrual basis, except revaluation of certain Fixed Assets, in earlier years, and that those comply with the Companies Act, 1956 and with the applicable Accounting Standards (AS) and statements issued by the Institute of Chartered Accountants of India.

ii. Principles of Consolidation

The consolidated financial statements relate to UB Engineering Limited and its wholly owned subsidiary, WIE Estate Development Ltd. The consolidated financial statements are prepared on the following basis:

- The financial statements of the Company and its wholly owned subsidiary Company have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.
- The financial statements of the subsidiary used in the consolidation are drawn upto the same reporting date as that of the parent company i.e 30 September, 2007.

2. Subsidiary Company

The Company has 100% Equity interest in WIE Estate Development Limited, Pune, subsidiary Company, Accounts of which are included in Consolidated Financial Statements.

3. Disclosure in accordance with AS 27 Financial Reporting of Interest in Joint Ventures

Joint Venture Company in U.A.E.

- i. The company operated a jointly controlled Contract with ETA Star Engineering Co. L.L.C. at Dubai, U.A.E. for Erection, Testing and Commissioning project. Details of the same are as under:

Sr.No.	Description of Interest	Proportion of Ownership Interest
1	Operations with dual control (Erection, Testing and Commissioning of Auxiliary Boilers units 1 & 2 for Jebel Ali Power and Desalination Station 'L' Phase -I)	30 %
2	Operations with dual control (Erection, Testing and Commissioning of Package 'P' for Jebel Ali Power and Desalination Station 'L' Phase -I)	30 %

- ii. The Company's interest in the aforementioned jointly controlled operations' assets, liabilities, income & expenditure

Particulars	For the six months ended 30 th September 07	Financial Year ended 31.03.2007
Assets	713.21	838.32

Liabilities	766.47	870.64
Income	313.76	6217.92
Expenditure	390.37	6122.97
Book Profit	(76.61)	94.95

- iii. Contingent Liabilities incurred in relation to interest in operations with dual control as on 30th September 2007 Rs. NIL
- iv. Capital Commitments incurred in relation to interest in operations with dual control as on 30th September 2007 Rs. NIL
4. Notes to these Consolidated Financial Statements are intended to serve as means of informative disclosure and guide to better understanding of the consolidated position of the companies. Recognising this purpose, the Company has disclosed only such Notes from the individual financial statements which fairly present the needed disclosures. Practical considerations made it desirable to exclude Notes to accounts, which in the opinion of the management, could be better viewed when referred to the respective individual financial statements and, therefore, such Notes have been cross referenced therein.
5. Significant Accounting Policies followed by each of the Consolidated Companies are as annexed to the respective accounts.
6. In order to bring out the items in the consolidated financial statements to which the different accounting policies have been applied, as required by AS 21, attention is invited to Note No. I) D) (iv) in Schedule " L " of UB Engineering Limited and Note No. I) e) in Schedule No. 9 of WIE Estate Development Limited for Depreciation on Fixed Assets. Further attention is also invited to Note No. I) C) in Schedule "L" of UB Engineering Limited and Note No. I) b) in Schedule No. 9 of WIE Estate Development Limited for Revenue Recognition.
7. Balances under the head Loans and Advances, Deposits, Debtors and Creditors are taken as per books and are subject to confirmation. In the opinion of the Management, these are realisable in the ordinary course of business at the values stated there against.
8. As per consistent practice followed by the Company, the entire expenditure incurred at or for contract sites are shown under "Contract Costs" without classifying those under various heads of expenditure as referred to under Para 3 (x) of Part II of Schedule VI to the Companies Act, 1956.
9. Additional information pursuant to the provisions of Para 3,4C and 4D of Part II of Schedule VI to the Companies Act, 1956 is not given as construction, being service activity, is not covered under Para 3(ii) (C) of Schedule VI to the Companies Act, 1956.
10. Estimated amount of Contract remaining to be executed on Capital Account not provided for Rs.81 lacs
- 11. Remuneration to Director / Manager & Chief Operating Officer:** No remuneration was drawn by the Manager & Chief Operating Officer during the period.
- 12. Earning per share (EPS)**

		For six months ended September 30, 2007	Financial Year Ended March 31,2007
(i)	Profit / (Loss) after Tax (For Basic and Diluted EPS) Rs in lacs	255.07	254.58
(ii)	Weighted average no. of Equity Shares (For Basic and Diluted EPS)	12,326,130	12,326,130
(iii)	Nominal Value of Ordinary Shares	Rs. 10	Rs. 10
(iv)	Basic & Diluted Earning per Equity Shares	2.07	2.13



13. Figures pertaining to the subsidiary company have been reclassified wherever necessary to bring those in line with the parent company's financial statements.

14. Current period figures are for six months, therefore those are not comparable with Previous Year figures.

CONSOLIDATED STATEMENT OF SEGMENT REPORTING

The Company has classified its business operations into two primary segments in accordance with the requirement of AS 17 – Segment Reporting issued by the Institute of Chartered Accountants of India. The two segments are domestic and overseas. The required disclosures are as follows:

Rs. in Lacs

Particulars	Domestic (2007-08) Apr-Sept 07	Overseas (2007-2008) Apr-Sept 07	Total (2007-2008) Apr-Sept 07	Domestic (2006-2007)	Overseas (2006-2007)	Total (2006-2007)	Domestic (01-04-06 To 31-12-06)	Overseas (01-04-06 To 31-12-06)	Total (01-04-06 To 31-12-06)	Domestic (2005-2006)	Overseas (2005-2006)	Total (2005-2006)	Domestic (2004-2005)	Overseas (2004-2005)	Total (2004-2005)	Domestic (2003-2004)	Overseas (2003-2004)	Total (2003-2004)
Revenue																		
External Revenue	7665.45	360.64	8026.09	20042.77	6396.21	26438.98	11802.01	11286.17	23088.18	9588.55	5568.13	15156.68	6458.76	1061.04	7519.80	8825.86	3379.09	12204.95
Inter segment Revenue				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	7665.45	360.64	8026.09	20042.77	6396.21	26438.98	11802.01	11286.17	23088.18	9588.55	5568.13	15156.68	6458.76	1061.04	7519.80	8825.86	3379.09	12204.95
Expenses	6974.62	439.51	7414.13	22066.10	6520.75	28586.85	11608.51	12010.35	23618.86	9477.88	5415.71	14893.59	6018.31	1309.48	7327.79	8991.49	1975.33	10966.82
Segment Results / Operating Profit	690.05	(78.87)	611.18	(2023.33)	(124.54)	(2147.87)	193.50	(724.18)	(530.68)	110.66	152.42	263.09	440.45	(248.44)	192.01	(165.63)	1403.76	1238.13
Interest	346.71	0.00	346.71	467.63	35.05	502.68	1683.74	42.51	1726.25	1486.58	51.96	1538.54	1199.51	50.28	1249.79	1066.30	103.09	1169.39
Profit / (Loss) after Interest before tax	343.34	(78.87)	264.47	(2490.96)	(159.59)	(2650.55)	(1490.24)	(766.69)	(2256.93)	(1375.91)	100.46	(1275.45)	(759.06)	(298.72)	(1057.78)	(1231.93)	1300.67	68.73
Segment Assets	19747.22	1091.03	20838.25	17609.95	1106.54	18716.49	11039.96	2686.62	13726.58	9230.73	3670.55	12901.28	6425.77	1621.18	8046.95	6241.33	2543.79	8785.12
Segment Liabilities	18847.32	1990.93	20838.25	16572.19	2144.30	18716.49	10465.45	3261.13	13726.58	8070.57	4830.71	12901.28	5171.48	2875.47	8046.95	5447.27	3337.85	8785.12
Capital Expenditure *	212.09	0.00	212.09	44.01	0.00	44.01	58.23	0.00	58.23	2197.20	0.00	2197.20	1.16	0.00	1.16	14.59	0.00	14.59
Depreciation	38.12	0.00	38.12	71.26	5.28	76.54	79.28	6.54	85.82	81.64	10.74	92.38	145.69	16.14	161.83	209.66	20.13	229.79

* Including Revaluation of Land, Building, Plant & Machinery as on 31st March 2005 of Rs.2142.36 Lacs

FINANCIAL INFORMATION OF GROUP COMPANIES

In this letter of offer the terms “group companies” or “Group Companies” means group companies for the purposes of and in accordance with SEBI DIP Guidelines and not under any other statute, rules or regulations, including any licence, consent or approval received from any regulatory or government authority.

The details of our top five listed group companies, in terms of market capitalization as on the date of filing the draft Letter of Offer with SEBI, and details of our group companies with negative net worth or losses, are as under:

1. United Breweries Limited
2. Aventis Pharma Limited
3. United Spirits Limited
4. Shaw Wallace & Company Limited
5. United Breweries (Holdings) Limited

1. UNITED BREWERIES LIMITED (“UBL”)

UBL was originally incorporated on May 13, 1999 as UB Infrastructure Projects Limited as a public limited company under the provisions of the Act. The name of UBL was changed to UB Beer Limited on July 31, 2001. Again, the name was changed to United Breweries Limited on August 7, 2002. The registered office of UBL was shifted from No.1/1, Vittal Mallya Road, Bangalore - 560 001 to No.1, Vittal Mallya Road, Bangalore-560 001 effective August 20, 2002. Presently, the Registered Office of UBL is at UB Anchorage, 100/1, Richmond Road, Bangalore - 560 025, effective March 26, 2004.

UBL was originally incorporated to carry out the business of infrastructure facilities and other allied activities and subsequently changed the object clause to include the business of manufacture and marketing of Beer. Pursuant to the Scheme of Arrangement between United Breweries (Holdings) Limited (erstwhile United Breweries Limited and UBL, the brewing business of erstwhile UBL (now UBHL) carried on by UBHL in its various undertakings and/or units including trade marks, trade names, brands, domain names and contract brewing rights on a going concern basis including all units of administrative properties relating to or necessary for the aforesaid units were transferred to and now vest in UBL in terms of the Order of the Hon’ble High Court of Karnataka effective August 1, 2001. Consequently, the present UBL is engaged in the business of manufacture and distribution of beer in view of the vesting of the undertaking as mentioned above.

Board of Directors

The Board of Directors of UBL is given below:

Name	Designation
Dr. Vijay Mallya	Chairman
Mr. Kalyan Ganguly	Managing Director
Mr. A.K.Ravi Nedungadi	Director
Mr. John Simon Hunt	Director
Mr. John Nicolson	Director
Ms. Veronica Lesley Jackson	Director, CFO
Mr. Chug Yoginder Pal	Director
Mr. Chhagan Lal Jain	Director
Mr.Sunil Kumar Alagh	Director

Shareholding Pattern

The shareholding pattern of UBL as on September 30, 2007 is as follows:

Category of shareholder	No. of shareholders	Total no. of shares	Total no. of shares held in dematerialized form	Total shareholding as a % of total no. of shares	
				As a % of (A+B)	As a % of (A+B+C)
(A) Shareholding of Promoter and Promoter Group					
(1) Indian					
Individuals / Hindu Undivided Family	4	19218260	-	8.9	8.9
Bodies Corporate	8	61777210	38092710	28.59	28.59
Sub Total (A) (1)	12	80995470	38092710	37.49	37.49
(2) Foreign					
Bodies Corporate	1	80995470	79715340	37.49	37.49
Sub Total (A) (2)	1	80995470	79715340	37.49	37.49
Total shareholding of Promoter and Promoter Group (A) = (A)(1) + (A) (2)	13	161990940	117808050	74.98	74.98
(B) Public Shareholding					
(1) Institutions					
Mutual Funds / UTI	11	61860	50270	0.03	0.03
Financial Institutions / Banks	9	53260	18540	0.02	0.02
Central Government / State Government(s)	1	660	-	-	-
Insurance Companies	1	2458360	2458360	1.14	1.14
Foreign Institutional Investors	33	35440295	35434815	16.4	16.4
Sub Total (B) (1)	55	38014435	37961985	17.6	17.6
(2) Non-Institutions					
Bodies Corporate	548	2032542	1601052	0.94	0.94
Individuals					
Individual shareholders holding nominal share capital up to Rs. 1 lakh	32508	13546573	7619362	6.27	6.27
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1	207700	207700	0.1	0.1
Any Others (Specify)	-	-	-	-	-
Trusts	4	251240	251240	0.12	0.12
Sub Total (B) (2)	33061	16038055	9679354	7.42	7.42
Total Public shareholding (B) = (B) (1) + (B) (2)	33116	54052490	47641339	25.02	25.02
Total (A)+(B)	33129	216043430	165449389	100	100
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-
Total (A)+(B)+(C)	33129	216043430	165449389	-	100

The face value of equity shares of UBL has been sub-divided into a face value of Re.1/- per equity share and the members of UBL approved the said stock split at its Extra-ordinary General Meeting held on May 24, 2006.

Financial Performance

The audited financial performance of UBL for the last three years is given below:

Rs in lacs

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005
Total income	107,487.38	70,579.88	55,709.69
Sales	105,377.88	68,734.61	51,538.41
Profit after Tax	6,509.18	1,940.56	1,404.07
Equity Capital (FV Rs.10/- per Share) **	2160.43	2160.43	1782.06
Reserves & Surplus (excluding revaluation reserve)	28,913.10	23,870.81	2,060.99
Earnings per Share (Rs.)	2.62**	4.67	5.41
Net Asset Value per Equity Share (Rs.)	14.38**	120.49	21.57

** The face value of equity shares of UBL has been sub-divided into a face value of Re.1/- per equity share and the members of UBL approved the said stock split at its Extra-ordinary General Meeting held on May 24, 2006.

Share Price Performance

The Equity Shares of UBL are listed on the stock exchanges at Bangalore, Cochin, Calcutta, Chennai, Ludhiana, Ahmedabad, Mumbai, Hyderabad, and Delhi. The high and low for the Equity Shares of UBL in the last six months as quoted on BSE is as follows:

Month	Monthly High	Monthly Low
November 2007	374.95	310.00
October 2007	413.40	300.00
September 2007	415.00	295.00
August 2007	331.40	264.05
July 2007	335.00	289.00
June 2007	325.00	220.00

Source: www.bseindia.com

The share price of UBL on BSE as on November 30, 2007 was Rs. 331.35

Investor Grievance Redressal Mechanism and Investor Complaints

The Company has Investor Service Centre located at UB Anchorage, 4th Floor, 100/1, Richmond Road, Bangalore 560 001 which handles Investor complaints and is headed by the Company Secretary. The Investor / Shareholders Grievance Committee is constituted of the Board of Directors which now comprises of Mr. C Y Pal, Mr. Sunil Alagh and Mr. C L Jain as members with Mr. C Y Pal as Chairman of the committee.

The Terms of Reference for the committee include *inter alia* specifically to look into the redressing of Shareholders' and investors' complaints like non-receipt of Balance Sheet, non-receipt of declared Dividends, non-receipt of share certificates upon transfer of shares, Demat Credit etc. The Committee is empowered to operate in terms of the provisions of the Listing Agreement and / or the provisions as prescribed under the Companies Act 1956 and other related Regulations.

The Company Share Transfer Agent M/s. Alpha Systems Private Limited, 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore 560003 have a separate department headed by a Manager and assisted by Dealing Assistants to attend to the investors' queries on issue of share certificates, share transfers and related matters. The investors' complaints are generally attended to within 3 days from the date of receipt of the letter.

As on September 30, 2007, there are no investor grievances pending redressal by UBL.



Promise versus performance

Rights Issue of Redeemable Optionally Convertible Preference Shares (ROCPS) of Rs.100 each:

UBL had undertaken a rights issue in 2004 of 2,13,84,724 Redeemable Optionally Convertible Preference Shares of Rs.100/- each for cash at par aggregating Rs. 21384.72 Lacs to the equity shareholders on rights basis in the ratio of 6 (six) ROCPS for every 5 (five) Equity Shares held on August 27, 2004.

Issue Opened for Subscription on – September 16, 2004

Issue Closed for Subscription on – October 18, 2004

Allotment Date –UBL allotted 2,13,69,077 ROCPS on November 19, 2004

Redeemed on – April 29, 2005

Preferential Allotment of Equity Shares and Cumulative Redeemable Preference Shares (CRPS)

UBL made a preferential allotment of 3,779,522 Equity Shares of Rs.10/- each to Scottish & Newcastle India Limited at a price of Rs.575 per Equity Share on April 7, 2005 aggregating to Rs.21,732.25 Lacs.

UBL also made a preferential allotment of 17,283,000 CRPS Series A of Rs.100/- each and 7,407,000 CRPS Series B of Rs.100/-each to Scottish & Newcastle India Limited on April 7, 2007 aggregating to Rs. 24,690 Lacs.

Information regarding adverse factors

UBL is not a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is it under winding up. UBL has not made any loss in the immediately preceding year. There are no litigations pending by or against UBL except as disclosed under section “Outstanding Litigation, Defaults and Material Development “on page no. 160 of this Letter of Offer.

Common Pursuits

There are no common pursuits between our company and UBL.

Transactions between UBL and our Company

UBL has entered into a contract with our Company for civil works and Effluent Treatment Plant at Taloja unit of UBL with a contract value of Rs.70 lacs.

2. AVENTIS PHARMA LIMITED (“APL”)

APL was incorporated on May 02, 1956 under the name Hoechst Fedco Pharma Private Limited. The name was changed to Hoechst Pharmaceuticals Private Limited with effect from March 31, 1959. The word ‘Private’ was removed from the name of APL with effect from April 19, 1961 pursuant to Section 43A of the Companies Act, 1956. The name of APL was changed to Hoechst India Limited with effect from June 13, 1984. The name was thereafter changed to Hoechst Marion Roussel Limited with effect from January 01, 1996 and to Aventis Pharma Limited with effect from July 11, 2001. The registered office of APL is situated at Aventis House, 54 / A, Sir Mathuradas Vasanji Road, Andheri (East) Mumbai 400 093. APL is engaged in the manufacture of pharmaceuticals.

Board of Directors

The Board of Directors of APL is given below:

Name	Designation
Dr. Vijay Mallya	Chairman
Dr. Shailesh Ayyangar	Managing Director
Mr. J.M. Gandhi	Director
Mr. Christophe Germain	Chief Financial Officer & Wholetime Director

Mr. S.R. Gupte	Director
Mr. A.K.R. Nedungadi	Director
Mr. O Charmeil	Director
Mr J M Georges	Director
Mr. Eric Le Bris	Director
Mr. M. G. Rao	Wholetime Director (Alternate to Mr. J.M.Georges)
Mr. S.C.Ghoge	Wholetime Director (Alternate to Mr. Eric Le Bris)
Mr J L Grunwald	Alternate to Mr. O.Charmeil

Shareholding Pattern

The shareholding pattern of APL as on September 30, 2007 is as follows:

Category of shareholder	No. of shareholders	Total no. of shares	Total no. of shares held in dematerialized form	Total shareholding as a % of total no. of shares	
				As a % of (A+B)	As a % of (A+B+C)
(A) Shareholding of Promoter and Promoter Group					
(1) Indian					
Individuals / Hindu Undivided Family	4	2366380	2365920	10.27	10.27
Bodies Corporate	4	2366380	2365920	10.27	10.27
Sub Total (A) (1)					
(2) Foreign	1	80	-	-	-
Bodies Corporate	2	11543207	11543207	50.12	50.12
Sub Total (A) (2)	3	11543287	11543207	50.12	50.12
Total shareholding of Promoter and Promoter Group (A) = (A)(1) + (A) (2)	7	13909667	13909127	60.4	60.4
(B) Public Shareholding					
(1) Institutions					
Mutual Funds / UTI	42	3080513	3080463	13.38	13.38
Financial Institutions / Banks	13	3200	2500	0.01	0.01
Insurance Companies	4	1314309	1314309	5.71	5.71
Foreign Institutional Investors	26	2274780	2274280	9.88	9.88
Sub Total (B) (1)	85	6672802	6671552	28.97	28.97
(2) Non-Institutions					
Bodies Corporate	479	555472	554021	2.41	2.41
Individuals					
Individual shareholders holding nominal share capital up to Rs. 1 lakh	17045	1433471	1082691	6.22	6.22
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	5	458080	271740	1.99	1.99
Any Others (Specify)	-	-	-	-	-
Clearing Members	10	580	580	-	-
Trusts	4	550	450	-	-
Sub Total (B) (2)	17543	2448153	1909482	10.63	10.63
Total Public shareholding (B) = (B) (1) + (B) (2)	17628	9120955	8581034	39.6	39.6

Total (A)+(B)	17635	23030622	22490161	100	100
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-
Total (A)+(B)+(C)	17635	23030622	22490161	-	100

Financial Performance

The audited financial performance of APL for the last three years is given below:

Rs in Lacs

For the year ended	December 31, 2006	December 31, 2005	December 31, 2004
Total income	93,107.39	84,096.47	75,681.69
Sales	88,393.44	80,783.68	73,499.39
Profit after Tax	16,929.27	14,508.34	14,849.57
Equity Capital (FV – Rs. 10/- per Share)	2303.06	2,303.06	2,303.06
Reserves (excluding revaluation reserve)	56,903.96	48,378.14	38,099.06
Earnings per Share	73.51	63.00	64.48
Net Asset Value	264.08	227.43	183.16

Share Price Performance

The Equity Shares of APL are listed on BSE and NSE. The high and low for the Equity Shares of APL in the last six months as quoted on BSE is as follows:

Month	Monthly High	Monthly Low
November 2007	1,100.00	960.00
October 2007	1,213.00	1,015.00
September 2007	1,250.00	1,152.00
August 2007	1,340.00	1,155.55
July 2007	1,494.80	1,300.00
June 2007	1,465.35	1,270.00

Source: www.bseindia.com

The share price of APL on BSE as on November 31, 2007 was Rs. 987.95

Investor Grievance Redressal Mechanism and Investor Complaints

Investors'/ Shareholders Grievance Committee operates in terms of the provision related thereto in the listing agreements with the stock exchanges.

The members of the Committee are

Mr. S R Gupte, Chairman
 Mr. A K Ravi Nedungadi
 Mr. J M Gandhi.

Mr. K Subramani, Company Secretary is the Compliance Officer

Intime Spectrum Registry Limited, C-13, Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup (West), Mumbai 400 078 are the Registrars and Transfer Agents. The power of approving transfers upto 1000 shares has been delegated to the Company Secretary. Transfers are approved every week.

As on September 30, 2007, there are no investor grievances pending redressal by APL.

Promise versus performance

APL has not come out with any rights or public issue in the last three years.

Information regarding adverse factors

APL is not a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is it under winding up. APL has not made any loss in the immediately preceding year. There are no litigations pending by or against APL except as disclosed under section "Outstanding Litigation, Defaults and Material Development" on page no. 160 of this Letter of Offer.

Common Pursuits

There are no common pursuits between APL and the Issuer Company.

Transactions between APL and the our Company

APL has no business relationship with our Company.

3. UNITED SPIRITS LIMITED ("USL") (formerly known as McDowell & Company Limited)

USL was incorporated on March 31, 1999 as McDowell Spirits Limited under the Act with the Registrar of Companies, Karnataka, Bangalore. The name was changed from McDowell Spirits Limited to McDowell & Company Limited on April 12, 2001. The name was again changed to United Spirits Limited on October 17, 2006. The registered address of USL is situated at 51, Richmond Road, Bangalore 560025.

The main objects of USL are manufacture and marketing of potable alcohol. Pursuant to the Composite Scheme of Arrangement sanctioned by the Hon'ble High Courts of Karnataka and Bombay, the investment business of USL was de-merged into McDowell India Spirits Limited(now renamed as McDowell Holdings Limited) and Phipson Distillery Limited, United Spirits Limited, Herbertsons Limited, Triumph Distillers & Vintners Private Limited, Baramati Grape Industries Limited, United Distillers India Limited, McDowell International Brands Limited and Shaw Wallace Distilleries Limited were amalgamated with USL.

The Board of Directors of USL at their meeting held on November 28, 2007 have considered and approved the Merger of Shaw Wallace & Company Ltd and Primo Distributors Pvt Ltd, wholly owned subsidiary of USL with United Sprits Ltd. The Appointed Date for the merger will be April 1, 2007. In respect of merger of SWCL, USL shall allot 4 fully paid up equity share of Rs 10 each for every 17 equity shares of Rs 10 each held in SWCL. The share exchange ratio has been determined based on the recommendation of two independent Valuers viz. M/s. Dalal & Shah, Chartered Accountants and Grant Thornton India Pvt. Ltd.

The Board of Directors of USL have also approved the scheme for merger of Zelinka Ltd, wholly owned subsidiary of USL with USL. The Appointed Date for the merger will be April 1, 2007. The Scheme is subject to requisite consent, approval of the requisite majority of the shareholders, lenders, creditors of the companies, the Hon'ble High Court of Bombay, Karnataka and Calcutta, the permission or approval of the Central Government or any other statutory or regulatory authorities, which by law may be necessary for the implementation of the Scheme.

Board of Directors

The Board of Directors of USL is given below:

Name	Designation
Dr. Vijay Mallya	Chairman
Mr.S.R.Gupte	Vice Chairman
Mr.V.K.Rekhi	Managing Director
Mr.M.R.Doraiswamy Iyengar	Director
Mr.Brij Mohan Labroo	Director
Mr.Sreedhara Menon	Director
Mr. S. K. Khanna	Director

Shareholding Pattern

The shareholding pattern of USL as on September 30, 2007 is as follows:

Category of shareholder	No. of shareholders	Total no. of shares	Total no. of shares held in dematerialized form	Total shareholding as a % of total no. of shares	
				As a % of (A+B)	As a % of (A+B+C)
(A) Shareholding of Promoter and Promoter Group					
(1) Indian					
Individuals */ Hindu Undivided Family	1	10	-	-	-
Bodies Corporate	6	36628250	36558163	37.29	37.25
Sub Total (A) (1)	7	36628260	36558163	37.29	37.25
(2) Foreign (A) (2)					
Total shareholding of Promoter and Promoter Group (A) = (A)(1) + (A) (2)	7	36628260	36558163	37.29	37.25
(B) Public Shareholding					
(1) Institutions					
Mutual Funds / UTI	39	1804873	1801760	1.84	1.84
Financial Institutions / Banks	29	63250	46103	0.06	0.06
Foreign Institutional Investors	131	32570838	32568891	33.16	33.12
Sub Total (B) (1)	199	34438961	34416754	35.06	35.02
(2) Non-Institutions					
Bodies Corporate**	1099	14834064	12628043	15.1	15.08
Individuals					
Individual shareholders holding nominal share capital up to Rs. 1 lakh	64697	7504315	4755896	7.64	7.63
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	38	1120080	986246	1.14	1.14
Any Others (Specify)	-	-	-	-	-
Trusts	2	63675	63675	0.06	0.06
Clearing Members	340	176565	176565	0.18	0.18
Foreign Corporate Bodies	12	2424422	2424422	2.47	2.47
Overseas Corporate Bodies	3	4173	125	-	-
Foreign Nationals	24	14360	-	0.01	0.01
Non Resident Indians	5435	1017592	261185	1.04	1.03
Sub Total (B) (2)	71650	27159246	21296157	27.65	27.62
Total Public shareholding (B) = (B) (1) + (B) (2)	71849	61598207	55712911	62.71	62.64
Total (A)+(B)	71856	98226467	92271074	100	99.88
(C) Shares held by Custodians and against which Depository Receipts have been issued	1	117502	117502	-	0.12
Total (A)+(B)+(C)	71857	98343969	92388576	-	100

*Held by Dr. Vijay Mallya, Non-Resident Indian

** Bodies Corporate in Non Institutions includes 183,466 Shares held by Shaw Wallace Executives Welfare and Benefit Company (Section 25 Company under the Companies Act, 1956), a Person Acting in Concert(PAC), which was previously reported under the head "Any Others"[A(1)(e)] in Promoter and Promoter Group Category. Consequent to the changed definition of "Promoter" under SEBI (Substantial Acquisition of Shares and Takeovers)(Amendment), Regulations,2006, the said PAC, has now been shown under the head "Body Corporate"[2(a)] in Public Shareholding Category and also includes 10,282,553 shares (held by Shaw Wallace & Company Limited), 1,306,431(held by Primo Distributors Private Limited) and 2,152,659(held by USL Benefit Trust) which otherwise would have been reported, as PAC, under the head "Any Others"[A(1)(e)] in Promoter and Promoter Group Category, but for the change in definition of the Promoter. The reporting as above is without conceding the rights and benefits available to the Company and the said PAC's as Persons Acting in Concert.

Financial Performance

The audited financial performance of USL for the last three years is given below:

Rs in lacs

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005#
Total income	279,087.77	209,685.05	118,297.16
Sales	243,667.83	179,656.95	109,186.00
Profit after Tax	49,401.94	4,201.98	2,672.65
Equity Capital (FV – Rs. 10/- per Share)	9,448.19	9,448.19	5,172.00
Reserves (excluding revaluation reserve)	123,979.05	79,386.54	23,576.06
Earnings per Share	52.20	4.80	5.17
Net Asset Value	142.04	94.02	55.58

Relating to erstwhile McDowell & Company Limited

Prior to De-Merger of the investment business of United Spirits Limited, with effect from April 01, 2005, being the De-Merger Appointed Date USL was interested as a Promoter in our Company and held 3,26,620 Equity Shares of our Company representing 2.65% of the total paid up capital of the Company. Pursuant to the Scheme these Equity Shares stood transferred and vested in McDowell Holdings Limited with effect from April 01, 2005.

Share Price Performance

The Equity Shares of USL are listed on the stock exchanges at Ahmedabad, Bangalore, Bombay, Chennai, Delhi, Kolkata and National Stock Exchange of India Limited. At the Annual General Meeting held on November 28, 2007, the Shareholders of USL unanimously approved the special resolution for de-listing of equity shares from the Stock Exchanges situated at Ahmedabad, Chennai, Kolkata and New Delhi. The price of the Equity Shares on Bombay Stock Exchange Limited (BSE) for the past six months is as follows:

Month	Monthly High	Monthly Low
November 2007	2064.00	1700.00
October 2007	2,188.00	1,616.00
September 2007	1,862.00	1,406.70
August 2007	1,472.45	1,232.30
July 2007	1,490.90	1,182.10
June 2007	1,299.95	1,057.00

Source: www.bseindia.com

The share price of USL on BSE as on November 30, 2007 was Rs.2043.00.

Investor Grievance Redressal Mechanism and Investor Complaints

Shareholders / Investors' Grievance Committee operates in terms of the provisions related thereto in the Listing Agreements with the Stock Exchanges. The Committee comprises of the following Directors:



Mr. M.R.Doraiswamy Iyengar, Chairman
Mr. B M Labroo
Mr. V S Venkataraman, Company Secretary who is the Compliance Officer

The Company Share Transfer Agent M/s. Alpha Systems Private Limited, 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore 560003 have a separate department headed by a Manager and assisted by Dealing Assistants to attend to the investors' queries on issue of share certificates, share transfers and related matters. The investors' complaints are generally attended to within 3 days from the date of receipt of the letter.

As on September 30, 2007, there are no investor grievances pending redressal by USL.

Promise versus performance

USL has not come out with any rights or public issue in the last three years.

Information regarding adverse factors

USL is not a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is it under winding up. USL has not made any loss in the immediately preceding year. There are no litigations pending by or against USL except as disclosed under section "Outstanding Litigation, Defaults and Material Development" on page no. 160 of this Letter of Offer.

Common Pursuits

There are no common pursuits between USL and our Company.

Transactions between USL and the our Company

USL has no business relationship with our Company.

4. SHAW WALLACE & COMPANY LIMITED (SWCL)

Shaw Wallace & Company Limited was incorporated as a Public Limited Company on January 15, 1946 under the Indian Companies Act, 1913. SWCL has its registered office at Wallace House, 4, Bankshall Street, Kolkata – 700 001, India and its Corporate Office is at Bank of Baroda Building, 3, Walchand Hirachand Marg, Ballard Estate, Mumbai 400 038.

SWCL has been a manufacturer and marketer of beverage alcohol, beer, gelatins, consumer products (i.e. healthcare products), yeast, tea, electronic/electrical goods and agrochemicals and also engaged in the business of financial services through itself and its affiliates/subsidiaries. However, SWC, at present, is engaged in the business of manufacture and marketing of alcoholic beverages only. Shaw Wallace Distilleries Limited, the liquor manufacturing subsidiary of SWCL has been merged with United Spirits Limited (formerly McDowell & Company Limited) w.e.f. April 1, 2005.

Shaw Wallace Financial Services Limited, a Subsidiary of SWCL has been merged with Shaw Wallace Breweries Limited, another Subsidiary of SWCL w.e.f. April 1, 2005.

The Board of Directors of SWCL at its meeting held on November 28, 2007 have considered and approved the Merger of SWCL and Primo Distributors Pvt Ltd with United Spirits Ltd. The Appointed Date for the merger will be April 1, 2007. In respect of merger, USL shall allot 4 fully paid up equity share of Rs 10 each for every 17 equity shares of Rs 10 each held in SWCL. The share exchange ratio has been determined based on the recommendation of two independent Valuers viz. M/s. Dalal & Shah, Chartered Accountants and Grant Thornton India Pvt Ltd.

The Scheme is subject to requisite consent, approval of the requisite majority of the shareholders, lenders, creditors of the companies, the Hon'ble High Courts of Bombay, Karnataka and Calcutta, the permission or approval of the Central Government or any other statutory or regulatory authorities, which by law may be necessary for the implementation of the Scheme.

Board of Directors

The Board of Directors of SWCL is given below:

Name	Designation
Dr. Vijay Mallya	Chairman
Mr. Sammy D. Lalla	Managing Director
Mr. Subhash R. Gupte	Director
Mr. A. K. Ravi Nedungadi	Director
Mr. Chhagan L. Jain	Director
Mr. Shrikant G. Ruparel	Director

Shareholding Pattern

The shareholding pattern of SWCL as on September 30, 2007 is as follows:

Category of shareholder	No. of shareholders	Total no. of shares	Total no. of shares held in dematerialized form	Total shareholding as a % of total no. of shares	
				As a % of (A+B)	As a % of (A+B+C)
(A) Shareholding of Promoter and Promoter Group					
(1) Indian					
Bodies Corporate	1	15072311	15072311	31.4	31.4
Sub Total (A) (1)	1	15072311	15072311	31.4	31.4
(2) Foreign					
Bodies Corporate	6	20932244	20932244	43.6	43.6
Sub Total (A) (2)	6	20932244	20932244	43.6	43.6
Total shareholding of Promoter and Promoter Group (A) = (A)(1) + (A) (2)	7	36004555	36004555	75.0	75.0
(B) Public Shareholding					
(1) Institutions					
Mutual Funds / UTI	3	534955	533805	1.11	1.11
Financial Institutions / Banks	14	19716	5556	0.04	0.04
Central Government / State Government(s)	1	31968	-	0.07	0.07
Insurance Companies	6	1329399	1327799	2.77	2.77
Foreign Venture Capital Investors	7	2478078	2478078	5.16	5.16
Sub Total (B) (1)	31	4394116	4345238	9.15	9.15
(2) Non-Institutions					
Bodies Corporate	404	1976421	1900394	4.12	4.12
Individuals					
Individual shareholders holding nominal share capital up to Rs. 1 lakh	10546	3455646	2310418	7.2	7.2
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	54	1931533	1573838	4.02	4.02
Any Others (Specify)	-	-	-	-	-
Clearing Members	56	37278	37278	0.08	0.08
Foreign Nationals	14	72420	-	0.15	0.15

Non Resident Indians	58	134106	124574	0.28	0.28
Sub Total (B) (2)	11132	7607404	5946502	15.85	15.85
Total Public shareholding (B) = (B) (1) + (B) (2)	11163	12001520	10291740	25	25
Total (A)+(B)	11170	48006075	46296295	100	100
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-
Total (A)+(B)+(C)	11170	48006075	46296295	-	100

Financial Performance

The audited financial performance of SWCL for the last three years is given below:

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005
Total income	23,214.68	28,381.91	12,873.53
Sales	13,884.83	11,552.09	11,253.51
Profit after Tax	8,207.68	4,686.02	(2,487.80)
Equity Capital (FV – Rs. 10/- per Share)	4,800.61	4,800.61	4800.61
Reserves (excluding revaluation reserve)	7,388.93	23.72	-
Earnings per Share	17.10	9.76	(4.24)
Net Asset Value	25.39	10.05	1.43

Share Price Performance

The Equity Shares of SWCL are listed on BSE and the Calcutta Stock Exchange Association Limited (“CSE”). The high and low for the Equity Shares of SWCL in the last six months as quoted on BSE is as follows:

Month	Monthly High	Monthly Low
November 2007	448.00	290.00
October 2007	380.00	288.00
September 2007	361.00	256.00
August 2007	311.00	237.15
July 2007	325.80	250.90
June 2007	286.05	169.50

Source: www.bseindia.com

The share price of SWCL on BSE as on November 30, 2007 was Rs.437.65

Investor Grievance Redressal Mechanism and Investor Complaints

Matters relating to shares operations are handled entirely at the office premises of the R&T Agents of SWCL i.e. Intime Spectrum Registry Limited. Letters of requests, proposals, and complaints/grievances etc are attended on regular and priority basis. The Company has opened an exclusive email id swclinvestor@ubmail.com for investors/shareholders to register their grievance, if any.

The Company also has a Committee of Directors with authority delegated by the Board of Directors, *inter alia*, to approve transfer of shares under physical mode and review the transfers effected under electronic mode, transmission of shares, issue of new share certificates on account of certificates lost, mutilated, defaced, etc and for other routine operations, e.g. issue of powers of attorney, change in signatories to operate bank accounts etc.

As on September 30, 2007, there are no investor grievances pending redressal by SWCL.

Promise versus performance

SWCL has not come out with any rights or public issue in the last three years.

Information regarding adverse factors

SWCL is not a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is it under winding up. SWCL has not made any loss in the immediately preceding year. There are no litigations pending by or against SWCL except as disclosed under section "Outstanding Litigation, Defaults and Material Development" on page no. 160 of this Letter of Offer.

Common Pursuits

There are no common pursuits between SWCL and our Company.

Transactions between SWCL and the our Company

SWCL has no business relationship with our Company

5. UNITED BREWERIES (HOLDINGS) LIMITED ("UBHL")

UBHL was originally incorporated on March 23, 1915 as United Breweries Limited under the provisions of the Indian Companies Act, 1913. The name of UBHL was changed to UB Limited on January 9, 1989. Subsequently, the name was again changed to United Breweries Limited on July 2, 1993. On August 7, 2002, the name of UBHL was again changed to Kingfisher Properties & Holdings Limited. And finally, on October 11, 2002, the name was changed to United Breweries (Holdings) Limited. The present activities of UBHL consist of carrying on the business of Investment holding, exports, development of its real estate.

Board of Directors

The Board of Directors of UBHL is given below:

Name	Designation
Dr. Vijay Mallya	Chairman
Mr. N.Srinivasan	Director
Mr. Shrikant G.Ruparel	Director
Mr. Pathai Ananthasubramanian Murali	Director
Mr.A.Harish Bhat	Director
Mr.Sidhartha V.Mallya	Director
Mr.Piyush G.Mankad	Director
Mr.B.S.Patil	Director
Mr.R.N.Pillai	Managing Director

Shareholding Pattern

The shareholding pattern of UBHL as on September 30, 2007 is as follows:

Category of shareholder	No. of shareholders	Total no. of shares	Total no. of shares held in dematerialized form	Total shareholding as a % of total no. of shares	
				As a % of (A+B)	As a % of (A+B+C)
(A) Shareholding of Promoter and Promoter Group					
(1) Indian					
Individuals / Hindu Undivided Family	4	5765478	-	9.7	9.7
Bodies Corporate	7	12728288	5622938	21.41	21.41
Sub Total (A) (1)	11	18493766	5622938	31.11	31.11

(2) Foreign					
Bodies Corporate	1	14159986	14159986	23.82	23.82
Sub Total (A) (2)	1	14159986	14159986	23.82	23.82
Total shareholding of Promoter and Promoter Group (A) = (A)(1) + (A) (2)	12	32653752	19782924	54.93	54.93
(B) Public Shareholding					
(1) Institutions					
Mutual Funds / UTI	27	1827448	1823972	3.07	3.07
Financial Institutions / Banks	10	15614	4716	0.03	0.03
Central Government / State Government(s)	1	198	-	-	-
Insurance Companies	2	1363946	1363946	2.29	2.29
Foreign Institutional Investors	31	14681880	14680236	24.7	24.7
Sub Total (B) (1)	71	17889086	17872870	30.1	30.1
(2) Non-Institutions					
Bodies Corporate	600	1746323	1613520	2.94	2.94
Individuals					
Individual shareholders holding nominal share capital up to Rs. 1 lakh	35724	5456088	3369799	9.18	9.18
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	47	1610085	1573107	2.71	2.71
Any Others (Specify)	-	-	-	-	-
Trusts	6	86564	86564	0.15	0.15
Sub Total (B) (2)	36377	8899060	6642990	14.97	14.97
Total Public shareholding (B) = (B) (1) + (B) (2)	36448	26788146	24515860	45.07	45.07
Total (A)+(B)	36460	59441898	44298784	100	100
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-
Total (A)+(B)+(C)	36460	59441898	44298784	-	100

Pursuant to the resolution passed by the Board of Directors of UBHL at its meeting held on October 29, 2007 and by the shareholders of UBHL at its annual general meeting held on November 28, 2007, UBHL had filed a preliminary placement document with the Stock Exchanges on December 03, 2007 in accordance with Chapter XIII-A of the SEBI DIP Guidelines for issuing upto 59,80,000 equity shares of Rs.10/- each.

The Adhoc Committee of Director of UBHL appointed for this purpose at its meeting held on December 13, 2007, has allotted the following:

a. 5,405,405 Equity of Rs.10/- each for Cash at a price of Rs.1,110/- per Equity Share, aggregating to Rs 5,999,999,550 to the Qualified Institutional Buyers, on Private Placement basis, as defined under Clause 2.2.2B(v) of Chapter XIII-A of the SEBI DIP Guidelines.

b. 6,387,117 Warrants of Rs 10/- each at a premium of Rs 1,100/- aggregating to Rs 7,089,699,870/- crores to FirStart Inc., a member of the Promoter Group of UBHL, on Preferential basis. The said warrants carry the option and right of conversion, to be executed by the holder thereof, of One warrant into One Equity Shares of Rs 10 each in the share capital of UBHL at a premium of Rs 1,100 per equity share, the option being exercisable within a period not exceeding 18 months from the date of issue of the Warrants.

Consequent upon the allotment of 5,405,405 equity shares to Qualified Institutional Buyers, the total issued and paid up capital of UBHL stands increased to Rs.648,473,030 divided into 64,847,303 equity shares of Rs.10/- each.

Financial Performance

The audited financial performance of UBHL for the last three years is given below:

Rs in Lacs

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005
Total income	28,434.01	68,226.03	23,102.41
Sales	23,458.00	18,095.33	13,681.04
Profit after Tax	2,522.73	42,030.07	71.86
Equity Capital	5,944.19	2,972.09	2,972.09
Reserves (excluding revaluation reserve)	38,646.51	39,791.31	6,930.51
Earnings per Share (in Rs.)	4.24	141.42	0.27
Net Asset Value per share (in Rs.)	75.02	143.88	3.04

Share Price Performance

The equity shares of UBHL are listed on the Bangalore Stock Exchange Limited ("BgSE") and Bombay Stock Exchange Limited ("BSE"). The high and low for the Equity Shares of UBHL in the last six months as quoted on BSE is as follows:

Month	Monthly High	Monthly Low
November 2007	1279.95	990.00
October 2007	1,374.40	881.00
September 2007	989.00	730.00
August 2007	925.00	652.00
July 2007	842.80	600.00
June 2007	752.15	557.00
May 2007	798.95	342.00

Source: www.bseindia.com

The share price of UBHL on BSE as on November 30, 2007 was Rs.1163.35

Investor Grievance Redressal Mechanism and Investor Complaints

As regards investor grievance redressal system, UBHL has an investor service centre located at the registered office of the company at "UB Anchorage", 5th Floor, 100/1, Richmond Road, Bangalore-560 025, which handles investor complaints and is headed by the Company Secretary. The company's share transfer agents, M/s Alpha Systems Private Limited, No.30, Ramana Residency, 4th Cross, Sampige Road, Malleshwaram, Bangalore - 560003, have a separate department headed by a Manager and assisted by dealing assistants to attend to investors queries on issue of share certificates, share transfers and related matters. The investors' complaints are generally attended to within three days from the date of receipt of letter /complaint.

As on September 30, 2007, there are no investor grievances pending redressal by UBHL.

Promise versus performance

UBHL has not come out with any rights or public issue in the last three years.

Information regarding adverse factors

UBHL is not a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is it under winding up. UBHL has not made any loss in the immediately preceding year. There are no litigations pending by or against UBHL except as disclosed under section "Outstanding Litigation, Defaults and Material Development" on page no.160 of this Letter of Offer.

Common Pursuits

There are no common pursuits between UBHL and the Issuer Company.

Transactions between UBHL and our Company

As on May 22, 2007, UBHL has a right to recover Rs.40 crores plus interest owing by the Issuer Company. UBHL is also entitled to a guarantee commission calculated at the rate of 1% for the guarantee value issued in favour of the Lender on behalf of the Issuer Company. For more details on the terms and conditions of the said loan please refer to page no.26 of this Letter of Offer.

Group Companies making losses during the last three years

Except for the following there are no group companies making losses as mentioned in this Letter of Offer:

1. MILLENIUM ALCOBEV PRIVATE LIMITED (“MAPL”)

Millenium Alcobev Private Limited was originally incorporated as McDowell Alcobev Limited on March 31, 1999 under the Companies Act, 1956. The name of the Company was changed from McDowell Alcobev Limited to McDowell Alcobev Private limited on June 14, 2004. Subsequently, the name was changed to Millenium Alcobev Private Limited on October 18, 2004, which was further changed to the present name and style on February 24, 2005. MAPL is a Joint Venture between United Breweries Limited and Scottish & Newcastle India Private Limited.

The main objects of MAPL is to manufacture alcohol, rectified spirit, portable and industrial alcohol, brew, distill, blend, compound, prepare, process, render potable or marketable all sorts of liquors, wines, spirits and beers, and to carry on all or any of the business of malt factors, general and wine and spirits merchants, either as exporters or importers and distilleries, commission agents, warehouseman, bottles, bottle makers, bottle stopper makers, potters, manufacturers of and dealers in aerated and mineral waters and other drinks, licensed victuallers, beer house keepers, yeast dealers.

Board of Directors

The Board of Directors of MAPL is given below:

Name	Designation
Dr. Vijay Mallya	Chairman
A.K.Ravi Nedungadi	Director
Sudhir Jain	Managing Director
John Dunsmore (Ms.Veronica Lesley Jackson - Alternate Director)	Director
John Simon Hunt	Director

Shareholding Pattern

The shareholding pattern of MAPL as on September 30, 2007 is as follows:

Sr. No.	Name of the shareholder	Total no. of shares	Total shareholding as a % of total no. of shares
1	Scottish & Newcastle India Private Limited	76,75,000	50.00
2	United Breweries Limited	61,39,930	40.00
3	Associated Breweries & Distilleries Limited	15,35,000	10.00
4	United Breweries Limited jointly with Mr. P. Subramani	10	0.00
5	United Breweries Limited jointly with Mr. P.A. Murali	10	0.00
6	United Breweries Limited jointly with Mr.K Sethuraman	10	0.00

7	United Breweries Limited jointly with Mr. VS Venkataraman	10	0.00
8	United Breweries Limited jointly with Mr.V Raghuraman	10	0.00
9	United Breweries Limited jointly with Mr. K Prakash	10	0.00
10	United Breweries Limited jointly with Mr. S Ramanujam	10	0.00
	Total	153,50,000	100

Financial Performance

The audited financial performance of MAPL for the last three years is given below:

Rs in lacs

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005
Total income	20	1,955	1,464
Profit after Tax	(1,116)	(2,125)	(2,512)
Equity Capital (FV – Rs. 10/- per Share)	1,535	1,535	1,535
Reserves & Surplus (excluding revaluation reserve)	(1730)	(614)	1,512
Earnings per Share (Rs.)	(7)	(14)	(16)
Net Asset Value per Equity Share (Rs.)	(1.27)	6.01	19.85

Information regarding adverse factors

The Company is not a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is it under winding up. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

MAPL has made a loss for the immediately preceding three years. The details of the same are as follows:

Rs. In Lacs		
March 31, 2007	March 31, 2006	March 31, 2005
(1,116)	(2,125)	(2,512)

Common Pursuits

There are no common pursuits between our company and MAPL.

Transactions between MAPL and the our Company

There are no related party transactions between our company and MAPL.

2. MILLENNIUM BEER INDUSTRIES LIMITED (MBIL)

Millenium Beer Industries Limited was originally incorporated as Inertia Industries Limited on October 25, 1989 under the Companies Act, 1956. The name of the Company was changed from Inertia Industries Limited to the present name on March 16, 2005. MBIL is a subsidiary of Millenium Alcobev Private Limited.

The main objects of MBIL is to carry on business of breweries, distilleries and processed foods and to manufacture export, import trade and agency distribution of beer, alcoholic and non-alcoholic drinks and processed foods.

Board of Directors

The Board of Directors of MBIL is given below:

Name	Designation
Mr. S.R.Gupte	Director

Mr. R.N.Pillai	Director
Mr. C.L.Jain,	Director
Mr. P.Subramani	Director
Mr. Vasant Narkar	Director
Mr. Sundar Rajan	Director
Mr. Rakeshchandra Gupta	Whole time Director

Shareholding Pattern

The shareholding pattern of MBIL as on September 30, 2007 is as follows:

Category of shareholder	No. of shareholders	Total no. of shares	Total no. of shares held in dematerialized form	Total shareholding as a % of total no. of shares	
				As a % of (A+B)	As a % of (A+B+C)
(A) Shareholding of Promoter and Promoter Group					
(1) Indian					
Bodies Corporate	1	42627813	28360853	77.79	77.79
Sub Total	1	42627813	28360853	77.79	77.79
(2) Foreign					
Total shareholding of Promoter and Promoter Group (A)	1	42627813	28360853	77.79	77.79
(B) Public Shareholding					
(1) Institutions					
Financial Institutions / Banks	2	106200	-	0.19	0.19
Sub Total	2	106200	-	0.19	0.19
(2) Non-Institutions					
Bodies Corporate	153	594548	488748	1.08	1.08
Individuals					
Individual shareholders holding nominal share capital up to Rs. 1 lakh	10904	3652687	1101627	6.67	6.67
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	34	7783301	430250	14.2	14.2
Any Others (Specify)	-	-	-	-	-
Clearing Members	5	7381	7381	0.01	0.01
Hindu Undivided Families	18	28008	27508	0.05	0.05
Sub Total	11114	12065925	2055514	22.02	22.02
Total Public shareholding (B)	11116	12172125	2055514	22.21	22.21
Total (A)+(B)	11117	54799938	30416367	100	100
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-
Total (A)+(B)+(C)	11117	54799938	30416367	-	100

Financial Performance

The audited financial performance of MBIL for the last three years is given below:

Rs in Lacs

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005
Total income	14,318.56	10,448.33	9,873.72
Profit after Tax	(1,124.61)	(3,161.44)	(5,855.38)
Equity Capital	5475.53	5,475.55	5,475.55
Reserves (excluding revaluation reserve)	(25,506)	(24,382)	(21,572)
Earnings per Share	(2.06)	(5.77)	(10.69)
Net Asset Value	(36.58)	(34.53)	(29.40)

Share Price Performance

The Equity Shares of MBIL are listed on the Stock Exchanges at Delhi, Mumbai, Calcutta, Ahmedabad & Jaipur. The high and low for the Equity Shares of MBIL in the last six months as quoted on BSE is as follows:

Month	Monthly High	Monthly Low
November 2007	45.00	35.65
October 2007	61.00	44.00
September 2007	65.65	48.50
August 2007	62.85	33.20
July 2007	44.95	18.10
June 2007	17.28	11.31
May 2007	12.82	9.17

Source: www.bseindia.com

The share price of MBIL on BSE as on November 30, 2007 was Rs.40.40

However, certain shares are still pending grant of listing approval on certain exchanges as per details mentioned below:

Stock Exchange	Listed Equity capital	Unlisted Equity Capital
Calcutta Stock Exchange Association Limited	120893380	427106000

Investor Grievance Redressal Mechanism and Investor Complaints

The Shareholders'/Investors Grievance Committee comprises of Mr.S.R.Gupte, Mr. P Subramani and Mr.R.N.Pillai. Mr. S.R.Gupte, a Non-Executive Director, is the Chairman of the Committee. Mr. Nitesh Bakshi Company Secretary, is the Compliance Officer.

The terms of Reference for the Committee include, *inter-alia*, specifically looking into the redressing of Shareholders' and Investors' complaints. The Committee is empowered to operate in terms of the provisions of the Listing Agreement and/or the provisions as prescribed under the Companies Act, 1956 and other related Regulations. M/s. Intime Spectrum Registry Limited, New Delhi is the Registrar and Transfer Agent for Equity Shares in physical as well as demat form and are providing complete share registry services. The share transfer / demat activities are carried out by the Registrar at its office at A-31, 3rd Floor, Naraina Industrial Area, Phase-1, New Delhi 110028.

Proposals for transfer of shares in physical form are normally processed and approved within 15 days from the date of receipt, barring isolated instances. However, the demat requests are processed within a week of date of receipt. The Share Transfer Committee meets regularly (twice a month, depending on requests received).

As on September 30, 2007, there are no investor grievances pending redressal by MBIL.

Promise versus performance

MBIL has not come out with any rights or public issue in the last three years.

Information regarding adverse factors

MBIL has filed a reference with BIFR and BIFR has declared MBIL as a sick industrial company. MBIL has filed its proposal for reconstruction with BIFR and the same is under consideration by BIFR. MBIL has made a loss for the immediately preceding three years. The details of the same are as follows:

Rs. In Lacs

March 31, 2007	March 31, 2006	March 31, 2005
(1,124)	(3,161)	(5,855)

Common Pursuits

There are no common pursuits between MBIL and the Issuer Company.

Transactions between MBIL and our Company

MBIL has not entered into any transaction so far with our Company and hence, there are no related party transactions.

3. PIXRAY (INDIA) LIMITED

Pixray (India) Limited was incorporated as a private company on December 30, 1967. Subsequently the name was changed to Picker X-ray (India) Ltd on December 06, 1970 and to Pixray (India) Ltd on January 16, 1979. The registered office of PIL is situated at 15/1, Stephen House, 4, B.B.D. Bagh East, Kolkata – 700 001. The main objects of PIL is to establish, conduct and carry on the business of buying, selling, importing and exporting all types of X-ray machines and equipments.

Board of Directors

The Board of Directors of PIL is given below:

Name	Designation
Dr. C.N. Rao	Director
Mr. S.K Saha	Director
Mr. T.P.N Murty	Director

Shareholding Pattern

The shareholding pattern of PIL as on September 30, 2007 is as follows:

Sr. No.	Name of the shareholder	Total no. of shares	Total shareholding as a % of total no. of shares
1	Kingfisher Radio Limited	1518	30.36%
2	Gold Reef Investments Private Limited	2430	48.60%
3	Vittal Investments Private Limited	580	11.60%
4	Devi Investments Private Limited	225	4.50%
5	Rossi & Associates Pvt. Ltd.,	220	4.40%
6	Mr. A Banerjee	11	0.22%
7	Mr. T K S Menon	10	0.20%
8	Mrs. Parbati Banerjee	4	0.08%
9	Mr. K K Roy	2	0.04%
	Total	5,000	100.00%

Financial Performance

The audited financial performance of PIL for the last three years is given below:

(Rs. in lacs)

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005
Total income	0.60	0.60	0.60
Profit after Tax	(0.16)	(0.24)	(0.07)
Equity Capital (FV – Rs. 100/- per Share)	20.00	20.00	20.00
Reserves & Surplus (excluding revaluation reserve)	0.08	0.08	0.08
Earnings per Share (Rs.)	(3.13)	(4.70)	(1.43)
Net Asset Value per Equity Share (Rs.)	Nil	Nil	Nil

Information regarding adverse factors

PIL is not a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is it under winding up. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against PIL.

PIL has made a loss for the immediately preceding three years. The details of the same are as follows:

(Rs. in lacs)

March 31, 2007	March 31, 2006	March 31, 2005
(0.16)	(0.24)	(0.07)

Common Pursuits

There are no common pursuits between PIL and our company.

Transactions between PIL and the our Company

There are no related party transactions between PIL and our company.

Sick Companies/BIFR proceedings

None of the group companies as mentioned in this Letter of Offer have been declared sick. However, Millenium Beer Industries Limited, one of the subsidiaries of UBL has been declared as a sick industrial company by BIFR.

Struck off from the register of the Registrar of Companies

There are no group companies for which application has been made to RoC in the last three years, to strike off their names, for their being defunct except for the following:

Pursuant to the resolution passed at the meeting of Board of Directors of Face One Models Private Limited on November 02, 2007, it has been decided to make an application to the Registrar of Companies, Karnataka, for striking the name of Face One Models Private Limited off from the Registrar of Companies under 560 of the Companies Act, 1956. Subsequently an application for striking of the name under Section 560 of the Companies Act, 1956 has been filled on November 09, 2007.



MANAGEMENT DISCUSSION AND ANALYSIS OF OPERATIONS AND FINANCIAL CONDITIONS

Please read the following discussion and analysis of our financial condition and results of operations together with our financial statements included in this Letter of Offer. You should also read the section titled “Risk Factors” beginning on page no.ix of this Letter of Offer, which discusses a number of factors and contingencies that could impact our financial condition and results of operations.

These financial statements have been prepared in accordance with Indian GAAP, The Companies Act, 1956 and the SEBI (DIP) Guidelines (as amended from time to time) and restated as described in Auditor’s report of M/s V.P. Mehta & Company, Chartered Accountants dated December 10, 2007 in the section titled “Financial Statements” – beginning on page 88 of this Letter of Offer.

Overview

We are an established engineering company focusing on electro mechanical erection and installation related to construction of industrial projects. We are a part of one of the country’s largest conglomerates, the UB Group which has a strong domestic and international presence.

The sphere of our activities encompasses:

- Engineering, Procurement and Construction (EPC) contracts for
 - Balance of plants for power projects,
 - Co-generation plants,
 - Switchyard up to 400 KV
- On Site Fabrication of:
 - Platforms, handrails, walkways, gratings,
 - Ducts, Stacks, Flues, Bins, hoppers,
 - Tanks and low pressure Vessels,
 - Large diameter pipes and fittings,
 - Piping spools and pipe supports,
- Installation, testing and commissioning of Mechanical, Electrical, Control and instrumentation, Renovation and modernization, Overhauling and maintenance works for:
 - Power plants,
 - Fertilizer, Petrochemical and Chemical Plants,
 - Refineries and Oil & Gas installations,
 - Desalination Plants,
 - Steel and Metallurgical Plants,
- Overhauling & Maintenance of Operating Plants in varied Industries, both in India and Abroad.

Our Company enjoys pre-qualification credentials in Electrical sub station projects up to 400 KV in India. Over the years, other than India, we operated in Algeria, Bahrain, Bangladesh, Iran, Iraq, Jordan, Kenya, Kuwait, Nepal, Nigeria, Oman, Qatar, Saudi Arabia, Singapore, Sudan and UAE.

In the process we have serviced esteemed clientele like Bechtel International Inc., USA, Mitsubishi Heavy Industries, Japan, Hitachi Plant Construction, Japan, Toshiba Corporation, Japan, Sumitomo Corporation, Japan, Bharat Heavy Electricals Limited, India, Reliance Petroleum Limited, India.

Factors Affecting our Financial Results

Our business is subject to various risks and uncertainties, including those discussed in the section titled “Risk Factors” beginning on page ix of this Letter of Offer. Some of the important factors that have affected and we expect will continue to affect our results of operations, financial condition and cash flows are discussed in this section:-

Growth in the infrastructure sector

The Government of India’s focus on and sustained increase in budgetary allocation for the infrastructure sector and the development of a structured and comprehensive infrastructure policy that encourages greater private sector participation as well as increased funding by international and multilateral development financial

institutions for infrastructure projects in India has resulted in several large infrastructure projects in our business which have been key to our results of operations.

Competition

We compete against major companies like Hindustan Construction Company Limited, Petron Engineering and Construction Co., Punj Lloyd Ltd., Dodsai India Ltd. etc. Our competition varies depending on the size, nature and complexity of the project and on the geographical region in which the project is executed. In selecting contractors for major projects, clients generally invite the tenders from contractors that have pre-qualification based on several criteria including experience, technological capability, capacity, performance, reputation for quality, safety record, financial strength and bonding capacity and size of previous contracts in similar projects, although price competitiveness of the bid is, the most important selection criterion. Prequalification is one of the key factors to our winning major projects. Due to our financial constraints, we did not have access to non-fund based facilities and accordingly, our ability to win contracts has been hampered leading to reduced visibility in the marketplace. Further, to circumvent the problem of lack of access to non-fund based facilities from banks, we had to partner with other companies to jointly bid for contracts wherein we brought in the execution capabilities and our partners provided the financial commitments. In these joint bids our margins are lower than contracts that we executed on our own in the past.

Ability to attract and retain skilled personnel

A significant number of our employees are skilled engineers and we face competitive pressures in recruiting and retaining skilled and professionally qualified staff. The loss of key personnel or any inability to manage the attrition levels in different employee categories may materially and adversely impact our results of operations.

Weather conditions

Our business operations may be adversely affected by severe weather, which may require us to evacuate personnel or curtail services and it may result in damage to a portion of our fleet of equipment or facilities resulting in the suspension of operations and may prevent us from delivering materials to our jobsites in accordance with contract schedules or generally reduce our productivity. Our operations are also adversely affected during monsoons which restrict our ability to carry out construction activities and fully utilize our resources.

Foreign currency risk

The volatility in global financial markets may have an adverse impact on our business. Any increase in the exchange rate of the rupee vis-à-vis the foreign currency will have a negative impact on the turnover and profitability of our Company.

Summary of Results of operations:

(Rs. In Lacs)

Particulars	Six months period ended September 30, 2007	Year ended March 31, 2007	Year ended March 31, 2006	Year ended March 31, 2005
Income from Operations	3,732.34	21,628.91	22,912.95	14,917.22
Other Income	206.45	4,810.07	175.20	232.47
Total Revenue	3,841.55	25,898.26	24,489.75	15,206.02
Contract Cost & Other Expenses	3,537.46	27,969.59	24,933.48	14,851.04
Interest Cost (Net)	166.93	502.68	1,726.25	1,538.54
Depreciation	15.63	76.54	85.82	92.38
Total Expenditure	3,720.02	28,548.81	26,745.55	16,481.95
Profit before Taxation and Extra Ordinary Items & interest on overdue balances	121.53	(2,650.55)	(2,255.80)	(1,275.93)
Provision for Taxation	(4.40)	(42.51)	269.83	327.91

Profit after Taxation before Extra Ordinary Items	117.12	(2,693.06)	(1,985.97)	(948.02)
Prior period adjustment	-	2,955.52	-	-
Foreign project reserve no longer required written back	-	999.48	-	255.00
Profit after Taxation and Extra Ordinary Items (A)	117.12	1,261.94	(1,985.97)	(693.02)
Impact of material adjustments in corresponding years (B)	73.89	6,757.08*	940.69	40.73
Adjusted Profit (A+B)	191.01	8,019.03	(1,045.28)	(652.29)

* While recasting the financials in accordance with SEBI (DIP) Guidelines and based on audit qualifications, the Company has shown a loss of Rs.8,288.98 lacs in the financial year ended March 31, 2003. The amounts relating to these audit qualifications were recorded in the books of accounts of the Company over a period of time with a major adjustment of Rs.6,757.08 in the financial year ended March 31, 2007. The said amount is set off against actual debtors and other write offs amounting to Rs.6,685.09 lacs in the books of accounts as on March 31, 2007.

Income from Operations

Income from Operations includes billing on clients through various divisions of the Company, i.e. Projects, Turnkey and Overhauling & Maintenance of Operating Plants, Electrical and Overseas.

The revenues generated from a project are a factor of our billing terms negotiated at the time of awarding the contracting. These contracts are completed over a significant period of time. Typically our contracts specify milestones, which represent various stages in the completion of a project. Our billing and revenue recognition is on the basis of "Stage of Completion" / achievement of these milestones.

Other income

Other income primarily includes dividend on investments, profit on sale of assets, provisions written back, foreign exchange fluctuation gain, interest and other miscellaneous receipts.

Extra Ordinary Item (Income)

Extra Ordinary Item (Income) in FY 2006-2007 pertains to OTS benefit.

Contract Cost and Other Expenses

Contract costs & other expenses represent all costs associated with executing a contract. It includes:

- Construction expenditure

Construction expenditure includes: (i) materials consumed relating to expenditure for construction materials used in our projects such as steel, cement, equipment and materials used for construction, consumable stores, steel plates, spares for the equipments etc.; (ii) contractor charges paid to sub-contractors to whom we have contracted a part of our project responsibilities, piece rate workers' payments and labour borrow wages; (iii) hire charges paid for hire of equipment from third parties; (iv) repair and maintenance costs of our equipment and facilities; (v) power, electricity and water charges; and (vi) freight, octroi and transportation cost etc. Construction expenditure is dependent on the type of project being executed and is also influenced by the nature of work being carried out such as labor intensive or mechanized job being carried out.

- Employee costs

Employee costs include: (i) salaries, wages, gratuity payments to our employees; (ii) contributions made to provident fund and other fund and (iii) expenses relating to workmen and staff.

- Other expenses

Other expenses include: (i) insurance charges ;(ii) traveling and conveyance charges; (iii) fees and taxes paid; (iv) consultancy and professional charges; and (vi) other miscellaneous administrative and establishment expenses.

Contract costs are a function of the duration of the project, number of personnel employed on site and prevailing costs of materials that are consumed on site.

Interest Cost

Interest cost includes interest paid for debts / loans taken by our Company for working capital funding, inter corporate deposits, short-term borrowings, long term loans and unsecured loans.

Depreciation

Depreciation is provided on straight line method basis. Depreciation is determined based on management's assessment of assets life and is calculated at the rates so determined, which are either equal to or higher than rates provided for such assets under Schedule XIV of the Companies Act, 1956.

Comparison of Performance and Analysis of Developments for the financial year ended March 31, 2007 vis-à-vis financial year ended March 31, 2006

a. Total Income

Total income of our Company comprises of two elements: Income from Operations and other income. Total income increased by 5.75% from Rs. 24,489.75 Lacs for the year ended March 31, 2006 to Rs. 25,898.26 lacs for the year ended March 31, 2007. The reason was primarily on account of bank interest / excess provisions provided in the earlier years have been reversed back and considered in other Income.

The break up of total income is depicted in the table below:

	Rs. in Lacs.	
	March 31, 2007	March 31, 2006
Income from operations	22,912.95	21,628.91
Other Income	175.20	4,810.07
Total Income	24,489.75	25,898.26

b. Income from Operations

Revenues from operations decreased by 5.60% from Rs.22,912.95 lacs for the year ended March 31, 2006 to Rs.21,628.91 lacs for the year ended March 31, 2007, primarily due to decrease in overseas turnover.

c. Other Income

Other Income increased by 2,645.47% from Rs. 175.20 lacs for the year ended March 31, 2006 to Rs. 4,810.07 lacs for the year ended March 31, 2007, mainly on account of bank interest / excess provisions provided in the earlier years have been reversed back and considered in other Income.

d. Contract Cost and Other Expenses

Contract Cost and Other Expenses increased by 12.18% from Rs. 24,933.48 lacs for the year ended March 31, 2006 to Rs. 27,969.59 lacs for the year ended March 31, 2007, primarily on account of general cost escalations, bad debts written-off.

e. Interest Cost

Interest Cost decreased by 70.88% from Rs. 1726.25 lacs for the year ended March 31, 2006 to Rs. 502.68 lacs for the year ended March 31, 2007, primarily because of settlement of loan of all consortium of banks.

f. Depreciation

Depreciation decreased by 10.81% from Rs. 85.82 lacs for the year ended March 31, 2006 to Rs. 76.54 lacs for the year ended March 31, 2007.

g. Net Profit after Tax

Our Company's adjusted net profit was Rs. 8,019.03 lacs for the year ended March 31, 2007 as compared to adjusted loss of Rs.1.045.28 lacs for the year ended March 31, 2006. This increase in our net profit is mainly on account of benefit of OTS with Consortium of Banks and reversal of excess provisions related to earlier years written back in the year ended March 31, 2007.

Comparison of Performance and Analysis of Developments for the financial year ended March 31, 2006 vis-à-vis financial year ended March 31, 2005

a. Total Income

Total income of our Company comprises of two elements: Income from Operations and other income. Total income increased by 61.05% from Rs. 15206.02 Lacs for the year ended March 31, 2005 to Rs. 24489.75 lacs for the year ended March 31, 2006. The growth was primarily on account of increase in overseas billing from Rs. 5121.13 Lacs to Rs. 11141.51 Lacs.

The break up of total income is depicted in the table below:

	Rs. in Lacs.	
	March 31, 2006	March 31, 2005
Income from operations	22,912.95	14,917.22
Other Income	175.20	232.47
Change in WIP	1401.60	56.33
Total Income	24,489.75	15,206.02

b. Income from Operations

Revenues from operations increased by 53.60% from Rs. 14917.22 lacs for the year ended March 31, 2005 to Rs. 22912.95 lacs for the year ended March 31, 2006, primarily reflecting the fact that increase in overseas billing from Rs. 5121.13 Lacs to Rs. 11141.51 Lacs.

c. Other Income

Other Income decreased by 24.64% from Rs. 232.47 lacs for the year ended March 31, 2005 to Rs. 175.20 lacs for the year ended March 31, 2006, mainly on account of reduced interest income and provisions written back.

d. Contract Cost and Other Expenses

Contract Cost and Other Expenses increased by 67.89% from Rs. 14851.03 lacs for the year ended March 31, 2005 to Rs. 24,933.48 lacs for the year ended March 31, 2006, primarily on account of cost escalations, delays in projects execution and accruing interest burden on loan funds.

e. Interest Cost

Interest Cost increased by 12.20% from Rs. 1538.54 lacs for the year ended March 31, 2005 to Rs. 1726.25 lacs for the year ended March 31, 2006, primarily because on increase in secured loans from Rs. 9583.36 lacs in the year ended March 31, 2005 to Rs. 10760.13 lacs for the year ended March 31, 2006.

f. Depreciation

Depreciation decreased by 7.10% from Rs. 92.38 lacs for the year ended March 31, 2005 to Rs. 85.82 lacs for the year ended March 31, 2006.

g. Net Loss after Tax

Our Company's net loss increased from Rs. 652.29 lacs for the year ended March 31, 2005 to Rs. 1045.28 lacs for the year ended March 31, 2006. Loss for the year ended March 31, 2006 is higher as compared to the year ended March 31, 2005 due to cost escalations, delays in projects execution and accruing interest burden on loan funds. Operations suffered due to non availability of credit limits from banks pending recovery proceeding filled by the lenders, lack of working capital – Funded as well as non funded facilities forced our company in to low margin arrangements for ensuring survival and continuing business.

Comparison of Performance and Analysis of Developments for the financial year ended March 31, 2005 vis-à-vis financial year ended March 31, 2004

a. Total Income

Total income of our Company comprises of two elements: Income from Operations and other income. Total income increased 108.26 % from Rs. 7301.31 lacs for the year ended March 31, 2004 to Rs. 15206.02 lacs for the year ended March 31, 2005. The growth was primarily on account of increased overseas operations and improved order book.

The break up of total income is depicted in the table below:

	Rs. in Lacs	
	March 31, 2005	March 31, 2004
Income from operations	14,917.22	7,474.64
Other Income	232.47	44.89
Change in WIP	56.33	(218.22)
Total Income	15,206.02	7,301.31

b. Income from Operations

Revenues from operations increased by 99.57% from Rs. 7,474.64 lacs for the year ended March 31, 2004 to Rs. 14,917.22 lacs for the year ended March 31, 2005, primarily reflecting the fact that new overseas job was under execution during the year.

c. Other Income

Other Income increased by 417.87% from Rs. 44.89 lacs for the year ended March 31, 2004 to Rs. 232.47 lacs for the year ended March 31, 2005, mainly on account of increase in provisions written back, foreign exchange fluctuation gain and interest income.

d. Contract Cost and Other Expenses

Contract Cost and Other Expenses increased/decreased by 113.77% from Rs. 6947.23 lacs for the year ended March 31, 2004 to Rs. 14851.03 lacs for the year ended March 31, 2005, primarily on account of cost escalations, delays in projects execution and related cost due to increase in turnover.

e. Interest Cost

Interest cost increased by 23.10% from Rs. 1249.79 lacs for the year ended March 31, 2004 to Rs. 1538.54 lacs for the year ended March 31, 2005, primarily on account of increase in secured loans from Rs. 8098.43 lacs in the year ended March 31, 2004 to Rs. 9583.36 lacs for the year ended March 31, 2005.

f. Depreciation

Depreciation decreased by 42.92% from Rs. 161.83 lacs for the year ended March 31, 2004 to Rs. 92.38 lacs for the year ended March 31, 2005.

g. Net Loss after Tax

Our Company's net loss decreased from Rs. 1,509.88 lacs for the year ended March 31, 2004 to Rs. 652.29 lacs for the year ended March 31, 2005. The operations during the year were affected by shortage of working



capital and consequent liquidity crisis. Decrease in loss in 2004-05 compared to FY 2003-04 is mainly due to tax provision for earlier year and Foreign Project Reserve written back in 2003-04.

Material Developments after September 30, 2007

There is no material development after the date of the last financial statements disclosed in this Letter of Offer which is likely to materially and adversely affect or is likely to affect the trading or profitability of our company or the value of our assets, or our ability to pay our liabilities within the next twelve months.

Information required as per clause 6.10.5.5 (a) of the SEBI (DIP) Guidelines

Unusual or infrequent events or transactions:

There have been no unusual or infrequent transactions that have taken place during the last three years.

Significant economic changes that materially affected or are likely to affect income from continuing operations:

Government policies governing the sector in which we operate or in sectors in which our clients operate as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected Company's operations or are likely to affect income from continuing operations except as detailed in the preceding paragraph and as described in the section titled "Risk Factors" beginning on page ix and "Management Discussion and Analysis of Financial Conditions and Results of Operations" beginning on page 151 in this Letter of Offer.

Known trends or uncertainties

There are no known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations except as described in the section titled "Risk Factors" on page no.ix and in "Management Discussion and Analysis of Financial Condition and Results of Operations" on page 151 in this Letter of Offer, to Company's knowledge.

The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices

Changes in revenues during the last 3 years are as explained in the "Management Discussion and Analysis of Financial Conditions and Results of Operations" under the paragraph "Comparison of Performance and Analysis of Developments for the financial year ended March 31, 2006 vis-à-vis Financial year ended March 31, 2005", "Comparison of Performance and Analysis of Developments for the financial year ended March 31, 2005 vis-à-vis Financial year ended March 31, 2004" and "Comparison of Performance and Analysis of Developments for the financial year ended March 31, 2004 vis-à-vis Financial year ended March 31, 2003" under sub paragraph "Income from Operations".

Future relationship between costs and revenues

Other than as described in the section titled "Risk Factors" and "Managements Discussion and Analysis of Financial Conditions and Results of Operation" in this Letter of Offer, to our knowledge there are no future relationship between cost and income that have or had or expected to have a material adverse impact on our operations and finances.

Total turnover of each major Industry segment in which we operate

Our Company derives its revenues from Engineering Procurement & Construction activities which operates under only one industry i.e. Construction Industry

Status of any publicly announced new products or business segment

Our Company has not announced any new products or business segment.

The extent to which business is seasonal

The business model of our Company is not seasonal in nature.

Any significant dependence on a single or few suppliers or customers

We are not dependent on any single or few suppliers or customers.

Competitive conditions

We face competition from existing players in construction industry in India. Competitive conditions are as described under the section titled “Business Overview” section and under the section titled “Risk Factors” in this Letter of Offer.

Our business is subject to severe competition. Some of the factors that are critical for success in our business include:

- **Past track record of execution capabilities:** To be eligible for contracts, a strong track record of having executed contracts in the area in which the contract is being awarded becomes a key criterion for selection.
- **Financial strength:** Most projects require that selected vendors provide financial and/ or performance bank guarantees. Further there are risks of liquidated damages being levied if the work is not as per the schedule defined in the contract.
- **Technical capabilities:** Keeping abreast with technological changes in the industry and investing in new technology/ training of manpower become important in an industry where barriers to entry are low.
- **Access to trained manpower:** Engineering construction contracts require the use of highly skilled manpower. The ability to retain skilled and senior management employees become critical to the successful and timely completion of a contract.

WORKING RESULTS

Information as required by Government of India, Ministry of Finance Circular No. F2/5/SE/76 dated February 5, 1997 as amended vide Circular of even no dated March 8, 1997 is given below:

1. Standalone Unaudited Financial Results for two months period ended November 30, 2007

Particulars	Amount (Rs. in Lacs)
Net Sales	2541.58
Other Income	1.60
Total Income	2543.18
Expenditure	2447.85
Operating Profit	95.33
Interest	106.00
Gross Profit	(10.67)
Depreciation	16.00
Profit before Tax	(26.67)
Tax	4.00
Profit after Tax	(30.67)

2. There are no material changes and commitments, which are likely to affect the financial position of our Company after September 30, 2007 (i.e. the last date up to which audited information is incorporated in this Letter of Offer) except as mentioned on page 157 of this Letter of Offer

3. Week end prices of Equity Shares of our Company for the last four weeks on BSE along with the highest and lowest price are as below:

Week ended on	Closing Price	Highest Price	Lowest Price
December 20, 2007	136.40	146.95	135.50
December 14, 2007	167.85	174.95	165.00
December 07, 2007	151.40	161.45	151.40
November 30, 2007	144.75	144.75	144.75

* High/Low prices based on closing quotations of BSE (Source: www.bseindia.com)

The Equity Shares of our Company were trading cum-rights till December 14, 2007 and started trading on ex-rights basis from December 17, 2007 on BSE.

Closing ex-rights market price of Equity Shares of face value of Rs.10/- of our Company as on December 17, 2007 on BSE was Rs.156.45.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS, DEFAULTS & MATERIAL DEVELOPMENTS

Except as described below, there are no outstanding litigations, suits or criminal or civil prosecutions, proceedings or tax liabilities against our Company, its Directors, its Promoters and companies promoted by the Promoter that would have a material adverse effect on our Company's business other than unclaimed liabilities of our Company or its Directors or its Promoters and companies promoted by the Promoter and there are no defaults, non-payment or overdue of statutory dues, institutional / bank dues and dues payable to holders of any debentures, bonds and fixed deposits and arrears of preference shares of our Company that would have a material adverse effect on our Company's business. Further, except as disclosed in this document, our Company, our Company's Directors or our Company's Promoters or companies promoted by the Promoter (i.e. Promoter Group Companies) have not been declared as willful defaulter by RBI, have not been debarred from dealing in securities and / or accessing the capital markets by SEBI and no disciplinary action has been taken against them by SEBI or any stock exchanges.

UB Engineering Limited

A. Outstanding statutory dues

The list of the outstanding statutory dues as on November 30, 2007 is as follows:

(Rs. in Lacs)

Nature of Liability	As on November 30, 2007
Employee Gratuity	24.23
Sales Tax including electronics division	13.86
Unclaimed Redeemed Debenture Interest	39.11
Total	77.20

B. Criminal Cases

Criminal cases filed against the Company

NIL

C. Tax Proceedings

Tax cases filed against the Company

1. The Income Tax Department has filed Appeal No.321/PN of 1997 before the ITAT in respect of the AY1993-94. In this Appeal, the Income Tax Department has challenged the decision of the CIT (Appeals-II), Pune, allowing certain advances written off by the Company. The amount involved is Rs.261.21 Lacs. The tax liability is Rs.143.90 lacs. The Income Tax Department has also challenged allowance of the amount of Rs.14.88 Lacs on account of unutilized MODVAT credit. The Appeal has been heard and the Order is awaited.
2. The Income Tax Department has filed Appeal No.460/PN of 1998 before the ITAT in respect of the AY1994-95. In this Appeal the IT Department has challenged the decision of the CIT (Appeal-I) deleting the addition of Rs.1 crore made by Assessing Officer, on account non-competition fees, to the income of the Company. The tax liability is Rs.51.75 lacs. The Appeal has been heard and the Order is awaited.

Tax cases filed by the Company

3. The Company has filed Appeal No.1171/PN of 1995 before the Income Tax Appellate Tribunal ("ITAT") in respect of the AY 1986-87, challenging the decision of the CIT (Appeal) disallowing certain claims towards sales tax, advertisement, unconfirmed purchases and cash expenses to the tune of Rs.21.40 Lacs. The Appeal has been heard by ITAT on February 5, 2007 and ITAT has asked the Company to furnish certain details on next hearing, which were furnished subsequently and order is awaited.

4. The Company has filed Appeal Nos.541/PN of 1994 and 900/PN of 1995, before the ITAT in respect of the AY1988-89. In these Appeals the Company has challenged the decision of the CIT (Appeal) Kolhapur for making certain additions to the income of the Company/for certain disallowances, such as loss on sale of chemical division, short-term capital gains on transfer of asset of chemical division and , certain losses on account of exchange rate fluctuation etc. The aggregate amount involved is Rs.94.21 Lacs. Appeal 900/PN of 1995, which involves an amount of Rs.87.94 lacs has been heard and the Order is awaited.
5. The Company has filed Appeal No.903/PN of 1995 before the ITAT in respect of the AY1991-92. In this appeal the Company has challenged the decision of the CIT (Appeal) disallowing certain claims with respect to depreciation and non-compete fees. The amount involved is Rs.190.33 Lacs. The Appeal has been heard and the Order is awaited.
6. The Company has filed Appeal No.43/PN of 1996 before the ITAT in respect of the AY1992-93. In this Appeal the Company has challenged the decision of the CIT (Appeal) for disallowing certain claims of the Company on account of rent for guesthouse, employer and employees contribution to Provident Fund and interest on amount advanced to the subsidiary. The aggregate amount involved is Rs.11.63 Lacs. The Appeal has been heard and the ITAT has referred the matter back to the Assessing Officer. Now the matter is pending before the Assessing Officer.
7. The Company has filed Appeal No. 943/PN of 2000 before the ITAT in respect of the AY1995-96. In this appeal the Company has challenged the decision of the CIT (Appeals), confirming the dismissal of the Rectification Application filed by the Company under Section 154 of the IT Act with respect to withdrawal of depreciation claim of Rs.305.05 Lacs. The tax liability is Rs.140.30 lacs. The Appeal is pending for hearing.
8. In respect of AY1996-97, the Company has filed two Appeal Nos. 533/PN of 1998 and 404/PN of 2001 before the ITAT. In these Appeals, the Company has challenged the decisions of the CIT (Appeals), disallowing certain claims made by the Company such as deductions under Section 80O of IT Act, provisions for leave encashment, bonus payment, guesthouse expenses, deduction under Section 80HHB, contribution to provident fund etc. The aggregate amount involved is Rs.145.07 Lacs. The Appeal is at the hearing stage.
9. The Company has filed Appeal No.524/PN of 1998 before the ITAT in respect of the AY1997-98. In this Appeal, the Company has challenged the decision of the CIT (Appeals), disallowing provisions of leave encashment, contribution to provident fund, guest house rent. The Company has also challenged the decision of the CIT, reducing the claim of the Company under Sections 80 HHB and 80O. Further the Company has also challenged the decision of the CIT holding the receipt by way of reimbursement of cost of construction of residential housing as taxable revenue receipt. The total amount involved is Rs.348.66 Lacs. The Appeal is at the hearing stage.
10. In respect of the AY1998-99, the Company has filed two Appeal Nos. 1388/PN of 2001 and 944/PN of 2004 before the ITAT. In these appeals the Company has challenged the decision of the CIT (Appeals), in respect of certain disallowances such as the expenses on technical know-how, depreciation on assets of the Electronic Division, claims under Sections 35AB, 80HHB, 37 of the IT Act etc. The Company has also challenged the decision of the CIT (Appeals) reducing the written down value of the assets of the Electronic Division of the Company for calculating the depreciation, rejecting claim of the Company for capital loss on sale of Electronic Division and rejecting the Company's claim on double taxation relief under the IT Act. The amount involved is Rs.1743.68 Lacs. The appeal is at the hearing stage.
11. The Company has filed Appeal No. 1420/PN of 2004 before the ITAT in respect of the AY1999 – 2000. In this Appeal the Company has challenged the decision of the CIT Pune, disallowing certain claims made by the Company such as reduction in claim under Sections 80HHB, 91 of IT Act for double taxation relief, disallowing provisions for leave encashment, provisions for gratuity, contribution to provident fund etc. The total amount involved is Rs.168.44 Lacs. The Appeal is yet to be listed for hearing.
12. The Company has filed Appeal before the CIT (Appeals– III) in respect of the AY 1999-2000. In this Appeal, the Company has challenged the Assessing Officer's decision to re-open the assessment under Section 147 of the IT Act. The Company has also challenged an additional demand of Rs.28.56 lacs by the Assessing Officer due to disallowance of the Company's claim of Rs.92.01 Lacs as non-taxable capital

receipt and consequent reduction of depreciation claim made by the Company . The Appeal is yet to be listed for hearing.

13. The Company has filed an appeal before the ITAT in respect of the AY 2000 - 2001. In this appeal the Company has challenged the decision of the CIT Pune, disallowing certain claims made by the Company such as provision for premium payable for gratuity, write back of loans and write back of overseas tax liability as non taxable receipts under the IT Act. The total amount involved is Rs.539.27 Lacs. The Appeal is yet to be listed for hearing.
14. The Company has filed an appeal before the ITAT in respect of the AY 2003 - 2004. In this appeal the Company has challenged the decision of the CIT Pune, disallowing certain claims made by the Company such as contribution to provident fund, provision for premium payable for gratuity etc. The Company has also challenged the decision of the CIT, taxing a sum of Rs.203.04 Lacs as interest accrued on claim receivable from UP State Electricity Board. The total amount involved is Rs.330.28 Lacs. The Appeal is yet to be listed for hearing.
15. The Company has filed an appeal before the CIT (Appeals– III) in respect of the AY 2001 - 2002. In this appeal the Company has challenged the decision of the Assessing Officer, disallowing certain claims made by the Company such as contribution to provident fund, ESI, provisions for gratuity premium, loss in joint-venture in Qatar, bad debts etc. The Company has also challenged the decision of the Assessing Officer, taxing the interest accrued on claim receivable from UP State Electricity Board. The total amount involved is Rs.565.46 Lacs. The appeal is at the hearing stage.
16. The Company has filed an appeal before the CIT (Appeals III) in respect of the AY 2002 - 2003. In this appeal the Company has challenged the decision of the Assessing Officer, disallowing certain claims made by the Company such as contribution to provident fund, ESI, provisions for gratuity premium etc. The Company has also challenged the decision of the Assessing Officer, taxing the interest accrued on claim receivable from UP State Electricity Board. The total amount involved is Rs.455.69 Lacs. The appeal is yet to be listed for hearing.
17. The Company has filed an appeal before the CIT (Appeals III) in respect of the AY 2004 - 2005. In this appeal the Company has challenged the decision of the Assessing Officer, disallowing certain claims made by the Company such as interest payable on working capital term loan, taxing the interest accrued on claim receivable from UP State Electricity Board, ignoring the interest already offered for tax by the Company. The total amount involved is Rs.821.14 Lacs. The appeal is yet to be listed for hearing.
18. The Company has filed an appeal before Hon'ble Kuwait Court. In this appeal the Company has challenged the decision of the Directorate of Income Tax – Ministry of Finance, State of Kuwait for re-opening the completed assessments for year 1996 to 1999. The assessments have been re-opened by making addition in the income on certain claims received by the Company. The Company has also challenged the additional demand of Kuwait Dinar 2.73 Lacs. The Appeal is pending.
19. The Company had its Electronic Division at Shirval, District Satara under 1983 incentive scheme of the Government of Maharashtra for the industrially back-ward Zones. The Company had availed deferral of Sales Tax from the period March 1, 1987 to February 28, 1994 for seven years. Under the Scheme the Company was entitled to avail Sales Tax deferral to the extent of 85% of the capital investment according to the eligibility certificate issued by the SICOM and Entitlement Certificate issued by the Commissioner of Sales Tax. The Government of Maharashtra introduced certain amendments under the Sales Tax Rules and according to Rule 31AAA, the incentive has been restricted on the production basis. All the assessments of the Company were completed by the assessing authority at Satara, however, they have granted the Sales Tax deferment according to the amendment under Rule 31AAA. The Company has therefore, taken up the issue before the High Court of Bombay under Writ Petition No.3466 of 2001 challenging the amendment under Rule 31AAA. The amount of Sales Tax, penalty and interest disputed amounts to Rs.538 Lacs. The High Court of Bombay on January 28, 2005 has issued a Stay Order against the sales tax department instructing them not to adopt any coercive measures against the Company till further orders. Thereafter, the matter has not come up for hearing.

20. The Company has filed an appeal before Deputy Commissioner of Commercial Taxes, Cochin in respect of an Assessment Order for AY2000-01 charging sales tax on the entire amount of contract. The amount of tax, interest and penalty disputed is Rs.41.67 Lacs. The hearing of the appeal is yet to take place.
21. The Company has filed appeals under the Central Sales Tax Act, before the Deputy Commissioner of Sales Tax, New Delhi against the Assessment Orders for AYs 1995-96, 1997-98 and 1998-99, raising demands on account of non-availability of 'C' Forms from the client and EI/EII form from vendors. The amount of tax, penalty and interest disputed under these appeals is Rs.9.78 Lacs, Rs.6.06 Lacs and Rs.22.44 Lacs, respectively. The hearing of these appeals is yet to take place.
22. The Company has filed appeals under Central Sales Tax Act, before the Assistant Commissioner of Sales Tax New Delhi against the Order of the Sales Tax Officer, New Delhi for the AY1999-2000, AY 2000-01, AY 2001-2002, AY 2002-2003, AY 2003-2004 and AY 2004-2005 raising demand on account of non-availability of 'C' Forms from the clients and EI / EII form from vendors. The amount of tax, penalty and interest disputed under these appeals is Rs.0.72 Lacs, Rs.35.57 Lacs, Rs.10.73 Lacs, Rs.65.21 Lacs, Rs. 2.94 Lacs and Rs.9.25 Lacs, respectively. The hearing of these appeals is yet to take place.
23. The Assessing Authority at Guwahati, under the Assam General Sales Tax Act has assessed and levied tax of Rs.8.92 Lacs vide Assessment Order dated October 05, 2001, Rs.1.63 Lacs vide Assessment Order dated March 30, 2002 and Rs.19.30 Lacs vide Assessment Order dated March 31, 2003, towards the Works Contract Tax for the AYs 1997-1998, 1998-1999 and 1999-2000, respectively. Being aggrieved by these orders, appeals have been preferred by the Company to the Joint Commissioner Sales Tax. The hearing of these appeals is yet to take place.
24. The Assessing Authority at Modinagar has passed ex-parte Assessment Order dated March 23, 2006, assessing tax of Rs.9.80 Lacs towards the Works Contract Tax. The Company preferred revision petition for reassessment, however the application was rejected. The Company preferred an appeal before the Joint Commissioner (Appeals), Gaziabad at Modinagar against the said rejection order. The Appeal has been allowed and the case has been sent back to Assessing Authority for re-assessment.
25. The Deputy Commissioner (Assessment) at Modinagar has made provisional assessment with the demand of Rs.31.80 Lacs towards the Works Contract Tax. The Company has filed an appeal before the Joint Commissioner (Appeals) challenging the demand. The Appeal has been dismissed. Hence, second appeal has been preferred by the Company before the Sales Tax Tribunal at Gaziabad. The Appeal has been allowed by the Tribunal and the case has been sent back to the Assessing Authority for re-assessment.
26. The Assessing Authority at Modinagar has issued ex-parte order dated March 23, 2006 demanding Rs.19.60 Lacs towards Central Sales Tax. A Revision Petition has been filed by the Company to reassess the tax. The application has been rejected & hence, the Company has filed an appeal before the Joint Commissioner (Appeals) against the rejection of revision petition. The Appeal has been allowed and the case has been sent back to Assessing Authority for re-assessment.
27. The Deputy Commissioner (Assessment) at Modinagar has issued provisional Assessment order dated March 20, 2007 under CST Act with demand of Rs.1.10 Crore towards Central Sales Tax. An Appeal has been preferred by the Company before the Joint Commissioner (Appeals) challenging the demand. However the Appeal has been dismissed. The second appeal has been filed by the Company before the Sales Tax Tribunal, Gaziabad. The Appeal has been allowed by the Trade Tax Tribunal, Ghaziabad and the case has been sent back to Assessing Authority for re-assessment.

D. Labour Cases

Labour cases filed against the Company

1. Complaint No.152 of 2006 has been filed on July 19, 2006 by Shyam Nath Gupta, an ex-employee, against the Company in the Labour Court, Allahabad to claim retrenchment compensation of Rs.1.18 Lacs along with interest. The Company has filed its written statement and the matter is pending.

2. Complaint No. 85 of 2003 has been filed by Hanumachand Ramchand, an ex-employee, against the Company in the Labour Court, Pune for a full and final settlement of Rs.0.25 Lacs towards retrenchment compensation and leave wages. . The matter is pending for hearing.
3. Complaint being MJ Case No. 3 of 2002 has been filed by U.K. Mondal, an ex-employee against the Company in the Labour Court, Jamshedpur for claim of Rs.15.38 Lacs towards retrenchment compensation. The matter is pending for hearing.
4. Complaint being ID No. 58 of 2001 has been filed in 1999 by Satyabadi Jena, , an ex-employee against the Company in Industrial Tribunal, Labour Court, Orissa *inter alia* for directing the Company to pay for Rs.0.60 lacs medical compensation. The original complaint was filed before the Labour Court, Rourkela and the same was subsequently transferred to the Industrial Tribunal, Labour Court, Orissa. The matter is pending for hearing.
5. Complaint (ULP) No. 177 of 1999 has been filed by UB Engineering Staff Association (“UESA”) against the Company in Labour Court of Pune alleging unfair labour practices. The Complaint also seeks (i) to declare the termination of one Mr. Mokashi as *void ab initio*; and (ii) an injunction restraining the Company from terminating services of members of UESA till final disposal of the complaint. The matter is pending.
6. Appeal No. 4319 of 2005 has been filed in the High Court at Nagpur Bench of Bombay High Court by Mr. S.M. Javadekar, an ex-employee against the Company, challenging the order passed on June 8, 2005 by the Labour Court, Nagpur, directing the Company to pay Rs.2,500/- as compensation to him, which has been paid by the Company. In this Appeal Mr. S.M. Jawadekar is seeking interest on said compensation.
7. Complaint No. MJ-7 of 2006 has been filed by Mr. B.M. Tiwari, an ex-employee against the Company in the Labour Court at Jamshedpur to claim Rs.0.76 Lacs towards his dues with interest. The matter is pending.
8. Complaint No. 93 of 2006 has been filed by Mr. S.P. Shukla, an ex-employee in the Labour Court at Pune against the Company for reinstatement with full back wages amounting to Rs.0.85 lac. Mr. Shukla was dismissed w.e.f. July 7, 2006 after conducting domestic enquiry. The Company has filed its Written Statement and the matter is pending.
9. The Complaint No. 43 of 1996 has been filed by Mr. Bandu Amte, an ex-employee against the Company in the Labour Court at Chandrapur to claim Rs.0.64 Lacs towards his dues. The Labour Court has passed the order on April 26, 2004 directing the Company to pay the said amount within one month from the date of the said order. However, the said amount is yet to be paid by the Company.
10. Complaint No. P.Q. – 21 of 2007 has been filed by certain ex-employees against the Company in the Labour Court at Begusarai for the payment of unpaid wages aggregating to Rs.35 lacs. The Company is expected to file Written Statement shortly. The matter is pending.
11. Petition No. 419 of 2002 has been filed by Mr. Madan J. Ghanorkar, an ex-employee in the High Court at Bombay against the Company alleging wrongful termination and for reinstatement with full back wages. Mr. Madan J. Ghanorkar had originally approached the Industrial Court at Nagpur, which had directed the Company to pay Rs.1.20 Lacs to him without reinstatement. Subsequently, Mr. M.J. Ghanorkar has filed the said Petition challenging the Industrial Court’s Order. The matter is pending.
12. Complaint No. 56 of 1994 has been filed by Mr. Bachai Prasad, who was employed through the contractor against the Company. The said complaint was filed in the Labour Court at Allahabad for the dues payable for the period June 21, 1993 to August 31, 2001. The Labour Court has passed the order instructing the Company to pay Rs.3.63 Lacs being the dues for the said period and the said amount is yet to be paid by the Company.

Labour cases filed by the Company

1. The Company has filed a revision application under the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971 challenging the Order dated July 11, 2005 of the Labour Court, Satara directing the Company to pay compensation along with other benefits, back wages and

costs aggregating to Rs.50,000/- in lieu of reinstatement to Shekhar Vinayak Deo, an ex-employee. The matter is pending.

2. An Appeal No. 45855 of 2003 has been filed by the Company against Employees State Insurance Corporation (ESIC) and others in High Court of Bombay to set aside the order dated August 28, 2003 passed by ESIC directing the Company to pay insurance dues aggregating to Rs.3.41 Lacs. The matter is pending for hearing.
3. Writ Petition No.5602 of 2005 in Complaint (ULP) No 336 of 2001 is filed by the Company against Engineering Labour Union in High Court of Bombay to set aside the order passed by Industrial Court, Pune against the Company. The Industrial Court has held that Company had indulged in unfair labour practices by laying off 130 employees, without payment of their respective salaries and has directed the Company to pay an amount Rs.166.40 Lacs. The High Court has granted stay on the said order. The matter is pending for hearing.

D. Civil Cases

Civil cases filed against the Company

1. Suit No. 151 of 2006 is filed by Fedders Lloyd Corporation Limited against the Company before the District Judge, Tis Hazari, Delhi for the wrongful encashment of the Bank Guarantee and for the recovery of its dues from the Company in respect of the contract installation and supply of split air conditioners. The aggregate claim under this Suit is Rs. 4.43 lacs. The matter is currently pending.
2. Suit No. 345 of 2003 is filed by Aditya Air Products Private Limited against Chandrapur Super Thermal Power Station ("CSTPS") and the Company, before the Civil Judge Senior Division, Chandrapur with regard to certain disputes in relation to a contract with Company for supply of oxygen gas and acetylene gas and also for *inter alia* refraining CSTPS from making payment to the Company. In this Suit, a sum of Rs.1.17 lacs has been claimed from the Company. The matter is pending.
3. Suit No. 27 of 2002 is filed by Mr. Buddhadev Muchahary against the Company before Court of Civil Judge Bongaigaon for recovery of an amount of Rs.2.57 Lacs from the Company towards sub-contract of piping assigned by the Company to Mr. Buddhadev Muchahary. The matter is pending.
4. Suit No. 41 of 2002 is filed by Hind Metalizing and Fabricating Company Private Limited ("HMFCPL") against the Company before Court of Civil Judge, Sr. Division, Sealdah for recovery of an amount of Rs.15.30 Lacs towards painting work executed by HMFCPL on behalf of Company. The Company has filed a written statement. The matter is currently pending.
5. Suit No. 26 of 2002 is filed by Mr. Jatin Rajkhowa against the Company before the Civil Judge Bongaigaon for recovery of an amount of Rs.15.67 Lacs towards contract for piping work assigned by the Company to Mr. Jatin Rajkhowa. The matter is pending.
6. Suit No. 296 of 2006 is filed by R Trading Company against the Company in the Court of Second Civil Judge at Sealdah for recovery of outstanding dues payable by the Company in respect of loan availed by the Company and for a declaration that it is entitled to receive Rs.21.52 Lacs along with an interest from the Company. The Company has filed Written Statement.
7. Bank of Maharashtra along with Bank of India, Canara Bank and Development Credit Bank filed a Joint Application in the DRT, Pune against the Company for recovery of Rs.72 crores towards dues under the financial facilities granted by them to the Company. Subsequently, the Company gave OTS proposal to the Consortium on March 29, 2006, which has since been accepted. Subsequently, the Company has made payments as agreed under the OTS. In view of the same, These Applications are expected to be withdrawn.
8. Original Application No.115/P of 2002 is filed by HDFC Bank against the Company in the DRT, Pune for recovery of an amount of Rs.58.48 Lacs due and payable by Company towards Cash Credit Facilities and Rs.95.65 Lacs towards Working Capital Demand Loan facility availed by the Company. HDFC Bank is also

a party to the OTS and since the Company has made payments as agreed under the OTS, this Application is expected to be withdrawn.

9. Original Application No. 229 of 2003 is filed by State Bank of Mysore against the Company in DRT, Pune for recovery of amount of Rs.168 Lacs due and payable by the Company towards Cash Credit Facilities and Rs.321 Lacs towards Working Capital Demand Loan facility availed by the Company. State Bank of Mysore is also a party to the OTS and since the Company has made payments as agreed under the OTS, this Application is expected to be withdrawn.
10. Original Application No.130 of 2003 is filed by the Central Bank of India against the Company and Others in the DRT, Pune for recovery of amount of Rs.67.84 Lacs due and payable by the Company towards Cash Credit Facilities and Rs.266.12 Lacs towards Working Capital Demand Loan facility availed by the Company. Central Bank of India is also a party to the OTS and since the Company has made payments as agreed under the OTS, this Application is expected to be withdrawn.
11. Special Suit No 1006 of 2005 is filed by Sunil Hi-Tech Engineers against Company before Civil Judge, Senior Division, Nagpur for recovery of an amount of Rs.30.28 Lacs towards unpaid balance for the services rendered, compensation for the workers and interest on the said amounts. The matter is pending.
12. Original Suit No.415 of 1997 was filed by Omega Cables Limited (“OCL”) against the Company before the Court of Subordinate Judge of Poonamallee for recovery of Rs.12.33 Lacs together with interest for unpaid amount towards aluminum conductor and PVC sheathed cables supplied by OCL to the Company. Ex-parte decree was passed against the Company to pay a sum of Rs.12.33 Lacs along with interest @ 18% per annum and costs of the suit amounting to Rs.0.99 Lac on August 3, 1998. The Company has filed application to set aside the same and challenging the jurisdiction of the court, which is allowed by the Court. The case has now been transferred from Poonamallee to Chegalput Court. The Suit is now renumbered as O. S. No. 213 of 2004. The matter is pending for hearing.
13. Original Suit No. 233 of 1991 was filed by Craft Engineering Construction (“CEC”) against the Company and another before First Additional Subordinate Judge, Kakinada. By an Order dated August 23, 2001, the Company was directed to pay an amount of Rs.10.35 Lacs to CEC. Revision application was filed by the Company to set aside the said order. The matter is currently pending.
14. Suit No 64 of 1999 was filed by Capital Cables India Limited (“CCI”) against the Company and another before Court of Senior Civil Judge, Delhi for recovery of Rs.0.71 Lacs inclusive of the dues payable in respect to goods supplied by CCI to the Company and amount deposited by CCI to Sales Tax Authorities. An award dated August 21, 2001 was passed against the Company whereby the Company was directed to pay Rs. 66,000/-. The Company has filed an application no. 1391 of 2004 to set aside the said award. The matter is pending.
15. Company Petition No.1123 of 2002 was filed by Crompton Greaves Limited against the Company before High Court of Bombay for winding up of the Company on account of failure on the part of the Company to remit balance dues amounting to Rs.250 Lacs for goods supplied by it to the Company. Consent Terms were filed wherein the Company admitted its liability to extent of Rs.250 Lacs and has undertaken to pay the admitted amount. The Company has already made the payment to Crompton Greaves and requested Crompton Greaves to withdraw the suit.
16. Suit No.355 of 2001 was filed by General Engineering Works against the Company before the Civil Court, Pune for recovery of the balance dues payable by the Company in respect of a contract for erection, testing and commissioning of mechanical equipment and piping. The Court passed an ex-parte decree against the Company for an amount of Rs.18.62 Lacs along with interest @ 9% per annum. The Company has filed an application to set aside the same, which was not allowed. General Engineering Works has obtained a decree for the said amount and the matter is pending for execution.
17. Suit No. 356 of 2001 was filed by General Engineering Works against the Company before the Civil Court, Pune for recovery of the balance dues of Rs.7.12 Lacs from the Company in respect of a contract for erection, testing and commissioning of mechanical equipment and piping. The Court passed ‘No Written Statement’ order against the Company on July 10, 2002. The Company filed an application to set aside

the said order, which was not allowed. General Engineering Works has obtained a decree and the matter is pending for execution.

18. Suit No 2124 of 2001 was filed by Emkay International Limited against the Company before the High Court of Delhi for permanent and mandatory injunction to restrain Company from invoking and encashing the Bank Guarantee furnished by it. The said suit got transferred to Court of Session Judge of Tis Hazari Court, Delhi and was renumbered as 347 of 2003. By an Order dated May 2, 2005 the Company was directed to deposit encashed Bank Guarantee amount of Rs. 12.50 lacs in the Court within 15 days from the date of the said Order. Subsequently, the Company filed a petition bearing C.M (Main) 1234 of 2005 before High Court of New Delhi to set aside the said order dated May 2, 2005. The matter is pending.
19. Original Suit 632 of 1993 was filed by Spectra Engineering Company Private Limited ("SEC") against the Company before the District Court, Hyderabad for recovery of Rs.12.90 Lacs together interest at the rate of 18% per annum towards material supplied by it to the Company. By a decree dated December 6, 1999 passed by the said Court, the Company was directed to pay an amount of Rs.1.15 Lacs to SEC. Neither SEC, nor its advocate has approached the Company to collect the decreed amount.
20. U.P. Rajya Vidyut Utpadan ("UP") awarded to the Company, the job of Erection, Testing and Commissioning of one of its Power Plant. Certain disputes arose between UP and the Company with regard to payment terms. As per the terms of the Agreement, the dispute was referred to the arbitration and an Award was passed on March 20, 1998, whereby UP was directed to pay to the Company approximately Rs.28 crores. The Company filed the said Award by way of Civil Suit No.153 of 1998 in the Court of Civil Judge, Senior Division, Lucknow for passing of a decree in terms of the Award. UP filed Misc. Case No.68C of 1998 for objection and dismissal of the said Award. However, the Court made the said Award Rule of the Court vide its Order dated September 12, 2000. The said Order was effective for both the suits and accordingly, the objections raised by UP in Miscellaneous Case no. 68C of 1998 were rejected. In the meantime, UP also filed an appeal in the High Court at Lucknow being F.A.F.O No. 552 of 2000 against the order of the Civil Court requesting to set aside the decree and Award, as also to issue injunction against the execution of the decree. The High Court has not issued any such injunction and the matter is pending before the High Court. The Court of Civil Judge, Senior Division, Lucknow has passed the order on April 6, 2004 for the execution of Decree by attaching the Talkotra Power House, Lucknow belonging to UP.
21. IFC No. 213 of 2003 has been filed by Vindhyachal Air Products Private Limited against the Company before the District Judge, Pune for an amount of Rs.12.19 Lacs along with interest for industrial gases supplied by them to the Company. The matter is currently pending.
22. Suit No. 657 of 2001 has been filed by Chetana Hire Services against the Company in the Court of Forth Civil Judge Senior Division, Pune for directing the Company to pay a sum of Rs.1.18 Lacs along with interest @ 6 % per annum towards lease rental for equipment and transportation charges. Decree has been passed against the Company. The matter is pending.
23. Regular Civil Suit No. 12 of 2005 has been filed by Shri Laxman Sitaram Paunikar against the Company in the court of Civil Judge, Junior Division, Saoner to pass a decree for recovery of an amount of Rs.0.48 Lacs towards lease rental for the godown. The Company has filed its Written Statement. The matter is pending.
24. Arbitration Case being IFC No. 145 of 2004 has been filed by Rewa Gases Private Limited against the Company in the court of Madhya Pradesh Industries Facilitation Council, Bhopal for Rs.38.79 Lacs for industrial gases supplied by them to the Company. The matter is pending.
25. Suit No. 314 of 2005 has been filed by Murthy Construction against the Company and others in the Court of III Metropolitan Magistrate at Vishakapatnam for claiming Rs.4.01 Lacs towards services rendered by them to the Company. The Matter is pending.
26. Suit No.150 of 1997 has been filed before the Civil Court at Chandrapur by Mr. R. Rama Rao against the Company for recovery of Rs.5.23 Lacs towards failure of payment for the services provided. The Company has filed Written Statement. The matter is pending for hearing.

27. M/s. R.S. Steel, has filed recovery suit being Suit No.135 of 2005 before the Lower Court at Tis Hazari, Delhi against the Company towards failure of payment of Rs.4.27 Lacs against material supplied by R.S. Steel. The Company has filed its Written Statement. The matter is pending for hearing.
28. Cotmac Private Limited has filed Suit No.24 of 2006 against the Company before CJJD, Pimpri, Pune, towards failure of payment of Rs.1.63 Lacs as transportation charges. The Matter is pending for hearing.
29. Rishi Gases Private Limited has filed MJC. No. 04 of 2004 before District Court Korba, Madhya Pradesh against the Company towards failure of payment of decreed amount of Rs.4.87 Lacs. The matter is pending for hearing.
30. Industrial Gas Supplying Corporation filed Suit No.11-B of 2006 against the Company before Additional District Judge, Indore towards failure of payment of Rs.5.54 Lacs towards Industrial Gas supplied by them to the Company. The matter is pending for hearing.
31. Surya Engineering Works has filed an execution proceedings being I.A. No.3029 of 2002 in O.S. No.357 of 2002, before Sub-Court Paravoor for recovery of decreed amount of Rs.11.62 Lacs towards services provided to the Company. The matter is pending for hearing.
32. Mill Store Supply Agency has filed Suit No. 1B of 2001 in the District Court Siddi against the Company for the recovery of Rs.14.54 Lacs towards supply of material. Similarly Shiva Trade Links had filed civil suit against the Company No. 2B of 2001 in the District Court at Siddi for the recovery of Rs.31.23 Lacs towards supply of material. In both these cases the Court has passed decree against the Company directing the Company to pay the said amounts. In the meantime, the Company has entered into the settlement agreement with the said parties and has paid an amount of Rs.39.00 Lacs to them.
33. Mr. Madan Mohan Roy has filed Suit No. 28 of 1998 before Civil Court, Kolkata against the Company for recovery of Rs.18.76 Lacs towards the supply of material to the Company. The matter is pending for hearing.
34. Mr. K.M. Varghese has filed Suit No. 332 of 2002 before Civil Court Ernakulam against the Company for recovery of Rs.2.05 Lacs towards services rendered to the Company. The matter is pending for hearing.
35. Mr. A.I. Kuriakose has filed Suit No. 334 of 2002 before Civil Court Ernakulam against the Company for recovery of Rs.5.47 Lacs towards services rendered. The matter is pending for hearing.
36. Mr. C.I. Suleiman has filed Suit No. 22 of 2002 before Civil Court Ernakulam against the Company for recovery of Rs.4.83 Lacs towards services rendered. The matter is pending for hearing.
37. Raj Construction has filed Suit No. 145 of 2002 before Civil Court Ernakulam against the Company for recovery of Rs.8.26 Lacs towards services rendered. The matter is pending for hearing.
38. Induscan Quality Bureau has filed Suit No. 2803 of 2002 before Civil Court Ernakulam against the Company for recovery of Rs.2.05 Lacs towards services rendered. The matter is pending for hearing.
39. Jaya Gas Agencies has filed Suit No. 3114 of 2002 before Civil Court Ernakulam against the Company for recovery of Rs.8.24 Lacs towards supply of material. The matter is pending for hearing.
40. Suit 116 of 202 which includes Bharat Trading Corporation has been settled Sahyon Engineering Works has filed Suit No. 6867 of 2001 before Civil Court Ernakulam against the Company for recovery of Rs.7.00 Lacs towards services rendered. The matter is pending for hearing.
41. Suit No. 1459 of 2003 has been filed by Development Consultants Limited against Industrial Development Bank of India and the Company restraining IDBI from releasing the bank guarantee amounts of Rs. 632.17 lacs and Rs. 71.83 lacs to the Company. Injunction order is passed. Appeal No. 491 of 2003 has been filed by the Company challenging the said injunction order. The Appeal is pending.
42. The Company initiated arbitration proceedings against Indian Oil Corporation Limited ("IOCL") for the settlement of the claims amounting to Rs.9.58 Crores under a contract for the erection of Equipment and

Piping granted by IOCL for one of its refinery at Panipat, Haryana. IOCL had also filed its counter claims for recovery of unadjusted advance/ financial assistance amounting to approximately Rs.5.36 crores, given to the Company. An award was passed on October 24, 2002, in terms of which effectively IOCL was to pay Rs.4.22 crores to UBEL plus interest. IOCL filed Arbitration Application No. 139 of 2002 in the Civil Court at Panipat challenging the said award. The Civil Court Panipat passed an order on April 27, 2006 in terms of which effectively the Company is required to pay Rs.3.78 crores to IOCL with interest. The Company filed an appeal before the High Court at Chandigarh against the said order passed by the Civil Court, Panipat. The High court admitted the appeal and granted stay on execution of the decree subject to the Company furnishing bank guarantee for Rs.1.60 crores. The Company had also filed an application in the High Court at Chandigarh for a stay order on the encashment of the bank guarantees by IOCL. However, IOCL encashed the bank guarantees amounting to Rs.2,16,81,350/- . On March 6, 2007, the High Court at Chandigarh has passed an order directing the Company to deposit the Bank Guarantee of Rs.91 lacs till the matter is finally heard and decided on the Bank guarantee amount, which the Company has complied with. Thereafter, the matter is pending.

44. Gayatri Engineering Enterprises has filed Civil Suit No.716 of 2007 before the Sr.Civil Judge, Vijaywada against the Company for recovery of Rs.6.12 Lacs towards the supply of material to the Company and obtained attachment Orders against the Company. Out of Court Settlement has been arrived at between UBEL and Gayatri Engineering Enterprises in terms of letter No.UBEL/LEG/ dated 25th July, 2007 where UBEL would pay Gayatri Engineering Enterprises Rs.5,89,665/-in agreed instalments.. In terms of settlement the Company has paid entire amount and Gayatri Engineering Enterprises will withdraw the suit.
45. JanardanOxy Weld engineers has filed Civil suit No.9 of 2007 before the District Judge, Suryapet against the Company for recovery of Rs.9.26 Lacs towards the supply of material to the Company and obtained attachment Orders against the Company. On reaching settlement UBEL has paid the entire amount of Rs.9,25,862/- and the suit filed by the party is to be withdrawn in terms of letter No.UBEL/LEG dated 13th July, 2007.
46. Western Metal Industries has filed Summary Suit No.2294 of 2007 before the City Civil Court, Mumbai against the Company for recovery of Rs.48,111/- plus interest Rs.28,428/- towards the supply of material to the Company. The settlement was entered into by and between Western Metal Industries and UBEL, the entire amount has been paid in terms of letter No.UBEL/07 dated 3rd August, 2007 Western Metal Industries has agreed on August 4 , 2007 against the amount of Rs.98,111/-to withdraw all suits filed by them in the Court of City Civil Court, Mumbai.
47. Western Metal Industries has filed Summary Suit No. 2295 of 2007 before the City Civil Court, Mumbai against the Company for recovery of Rs.50,000/- plus interest Rs.28,428/- towards the supply of material to the Company. The settlement was entered into by and between Western Metal Industries and UBEL, the entire amount of Rs.98,111/-has been paid in terms of letter dated 3rd August, 2007 Western Metal Industries has agreed on August 4 , 2007 to withdraw this Summary Suit No. 2294 and 2295 of 2007 filed in the Court of City Civil Court, Mumbai.
48. Gill Engineering Works (“GEW”) has filed the case bearing number 154 of 2007 against the Company and obtained permanent injunction restraining the Company from encashing the bank guarantee from the Court of Civil Judge, Senior Division, Bhatinda. GEW had also raised certain claims against UBEL. Out of court settlement has been arrived at and GEW is expected to withdraw the suit from the court and settle their differences amicably. In terms of the settlement dated 26th July, 2007 UBEL shall pay a sum of Rs.10,00,000/- to GEW and GEW shall return all the original receipts of the Bank Guarantee of Rs.11,11,280/-
49. Mr. Swapan Kumar Das ,Propreitor of M/s R.Trading Co.,Kolkata has filed a Winding Up Petition No. 583/2007 before the High Court at Bombay against the Company to recover its dues of Rs.23,32,786/-with further interest @16%p.a. compounded on monthly and 0.5% monthly on sanctioned loan amount from November 2006 onwards till actual payment which was lent to the Company. The instant matter is pending for admission.
50. M/s. S & S Engineers and Contractors, Nasik has filed a Suit bearing number 555 of 1997against the Company before court of Civil Judge Senior Division Pune for recovery of an amount of Rs.1,06,11,743/-

and interest of 21% upon the aforesaid amount in view of the project undertaken for erection of plant and fabrication of Ghugus Sponge Iron Plant. The matter is pending.

51. United Fabricators has filed a Suit against the Company before court of Civil Judge, Thane bearing number 87 of 2007 for recovery of an amount of Rs.16, 50,691/- and interest @24% p.a. from the date of filing the suit till recovery. The Company had taken the services of United Fabricators to erect Waste Management Plant at Tarapore, Thane.

Civil cases filed by the Company

1. Suit No. 1478 of 1997 has been filed by the Company against Bharat Heavy Plates and Vessels Limited ("BHPV") in the Court of Senior Division, Pune, for (i) Decree for Rs.28.76 Lacs in favour of Company towards the services provided by the Company to BHPV and directing BHPV to pay interest @ 18% per annum on decreed amount from the date of Suit till realization and (ii) costs of the Suit. The matter is pending.
2. Original Petition No.469 of 2002 has been filed by the Company against Export Credit Guarantee Corporation of India Limited ("ECGC") before the National Consumer Disputes Redressal Commission, Delhi for directing ECGC to pay a sum of Rs.5054.40 Lacs to the Company to settle its claim under the policy issued by ECGC and direct ECGC to pay interest on delayed payments under the policy from the date of submission of claim till realization and costs of complaint and other necessary orders. The Petition has been admitted by the Commission and the matter is currently pending.
3. Arbitration proceeding has been initiated by the Company against Bharat Heavy Electricals Limited ("BHEL") claiming Rs.3663.51 Lacs with interest in respect of the outstanding towards the services provided by the Company to BHEL and damages. BHEL has filed counter claim against the Company amounting to Rs.6074.75 Lacs and additional interest. The matter is pending.
4. Appeal No. C.C.C.A 198 of 2002 has been filed by the Company against Suryaneni Constructions Private Limited in the High Court of Hyderabad against the order of the Lower Court praying that High Court should stay the execution of decree and the Judgement passed by the Lower Court directing the Company to pay an amount of Rs.7.92 Lacs to Suryaneni Constructions Private Limited. Appeal is pending.
5. Original Miscellaneous Petition No. 392 of 2006 has been filed by the Company against Pioneer Construction Company ("PCC") in High Court of Delhi on March 10, 2006 for setting aside the order dated December 12, 2005 passed by the Arbitrator directing the Company to pay Rs.28.92 Lacs plus interest @ 12% per annum and Rs.4 Lacs towards costs of arbitration to PCC. The matter is currently pending.
6. Suit no. 1105 of 1995 has been filed by the Company against Mr. Avinash Wardekar and Mr. Mohan Joglekar in Small Causes Court at Pune claiming Rs.1000 Lacs towards damages on account of negligence and misfeasance. The matter is currently pending.
7. Suit No. 144 of 2003 has been filed by the Company against BHEL, in High Court at Calcutta for recovery of its claim amounting to Rs.2363 Lacs. Along with the main suit, the Company had also filed an application to pass the decree on the admission of the claim of Rs.136 Lacs being the admitted dues from BHEL. This application was rejected. However, the main suit for Rs.2363 Lacs is pending. BHEL has not filed any Written Statement and therefore, the suit is listed in the 'Undefended List'.
8. Company Petition No. 247 1999 has been filed by the Company against Vikas Hybrids & Electronics Limited ("VHEL") in Kolkata High Court for winding up of VHEL under the Companies Act, 1956 & such other orders as may be necessary. The matter involved a claim of Rs.7.58 lacs against VHEL towards the services provided by the Company. Winding up order is passed.
9. Petition No. 1376 of 1999 has been filed by the Company against Essar Project Ltd. ("EPL") in High Court Madras for winding up of EPL under the Companies Act, 1956 & such other orders as may be necessary. A compromise has been arrived at with EPL as they have already paid Rs.53 Lacs which the Company has accepted as full & final settlement of its dues from EPL and the Company would in due course withdraw this petition.

10. Civil Suit No. 161 of 2003 has been filed by the Company against National Engineering Industries Limited in High Court of Calcutta for decree of Rs.47.53 Lacs and interest @ 21% per annum towards the services provided by the Company. National Engineering Industries Limited is required to file its Evidence-in – Affidavit. The matter is pending.
11. Arbitration Petition No. 8 of 2003 has been filed by the Company against Bongaigoan Refinery and Petrochemical Limited (“BRPL”) in Guwahati High Court (i) for appointment of an arbitrator (ii) pass an order for terminating the mandate if any, of any arbitration proceeding initiated unilaterally by BRPL. BRPL had awarded a contract to the Company for supply of erection services. The Company has raised certain claims on BRPL and invoked the arbitration clause in the Agreement with BRPL. The High Court appointed an arbitrator, who has since not entered into any reference. In view of this, the Company is now proposing to file a fresh application for appointment of another arbitrator.
12. Writ Petition No. 753 of 1992 has been filed by the Company in the High Court of Bombay against State of Maharashtra and others to call for and examine the records and proceedings of the appeal by the Company under Section 36 (2) of the Indian Electricity Act 1910 wherein an order was passed against the Company to pay Rs.3.20 Lacs and to set aside the said Order. The matter is pending.
13. The Company has filed Appeal No.170 of 2001 before High Court, Jodhpur against the judgment dated February 17, 2001 in Civil Suit No.20 of 1996, where Modern Insulators had initiated legal proceedings for the recovery of Rs.1.65 Lacs towards the products supplied to the Company. The matter is pending.
14. The Company has filed arbitration proceedings against Bharat Heavy Electricals Limited before the arbitrator. The proceedings are conducted in Chennai. The Company has made a claim of Rs.38.44 Crores for the services rendered. Evidence of the parties is in progress.
15. The Company has filed Winding Up Petition No.132 of 2007 before the high Court at Delhi against Bharat Heavy Electricals Ltd. to recover its dues of Rs.2.75 Lacs and for an injunction order to be passed restraining Bharat Heavy Electricals Ltd and its Directors from dealing with any assets of Bharat Heavy Electricals Ltd except in usual course of business. The matter is pending for hearing.
16. The Company has filed Winding Up Petition No.133 of 2007 before the high Court at Delhi against Bharat Heavy Electricals Ltd. to recover its dues of Rs.8.82 Lacs and for an injunction order to be passed restraining Bharat Heavy Electricals Ltd and its Directors from dealing with any assets of Bharat Heavy Electricals Ltd except in usual course of business. The matter is pending for hearing.

LITIGATIONS INVOLVING OUR SUBSIDIARY i.e WIE ESTATE DEVELOPMENT LIMITED (WIE)

A. Civil Cases filed by WIE

1. Company Petition No. 526 of 2000 has been filed by WIE against Vikas Hybrid & Electronics Limited (“VHEL”) in Kolkata High Court for winding up of VHEL under the Companies Act 1956 & such other order as may be necessary. The matter involved a claim of Rs. 13.50 Lacs against VHEL for supply of material to VHEL. Hearing is in progress.

B. Income-tax Appeals filed by WIE before ITAT

1. WIE has filed two Appeal Nos.76/PN of 1996 and 77/PN of 1996 before the ITAT in respect of the AYs1988-89 and 1989-90, respectively. In these appeals WIE has challenged the decision of the CIT (Appeals) for including in its income, amounts of Rs.2 Lacs and Rs.7.04 Lacs, respectively as unexplained investment under Section 69 of the IT Act.

The ITAT after hearing both the parties vide two orders both dated 25th August, 2006 restored the matters back to CIT (Appeals) for fresh adjudication.

Litigations/Claims/Notices instituted involving our promoters

UNITED BREWERIES (HOLDINGS) LIMITED (UBHL)

Criminal Cases Filed Against UBHL

1. Criminal Appeal No. 648 of 2003 was filed by Mr. H.V.Jayaram before High Court, Bangalore against UBHL to set aside the acquittal order passed by Enquiry Officer under Section 205 of the Companies Act, 1956. The matter was referred to Enquiry Officer by Mr. H.V. Jayaram against UBHL on the ground of alleged failure to deposit the dividend within 42 days of declaration of the dividend. The matter is pending.
2. CRR 254 of 2005 filed by Bangur Finance Limited against UBHL for quashing of Case No. C/1741 of 1996 pending before Metropolitan Magistrate, Kolkata for quashing criminal proceedings under Negotiable Instruments Act. Revision allowed. UBHL has filed Special Leave Petition (Criminal) being Diary No. 22610 of 2007 challenging the said order dated April 18, 2007. The matter is pending.

Criminal Cases Filed By UBHL

1. Criminal Cases Nos. 8436 of 1999 & 8271 & 8272 of 2001 have been filed in CMM Court, Bangalore by UBHL against Mr. Prabhakar & Mr. Narasimha Swamy (Ex-Employees) on charges of embezzlement of Rs.26 Lacs by them. The matter is pending.
2. Proceedings under Section 138 of the Negotiable Instruments Act being C. C. No. 1741 of 1996 are filed by UBHL against Bangur Finance Ltd & Others in the MM Court, Kolkata for dishonour of cheque of Rs.8.85 Lacs being the quarterly interest payable on an Inter Corporate Deposit of Rs.2 crores. The trial is in progress.

Criminal Cases Filed By the erstwhile UB Global Limited (“UB Global”) since merged with UBHL

1. Criminal Case No. 20474 of 1998 has been filed by UB Global against Kaveri United Fashion Knitwear Limited, Tirupur in the Court of 15th Additional Chief Metropolitan Magistrate, Bangalore under Section 138 of the Negotiable Instruments Act, 1881 for dishonour of cheque of Rs.33 lacs. The Matter is pending.
2. Criminal Complaint No. 8025 of 2000 has been filed by UB Global against Kaveri United Fashion Knitwear Limited, Tirupur in the Court of Additional Chief Metropolitan Magistrate, Bangalore for punishment under the provisions of Indian Penal Code and Code of Criminal Procedure on charges of cheating (Section 420 of IPC). The matter is pending.
3. Criminal Complaint No. 32329 of 1999 has been filed by UB Global against Balaji Exports (“BE”) before 15th Additional Chief Metropolitan Magistrate Court, Bangalore under Section 138 of the Negotiable Instruments Act, 1881 for dishonour of cheque of Rs.30 lacs. UB Global has also prayed that out of the amount of fine, it should be paid compensation. The matter is pending.
4. Criminal Complaint No.31501 of 2000 has been filed by UB Global against Infa Agro & Marine Exports Private Limited (“Infa Agro”), Chennai before the 13th Additional Chief Metropolitan Magistrate Bangalore for punishment under Section 138 of Negotiable Instrument Act, 1881 as the cheque for Rs.2,75,000/- given by Infa Agro was dishonoured. The case was conducted ex-parte and an order of conviction was passed..
5. Criminal Complaint no. 31444 of 2000 has been filed by UB Global against Shisti Leathers, (“SL”) Chennai before 13th Additional Chief Metropolitan Magistrate Court, Bangalore for punishment under Section 138 of Negotiable Instrument Act, 1881 as the cheque for Rs.10,00,000/- issued by SL was dishonoured. The matter is pending.
6. Criminal Complaint being no. PCR 6577 of 2006 has been filed by UB Global against Vindeep Associates (“VA”) & others before 15th Additional Chief Metropolitan Magistrate Court, Bangalore under Section 138 of the Negotiable Instruments Act as the cheque for Rs.30,000/- issued by VA to UB Global was dishonoured. The matter is pending.

7. Criminal Complaint being no. PCR 6577 of 2006 has been filed by UB Global against Team Excel ("TE") & others before 15th Additional Chief Metropolitan Magistrate Court, Bangalore under Section 138 of the Negotiable Instruments Act as the cheque of Rs. 55,000/- issued by TE to UB Global was dishonoured. The matter is pending.

Civil Cases Filed Against UBHL

1. Original Suit No. 5050 of 1994 has been filed by Classic Distributors Private Ltd against UBHL in City Civil Court, Bangalore claiming refund of Rs.10 Lacs collected by UBHL by way of contingency deposit. Trial has commenced.
2. Original Suit No. 5646 of 1994 has been filed by Anands Wholesale Liquor Dealers against UBHL in the City Civil Court, Bangalore, claiming refund of Rs. 3.25 Lacs collected by UBHL by way of contingency deposit. Issues have been framed and the Trial is in progress.
3. Original Suit No. 784 of 2000 is filed by Ms. Mujeebunissa against UBHL in the Munsiff Court, Trichy for declaration of title to 1000 equity shares of UBHL. The matter is pending for hearing.
4. UBHL sold certain lands in Tamilnadu to one Mr. Devarajan in 1995. Subsequently, the title of UBHL to the property was disputed based on an order dated August 7, 2001 passed by the Collector of Chennai. UBHL has filed a writ petition before the High Court, Chennai, to cancel and stay all the proceedings vide order dated August 7, 2001 and quash the same. The High Court vide order dated February 17, 2003 has set aside the order of the Collector. Aggrieved by the said Order, the Collector has filed an appeal in the High Court of Chennai. Mr. Devarajan had also filed a similar Writ Petition to cancel and stay all the proceedings vide order dated August 7, 2001 and quash the same and upon its dismissal has filed a Writ Appeal. Mr. Devarajan has also filed a suit to declare that he is the absolute title holder of the property sold by UBHL. The matter is pending for hearing.
5. Original Suit No. 561 of 2001 is filed by Siddagangiah & Others against T Sujatha & Others in the City Civil Court, Bangalore for declaration of title to 1000 equity shares of UBHL. UBHL is also been made defendant in the said suit. The matter is pending.
6. Civil Suit No. 274 of 1999 is filed by Mr. Rajinder Vikram Singh against UBHL in Tis Hazari Courts, Delhi, for recovery of lease rentals amounting to Rs.12.68 Lacs payable in respect of use of office premises at Delhi. The matter is pending.
7. Special Leave Petition No. 5482 of 2006 is filed by Mysore Sales International Limited ("MSIL") against UBHL in the Supreme Court against the order passed by Karnataka High Court dismissing Company Petition bearing no 32 of 1999 filed by MSIL for winding up of the UBHL on the ground that UBHL could not pay the dues amounting to Rs 52 crores. Appeal is yet to be admitted.
8. Arbitration Notice dated December 20, 2004 was issued by UBHL to Bangalore Metro Rail Transport Limited & dated March 20, 2005 to Government of Karnataka for breach of the Initial Agreement and adjudication of UBHL's claim for a sum of Rs.15 crores. The High Court of Karnataka had ordered for arbitraton. Proceedings are to be initiated shortly.
9. O.A.No. 163 of 2005 has been filed by Bank of Maharashtra against WIE Engineering Limited and UBHL before DRT Pune. The suit was originally filed as a Civil Suit No. 348 of 1994 before the Court of Civil Judge, Senior Division, Pune for a sum of Rs. 16,52,500/- at the rate of 17 ½% from 4.3.1994. UBHL had issued a Corporate Guarantee for facilities availed by WIE Engineering Ltd for a sum of Rs. 50 lakhs. This case was transferred in 2005 to the DRT, Pune and notice afresh was issued to UBHL. The matter is pending.
10. Recovery Proceedings No. 161 of 2004 in Miscellaneous Application No. 85 of 2003 in High Court Suit No. 4076 of 1998 have been filed by Calyon Bank against Carew Pharmaceuticals Limited (Defendant/Certificate Debtor) and UBHL and Others (Garnishee) before the Debt Recovery Tribunal – II at Mumbai. Calyon Bank had obtained a decree against Carew Pharmaceuticals Limited. UBHL had entered into an Agreement for manufacture of Kingfisher Mineral Water with Carew Pharmaceuticals

Limited and for the purpose Carew Pharmaceuticals Limited had paid a sum of Rs. 1.5 crores as deposit. According to Calyon Bank, the sum of Rs. 2 crores is an acknowledged debt and hence, impleaded us as a Garnishee. Counter Statement has been filed and the matter is pending.

11. Civil Suit No.540 of 1999 has been filed by Mayar (H.K) Limited in the High Court at Kolkata against Asian Age (East) Limited ("Asian Age"), UBHL and Dr. Vijay Mallya. On or about June 1998, Mayar (H.K) Limited had supplied to Asian Age diverse newsprints worth of USD 169,464.48 equivalent to Indian Rs.73,71,704.88 against which UBHL had furnished a Corporate Guarantee for this facility for an amount not exceeding USD 1,63,500 equivalent to Rs.71,12,250. Since Asian Age did not make payment and Mayar had started charging interest and accordingly, that total outstanding including interest was arrived at USD 206,869.46 equivalent to Rs.89,98,821.51 (being USD 169,464.48 as principle amount and interest thereon @ 21% p.a.). The above Suit has been filed for a decree for the said sum along with future interest at 21% p.a. The matter is pending in the Kolkata High Court for completion of pleadings. The matter is pending.

Civil Cases Filed By UBHL

1. Original Suit No. 6294 of 1991 has been filed by UBHL against Mr. A S Wardekar in the City Civil Court, Bangalore for declaration that the Agreement for acquisition of the equity shares of WIE Engineering Limited ("WIEEL") is vitiated by misrepresentation. UBHL has also prayed for an injunction restraining Mr. A S Wardekar from seeking substitution of his personal guarantees to banks pursuant to the Agreement. The examination of parties is completed and the matter is pending for arguments.
2. Company Petition No. 498 of 1999 has been filed by UBHL against Commodities Exchange Corporation Ltd ("CECL") in the High Court, Calcutta for winding up of CECL in view of CECL's failure to repay an Inter Corporate Deposit of Rs.1.25 crores with interest. Winding up of CECL has been ordered.
3. Original Suit No. 9470 of 2005 has been filed by UBHL against Mr.Paramanand in the City Civil Court, Bangalore for recovery of Rs. 1,39,000/- along with interest and damages for supply of sub-standard goods. The matter is pending.
4. Appeals Nos. 23 of 2004 and 42 of 2004 are filed by United Western Bank Limited and UBHL, respectively against each other in the Debt Recovery Appellate Tribunal, Mumbai against the Orders passed by the Debt Recovery Tribunal, Pune calling upon UBHL to pay a sum of Rs.77 Lacs. Appeals are yet to be heard.
5. Execution Petition being Miscellaneous Application No. 862 of 2000 in Special Civil Suit No. 654 of 1992 has been filed by UBHL against Venkateswara Properties Private Limited ("VPPL") & Duggal Projects Development Private Limited in the City Civil Court, Pune for default in payment as per the Consent Terms filed on July 17, 1992 wherein VPPL had agreed to pay UBHL an amount of Rs.10,38,024/-. Execution proceedings are pending.
6. Appeal being Writ Appeal No. 46167 of 2004 has been filed by UBHL against Settlement Commission & Commissioner of Customs, Tuticorin in the High Court, Chennai against the Order of the High Court, Chennai dismissing UBHL's writ petition in respect of the Customs Department's order on the quantum of duty levied on imported pharma products. The amount of customs duty claimed against UBHL is Rs. 60 lacs. Matter is pending for admission.
7. Writ Petition No. 29570 of 2005 is filed by UBHL against Customs Collectorate in High Court, Chennai against the Customs Department's Order as regards the quantum of duty and interest on imported pharma products. Arguments have been heard and Interim Order granted staying proceedings before the DGFT, Delhi. The amount of Customs Duty and interest claimed against UBHL is Rs. 42.68 lacs. The matter is pending.
8. Suit being S.C.No. 44 of 2002 is filed by Asian Age South Limited (since merged with UBHL) against Mr. Narayana Swamy, Proprietor Abhishek News Agency in the Small Causes Court, Bangalore for recovery of Rs.8,356.81. This Suit has been decreed in favour of UBHL. Execution Petition will be filed by UBHL.

9. Suit being O.S.No. 232 of 2002 is filed by Asian Age South Limited (since merged with UBHL) against Mr. Venkatesh, Proprietor of Pushpa News Agency in the City Civil Court, Bangalore for recovery of Rs.38,997.99. The matter is settled out of court.
10. Company Petition No. 519 of 1998 is filed by Rajasthan Bank Financial Services Limited, with UBHL as a supporting creditor, in the High Court of Calcutta for winding up of Mewar Growth Limited (formerly Bangur Finance Limited) in respect of non payment of Rs.60 Lacs with interest for various financial facilities. The Petition has been admitted and Mewar Growth Limited has been directed to pay the Creditors in 36 equal monthly instalments with interest @ 9% p.a. from November 2004. No installments have been paid by Mewar Growth Limited.
11. UBHL and Percept Integrated Marketing Services Private Limited have filed Dispute No. CC/III/707 of 2006 against Vijay Villa Co-operative Housing Society Limited before the Co-operative Court No. III at Mumbai. UBHL was the owner of flat No.2 in Vijay Villa building, 79 Worli Sea Face, Mumbai. This flat was sold to Percept Integrated Marketing Services Private Limited by way of registered sale deed dated 25th July 2006. The Society is not transferring the share certificate as the Society alleges that the purchaser had not obtained NOC from the Society and that the purchaser through its Director's family already owns 4 flats and that they do not require another flat in the same building. As far as UBHL is concerned, it has executed the sale deed, received the consideration and provided the possession certificate and has done all that is required for successful completion of the sale. UBHL has filed the dispute with Percept only for the purpose of proving to the court that they have validly sold the flat and does not per se claim any relief in the said matter. The matter is pending.
12. M.F.A. No. 4243 of 2007 has been filed by UBHL against Karnataka State Industrial Investment and Development Corporation Ltd & Ors before the High Court of Karnataka at Bangalore. This is a regular first appeal against the order of the City Civil Court directing the Respondents viz., Dominion Chemical Industries Ltd, Mr. C Thimmaiah, Mrs R Leelamma and the UBHL to pay a sum of Rs. 1,03,90,000/- together with interest at 23% p.a from June 30, 1998. UBHL had only given a letter of comfort dated March 2, 1996 and not provided any guarantee. The Appeal is pending.
13. Canara Bank had filed a suit being File No. 23/Civil & 61/Civil) before the Additional District Judge (Bank Cases), Jammu against Optrex India Limited, UBHL and Dr. Vijay Mallya for recovery of Rs. 31,49,511/- . Optrex India Limited had taken certain financial facilities of Rs. 25 lakhs from Canara bank for which UBHL and Dr. Vijay Mallya had provided corporate and personal guarantees. The Court has passed the decree against UBHL. The appeal has been filed and order of stay obtained. Appeal is numbered as CFA 25 of 2007.
14. UBHL along with IQ Bridge Ltd and Idea Streamz Consultants Pvt Ltd have filed an injunction suit being O.S. No. 8197 of 2007 in the City Civil Court, Bangalore restraining Mr. Sharan Kumar, Mr.Usman Rangeela and Mr. Sanjay Reddy by a decree of perpetual injunction either by themselves or through their agents, representatives, servants or successors in interest from in any manner: (i) hosting, operating, managing or running the website with the domain name www.indianracing.in in direct conflict and unfair competition with the website www.indiarace.com belonging to UBHL; (ii) hosting, operating, managing or running the website with the domain name www.indianracing.in so as to pass off or enable them to pass off the said website as having any manner of commercial connection with that of the website www.indiarace.com belonging to United Breweries (Holdings) Ltd; (iii) infringing the copyright of United Breweries (Holdings) Ltd in the computer programmes, complete electronic database and source codes pertaining to the website www.indiarace.com either by hosting, operating, managing or running the website with the domain name www.indianracing.in or any other website or in any other manner whatsoever. The Court has passed an ex-parte order of temporary injunction on 27th October 2007 restraining the defendants from operating the website www.indianracing.in as prayed for above, pending further orders and has ordered notice to the defendants returnable by 21st November 2007. The matter is pending.

Civil Cases Filed Against UB Global (Now Merged With UBHL)

1. Original Suit No.6465 of 2007 filed by Venkataramana Chemicals against UB Global and Siberian Agro Exports for recovery of Rs.1.13 lakhs. UB Global is taking steps to defend the case as UB Global is not party to this transaction.

Civil Cases Filed By UB Global (Now Merged With UBHL)

1. Civil Suit No.122 of 2005 has been filed by UB Global against Kaveri United Fashion Knitwear Limited, (“KUFKL”) Tirupur before High Court, Chennai for recovery of the amount of Rs. 46,67,254/- due from KUFKL. The Suit has been admitted and the Matter is pending.
2. Execution Petition No 72 of 2000 has been filed by UB Global against Balaji Exports (“BE”) & others, Chennai before High Court of Chennai for execution of award dated 19th August, 1999 passed by Arbitrator in favour of UB Global directing BE to pay Rs.4,48,376/- to UB Global. The matter is pending for orders.
3. Recovery Suit No. 800 of 2003 filed by UB Global against Shisti Leathers, in High Court of Chennai for recovery of Rs.1,30,000/-, which UB Global had advanced to Shisti Leathers from time to time. The Court has stayed the further proceedings since Mr. Gowrieshan has been declared Insolvent on the petition filed by UB Global in I.P. No.19 of 2001. The claim will be considered by the Official Assignee as and when amounts are realized and the same will be distributed to all the Creditors.
4. Original Suit No. 8414 of 2001 has been filed by UB Global against Kanwel Foods Private Limited, (“KFP”) Coimbatore in the City Civil Court, Bangalore for recovery of Rs. 2,00,000/- . The said amount was paid by UB Global to KFPL towards supply of cans to UB Global, which was subsequently rejected. The matter is pending.
5. Execution Petition No. 1348 of 2004 has been filed by UB Global against Heaven’s Agrotech before the City Civil Court Bangalore for execution of decree passed in favour of UB Global. Execution of decree has been stayed by the civil court. UB Global has filed writ petition before the High Court challenging such stay. High Court has disposed off the writ and directed Heaven’s Agrotech to confine itself to grounds of challenge available to them under the Arbitration & Conciliation Act, 1996 in the Civil Court. The matter is pending.

Tax Cases Filed Against UBHL

1. Appeal Nos. 33-41 of 2001 have been filed by the CIT Bangalore before the Karnataka High Court challenging Order dated September 22, 2000 of ITAT Bangalore. In these Appeals, the CIT has challenged the following:
 - i. Allowance of Guarantee commission of Rs.55.81 lacs paid to Chairman for standing as a Guarantor to the Banks. (Tax Liability- Rs. 28.60 lacs)
 - ii. Allowance of gifts and give aways of Rs. 20.06 lacs which forms part of sales promotion expenditure as an allowable expenditure. (Tax Liability - Rs. 10.17 lacs)
 - iii. Taxability of bottle deposit of Rs.7.10 lacs collected. (Tax Liability - Rs. 3.62 lacs)
 - iv. Eligibility for depreciation on new additions to bottles purchased for Rs. 600 lacs (Tax Liability - Rs.289 lacs).
 - v. Deductibility of aircraft maintenance expenditure of Rs.62.23 lacs paid covering payment towards usage of the aircraft (Tax Liability - Rs. 28.80 lacs)
 - vi. Deductibility of interest on loans of Rs. 83.01lacs pertaining to new Pharmaceutical plant installed at Tumkur. (Tax Liability - Rs. 39.45 lacs)
 - vii. Deductibility of Corporate Management Division (“CMD”) expenditure amounting to Rs. 1452.56 lacs incurred on centralized services like Taxation, Secretariat, Internal Audit, Personnel, Advertisement etc. The matter is pending (Tax Liability - Rs.741 lacs).

All the Appeals are pending before the Karnataka High Court at Bangalore.

2. Appeal No.138 of 2001 has been filed before Karnataka High Court by the CIT Bangalore against the decision of prima-facie adjustment made on interest due on inter-corporate loan from Bangur Finance Limited (which became defunct) as not taxable on real income principle claiming Rs.74.75 lacs (Tax - Rs. 9.48 lacs. The matter is pending.

3. Appeal Nos. 142 and 143 of 2001 have been filed before the Karnataka High Court by CIT Bangalore against the Order of ITAT Bangalore on the following issues pertaining to Assessment Years 1993-1994 and 1994 –1995:
- i. Whether bottle deposits collected during the year are taxable claiming Rs. 2.91 lacs (Tax - Rs.1.51)
 - ii. Whether bottles purchased during the year are plant and hence, qualifies for 100% depreciation claiming Rs. 308.64 lacs (Tax - Rs.159.72 lacs)
 - iii. Whether capital loss arising out of non-subscribing to rights shares in McDowell and Company Limited is allowable claiming Rs. 510.53 lacs (Tax - Rs.264.20 lacs)
 - iv. Whether non-competition fee received arising on sale of Kissan Products Limited and other food business units to Brooke Bond India Ltd., is not taxable claiming Rs. 430 lacs (Tax - Rs.222.53 lacs)
 - v. Whether ITAT was correct in treating non-compete fee as exempt.

All the Appeals are pending before the Karnataka High Court at Bangalore.

4. Appeal No.508/1 of 1999 has been filed by CIT Bangalore before the Karnataka High Court at Bangalore against the order of ITAT on the following issues pertaining to the AY 1999-2000:
- i. Whether income from capital gain should be included for the purpose of computation of book profits under Section 115JA of the IT Act?
 - ii. Whether book profits include capital gains and if not, whether long term capital gains should be taxed at the rates prescribed under Section 112 of the IT Act claiming Rs. 38.13lacs (Tax – Rs. 7.63 lacs).
 - iii. Whether ITAT was correct in holding that interest under Section 234C is leviable on book profits by disregarding the decision rendered in 243 ITR 519. (Tax - Rs. 1.46 lacs).

The Appeal is pending before the Karnataka High Court at Bangalore.

5. Appeal No.400 of 2004 has been filed by CIT Bangalore before the Karnataka High Court at Bangalore questioning as to whether the Appellate Authorities were correct in holding that non-compete fee of Rs. 430 lacs paid by Hindustan Lever Limited to UBHL in respect of sale of Kissan Products Limited, to be treated as capital receipt. The matter is pending before the Karnataka High Court at Bangalore.
6. Appeal No.7 of 2005 has been filed by CIT Bangalore before the Karnataka High Court at Bangalore as to:
- (i) Whether the ITAT, Bangalore was correct in deleting the addition of Bottle Deposits written back of Rs. 991.48 Lacs.
 - (ii) Whether ITAT, Bangalore was correct in setting aside the CIT (Appeals) order passed under Section 154 as amounting to review of the original order?

The matter is pending before the Karnataka High Court at Bangalore

7. Appeal No. 8 of 2005 has been filed by CIT Bangalore before the Karnataka High Court at Bangalore on the following issues:
- (a) Whether the ITAT was correct in holding that the issue of Bottle Deposit has become infructuous and deleting the addition of Rs. 991.48 Lacs credited to the profit and loss account in the AY 1999-00?
 - (b) Whether the ITAT was correct in allowing depreciation on Aircraft amounting to 21.25 lacs in spite of the fact that UBHL was not able to show that the aircraft was used for the purpose of business?
 - (c) Whether the ITAT was correct in allowing the VRS payment of Rs. 237 lacs as a revenue expenditure?

The matter is pending before the Karnataka High Court at Bangalore

8. Appeal No.139/141 of 2001 filed by CIT, Bangalore against Enterprise Investments Limited (merged with UBL now UBHL) before the Karnataka High Court at Bangalore against the order of ITAT on the following issues pertaining to AY 1989-1990 & 1992-93 to 1993-1994:
- Whether for an Investment Company, Interest Income derived is income from business?
 - Whether an assessee, which is an investment company can carry forward its losses?

The matter is pending before the Karnataka High Court at Bangalore.

9. Appeal Nos. 34, 36, 37, 38, 39 and 40 of 2002 for AY 1990-1991 to 1992 – 1993 have been set aside by the High Court of Karnataka back to the ITAT in the case of High Range Breweries Ltd (since amalgamated with UBHL) to look afresh as to whether the reimbursement of CMD charges made by UBHL is excessive in terms of Section 40A (2) of the Income-tax Act. The matter is pending
10. Appeal No.52, 33, 35, 310, 311, and 355 of 2001 of 2002 for AY 1989-90 to 1992-93 have been set aside by the High Court of Karnataka back to the ITAT in the case of Kesarval Beverages Ltd (since amalgamated with UBHL) to look afresh as to whether the reimbursement of CMD charges made by the company is excessive in terms of sec. 40A (2) of the Income-tax Act. The matter is pending.
11. The Supreme Court has admitted Special Leave Petition No. 20559 of 2005 filed by Premier Breweries Limited (since amalgamated with UBHL) for the AY 1990-91 against the Order of the High Court of Kerala which reversed the ITAT decision on allowances of expenditure incurred by Premier Breweries Limited with regard to the following expenditure – i.e. payment of service charges of Rs. 7.75 lacs, service charges payable to Golden Enterprise on Tasmac supplies of Rs. 22.72 lacs, the centralized marketing charges reimbursed to UBHL of Rs. 14.36 lacs and the amount spent on trade schemes on Maharashtra Supplies aggregating to Rs. 6.05 lacs. The aggregate tax liability in this matter is Rs. 16.46 lacs. The matter is pending.
12. The Supreme Court has admitted Special Leave Petition No. 22890 of 2005 filed by Premier Breweries Limited (since amalgamated with UBHL) for AY 1991-92 against the Order of the High Court of Kerala which reversed the decision of ITAT on allowances of centralized marketing charges reimbursed to UBHL of Rs.66.46 lacs. The aggregate tax liability in this matter is Rs.30.57 lacs. The matter is pending.
13. Appeal No.321/B of 2002 has been filed by Deputy CIT before the ITAT to decide whether the depreciation amounting to Rs.59.05 lacs for AY 1997-98 can be granted on the aircraft owned by UBHL. ITAT has sent back the matter to the assessing officer to decide whether the depreciation has been allowed by the ITAT in any of the earlier years on the aircraft owned by assessee. The tax liability in this Appeal is Rs.29.09 lacs. The matter is pending.
14. Appeal No. 980/B of 2002 has been filed by Deputy CIT before the ITAT for AY 1998-1999 with regard to the allowability of upfront facility fee of Rs.300 lacs. The tax liability in this matter is Rs.60 lacs. The matter is pending. The matter is pending.
15. Appeal No.416/B of 2002 has been filed by DCIT before the ITAT for AY 1998-1999 with regard to following issues:
- Upfront facility fees of Rs.300 lacs – whether allowable?
 - Invocation of Guarantee of Rs.37.23 lacs – whether allowable?
 - Depreciation on Aircraft of Rs.35.43 lacs - whether allowable?
 - Depreciation on Assets at Faridabad of Rs.38.96 lacs - whether allowable?

The aggregate tax liability in this matter is Rs.89.35 lacs. The matter is pending.

16. Appeal No.1450/B of 2002 has been filed by Assistant Commissioner of Income Tax before the ITAT for Depreciation on Aircraft amounting to Rs.7.65 lacs. The tax liability in this matter is Rs.Nil in view of losses. The matter is pending.

Karnataka High Court vide its order dated December 14, 2006 in Income Tax Reference Cases 632 to 635 of 1998 for AY 1984-85 to 1986-87, remanded the matter back to the Assessing Officer to verify whether UBHL had reserves in its possession to give interest free advances to subsidiaries in those years. The AO has since completed the reassessment by repeating the very same orders and raised fresh demands aggregating to Rs.27.78 lacs (AY 1984-85), Rs. 31.55 lacs (AY 1985-86) and Rs.Nil (AY 1986-87). Aggrieved by the said order, UBHL has filed two Appeals challenging the said Order before CIT (Appeals). The matter is pending.

Tax Cases Filed By UBHL

1. Appeal No.2982/Bang/2004 of 2002 has been filed by UBHL before the ITAT contending that the tax on long term capital gain on the listed shares should be only at the rate of 10%. The matter is pending.
2. Appeal No 1451 of 2005 has been filed by UBHL for AY 2001-02 before the ITAT against the allowability of establishment expenditure incurred on UB Resorts amounting to Rs 1.28 crores. The Income-tax Department, is of the view that all the expenditure pertains to a separate entity and has nothing to do with the running of UBHL. The matter is pending.
3. Appeal No.32/05-06 has been filed by UBHL before the CIT (Appeals) for AY 1998-99 against reopening proceedings initiated against UBHL for reckoning the cost of bonus shares received from Hoechst India Limited at Rs. 16.67 per share even though the law was amended w.e.f. AY 95-96 to reckon the bonus share value as Nil. Although tax is fully paid, because of the penalty proceedings initiated against UBHL an appeal is also filed contending that since the bonus shares were obtained by UBHL in September 1994, the new law is not applicable. The matter is pending.
4. Appeal No.107/05-06 has been filed by UBHL before the CIT (Appeals) for AY 2000-01 against reopening proceedings initiated against UBHL for reckoning the cost of Bonus shares received from Hoechst India Limited at Rs. 16.67 per share even though the law was amended w.e.f. AY 95-96 to reckon the bonus share value as Nil. Penalty proceedings have been initiated by IT Department against UBHL. UBHL has filed the said appeal as the new law is not applicable since the bonus shares were obtained by UBHL in September 1994. Tax for this matter has been fully paid. The matter is pending.
5. Appeal No.509/06-07 has been filed by UBHL before the CIT (Appeals) against the disallowance of interest on money borrowed. The resultant tax demand of Rs. 6.81 crores has been stayed and the matter is pending.
6. Income Tax Department has raised a demand for penalty of Rs. 50.77 lacs under Section 271 (1)(c) of the Income-tax Act, 1961 against UBHL even though the assessed income of UBHL is only a loss for AY 2001-02. UBHL has filed an Appeal before CIT (Appeals) challenging the said demand and also applied for stay on the said penalty. The matter is pending.
7. Income Tax Department has raised a demand for penalty of Rs. 1344 lacs under Section 271 (1)(c) of the Income-tax Act, 1961 against UBHL for AY 2003-04. UBHL has filed an Appeal before CIT (Appeals) and also applied for stay on the said penalty. The matter is pending.

LABOUR CASES FILED BY UBHL

Writ Petition No. 15241 of 2007 has been filed by UBHL against UB Pharmaceuticals Ltd Employees Association and the Labour Commissioner, Government of Karnataka. UB Pharmaceuticals Ltd had a manufacturing unit at Tumkur. The unit was closed as per law and all the workmen's dues were settled and they were paid compensation as per the Labour Laws with effect from February 28, 2001. UB Pharmaceuticals Ltd had merged with UBHL. However the labour dispute was being continued by the 1st Respondent and an order was passed by the Labour Tribunal that if and when workers are recruited by UBHL, the 1st Respondent

should be offered as a priority. This order was passed on 2nd January 2007. UBHL did not have any manufacturing facilities and hence no recruitment was in the offing. However the 1st Respondent approached the Labour Commissioner and got an ex parte order against UBHL that they had failed to implement the Order dated 2nd January 2007. Therefore Labour Commissioner passed an order dated August 1, 2007 permitting the 1st Respondent to prosecute UBHL. Being aggrieved by the said order, this writ petition was filed by UBHL. The High Court was pleased to stay the order of the Labour Commissioner vide its order dated 26th September 26, 2007. Notice has been issued and matter is pending. Litigations/Claims/Notices instituted involving our group companies.

UNITED BREWERIES LIMITED (UBL)

Criminal Cases Filed Against UBL

1. A complaint has been filed by the senior health inspector Baroda Division, Western Railway, Vadodra under Section 291 (a), 1 (1), 16 (1) of the Prevention of Food Adulteration Act against one Mr. Keshav S. Rathod and others including UBL as Accused No.6 with regard to quality complaint in respect of Kingfisher Packaged Drinking Water manufactured and sold by one of the franchisees viz, Hindustan Minerals and Beverages, Ahmedabad. No relief has been claimed against UBL. UBL has been made a necessary party. UBL has obtained a stay for further proceedings in this matter. The stay will continue till disposal of Cr. M.A. No. 10269 of 2003 filed by UBL.

Criminal Appeal Filed by UBL

1. A complaint was filed by the Senior Health Inspector Baroda Division, Western Railway, Vadodara under the provisions of Food Adulteration Act before the Metropolitan Magistrate Cotha, Ahmedabad against one Mr. Keshav S Rathod and others including UBL as accused with regard to quality complaint in respected of Kingfisher Packaged Drinking Water manufactured and sold by one of the franchisees. UBL pleaded that since Packaged Drinking Water was manufactured by its franchisee under a contract arrangement, UBL is not liable for quality. However, the Magistrate insisted on personal appearance of authorized person on behalf of UBL. Aggrieved by the refusal of UBL's request by the learned MMC VI, UBL has preferred a Cr.M.A. No. 10269 of 2003 before the Hon'ble High Court at Ahmedabad for quashing and setting aside the Criminal Complaint Case No. 32/02 against UBL and obtained stay of further proceedings in the said complaint no. 32/2002. The Respondents have filed an affidavit in reply and the matter is pending.
2. Gandhi Smaraka Samithi has filed a C.R.P. No. 95/2003 before the II Addl. Sessions Judge, Guntur, against the order passed by the I Addl. Munsiff Magistrate, Narasarao Pet, Andhra Pradesh, dismissing the complaint filed by them in C.F.R. No. 138/03, alleging that an advertisement has been published in a Newspaper called "Vaartha" in connection with Kingfisher Power Soda and for action under section 292 and 293 I.P.C. The matter has been disposed off in the favour of UBL, however, the order copy is awaited.

Regulatory Cases Filed by UBL

1. UBL has filed an appeal bearing IC No. 77 of 2003 against the ESI Department in ESI Court challenging the claim of Rs.2,65,000/- made by ESI Department against UBL being claim for ESI remittance on production bonus. The ESI Court has ordered UBL to deposit an amount of Rs.1,10,000/- against which UBL has filed an appeal in the High Court. The Appeal is pending.
2. Civil Rule No.12721 (W) of 1988 has been filed by UBL against State of West Bengal before High Court, Calcutta for preventing the payment of Rs.12,29,200/- as demanded by the Excise Authority. The matter is pending. Further in respect of subsequent demands by the Excise Authorities on March 8, 1988 aggregating to Rs.636,554.51, UBL had also obtained Stay order from the said High Court and the stay orders are in subsistence.
3. The Government of Madhya Pradesh as a part of its finance bill for 2007-2008 has imposed an Entry Tax on Beer with effect from April 2007 at the rate of 2% of the maximum retail price. Consequently the Commissioner of State Excise, Madhya Pradesh, had issued a letter regarding the implementation of the tax and demanded payment. In view of this the Madhya Pradesh State Beverages Corporation had decided not to release the outstanding dues to UBL unless Entry Tax is paid. UBL then filed a Writ Petition

being 10476 of 2007 in High Court of Jabalpur and obtained a stay in its favour. The Stay will continue till final hearing.

4. The State Excise Department, Karnataka, had raised a demand aggregating to Rs. 337101/- against MBDL (now merged with UBL) for the period 2000-2001 to 2003-2004 claiming overtime payment for Excise staff in view of UBL carrying out operations beyond normal working hours permitted by Excise. Aggrieved by this demand made without any supporting calculations, MBDL (now merged with UBL) has filed a Writ Petition being 4813 of 2005 in the High Court of Karnataka to quash this demand. A stay was granted setting aside the demand and the matter was remanded back to the Excise Department. A subsequent demand notice for the period 2005 & 2006 claiming an amount of Rs.1017316/- was raised. However, no further action on recovery is taken by the department in view of the pendency of the Writ Petition.
5. The Andhra Pradesh Pollution Control Board (PCB) had rejected UBL's proposal for consent for establishment (CFE) to produce 500000 cases of beer per month in view of ban notification against expansion inter alia in Nacharam Industrial Area which was issued vide GO No. 62 of 1999. Aggrieved by the rejection, UBL has filed an Appeal with the PCB Appellate Authority. In its interim Order, the Appellate Authority has directed the PCB to consider UBL's request as it merits consideration. UBL's request based on interim directions has again been rejected by the PCB. The matter is pending for final hearing by the Appellate Authority.
6. UBL had filed a Writ Application no. 4934 of 2003 challenging the notification providing charge of additional duty of customs on beer imported from Nepal. In terms of the Indo-Nepal Treaty of trade, Nepalese Beer was allowed entry into India on payment of applicable liquor Excise Duty equal to effective excise duty as levied in India on Indian Beer. However, the State of Bihar raised a dispute with regard to applicability of Treaty and The Hon'ble Patna High Court passed an order that Nepalese Beer shall be allowed preferential entry into India on payment of applicable liquor Excise Duty without any additional duty by the Central Government. In 2001 after an amendment in the Customs Tariff Act, Central Government was authorized to fix additional duty on imported liquor. In the meanwhile the Treaty was extended for another 5 years till 2007. Based on the Indo Nepal Treaty on Trade, UBL claimed exemption from additional duty on beer imported from Nepal while the Customs Station, Raxaul held the stock and directed UBL to pay the additional duty. UBL has filed an application before the Hon'ble High Court of Judicature at Patna for claiming exemption from payment of additional duty and release of stock held by the Customs department Raxaul. The Hon'ble High Court has permitted the release of stock from Customs Station, Raxaul on deposit of Rs.5 lakhs with the Customs Authority. No further progress.

Civil Cases Filed Against UBL

1. Suit No. 505 of 2003 has been filed by Seattle Pacific Industries, Inc., USA against UBL restraining UBL from using the Mark "UB" for clothing as they claimed to have used a Mark 'UNIONBAY (UB)' in USA and they are the registered proprietors of the said Mark in the United States. Injunction obtained by Seattle Pacific Industries against UBL, which was subsequently vacated. In the mean time, Seattle Pacific Industries, Inc. had moved the High Court against vacation of the injunction. The High Court has remanded the matter back to the lower Court. The matter is pending.
2. Opposition No. MAS-168635 has been filed before the TM Registry, Chennai by M/s. Indian Garments against UBL's application for registration of the mark "FLYING HORSE" in Class 25. The matter is pending.
3. G.A. No. 3182 of 2002 in Original Suit No.537 of 2001 filed by Shankar Bhowmick & Others against United East Bengal Football Team Private Limited (UEBF) and others (UBL is one of the parties) before High Court of Calcutta for seeking an order of injunction restraining the respondents from transferring and/or alienating the assets and properties pertaining to UBEF. UEBF had filed applications praying for dismissal of the appeal and stay petition filed by Mr. Shankar Bhowmick and others. The matter is pending.
4. Unfair Trade Practice No. 242 of 1998 and CA 83 of 2000 filed by Mr. Ajay Seth against UBL before MRTP Commission Delhi for Rs.7 lacs as compensation alleging inferior quality of the beer manufactured by UBL. The matter has been posted for final arguments.

5. A Complaint No.190 of 2002 has been filed by Mr.Rajiv Kumar Gupta against UBL and Others before Consumer Forum, Faizabad for Rs.1.00 lac as compensation alleging inferior quality of the beer manufactured by UBL. Vakalatnama has been filed. The matter is pending for hearing.
6. A Complaint No. 440 of 2003 has been filed by Mr. Bachchi Singh against Mount Shivalik & 2 others (UBL as 2nd party) before Consumer Forum, Bharatpur for Rs.1.05 Lacs as compensation alleging inferior quality of the beer manufactured for UBL. Arguments are in progress.
7. Sanjay Sadanand Naik has filed a Complaint No.237 2004 against UBL and Ors Before Consumer Forum, Mumbai for compensation of Rs.1.22 Lacs plus interest alleging inferior quality of the beer manufactured by UBL. UBL has filed its reply. The matter is pending for hearing.
8. Mr. Prahlad Rai Jain filed a Complaint No.1116 of 2004 against DSIDC & Ors. (UBL) in the Consumer Forum, Delhi for compensation of Rs.4,10,030/- from UBL alleging inferior quality of the beer manufactured by UBL. The matter is pending.
9. Suit No.592 of 2003 filed by Universal Enterprises Limited against UBL before Court of Civil Judge at Kalyan for depositing Rs.8000/- with interest towards supply of material. The amount claimed is already deposited by UBL. The matter is posted for hearing.
10. Appeal No.317 of 2002 has been filed by Bank of Rajasthan against Rajasthan Breweries Limited ("RBL") and UBL before Debt Recovery Appellate Tribunal, New Delhi for seeking all the money i.e. Rs.1134.83 Lacs together with interest payable by UBL to RBL to be paid to Bank of Rajasthan. The matter is pending.
11. Company Petition No. 5 of 2005 filed by Haryana Suraj Maltings Ltd. against Mohan Goldwater Breweries Limited (MGW) & UBL before High Court of UP at Lucknow for recovery of dues of Rs.59,57,864/- against supplies of malt till August 31, 1999. The Court has passed an order in September 2005 directing MGW to approach the Official Liquidator. Aggrieved by the said order, MGW preferred an appeal No.1 of 2005 in which UBL also has been made a party. The matter is pending.
12. Appeal No.26 of 2005 has been filed by Bank of Rajasthan against Rajasthan Breweries & Others. (UBL as 8th Respondent) before DRT, Jaipur for orders for attachment of property of respondent No.6 viz. Nisha Jain arising out of the order dated September 20, 2002 passed by the DRT Jaipur in O.A.No.353 of 2000. The matter is pending.
13. A suit bearing No.174 of 2001 was filed by Thorbrau Augsburg, a German brewery before the Civil Judge, Mangalore in 2001 against Mangalore Breweries and Distilleries Limited (MBDL since merged with UBL). MBDL had entered into an agreement with Thorbrau Augsburg to *inter alia* use the brand name "Thorbrau" for the manufacture of beer and pay royalty for the same. MBDL failed to pay the sum agreed as royalty and also failed to execute the personal guarantee for Rs.10 Lacs as agreed upon. Hence, Thorbrau Augsburg has filed the present suit claiming a sum of Rs.10 Lacs along with interest. The matter is pending for hearing.
14. Complaint No. 676 of 2006 has been filed by Mr, Kanwar Suhag, against UBL and another before the District Consumer Disputes Redressal Forum, Gurgaon claiming Rs.1,00,000/- as compensation alleging inferior quality of Kingfisher Beer consumed by him. The matter is pending.
15. Complaint No. 431 of 2006 has been filed by Mr. Sravan Gupta, against UBL and others before the District Consumer Disputes Redressal Forum, Haridwar claiming Rs.9,50,000/- as compensation alleging inferior quality of mineral water consumed by him. The matter is pending.
16. Complaint No. 171 of 2006 has been filed by Mr. Ranibala Das against UBL and another before the District Consumer Disputes Redressal Forum, Murshidabad at Berhampore for recovery of Rs.8,51,280/- along with interest @ 18% since date of receipt of payment and an amount of Rs.1,00,000/- for the illegal retention of the price paid for an order for supply of Beer without having supplied the same. The matter is pending.

17. Complaint No.160 of 20 of 2006 has been filed by Mr. Suvendu Kumar Satapathy against UBL and others before the District Consumer Disputes Redressal Forum, Dhenkanal claiming Rs.4,99,999/- towards compensation and costs plus interest @ 18% alleging inferior quality of Kingfisher premium lager Beer consumed by him. The matter is pending.
18. Complaint No.867 of 2006 has been filed by Mr. Ranjith Singh Sager against UBL & others before the District Consumer Disputes Redressal Forum, Kanpur claiming Rs.15,00,000/- as compensation alleging inferior quality of Kingfisher strong premium Beer consumed by him. The matter is pending.
19. Complaint has been filed by Mr. Gyan Prakash Mishra against UBL before the District Consumer Disputes Redressal Forum, Kanpur claiming Rs.20,00,000/- as compensation alleging inferior quality of Kingfisher Strong Premium Beer consumed by him. The matter is pending.
20. Complaint No. 121 of 2007 has been filed by Mr. Jagjit Singh & another against UBL and others before the District Consumer Disputes Redressal Forum, South Mumbai claiming Rs.19,75,000/- as a compensation alleging inferior quality of packaged drinking water paid for by him. The matter is pending.
21. Civil Suit No. 252 of 2006 was filed by Mohan Breweries and Distilleries Limited against UBL and another in the High Court of Madras seeking permanent injunction restraining the use of their registered bottle design for bottling of UBL's Kalyani Black Label Premium Lager Beer, and claiming a compensation of Rs.2,700/-. Interim Orders passed against UBL. UBL has filed its reply which is pending hearing.
22. Complaint No.701 of 2006 has been filed by Mr. Raman Gupta against UBL, UBHL and others before the District Consumer Disputes Redressal Forum, Chandigarh, claiming transfer of 100 equity shares of UBL purchased by him along with the consequential benefits since June 22, 2000 (the date of purchase) has not been recognised. The Complainant claims Rs.50, 000/- towards harassment and mental agony along with cost of Rs.5500/-. The Consumer Disputes Redressal Forum, Chandigarh wide its order dated October 16, 2007 allowed the complaint and directed the opponents to pay Rs.10,000/- compensation and Rs.2100/- legal cost to the complainant. Aggrieved by the said order the UBL and others have filed an appeal before the Consumer Dispute Redressal Commission Chandigarh. The Complainant has also preferred an Appeal against the said order seeking more relief. These Appeals are pending for hearing.
23. Title Suit No. 970 of 2006 has been filed by C Mackertich Limited against UBL and others before the City Civil Court at Calcutta, seeking injunction on the transfer of 100 shares of UBL and payment of all benefits accrued on those shares. The Court has ordered status quo to be maintained. The matter is pending.
24. Title Suit No. 896 of 2006 has been filed by C Mackertich Limited against UBL and others before the City Civil Court at Calcutta, seeking injunction on the transfer of 1900 shares of UBL and payment of the benefits accrued on the shares. The Court has passed an order of status quo to be maintained. The matter is fixed for hearing.
25. Tarun Bharat Sangh, a Non Government Organisation has filed a Civil Petition (P.I.L.) in the High Court of Rajasthan at Jaipur Bench in connection with exploitation of ground water by companies in the Alwar District against State of Rajasthan, Excise Department, Central Ground Water Authority (CGWA) and others seeking orders restraining the State government from granting fresh licenses to Breweries/ distilleries/ Water consuming Industries and quashing of the license already granted to the distilleries/breweries. The Court vide its order dated March 22, 2007 clarified that the Brewery License may be granted to UBL subject to the result of the Writ Petition and vide the same Order made UBL as a party respondent. The matter is pending.
26. Two suits bearing 639 of 1999 and 401 of 2000 filed by Tirupati Enterprises and Balaji Bottling respectively against UBL in the City Civil Court, Hyderabad for recovery of Rs.50,55,502.24 alongwith interest of Rs.55,25,681.53 aggregating Rs.1,05,81,183.77 as outstanding dues against supply of second hand bottles were disposed off in Company's favour. . Aggrieved by the order-dated November 27, 2006, the appellants have filed an Appeal in High Court of Hyderabad. UBL is yet to file its reply in the matter. The matter has yet to be heard.
27. A recovery suit being CS No.467-A of 2004 was filed by Mukhtiar Singh, transporter, against UBL for recovery of damages aggregating Rs.2.10 Lacs along with interest @18% p.a. towards alleged loss

incurred for non usage of truck which was used for transportation of beer from Ludhiana brewery of UBL to Madhya Pradesh and which truck was allegedly detained by the Excise Department for about 4 months. Ex-parte decree was passed in favour of Mukhtiar Singh for recovery of Rs.2.10 Lakhs along with interest @12% till the date of realization. Mukhtiar Singh has now filed execution petition for execution of decree. The matter is pending.

28. A Consumer Compliant being 238 of 2007 has been filed before the District Consumer Forum Jammu by Ajesh Kumar Rohmetra against UBL (Respondent- 2) claiming Rs.85,000/- as a compensation alleging inferior quality of Kingfisher Premium Beer. Vakalath has been filed. UBL is yet to file its reply and hearing is yet to take place.
29. A Consumer Compliant No. 236 of 2007 has been filed before the District Consumer Forum Jaipur by Mr. Ramesh Vishnogi against UBL (Respondent- 2) claiming Rs.1,60,000/- as a compensation alleging inferior quality of beer manufactured by a Contract Brewer manufacturing UBL brands. Vakalath has been filed. Reply is pending and hearing is yet to take place.
30. A Consumer Compliant No. 815 of 2007 has been filed before the Consumer Dispute Redressal Forum-III Delhi by Mr. Ish Kumar against UBL (Respondent- 2) claiming Rs.10,52,992/- as a compensation alleging inferior quality of Kingfisher Brand. UBL is yet to file its reply and hearing is yet to take place.
31. A Consumer Compliant No. 481 of 2007 has been filed before the Consumer Dispute Redressal Forum-II Delhi by Mr. Preetpal Singh against UBL (Respondent- 2) claiming Rs.5,00,000/- as a compensation alleging inferior quality of Kingfisher Brand. UBL is yet to file its reply and hearing is yet to take place.
32. A Consumer Compliant No. 524 of 2007 has been filed before the Consumer Dispute Redressal Forum Janakpur Delhi by Mr. J.K. Sharma against UBL (Respondent- 2) claiming Rs.60,000/- as a compensation alleging inferior quality of Kingfisher Beer. UBL is yet to file its reply and hearing is yet to take place.
33. A Consumer Complaint being 967 of 2007 has been filed before the District Consumer Forum, Thrissur by K D Joy against UBL claiming Rs.2,00,000/- as a compensation alleging inferior quality of Kingfisher Premium Beer. UBL is yet to file its reply and hearing is yet to take place.
34. The Consumer Disputes Redressal Forum, Ambala wide its order dated February 03, 2006 allowed the compliant filed by Dr. Arvinder Joshi in complaint No.89 of 2003 alleging inferior quality of Kingfisher Beer and directed UBL to pay Rs.10,000/- compensation and Rs.1000/- legal cost to the complainant. Aggrieved by the said order complainant has preferred an appeal before the State Consumer Disputes Redressal Commission, Haryana against the said order seeking more relief. The Appeal is pending for hearing.
35. Imperial Malts Ltd. has filed a suit no. 241 of 2006 for recovery of Rs.11,58,025/- against ABDL (now merged with) and UBL towards supply of Malt. UBL has been made a party defendant though no amount is outstanding to be recovered from UBL. Imperial Malts Ltd. has prayed for recovery of the principal amount along with interest at 24% p.a. till realization of the decree amount. UBL has filed a vakalath and reply is yet to be filed.
36. A Civil Writ in the form of Public Interest Litigation being PIL 9044 of 2007 has been filed by Vivek Sharma in High Court of Punjab and Haryana at Chandigarh against Union of India and others impleading UBL (as Respondent 4) praying for restraining the Respondents from promotion of sale of alcoholic beverage products on television, other print media and pass appropriate orders. UBL has filed Vakalath and the matter is yet to come for hearing.
37. One Mr. T. J. Yadav and others has filed a Civil Writ Petition No.17502/2007 in the High Court of Judicature of Andhra Pradesh at Hyderabad against the Government of Andhra Pradesh and others wherein UBL has been made a party alleging pollution of river raa-cheruvu by various companies in the industrial estate of Ranga Reddy district. Vakalath has been filed. The reply is pending and hearing is yet to take place.
38. UBL had entered into two sponsorship agreements for availing the services of Australian Cricketers viz. Brett Lee and Adam Gilchrist with Sporting Frontiers Private Limited. Since after spending large amounts

towards advertisements, traveling, ad shooting, etc., Sporting Frontiers could not perform these agreements; Company has filed 1 application in the High Court of Karnataka for appointment as sole Arbitrator towards recovery of amounts spent on Agreement plus damages aggregating to a sum of Rs. 1.75 Crores. In terms of the direction of the High Court of Karnataka, Justice K.Shivashankar Bhat (Retd.) has been appointed as Sole Arbitrator to decide the disputes between the parties. Accordingly the sole Arbitrator has passed an award in favour of UBL. Sporting Frontiers Private Limited has filed an appeal under Section 34 of the Arbitration & Conciliation Act, 1996 before the City Civil Court at Bangalore copy of which is yet to be served.

39. UBL had terminated the services of one Manjit Singh at Ludhiana unit on account of his long absence without notice. Manjit Singh has filed a case being 1229 of 2001 against UBL for his reinstatement in the labour court Ludhiana. The matter is pending.
40. Opposition No. MAS-250338 has been filed before the TM Registry, Chennai by Anheuser-Busch, Incorporated, against UBL application for registration of mark "King of Beers" in Class 16. UBL has filed the Counter Statement and matter is pending.
41. An application for registration of mark "UB CASTLE" was made by UBL on December 13, 2004 in class 32 for "Beer". The said application has been opposed by SAB Miller International B.V. UBL has filed a counter and the matter is pending.
42. Opposition No. MAS-254422 has been filed before the TM Registry, Chennai by Red Bull Ag, against UBL's application for registration of the mark Charging Bull in class 32. UBL has filed the Counter Statement and the matter is pending.
43. The Enforcement Directorate (ED) had issued notices to UBL and Dr. Mallya in connection with the payment of US\$1 million to Bentton Formula Ltd (Now Renault F1 Team Ltd) in the year 1996 towards sponsorship of Kingfisher in the Formula 1 seasons 1996, 1997 and 1998. The Agreement entered into between Dr. Mallya and Mr. Flavio Briatore (Flavio) was contingent upon necessary approvals by the RBI/Gol. As the approvals were not forthcoming and the 1996 season had started, Dr. Mallya out of his own funds abroad paid US\$ 1 million in two tranches and specifically stated that the said sum was only a good faith deposit and shall be repaid back to him, once the approvals are in place and money transferred by UBL as per the Agreement. The ED issued show cause notices to UBL and Dr. Mallya alleging that the payment was made by Dr. Mallya on account of UBL and therefore UBL by otherwise acquiring and transferring US\$ 1 million to Benetton without the permission of RBI/Gol has along with Dr. Mallya contravened the provisions of Sec.8(1) of FERA. FERA is no more in force and has been replaced by FEMA. The ED issued notice initially to UBL. The ED issued a show cause notice and commenced adjudication proceedings on the main issue viz., violation of FERA, against UBL and Dr. Mallya. The order was passed in favour of UBL. An Appeal was filed by ED before the Appellate Tribunal for Foreign Exchange. The order was passed in favour of UBL. ED again filed an appeal before the High Court, Delhi which is Crl. A. 515 of 2004. The Appeal is pending final arguments
44. The Bank of Rajasthan Limited has filed an appeal no.14 of 2006 in Execution Petition no. 128 of 2002 in the Debt Recovery Tribunal, Jaipur against Rajasthan Breweries Limited (RBL) and others making UBL as party respondent praying for Setting aside and quashing the impugned order dated 6th September 2005 passed by the Recovery Officer, Debts Recovery Tribunal, Jaipur in Execution No. 128 of 2002 to the extent of dismissal of application and direct the Recovery Officer and proceed with the recovery proceeding in a time bound manner. The Bank had filed an execution application for recovery of an amount of Rs.11.35 crores along with interest against RBL and for personal appearance and arrest of Judgment Debtors. After hearing both the counsels, the recovery officer vide order dated 6th September 2005 treated the petition as premature. Aggrieved by the order, the Bank has filed an appeal with the Debt recovery Tribunal, Jaipur in which UBL is made a party. The matter is pending.

Civil Cases Filed By UBL

1. Original Suit No.706 of 1990 has been filed by Kalyani Breweries Ltd. (since merged with UBL) against Khodays Brewing and Distilling Industries Limited (KBDIL) in the High Court of Calcutta challenging the wrongful usage of "Black Label" Trademark and for restraining them from using the mark "Khodays Black Label" permanently. Injunction has been granted as prayed by UBL. An appeal No. APO 135/1991 was

filed by KBDIL against the injunction which was disposed off in favor of UBL. A stay is granted which shall continue till disposal of the said suit. Matter is yet to be heard.

2. Original Suit No.11518 of 1999 was filed by UBL against Bombay Trading Company before the Mayo Hall Courts, Bangalore challenging the use of the mark "Kingfisher" and the device of Bird for Scissors manufactured by Bombay Trading Company and restraining them from using the mark "Kingfisher" & the device of BIRD permanently. The matter is pending.
3. Opposition No.DEL-9564 is filed by UBL against Mohan Goldwater Breweries Limited before the Trademarks Registry, Delhi against the registration of the trademark "SUN BIRD" for Deluxe Lager Beer in Class 32 which is deceptively similar to the mark "SUN LAGER" for Beer which is a registered trademark of UBL. The Trade Mark Registry has ordered application be re-advertised in the Trade Mark journal. The matter is pending.
4. Original Suit No.747 of 1993 has been filed by UBL against Khodays Breweries & Distilleries Limited in the City Civil Court, Bangalore for restraining them from using the mark "Hercules Black Label" which infringes UBL's mark "Kalyani Black Label". Injunction was refused and an appeal being MFA No.1447 of 1994 was filed the City Civil Court, Bangalore which has been dismissed, with a direction to try the suit in the City Civil Court which is disposed against UBL and Appeal is yet to be filed in High Court of Karnataka.
5. Opposition No. BOM-53395 was filed by UBL against Surendra Ray & Company of Mumbai before the Trademarks Registry, Mumbai against an application for registration as FLYING HORSE BRAND label in Class 3 under application No.549525, which is similar to UBL's trade mark. The matter is pending.
6. Civil Suit No. 2 of 1994 was filed by UBL against Impala Distillery & Brewery Limited before the Additional District & Assitant Sessions Judge, South Goa to obtain an injunction restraining them from using the trade mark "King's Black Label". Further, a Civil Misc. Application No.148 of 1994 was also filed for temporary injunction in the said matter till the disposal of the original Suit. An exparte injunction order was passed restraining Impala from using the impugned Trademark. The Suit No.2 of 1994 is pending for final disposal.
7. Opposition No. DEL-T-2970 was filed by UBL against Tristar Pictures, Inc., before the Trademarks Registry, Delhi against registration application of the mark FLYING HORSE (device) in Class 9 since the same was deceptively similar to that of UBL's device and registration No.391348 (MYS 1824). Tristar has filed their Counter Statement in the year 2002 and UBL has filed its affidavit in evidence. The matter is pending.
8. Opposition No. AMD-62516 was filed by UBL against Patel Field Marshall Agencies, Rajkot before the Trademarks Registry, Ahmedabad against registration application of the mark KINGFISHER (label) in Class 7. Arguments concluded and order is awaited.
9. Opposition was filed by UBL against Ashish Enterprises before the Trademarks Registry, New Delhi against registration application of the mark FLYING HORSE in Class 6. The Opposition is pending.
10. Opposition No. Del-178587 was filed by UBL against Mr. S.Baldav Singh trading as UBHI Brothers before the Trademarks Registry, New Delhi against registration application of the mark UBHI in Class 12. Mr. S. Baldev Singh has filed counter statement and UBL is to file its affidavit in support of evidence. The matter is pending.
11. An Opposition was filed by UBL against Ratna Rice Industries before the Trademarks Registry New Delhi against registration application of the mark KINGFISHER (label) for RICE in Class 30. The Opposition is pending
12. Opposition No. DEL-158545 was filed before the Trademarks Registry, New Delhi by UBL against Jain Rice India for registration of the trade mark KINGFISHER for RICE in Class 30 since the said mark is deceptively similar to UBL's trade mark "KINGFISHER". Jain Rice India has filed their counter affidavit and UBL to file its affidavit in evidence.

13. An Opposition was filed by UBL against Cosmos Mode Ag., before the Trademarks Registry Chennai against registration application of the mark KINGFIELD as a word mark is registered in their name in Class 3. The matter is pending.
14. An Opposition was filed by UBL against J.D. Exports before the Trademarks Registry New Delhi against registration application of the mark U.B. in Class 25 as the same is deceptively similar to UBL's trade mark UB and its variants. The matter is pending.
15. An Opposition was filed by UBL against Laxmi Srinivasa Industries before the Trademarks Registry New Delhi for registration of the mark KINGFISHER label and device in Class 30. The matter is pending.
16. An Opposition has been filed by UBL against the Trade Mark Application bearing No. 831752 advertised in the Trademark Journal filed by Khoday's Breweries & Distilleries Private Limited, for the mark CAPTAIN FISHER in Class 33 which is confusingly similar to the UBL's trade mark KINGFISHER. The matter is pending.
17. Appeal No.1554 of 2005 is filed by UBL against Mr. Bharat Bhushan before the State Commission, Jaipur against the Consumer Forum's order awarding compensation to Mr. Bharat Bhushan as regards inferior quality of Kingfisher Beer. The Appeal is pending.
18. Civil Suit No. 524 of 2005 was filed by UBL against Indo Agro Industries in the High Court at New Delhi to obtain an injunction against Indo Agro Industries restraining them from using the trade mark "KINGFRESHER" for manufacturing and selling beer, which is deceptively similar name or the logo of UBL i.e. KINGFISHER. An injunction order was passed restraining Indo Agro Industries from using the impugned Trademark. The Suit is pending for final disposal.
19. Civil Suit No. 525 of 2005 was filed by UBL against Choice International in the High Court at New Delhi to obtain an injunction from restraining them from using the trade mark "KINGFRIESER" for manufacturing and selling beer which is deceptively similar name or the logo of UBL i.e. KINGFISHER. An injunction order was passed restraining the defendant from using the impugned Trademark. The Original Suit is pending before the Court for final disposal.
20. Civil Suit (Original Side) No.1570 of 2005 has been filed by UBL against Akash Food & Beverages, in the High Court, New Delhi for using a trademark viz, "KINGFRESHER" for manufacturing and selling beer which is deceptively similar name or the logo of UBL viz, "KINGFISHER". UBL has filed this suit for restraining Akash Food & Beverages to use the said trademark for its product. The matter is pending.
21. Civil Suit (Original Side) No. 1564 of 2005 has been filed by UBL against D.D.Food Products, in the High Court, New Delhi for using a trademark viz, KINGFEESHER for manufacturing and selling beer which is deceptively similar name or the logo of UBL, KINGFISHER. UBL has filed this suit for restraining D.D. Food Products from using the said trademark for its product. The matter is pending.
22. An Opposition has been filed by UBL before TM Registry, Ahmedabad against the Trademarks Application bearing No. 1140137 advertised in the Trademark Journal filed by Hindustan Minerals & Breweries, for registration of the mark "KING-FRESH" & device on the ground that the same is deceptively similar to that of the trademark owned by UBL viz., "KINGFISHER". The matter is pending.
23. Civil Suit (Original Side) No.1571 of 2005 has been filed by UBL in the High Court, New Delhi against Laxman & Company for using a trademark viz, KINGFEESHER for manufacturing and selling beer which is deceptively similar name or the logo of UBL i.e., for KINGFISHER. UBL has filed this suit for restraining Laxman & Company to use the said trademark for its product. Matter is pending.
24. Execution Petition No.2170 of 2002 has been filed by UBL against Anuraga Enterprises in the City Civil Court, Bangalore for recovery of outstanding amount of Rs.4,02,569/- including interest towards the supplies made to them. The matter is pending.
25. Suit (Original Side) No. 1382 of 2001 has been filed by UBL against Srinivasa Enterprises in the City Civil Court, Bangalore for recovery of Rs.1,28,824/- along with interest of Rs.69, 642/- aggregating

Rs.1,98,466/- towards supplies of beer. The suit was decreed on 31.01.06 and execution proceedings have to be filed by UBL.

26. Summary Suit No. 4262 of 1998 has been filed by UBL against Ajit Enterprises and Mr.Gurcharan Das Bagga for recovery of Rs.73,76,899.72 alongwith interest of Rs.41,56,448.35 aggregating Rs.1,15,33,348.72 towards supplies of beer. Court has granted unconditional leave to the defendants to file its written statement in the matter. Summary Suit has changed to civil suit and the matter is pending.
27. Suit (Original Side) No. 4717 of 2002 has been filed by UBL against Raghavendra Wines, Mandya in the City Civil Court Bangalore for recovery of outstanding dues of Rs.2,71,549/- plus interest for the supplies of beer made to them by UBL. The suit was decreed in favour of UBL and execution proceedings have to be filed by UBL.
28. Suit (Original Side) No. 4718 of 2002 has been filed by UBL against Mamata Enterprises, Davangere in the City Civil Court Bangalore for recovery of outstanding dues of Rs.1,86,857/- plus interest for the supplies of beer made to them by UBL. The matter is pending.
29. Suit (Original Side) No. 6942 of 2002 has been filed by UBL against Konkan Traders, Udupi in the City Civil Court Bangalore for recovery of outstanding dues of Rs.3,27,067/- plus interest for the supplies of beer made to them by UBL. The suit was decreed in favour of UBL and execution proceedings have to be filed by UBL.
30. A recovery suit (Original Side) No. 6943 of 2002 has been filed by UBL against Premier Distributors, in the City Civil Court, Bangalore for recovery of outstanding dues of Rs.4,59,004/- plus interest for the supplies of beer made to Premier Distributors by UBL. Premier Distributors has filed its reply and UBL has filed its rejoinder. The matter is pending.
31. Suit (Original Side) No. 6944 of 2002 has been filed by UBL against Lavanya Wine Dealers in the City Civil Court Bangalore for recovery of outstanding dues of Rs.1, 29,000/- plus interest for the supplies of beer made to them by UBL. The matter is pending.
32. Appeal No.350 of 2002 is filed by UBL against Bank of Rajasthan in the Debt Recovery Appellate Tribunal, Jaipur ("DRAT") challenging the order dated 13th December 2002 passed by the Debt Recovery Tribunal, Jaipur directing UBL to pay the amounts payable by Rajasthan Breweries Limited ("RBL") to the Bank of Rajasthan. UBL has contended inter alia that it has nothing to do with the credit facilities enjoyed by RBL with the Bank and there are no amounts payable to RBL. DRAT has stayed the operation of the interim order dated 13th December 2002. The matter is pending.
33. Civil Suit (Original Side) No. 1381 of 2004 has been filed by UBL against Dhall Traders Private Limited & Others in the High Court New Delhi for recovery of an amount of Rs.1,80,83,698/- plus interest at 12% p.a. at quarterly rests on account of their inability to recover the market outstandings which was their responsibility as agents of UBL. The matter is pending.
34. Civil Suit (Original Side) No. 8999 of 2003 has been filed by UBL against Brij Canadian Water Limited in the City Civil Court, Bangalore for recovery of outstanding royalty payable by the respondents to an extent of Rs.10.58 Lacs With interest @ 24% p.a thereon towards license of the trademark "KINGFISHER" for Packaged Drinking Water. Brij Canadian Water Limited have filed written statement. The matter is pending.
35. Complaint No. 1581 of 2005 has been filed by UBL against Mr. Anil Kumar Rai before the Additional Chief Judicial Magistrate, Lucknow under Section 138 of the Negotiable Instruments Act for dishonour of cheque of Rs.4,22,620/- issued by Mr. Anil Kumar Rai against supplies of beer. The matter is pending.
36. Writ Petition No.10062 of 2005 filed by People's Forum for Natural Justice (PFNJ) against State of Kerala & Ors. (UBL as 8th respondent) before High Court of Kerala for direction from the Court to prevent alleged unauthorized excessive extraction of ground water in the district of Palakkad, which is declared draught, hit. The Writ Petition inter alia seeks to issue prohibitory orders restraining the drawing of underground water by respondent 7 to 32 (companies) for their commercial activities, and to direct authorities to limit

drawal of underground water by the Respondent 7 to 32 for their commercial activities . UBL has filed its vakalatnama and awaiting hearing.

37. Revision No. 238 filed by Excise Authorities, West Bengal against UBL before High Court, Calcutta for claiming a sum of Rs.29,55,367/- towards payment of arrears. Pending before the High Court. West Bengal Taxation Tribunal awarded the case in favor of UBL. W.B.Excise has appealed to H.C. The matter is pending.
38. UBL had filed an appeal before the Taxation Tribunal West Bengal challenging the Demand from the Excise Department, Government of West Bengal for Rs.42,53,366.60/- towards payment of arrears pertaining to Storage and Privilege fees at enhanced rate from September 1, 1998 to March 31, 1999, after depositing a sum of Rs.13,00,000/- till March 31, 2001 as per the interim order passed by the said Tribunal and thereafter, the said Tribunal has passed an order on November 15, 1999 in favour of UBL. Aggrieved by the said order, the Excise Department has filed this appeal for setting aside the order passed by the said Tribunal before the High Court of Calcutta. The matter is pending.
39. Original Suit No. 25729 of 2007 has been filed by UBL against Shri. H. S. Aarun, Shri S. S. David and M/s. Aasara Nirman (India) ("the Defendants") before the Court of Principal City Civil & Sessions Judge at Bangalore, for perpetual injunction restraining the Defendants from infringing the registered trade mark "KINGFISHER" of UBL, and violating its copyright over the same, by giving their forthcoming movie a title of the same name. The Court has granted temporary injunction against the Defendants restraining them from infringing the trade mark of UBL. The matter is pending.
40. Suit No. 25499 of 2007 has been filed by UBL against N. M. Minerals India Private Limited before the Court of Principal City Civil & Sessions Judge at Bangalore, for perpetual injunction restraining N. M. Minerals India Private Limited from infringing UBL's registered trade mark "KINGFISHER" by manufacturing and selling packaged drinking water by use of the trade mark. An ad-interim order for temporary injunction has been passed by the Court restraining N. M. Minerals India Private Limited from infringing the trade mark of UBL. The matter is pending.
41. One Mr. Dewan Singh has filed a consumer complaint with regard to the quality of the beer produced by UBL and an ex-parte order was passed against UBL. UBL has made an application to recall the ex-parte order against UBL and hear the case on merits. The matter is posted for arguments.
42. One Mr. M. Asraf of Verkala Kerala had filed a complaint before the District Consumer Forum Thiruvannanthapuram stating he had found foreign particles in the Kingfisher beer. The District Forum passed an order against UBL and directed payment of Rs.2000/- as compensation plus interest and Rs.1000/- as cost of litigation. On account of discrepancies on part of the Forum in passing the order, UBL has filed an appeal before the State Consumer Redressal Commission to set aside the order. The matter is pending.
43. Suit (Original Side) No. 8138 of 2001 has been filed by UBL against M/s. Vani Enterprises, in the City Civil Court Bangalore for recovery of outstanding dues of Rs.2,08,155/- plus interest for the supplies of beer made to them by UBL. The suit was decreed in favour of UBL and execution proceedings are yet to be filed by UBL.
44. UBL has filed an opposition against United Breweries Lanka (Pvt.) Limited with the Trade Mark Registry Sri Lanka opposing the mark "UBL" used by them in class 32 in Sri Lanka. Application Opposing usage has been filed. No further progress.
45. UBL has filed an opposition No. KOL-239145 against Kingfisher Publications Plc. with the Trade Marks Registry Kolkata opposing the device KINGFISHER used by them in class 9. The Applicants have to file their Evidence in next hearing.
46. UBL has filed an opposition No. DEL-251046 against Doon Valley Breweries Limited with the Trade Marks Registry opposing the mark FLYING FOX used by them in class 32. The applicants have to file their Counter Statement.

47. UBL has filed an Two oppositions No. DEL-169536 & DEL-169537 against Anjani Kumar Goenka with the Trade Marks Registry opposing the mark KINGFISHER used by them in class 12 & 16. The applicants have to file their Counter Statement.
48. UBL had filed an execution petition sometime in July 2007 against M/s Ramesh Wine Corporation for execution of the decree of City Civil Court, Hyderabad for a sum of Rs.229883.86/- along with future interest. M/s Ramesh Wines have filed an application for stay of the execution and the matter is pending.
49. UBL had acquired land aggregating to 20 acres at Palakkad from the Government of Kerala in the year 1972 and the same was assigned by order no. LR3-14618/70 dated April 22, 1972 of the District Collector. A provisional Patta was issued in respect of this land to UBL on May 21, 1985. However, the Final Patta for the said land is pending. UBL made a representation for fixation of price for the land at the 1972 rate, no action was taken by the Government despite several reminders. Upon another representation in 2005, the District Collector vide his order dated August 24, 2005 has fixed the land price @ Rs.20,000/- per cent. Aggrieved by the order, UBL has filed a Writ in the High Court of Kerala at Ernakulam praying for issue of writ of Certiorari/Mandamus or other appropriate Writ directing the Secretary Revenue (L) Department to consider UBL's application for issue of final Patta of land aggregating to 20 acres at Palakkad at the rate then prevailing in 1972. Writ yet to be heard.

Tax Cases Filed Against UBL

1. Civil Miscellaneous Petition No.31050 of 1999 in OP No.18925/99C filed by Sales Tax Dept., Govt. of Kerala before Kerala High Court, Cochin for Payment of the sales-tax dues for the period 1988-1989 (Rs.1.24 Lacs), 1989-1990 (Rs.2.89 Lacs) and 1990-1991 and for (Rs.4.98Lacs). The matter is pending for hearing.
2. Sales Tax Appeal No. 238 of 1997 filed by Sales Tax Dept., Govt. of Kerala before Sales Tax Appellate Tribunal, Palakkad against UBL for payment of Rs.0.38 Lacs for the period 1990-1991. The matter is pending.
3. Original Petition No. 12240 of 1999 filed by Sales Tax Dept., Govt. of Kerala before High Court of Kerala, Cochin against UBL for Payment of interest of Rs.6.28 Lacs for the period 1988 to 1991. The matter is pending for hearing.
4. Tax Appeal No. 487 of 1996 is filed by Sales Tax Department before Deputy Commissioner Appeals, against UBL for payment of interest of Rs.1,07,173/- for the period 1991-1992. The matter is pending.
5. Tax Appeal No. 1049 of 1981, 366 of 1982 and 173 of 1982 filed by Sales Tax Department before Appellate Tribunal, Cherthala for claim of Rs.8,40,550/- for the period 1975-1994. The matter is pending.
6. The Excise Department has issued a Show Cause Notice claiming that the Contract Brewing Units manufacturing Beer / Contract Bottling Units manufacturing Packaged Drinking Water for UBL under its Trade Marks fall under the purview of "Intellectual Property Services" liable for payment of Service Tax. Accordingly service tax on services alleged to have been rendered by UBL as claimed by the Department aggregates to Rs.22.35 Crores. Subsequently, the Service Tax Commissioner, New Delhi, has issued a letter to keep the Show Cause Notice in abeyance till such time the matter is considered and decided by the Central Government.
7. The Assistant Commissioner (Assessment) Special Circle, Alappuzha has raised an additional demand of Rs.0.13 Lacs as tax due relating to the assessment year 2002-03 on account of recalculation of turnover and excess collection of tax. Demand notice has been issued and the matter is pending.

Tax Cases Filed by UBL

1. UBL has filed an Appeal No. 516 of 2006-2007 with the CIT (Appeals) for the AY 2004-05 wherein the assessing authority who concluded the assessment for the previous year declined to allow the claim aggregating to Rs.322 lacs being bad debts written off during the year 2003-04 and also disallowed interest on borrowed capital aggregating to Rs.732 lacs claimed by UBL, being interest on borrowed

capital. The amount under dispute is Rs.1054 lacs, which has been set off by the department against earlier years carried forward losses. The Appeal is pending.

2. UBL has filed an application with the Additional Commissioner, Commercial Taxes under the West Bengal Sales Tax (Settlement of Dispute) Rules, 1999, for improper claim of Interest on Turn Over Tax, where the Assistant Commissioner erred in determining the interest at Rs.4225019/- instead of Rs.217661/- and imposing penalty of Rs.20000/- An amount of Rs.200400/- has already been paid before making this application. The matter is pending hearing.
3. In connection with granting of exemption under a notification issued by the Government of India under the Customs Act, UBL had filed a Writ Petition being 2487 of 1991 in the High Court at Bombay with regard to a disputed duty of Rs.20.33 Lacs on import of Crown Labelling Machine in 1991 and UBL had given a Bank guarantee for this amount. The matter has been disposed off taking a view from the judgment in a SLP filed by Kalyani Breweries Limited (now UBL) and accordingly, UBL is liable to pay the said amount of Custom duty
4. A Writ petition no 1464-66 of 1998 have been filed by the Commissioner of Customs, Chennai at the High Court of Madras against the Order passed by the Delhi bench of CEGAT with regard to Custom duty payable on import of Automatic Labelling Machine by Palakkad unit claiming a sum of Rs.29.72 Lacs. UBL had filed its Writ Miscellaneous petition for dismissal of the petitions on the ground that the department had an alternate remedy to approach the Supreme Court than the High Court. The matter is pending.
5. UBL has filed a Writ Petition being 8228 of 1997 before the High Court of Andhra Pradesh claiming exception from payment of Excise Duty on Beer which remained in stock due to sealing of brewery as per A P Prohibition Ordinance and had to be drained out later (after permission of the Government) as it was considered to be unfit for human consumption. The Excise department had raised a demand of Rs.5.71 lacs being the duty on the drained out beer. The High Court has granted interim stay against the demand. The matter is pending.
6. UBL was purchasing CO2 gas at lower tax on the basis of G2 Registration Certificate against the issue of G forms. In 1996 the Government withdrew the reduced rate tax facility on all type of gases however, However, the item CO2 gas was deleted from the G2 registration certificate of UBL only in 1999 and UBL continued to avail the benefit of reduced tax on CO2 gas till 1999. In 2003, penalty of Rs.276,948 and Rs. 123,981 was imposed on UBL for the year 1997-98 and 1998-99 respectively. Against this order an appeal was filed by UBL before the Appellate Deputy Commissioner (CT) and the Appellate Deputy Commissioner (CT) granted the stay subject to payment of Rs.133,643 being 1/3rd of the disputed amount which was duly paid by UBL. However, later the Appellate Deputy Commissioner (CT) dismissed the appeal filed by UBL and thereafter UBL filed a second appeal before the Sales Tax Appellate Tribunal (STAT) along with inter locutory petition for stay against the recovery of disputed penalty amount. While the appeal was pending before STAT, the department had taken steps for recovery of the disputed penalty amount and UBL had approached the High Court for stay against such recovery. The Hon'ble High Court has granted the stay against recovery of the disputed amount pending disposal of the appeal by the Tribunal. The matter is pending before STAT.
7. The Joint Commissioner of Commercial Taxes, Mangalore has raised an additional demand of Rs.10.88 lacs revising the entry tax assessment order of 2002-03 contending that entry tax is applicable on all raw materials and inputs used for manufacture of liquor. UBL has filed an appeal being 1273 of 2005 before the Appellate Tribunal, the matter is pending.
8. UBL has filed seven appeals in the Sales Tax Appellate Tribunal and two appeals before the Deputy Commissioner (Appeals) against the Sales Tax Department, Kerala in view of demands raised by them for assessing C - Forms and various issues like, interest on turnover tax, payment of penalty, bottle deposits, packaging materials, cash discount etc., for the AY from 1975-76 to 1998-99 and 2000-01 to 2001-02. The total amount involved in these cases comes to Rs.54.04 lacs. These matters are pending.

Show Cause Notices

1. A show cause notice for Rs.31,73,990/- was issued by the Office of the Deputy Commissioner of Customs, Siliguri to UBL for payment of additional duty of customs on beer imported from Nepal. UBL has filed its reply and no further proceedings have been initiated.
2. A show cause notice for Rs.4,69,54,417/- has been issued by the Office of the Commissioner of Service Tax, Bangalore as service tax on Intellectual Property Service for the period 1.7.2006 to 31.3.2007 for permitting the use of trademarks of UBL to other companies. UBL is in the process of filing its reply.

Cases Filed by Association of which ABDL (Now Merged With UBL) is a member

1. Thane Belapur Industries Association on behalf of all companies in Thane has filed a writ petition No._71 of 1996_before Hon'ble High Court of Bombay against Navi Mumbai Municipal Corporation seeking relief by reduction in property tax rate. However, UBL is currently paying property tax at current rates prescribed by NMMC and there is no liability on UBL. The matter is pending.

Criminal Cases Filed By ABDL (Now Merged With UBL)

1. A Complaint No. 315 of 2004, 261 of 2005 and 701 of 2005 under Section 138 of the Negotiable Instruments Act, 1881 has been filed by ABDL against Angels Sales & Marketing Private Limited and others before Metropolitan Magistrate, Mumbai, as the cheque of Rs.2,00,000/- each issued by Angels Sales & Marketing Private Limited was dishonoured. The complaint is pending for hearing.

Civil Cases Filed By (Associated Breweries & Distilleries Limited (ABDL) Now Merged With UBL)

1. A Summary Suit No. 3067 of 2002 has been filed by ABDL against Nicky Wines and others ("NW") before High Court of Mumbai for decree against NM to pay a sum of Rs.1,65,346.80/- to ABDL towards supply of goods. The Matter is pending.
2. A Summary Suit has been filed by ABDL against Scott Wines Private Limited and others ("SWPL") before High Court of Mumbai for decree of Rs.64,847.34/- together with interest @ 6% from the date of the order till the realization of the amount against SWPL towards supply of goods. Suit is decreed in favor of ABDL.
3. A Summary Suit No. 842 of 2002 has been filed by ABDL against Pickval Traders and others ("PT") before High Court of Mumbai for decree of Rs.2,59,368.8 /- together with interest @ 18% from the date of the order till the realization of the amount against PT towards supply of goods. Suit is decreed in favor of ABDL.
4. A Summary Suit No. 1735 of 2003 has been filed by ABDL against Atlantic Wines before High Court of Mumbai for decree of Rs.5,47,934/- with interest against Atlantic Wines towards supply of goods. The Matter is pending.
5. A Summary Suit No. 3794 of 2003 has been filed by ABDL against Jaycky Wines before High Court of Mumbai for recovery of Rs.6,43,579/- with interest towards supply of goods. The summary suit has been decreed in favour of ABDL and the High Court has ordered Jaycky to pay a sum of Rs.6,43,579/-.
6. A Summary Suit No. 2064 of 2002 has been filed by ABDL against International Traders before High Court of Mumbai for recovery of Rs. 6,44,606/- with interest towards supply of goods. The summary suit has been decreed in favour of ABDL and the High Court has ordered the International Traders to pay a sum of Rs. 6,44,606/-.
7. An Arbitration Application No. 4 of 2004 has been filed by ABDL against H. Dasappa & Sons ("HDS") before High Court of Mumbai for Appointment of an Arbitrator to adjudicate disputes and differences between ABDL and HDS arising out of or in connection with Agreement dated April 30, 1994 for advance towards bottling of beer. The Matter is pending.
8. An Execution case has been filed by ABDL against Neelkanth Enterprises before District Judge, Patna for recovery of Rs.2,73,378/- along with interest for supply of goods in Summary Suit No. 839 of 1995. The execution petition is pending.

Labour Cases Filed against ABDL (Now Merged With UBL)

1. Mr. Vivekanand B Patil, an ex employee has filed a complaint under the Industrial Disputes Act before Labour Commissioner, 2nd Industrial Court seeking reinstatement with back wages. The matter is pending.
2. Mr. Pandharinath D. Patil, an ex employee has filed a complaint under the Industrial Disputes Act before Labour Commissioner, 3rd Labour Court seeking reinstatement with back wages. The matter is pending.
3. A Complaint filed by Mr. Navnath Patil & others before the Industrial Court under the Industrial Disputes Act, seeking restraint order against ABDL for not to sale / transfer or create third party interest over the moveable and non-movable property. The matter is pending.
4. Mr. Vidyanand B Patil, an ex employee has filed a complaint under the Industrial Disputes Act before Labour Commissioner, 3rd Labour Court seeking reinstatement with back wages. The matter is pending.
5. A labour case has been filed by Konkan General Kamgar Union against ABDL in the labour court at Thane for reinstatement of 25 House Keeping contract Workmen. Written statement has been filed by ABDL and the matter is pending.

Income Tax Appeals Filed By ABDL (Since Amalgamated With UBL)

1. For the Assessment Year 1998-99, ABDL had filed an Income Tax return showing a loss of Rs.338.02 lacs while as per the assessment order, the total loss was assessed at Rs.22.45 lacs only. ABDL filed an appeal before the Commissioner of Income Tax (Appeals) [CIT (A)] which was dismissed ex-parte. Against the ex-parte order, an appeal was filed before Income Tax Appellate tribunal (ITAT) which has set aside the earlier order of CIT (A) and remanded the matter back to it for fresh disposal after hearing the case on merits. The matter is pending.
2. The original assessment order for the Assessment Year 1998-99 was revised by the Income Tax department under section 147 of the Income-tax Act and further additions to the tune of Rs.127.05 lacs were made to the assessed income. ABDL had filed an appeal with the CIT (Appeals) and the matter has been heard by the CIT (Appeals). Final hearing is over and order is awaited.
3. As against the Income Tax return showing a loss of Rs. 1088.25 lacs for the Assessment Year 2001-02, the assessment order by the Income Tax Officer assessed a loss of only Rs.936.35 lacs by disallowing expenses under various heads, ABDL filed an appeal before the CIT (Appeals) against the assessment order wherein the disallowances were upheld except for a sum of Rs. 40.45 lacs which was not dealt with in the appeal for which a Miscellaneous Application has been filed. ABDL has filed an appeal before the ITAT against the order of CIT(Appeals). The matter is pending.
4. ABDL has filed a Miscellaneous Application before CIT (Appeals) for not dealing with a sum of Rs.40.45 lacs pertaining to write back of actuarial provision for gratuity payable to employees in view of VRS Settlement and the same was disallowed due to oversight. Final hearing yet to take place on this ground. With regard to carry forward of unabsorbed losses for past years has been decided against ABDL. The matter is pending final hearing.
7. The assessing officer has levied a concealment penalty of Rs. 58.53 lacs under Section 271 (1) (c) of the Income-tax Act based on the order of CIT (Appeal) disallowing the expenses for the Assessment Year 2001-02. ABDL has filed an appeal and the matter is pending.

Criminal Complaint Filed by Karnataka Breweries and Distilleries Private Limited (KBDL) (Now Merged with UBL)

1. Criminal Complaint bearing no. CC6937of 2004 under Section 138 of the Negotiable Instruments Act has The matter is been filed by KBDL against Gopal S R for dishonor of cheque of an amount of Rs. 3,53,311.50 being outstanding for supply of beer. The matter is pending.

2. Two Criminal Complaints bearing no. CC14952 of 2003 & CC14953 of 2003 under Section 138 of the Negotiable Instruments Act have been filed by KBDL against Mohan Jain for dishonor of cheques of amounts Rs. 69,806/- & Rs. 84,231/-_being outstanding for supply of beer. The matter is pending.
3. Criminal Complaint bearing no. CC1950 of 2004 under Section 138 of the Negotiable Instruments Act was filed by KBDL against Geetha B E for dishonor of cheque of an amount of Rs.2,38,586 being outstanding for supply of beer. The Court passed an order in favour of KBDL. The accused filed an appeal against the order which was also dismissed. Non bailable warrant has been issued against the accused. The matter is pending.

Civil Cases Filed Against Karnataka Breweries and Distilleries Private Limited (KBDL) (Now Merged with UBL)

1. Summons have been issued under the Factories Act 1948 and Karnataka Factories Rules, 1969 to the Occupier and Manager for employing women workers beyond the working hours specified in the Rules. UBL has filed its vakalat and the matter is pending.

Civil Cases Filed by Karnataka Breweries and Distilleries Private Limited (KBDL) (Now Merged with UBL)

1. A Recovery suit bearing no. 754 of 2002 has been filed by KBDL against M/s Ravi Traders for recovery of an amount of Rs.3,42,604 along with interest @ 24% p.a. being outstanding for supply of beer. The matter is pending.
2. A Recovery suit bearing no. 263 of 2003 has been filed by KBDL against M/s Mahalaxmi Wines for recovery of an amount of Rs.1,38,042 along with interest @ 24% p.a. being outstanding for supply of beer. The matter is pending.
3. A Recovery suit bearing no.30 of 2004 has been filed by KBDL against M/s Durga Enterprises for recovery of an amount of Rs. 4,00,478 along with interest @ 24% p.a. being outstanding for supply of beer. The matter is pending.
4. The erstwhile Management of KBDL (now merged with UBL) had terminated the services of 49 workmen who are on the rolls of Brewery. The Internal Union in the name and style of KBDL Employees Welfare Association raised conciliation proceedings before the Assistant Labor Commissioner which ended in failure and the matter was referred to the Government. The Government of Karnataka referred the dispute for adjudication under Section 10(1) (c) / (d) of Industrial Disputes Act, 1947 to the First Additional Labor Court for adjudication which is pending before the First Additional labor Court in Reference No 25 of 2005. When the proceedings were in progress, the Hon'ble Labour Court passed an order of Interim Relief @ 2000/- (Rupees Two Thousand only) per workmen for a total of 44 workmen effective 03.01.2006 vide its Order dated 17.04.2007. Subsequently, KBDL challenged the Orders of the Hon'ble Labor Court before the Hon'ble High Court of Karnataka in the Writ Petition bearing No 7442 / 2007. The High Court was pleased to grant an Interim Stay of operation of the Orders of the Hon'ble Labour Court on Interim Relief pending disposal of the Writ Petition vide its Orders dated May 4, 2007.

Thereafter, the Hon'ble High Court, disposed off the above Writ Petition No 7442 / 2007 vide its Orders dated 03.09.2007 with observations that the Management is at liberty to adduce any evidence acceptable to the Court about the gainful employment of the workmen within four weeks from the dated of the Orders of the Hon'ble Court and if any workman is found to be gainfully employed, he would not be entitled for Interim Relief and set a time line for disposal of the Reference No 25 of 2005 within Six months from the date of production of the copy of Orders of the High court before the Hon'ble Labor Court.

Being aggrieved by the Orders of the learned single judge, in the above Writ Petition, 7442 of 2007 KBDL has filed a Writ Appeal bearing No 1854 of 2007 which is admitted and is pending.

5. The State Excise Department, Karnataka, had raised a demand aggregating to Rs. 67.22 lakhs against KBDL (now merged with UBL) claiming payment of additional excise duty on declared price on 330 ml Kingfisher Strong beer. In fact, the declared price was approved by the Excise department but KBDL did not bottle the beer with the said declared price and later lowered the price of beer and sought another

approval for revised declared price. Aggrieved by this demand, KBDL has filed a Writ Petition in the High Court of Karnataka to quash this demand. KBDL obtained a stay and in compliance with the interim orders of the High Court, KBDL has paid an amount of Rs.30 lacs. No further action on recovery is taken by the department.

AVENTIS PHARMA LIMITED (“APL”)

The details of the pending litigations APL, as on September 30, 2007, were as follows:

Contingent Liabilities not provided: Nil amount has been shown in the Annual Accounts of APL for 2006 as contingent liability for all items other than tax demands.

Tax demands in respect of which Tax Authorities have appealed against orders in APL's favour for Rs.6,046.45 lakhs as on 31st December 2006. Tax demands in respect of which the APL's appeals are pending before appropriate authorities for Rs.6,184.69 lakhs as on 31st December 2006.

Labour Court cases filed by or against APL as on September 30, 2007 are as follows:

Sr. No.	Name of the Parties	Filed by or against APL	Comp ULP / Application ID/Type of Case	Pending before	Subject	Amount Claimed	Next Date	Current status
1	Mr. Ashok Mane Vs HMR Ltd (since merged with APL)	Filed against APL	IDA - 949 / 1998	7th Labour Court Mumbai	Terminated wef 1.4.95 raised dispute under ID Act 1947 for reinstatement with continuity of Service and full back wages	Full back wages if decision is given against APL	15-Feb-07	Award is awaited from Labour Court's office.
2	HMR Ltd. Vs 35 occupants of the Staff Quarters	Company has filed against 35 Ex staff	Small causes court	Small causes court	Eviction of Mulund Staff Quarters	Eviction of Mulund Staff Quarters	Case is still to be heard for admission	Submission of Evidence against the Defendants has commenced.
3	HMR Ltd. Vs 35 occupants of the Staff Quarters	Company has filed against 35 Ex staff	Criminal Complaint under section 630 of Co Act	Mulund Criminal Court	Eviction of Mulund Staff Quarters	Unauthorisedly holding company's property	23-Nov-07	Decision in Company's favour. Court will now commence recording of Evidence.
4	Madan & Goryia - Med Rep	Company has filed against two Ex MRs upon decision from Labour Authority on claim submitted	Matter under ID act	Labour Court	Reinstatement with full back wages & continuity of Service	Full back wages if decision is given against APL	Fixed for hearing in June 2007	Matter adjourned due to non-appearance of Mr.Goryia.

		by the two Ex MRs. (Discipline matter)						
5	Mr Prasad - Med Rep	Company has filed	Writ Petition	Hyderabad High Court	Reinstatement with full back wages & continuity of Service	Company has deposited wages and paying monthly wages to the ex MR upon decision from Labour Court.	Not listed on the board till date.	Matter pending in the Andhra Pradesh High Court.
6	S C Pattnaik	Filed against APL	Civil Suit	Behrampur Civil Court	Leave encashment payment after VRS	87,959	Not given by the court after first extension	Settlement yet to take place.
7	Mr Natarajan	Filed against APL	Labour court	Labour Court Chennai	Claim towards wages, bonus & other benefits	2,45,675	11-Nov-06	Hearing is going on.
8	HMR Ltd. Vs 34 occupants of the Staff Quarters (Complainants)	Filed against APL	Industrial Court	Industrial Court - Section 28 of MRTU & PULP Act, 1971 No.528 of 2006	To refund Income tax amount deducted during VRS scheme amounting to Rs.12,81,213/- along with difference payable under VRS schedule amounting to Rs.756,958/-	20,38,171	Listed on Board on 23-11-07	Judge will commence hearing of our plea of Non-employees and Time barred.
9	Raymond D'Cruz & 20 others	Against APL	Alleged non-payment of dues- amount varies per individual	11 Labour Court, Mumbai	Case filed under Section 33-C of Industrial Dispute Act, 1947 for non-payment of legal dues- Hearing fixed on 9th Oct 2007			Hearing fixed on 9th Oct 2007

Excise, Customs, Civil and Consumer court cases filed by or against APL as on September 30, 2007 are as follows:

Sr. No.	Name of Party	Filed by or against	Amount Claimed	Type of Case filed	Current status
		APL	(Rs.)	Civil / Criminal / Tax	
1	Asst Commissioner of Central Excise, Bharuch	Filed by APL	48,672	Appeal against order for recovery of duty-alleged wrong availment of Modvat Credit	Hearing is awaited.
2	Asst Commissioner of Central Excise, Mulund	Filed against APL	12,697	Appeal by Excise Dept. against Order of Asst. Commissioner	Hearing is awaited.

3	Commissioner of State Excise, Maharashtra	Filed by APL	23,156,169	Review Application before CBEC, New Delhi on the issue whether Central or State Excise Duty payable under MNTP Act	Hearing taken place. Order is awaited.
4	Superintendent of State Excise, Pune	Filed by APL	13,207,200	Appeal & Stay Application against the Order passed by the Supt. of State Excise	Stay granted, Appeal will be heard after the decision of Bombay High Court in another similar case.
5	Commissioner of Central Excise, Surat	Filed by APL	18,900,670	Appeal & Stay Application before the Tribunal against the Order of Commissioner	Stay granted on condition that amt of Rs.241458/- will not be utilised from RG23 pending the final disposal of Appeal. Appeal still to come up for hearing.
6	Jt. Commissioner of Central Excise, Mumbai	Filed by APL	788,358	Appeal & Stay Application before the Tribunal against the Order of Commissioner (Appeals)	Stay granted against the penalty of Rs.294,179/-. Hearing is awaited.
7	Jt. Commissioner of Central Excise, Surat	Filed by APL	859,878	Appeal & Stay Application before the Commissioner (Appeals) against the Order of Jt. Commissioner	Order is awaited.
8	Jt. Commissioner of Central Excise, Surat	Filed by APL	360,758	Appeal & Stay Application before the Commissioner (Appeals) against the Order of Jt. Commissioner disallowing modvat credit	Order is awaited.
9	Assistant Commissioner of Customs	Filed by APL	137,962	Writ Petition filed with Bombay High Court for refund of Custom Duty paid under mistake of law	Hearing is awaited.
10	Government of West Bengal	Filed by APL	NIL	Writ Petition filed with Calcutta High Court challenging the validity of Turnover Tax	Writ Petition is pending.
11	Government of Uttar Pradesh	Filed by APL	NIL	Writ Petition filed with Allahabad High Court challenging the validity of additional tax	Writ Petition is pending.
12	Mahalaxmi Medical Store, Gwalior - Distributor	Filed against APL	293,517	Suit filed for wrongful termination of Distributorship Agreement	Hearing is awaited
13	Mr. D. Ramachar, Madras - Consumer	Filed against APL	688,221	Suit filed for claiming damages-FMD Vaccine	Judgment is awaited
14	Ajanta Enterprises, Cuttuck - Distributor	Filed against APL	219,538	Suit filed for wrongful termination of Distributorship Agreement - Appeal filed against the order of Sub-Judge before the Cuttuck High Court	Appeal is pending
15	Mrs. Anju Anand, Jammu - Consumer	Filed against APL & its Distributor - Nishat Medicos	100,000	Appeal before the State Consumer Forum, Jammu for granting compensation of Rs.1500 instead of Rs.100000/- claimed by the Consumer	Appeal is pending

16	State of Madhya Pradesh - through B. K. Alexander, Drugs Inspector, Balaghat & Mandla	Filed against APL & 8 other Distributors	NA	Criminal -alleged violation of DPCO	Company has filed Misc. Criminal Petition before Jabalpur High Court for quashing the Criminal Proceedings in Mandla Court, Hearing is awaited.
17	State of Uttar Pradesh	Filed against APL & 3 of its ex-employees	NA	Criminal -alleged violation of DPCO	Session Court has acquitted APL & other accused,hence Uttar Pradesh State filed the Revision Petition before the Lucknow High Court, Petition is pending.
18	Chiron Behring Vaccines Pvt. Ltd.& 4 others	By APL	NA	Civil Suit in Bombay High Court against Chiron Behring Vaccines Ltd. contesting the notice of non-renewal of distribution rights given to APL for Rabipur Vaccine for India and Nepal.	The Suit is pending.
19	Mr. Rajnish Kapoor, Jabalpur	Filed against Government and APL	NIL	Writ Petition in Jabalpur High Court seeking banning of certain drugs, including Novalgin, in India	Company's reply filed.
20	State Drugs Inspector, Karnataka & APL, Managing Director of APL, C&F Agent	Filed against APL & others	NA	Criminal	Stay continues.
21	Bhagwanlal Jaiswal & 2 others, Bilaspur	Filed against APL & Apollo Pharmacy, Bilaspur	4,48,499	Appeal before the State Consumer Dispute Redressal Commission, Raipur	Appeal filed by the party against Order dated 4th June 2007 of the Consumer Forum, Bilaspur dismissing the complaint. Hearing of the Appeal fixed on 26/10/07
22	K.P.Distributors, Jaipur	By APL	17,00,000	Criminal Petition before Chief Judicial Magistrate, Jaipur under Sec.138 of Negotiable Instruments Act,1881 and Sec.420 of Indian Penal Code for Cheque dishonoured by the Distributor	Case is pending
23	Pre-Litigation: DPEA Claim of Govt. of India	<p>Consequent upon the decision of the Supreme Court in the matter of prices of certain bulk drugs fixed by the Government of India under the Drug (Prices Control) Order, 1979, APL paid an amount of Rs. 31,200 thsd in 1988 being the liability determined by the Special Team appointed by the Government. However, during 1990, fresh demands aggregating to Rs.781,000 thsd alleged to be payable into the Drug Prices Equalisation Account (DPEA) were made by the Government on account of alleged unintended benefit enjoyed by APL. The Government has also made certain claims for applicable interest. On a Writ Petition filed by APL in 1991, the Bombay High Court passed an order whereby the demands were to be treated as show cause notices. The High Court directed APL and the Government to furnish relevant data to each other based on which the Government was to rework the figures. The Government did not furnish the requisite data to APL. In 1995, a further demand of Rs.79,500 thsd was made by the Government.</p> <p>In the meantime, a Committee was constituted by the Government to determine the liabilities of</p>			

		<p>the Drug Companies. APL filed Written Submissions with the Committee and contended during the personal hearing that in the absence of the Government furnishing the requisite data as directed by the Bombay High Court, APL was not in a position to make an effectual presentation before the Committee.</p> <p>In January 1999, APL filed an Application before the Bombay High Court seeking directions to the Government to furnish the requisite data. The Application is pending. In the meantime, the Committee has deferred further hearing of APL's case, until the Application is heard and decided by the Bombay High Court. In any event, APL is contesting the above demand."</p>
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Income Tax and Sales Tax cases filed by or against APL as on September 30, 2007 are as follows:

SR NO	NAME OF THE PARTY	ASSESSMENT YEAR	FILED BY OR AGAINST APL	AMOUNT CLAIMED	TYPES OF CASE FILES CIVIL/CRIMINAL	CURRENT STATUS
1	Dy CIT, Spl Range 1, Mumbai	1986-87	By the Co. before Income Tax Appellate Tribunal, Appeal No. 9268/M/90	Amount will be computed on receipt of the Order	Appeal against the order of Commissioner of Income Tax (Appeals)	Order is awaited
1 a	Dy CIT, Spl Range 1, Mumbai	1986-87	By Tax Dept before Income Tax Appellate Tribunal, Appeal No.9040/M/90 (against APL)	Amount will be computed on receipt of the Order	Appeal against the order of Commissioner of Income Tax (Appeals)	Order is awaited
2	Dy CIT, Spl Range 1, Mumbai	1987-D6688	By Tax Dept before Income Tax Appellate Tribunal, Appeal No. 3844/M/91 (against APL)	Amount will be computed on receipt of the Order	Appeal against the order of Commissioner of Income Tax (Appeals)	AO has to pass the order giving effect to the Tribunal Order
3	Dy CIT, Spl Range 1, Mumbai	1990-91	By the Co before Income Tax Appellate Tribunal, Appeal No. 1625/M/94	Amount will be computed on receipt of the Order	Appeal against the order of Commissioner of Income Tax (Appeals)	Order dt. 23 02.07 received on 17.08.07. No major relief. AO has to pass the order giving effect to the Tribunal Order
4	Dy. CIT, Spl Range 43, Mumbai	1991-92	By the Co before Income Tax Appellate Tribunal, Appeal No. 2667/M/95	Amount will be computed on receipt of the Order	Appeal against the order of Commissioner of Income Tax (Appeals)	Order dt. 10.01.07 received. AO has to pass the order to give effect to the Tribunal Order.
4 a	Dy. CIT, Spl Range 43, Mumbai	1991-92	By Tax Dept before Income Tax Appellate Tribunal, Appeal No.2704/M/1995 (against APL)	Amount will be computed on receipt of the Order	Appeal against the order of Commissioner of Income Tax	AO has to pass the order giving effect to the Tribunal Order
5	Dy. CIT, Spl Range 43, Mumbai	1992-93	By the Co. before Income Tax Appellate Tribunal, Appeal No. 9133/M/1995	Amount will be computed on receipt of the Order	Appeal against the order of Commissioner of Income Tax (Appeals)	AO has to pass the order giving effect to the Tribunal Order

5 a	Dy. CIT, Spl Range 43, Mumbai	1992-93	By Tax Dept before Income Tax Appellate Tribunal, Appeal No.9523/M/1995 (against APL)	Amount will be computed on receipt of the Order	Appeal against the order of Commissioner of Income Tax (Appeals)	AO has to pass the order giving effect to the Tribunal Order
6	Asst. CIT, Range 8(1), Mumbai	1995-96 (Re-opened assessment u/s143(3) read with Sec 148)	By the Co. before Income Tax Appellate Tribunal, Appeal No. 3084/M/2004	Rs.8.9 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Consolidated with the dept's appeal and fixed for hearing on 16.08.07. Bench was not functioning on 16.08.07
6 a	Asst. CIT, Range 8(1), Mumbai	-----do----- ----	By Tax Dept before Income Tax Appellate Tribunal, Appeal No. 3002/M/2004 (against APL)	Rs. 1.92 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Fixed for hearing on 16.08.07. Bench was not functioning on 16.08.07
6 b	Dy. CIT, Spl Range 43, Mumbai	1995-96 (Penalty u/s 271)	By Tax Dept before Income Tax Appellate Tribunal, Appeal No. 693/M/2006 (against APL)	Rs. 17.6 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Not fixed for hearing
7	Addl. CIT, Spl Range 34, Mumbai	1996-97	By the Co. before Income Tax Appellate Tribunal, Appeal No. 1582/M/2001	Amount will be computed on receipt of the Order	Appeal against the order of Commissioner of Income Tax (Appeals)	Order is received on 28th May 2007. All matters are decided in favour.
7 a	Addl. CIT, Spl Range 34, Mumbai	1996-97	By Tax Dept before Income Tax Appellate Tribunal, Appeal No. 2273/M/2001 (against APL)	Rs.69.7 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Order is received on 28th May 2007. All matters are decided in favour.
7 b	Joint CIT, Spl Range 23, Mumbai	1996-97 (Roussel India Limited)	By the Roussel India Limited before Income Tax Appellate Tribunal, Appeal No. 4177/M/2003	Rs. 36.5 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Fixed for hearing on 20th Sept 2007, but Bench was not functioning on that day. Fresh Notice is awaited.
7 c	Joint CIT, Spl Range 23, Mumbai	1996-97 (Roussel India Limited)	By Tax Dept before Income Tax Appellate Tribunal, Appeal No. 4483/M/2003 (against Roussel India Limited)	Rs.4.8 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Fixed for hearing on 20th Sept 2007, but Bench was not functioning on that day. Fresh Notice is awaited.

8	Addl. CIT, Spl Range 34, Mumbai	1997-98	By the Co. before Income Tax Appellate Tribunal, Appeal No. 2519/M/2001	Amount will be computed on receipt of the Order	Appeal against the order of Commissioner of Income Tax (Appeals)	Order is received on 28th May 2007. All matters are decided in favour.
8 a	Addl. CIT, Spl Range 34, Mumbai	1997-98	By Tax Dept before Income Tax Appellate Tribunal, Appeal No. 3120/M/2001	Rs.90.0	Appeal against the order of Commissioner of Income Tax (Appeals)	Order is received on 28th May 2007. All matters are decided in favour.
8b	Joint CIT, Spl Range 23, Mumbai	1997-98 (Roussel India Limited)	By the Co. before Income Tax Appellate Tribunal, Appeal No. 4178/M/2003	Rs. 124.1 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Fixed for hearing on 20th Sept 2007, but Bench was not functioning on that day. Fresh Notice is awaited.
8c	Joint CIT, Spl Range 23, Mumbai	1997-98 (Roussel India Limited)	By Tax Dept before Income Tax Appellate Tribunal, Appeal No. 4484/M/2003 (against APL)	Rs.8.0 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Fixed for hearing on 20th Sept 2007, but Bench was not functioning on that day. Fresh Notice is awaited.
9	Addl. CIT, Spl Range 34, Mumbai	1998-99	By the Co. before Income Tax Appellate Tribunal, Appeal No. 4919/M/2001	Amount will be computed on receipt of the Order	Appeal against the order of Commissioner of Income Tax (Appeals)	Refixed for hearing on 1st Oct 2007
9 a	Addl. CIT, Spl Range 34, Mumbai	1998-99	By Tax Dept before Income Tax Appellate Tribunal, Appeal No. 4993/M/2001 (against APL)	Rs. 156.8 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Refixed for hearing on 1st Oct 2007
9 b	Asst. CIT, Range 8(1), Mumbai	1998-99 (against rectification order u/s 154)	By the Co. before Income Tax Appellate Tribunal, Appeal No. 4179/M/03	Amount will be computed on receipt of the Order	Appeal against the order of Commissioner of Income Tax (Appeals)	Fixed for hearing on 20th Sept 2007, but Bench was not functioning on that day. Fresh Notice is awaited.
10	Asst. CIT, Range 8(1), Mumbai	1999-00	By the Co. before Income Tax Appellate Tribunal, Appeal No. 4180/M/03	Rs. 155.3 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Fixed for hearing on 20th Sept 2007, but Bench was not functioning on that day. Fresh Notice is awaited.

10 a	Asst. CIT, Range 8 (1), Mumbai	1999-00	By Tax Dept before Income Tax Appellate Tribunal, Appeal No. 4485/M/2003 (against APL)	Rs. 42.1 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Fixed for hearing on 20th Sept 2007, but Bench was not functioning on that day. Fresh Notice is awaited.
11	Asst. CIT, Range 8(1), Mumbai	2000-01	By the Co, Appeal No. 3703/M/04	Rs. 161.4 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Adjourned on 26th July 2007 to 22nd Nov 2007
11 a	Asst. CIT, Range 8 (1), Mumbai	2000-01	By Tax Dept before Income Tax Appellate Tribunal, Appeal No 4493/M/04 (against APL)	Rs. 57.7 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Adjourned on 26th July 2007 to 22nd Nov 2007
11 b	Asst. CIT, Range 8 (1), Mumbai	2000-01	Cr. Objection against Tax Dept's appeal filed on 15th Feb. 2005 (Co.65/M/05)	Amount will be computed on receipt of the Order	Appeal against the order of Commissioner of Income Tax (Appeals)	Adjourned on 26th July 2007 to 22nd Nov 2007
11 c	Asst. CIT, Range 8 (1), Mumbai	2000-01 (Penalty u/s 271)	Co. filed appeal on 30th Jan 2006 before Income Tax Appellate Tribunal (Appeal No.635/M/06)	Rs. 23.4 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Not Fixed for hearing
12	Asst. CIT, Range 8(1), Mumbai	2001-2002	Co. filed appeal on 9th Dec 2004 before Income Tax Appellate Tribunal No.8978/M/04	Rs. 117.5 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Consolidated with Department's appeal and fixed for hearing on 16th Oct 2007
12a	Asst. CIT, Range 8(1), Mumbai	2001-2002	By Tax Dept before Income Tax Appellate Tribunal, Appeal No. 8746/M/04	Rs. 61.2 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Fixed for hearing on 16th Oct 2007
13	Asst. CIT, Range 8(1), Mumbai	2002-03	Co. filed appeal on 18th May 2006 before Income Tax Appellate Tribunal No.3092/M/06	Rs. 72.1 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Not Fixed for hearing
13 a	Asst. CIT, Range 8(1), Mumbai	2002-03	By Tax Dept before Income Tax Appellate Tribunal, Appeal No 3187/M/06 (against APL)	Amount will be computed on receipt of the Order	Appeal against the order of Commissioner of Income Tax (Appeals)	Not Fixed for hearing
14	Dy CIT, Range 8(1) Mumbai	1984-85	By Tax Dept before Income Tax Appellate Tribunal, Appeal No 3668/M/06 (against APL)	Rs.40.0 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Not Fixed for hearing
14a	Dy CIT, Range 8(1) Mumbai	1984-85	Cr. Objection against Tax Dept's appeal filed by the Co. (Co.317/M/06)	Rs.2.0 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Not Fixed for hearing
15	Dy CIT, Range 8(1) Mumbai	1985-86	By Tax Dept before Income Tax Appellate Tribunal, Appeal No 3669/M/06 (against	Rs.1.5 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Not Fixed for hearing

			APL)			
15 a	Dy CIT, Range 8(1) Mumbai	1985-86	Cr. Objection against Tax Dept's appeal filed by the Co. (Co.318/M/06)	Rs.6.0 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Not Fixed for hearing
16	Asst. CIT, Range 8(1), Mumbai	2003-04	By Co. before Income Tax Appellate Tribunal. Appeal No. 1606/M/2007 filed on 20th Feb 2007.	Rs. 120.2 mio	Appeal against the order of Asst. CIT, Range 8 (1), Mumbai	Not Fixed for hearing
17	Asst. CIT, Range 8(1), Mumbai	1987-88 (Penalty u/s 271 (1)©).	By Co. before Income Tax Appellate Tribunal. Appeal No. 1029/M/2007 filed on 5th Feb 2007.	Rs. 0.2 mio	Appeal against the order of Asst. CIT, Range 8 (1), Mumbai	Not Fixed for hearing
18	Asst. CIT, Range 8 (1), Mumbai, CIT & The President of India	1998-99	Filed by the Co. and one of its shareholder. (WP no. 877 of 2006)		Writ Petition filed in the Bombay High Court to quash the reassessment proceedings	Not fixed for hearing.
19	Asst. CIT, Range 8 (1), Mumbai, CIT & The President of India	1999-00	Filed by the Co. and one of its shareholder. (WP no. 878 of 2006)		Writ Petition filed in the Bombay High Court to quash the reassessment proceedings	Not fixed for hearing.
20	Comm. Of Income Tax-8, Mumbai	1984-85	Notice of Motion filed by Tax dept. for condonation of delay in filing appeal against the order of Income Tax appellate Tribunal. (3781 of 2003)	Rs. 16.1 mio.	Notice of Motion filed by Tax dept. for condonation of delay in filing appeal against the order of Income Tax appellate Tribunal.	HC has condoned the delay in filing the appeal by Tax Dept. Matter is entrusted to Kanga & Co to appear & take necessary steps. Fixed for admission of appeal on Oct 3 2007
21	Comm. Of Income Tax-8, Mumbai	1985-86	By the Tax dept. (Appeal No.1117 of 2004		Appeal filed by Tax Dept. in Bombay HC against the order of Income Tax Appellate Tribunal	Appeal was served on the Co. on 31st May 2007. Matter has been entrusted to Kanga & Co. to appear & take all steps necessary for defending the order of ITAT. Fixed for admission of appeal on Oct 3 2007

22	State of Karnataka	1996-97	Filed by the Co. in the Sales Tax Tribunal, Bangalore	Rs. 1.0 mio	Appeal against the order passed by the Sales Tax Officer, Bangalore	Order passed and demand reduced to 68K.
23	State of Karnataka	1999-00	Filed by the Co. in the Sales Tax Tribunal, Bangalore	Rs. 1.7 mio	Not fixed for hearing.	Adjourned from Dec 2006 to April 2007
24	Jt. Comm. of Sales Tax, Mumbai	1998-99	Filed by the Co. before Dy. Comm. of Sales Tax (Appeals), Mumbai	Rs. 0.2 mio	Not fixed for hearing.	Not fixed for hearing.
25	Jt. Comm of Sales Tax, Ankleshwar	2000	Filed by the Co. before Jt. Comm. of Sales Tax (Appeals), Vadodra	Rs. 1.0 mio	Fixed for hearing on 11th April 2007.	Hearing adjourned.
26	Dy. Comm of Sales Tax, Ankleshwar	2001	Filed by the Co. before Jt. Comm. of Sales Tax (Appeals), Vadodra	Rs. 0.3 mio	Fixed for hearing on 11th April 2007.	Hearing adjourned.
27	Dy. Comm of Sales Tax, Ankleshwar	2002	Filed by the Co. before Jt. Comm. of Sales Tax (Appeals), Vadodra	Rs.1.82 mio	NA	Not fixed for hearing.

Other Litigations:

- Litigations involving Securities Related Offences: NIL
- Litigation /disputes in overseas jurisdictions ; NIL
- Provisions made for litigations: Provisions made against litigations amount to Rs 8113 lacs
- Overdue debt: There are no present overdues in any form. There have also been no past instances of defaults in the last five years.
- Overdue interest/principal as on date: NIL
- Roll over / Re-scheduling of loans or any other liability: NIL
- Labour problems / closure as listed below: NIL
- Guarantees given: Export commitment to be fulfilled under EPCG and Advance Licence scheme as for Rs.2021 lakhs.
- List of penalties levied by any statutory authority / body in the past on APL or its directors: There have no penalties levied by any statutory authority body in the past on APL or its Directors.

Any impact on / linkage with the Issuer that APL may be aware of

APL is not aware of any impact on UB Engineering Limited due to the litigations listed in the file.

Transactions undertaken or financed by APL in the shares of UB Engineering Limited

APL has not undertaken or financed transactions in the shares of UB Engineering Limited.

SHAW WALLACE & COMPANY LIMITED (“SWCL”)

Criminal Cases filed against the former Directors of SWCL

1. Complaint Nos. 1195 and 1196 of 1997 were filed by Mr. A K Murmu, Assistant Director, Enforcement Directorate in High Court of Kolkata against Mr. N M Thakur, ex - director of SWCL under Section 56 of the Foreign Exchange Regulation Act, 1973 (“FERA”) on the allegation that Mr. N M Thakur had failed to comply the requisition of summons sent to him on various dates and thereby committed an offence punishable under Section 56 of FERA. Mr. N M Thakur filed an application under Section 245(2) of Criminal Procedure Code, before Chief Metropolitan Magistrate, Kolkata for discharge from the said complaint wherein Mr. N M Thakur denied and disputed the allegations against him. By an Order dated

May 5, 1999 passed by the Chief Metropolitan Magistrate, Kolkata, Mr. N. M. Thakur was discharged from the said Complaint. Being aggrieved by the said order Mr. A. K. Murmu filed Criminal Revision Nos. 2452 and 2453 of 1999 before Kolkata High Court wherein orders dated January 25, 2001 was passed by the said Court for service of show cause notice to Mr. N. M. Thakur. The Matters have not appeared on the list.

Criminal Cases Filed Against SWCL

1. Complaint No. 806 of 1997 was filed by the Registrar of Companies, Kolkata (“ROC”) before 8th Chief Metropolitan Magistrate Court, Kolkata against SWCL under Section 58A(6) of the Companies Act, 1956 read with Rule 3(2)(ii) of the Companies (Acceptance of Deposit) Rules, 1975 for the year 1995 alleging that SWCL has committed an offence by accepting Public Deposit in excess of the prescribed limit stipulated under the Companies Act, 1956 to the tune of Rs.26,02,750/-. The matter is pending.
2. Complaint No.2679 of 1998 was filled by ROC before Chief Judicial Magistrate Alipore, Kolkata under section 58A(6) of the Companies Act, 1956 to punish SWCL and its directors alleging that SWCL has accepted public deposits without newspaper advertisement, which is a punishable offence under the Companies Act and Companies Acceptable of Deposits Rules. The matter is now pending for evidence of the parties.
3. Complaint No.1127 of 1999 was filed by ROC before Metropolitan Magistrate Court, Kolkata against SWCL under Section 211(7) read with the Schedule VI of the Companies Act, 1956 on the ground that SWCL had not disclosed the amount of "Discount on Sales" in the Accounts for year 1992-93 and 1993-1994 which was required to be disclosed under Section 211 read with item 3(1)(d) of the Part-II of the Schedule VI of the Companies Act, 1956. The matter is pending.
4. Central Bureau of Investigation (“CBI”) has charged ex-officials of SWCL namely Mr. B.P. Shrikant, Mr. B.N. Chatterjee and Mr. P.K. Bhatia along with other persons under the provisions of the Indian Penal Code for committing the offence of forgery and cheating on the grounds that they have supplied Indian Made Foreign Liquor to Mizoram against fake and forged permits during the year 1981 -1982 from different distilleries including Shaw Scot Distillery (SSD), Rampur. The matter is pending for evidence of CBI.
5. A suit was filed by Gopi Ram Goyal (GRG) against Bank of India (BOI) and SWCL for damages on the ground that GRG had repaid the loan of Rs.5 lacs, which was taken from BOI in 1994 against pledge of SWCL’s shares, but there has been considerable delay in transferring the shares in favour of GRG. The Court vide Order dated October 31, 2002 dismissed the suit against SWCL, but decreed against BOI for an amount of Rs.2 lacs with interest. Against the aforesaid order, Appeal No.31 of 2003 has been filed by BOI before Rajasthan High Court and impleaded SWCL as a party. The appeal has been admitted and is pending for hearing.
6. Criminal Complaint No.561 of 1989 has been filed by Quality Control Inspector, Baroda against SWCL and others before the Judicial First Class Magistrate Court, Baroda, on the ground that the sample of Monocrotophos manufactured by SWCL after analysis was found to be sub-standard and contravened the provisions of the Insecticides Act, 1968. Presently the matter is pending for issuance of warrant. SWCL has filed a special criminal application before the Gujarat High Court to set aside the proceedings and pending the disposal of this petition restrain the Quality Control Inspector from proceeding further in the matter. This Application is also pending.
7. Criminal Complaint No. 1004 of 2002 has been filed by Inspector of Agriculture, Belgaum against Mr. K. H. Sonwalkar and others including SWCL before the District Judge & Special Judge, Belgaum on the ground that the sample of nitrogen, phosphorous and potassium mixture supplied by the dealer Mr. K. H. Sonwalkar and manufactured by SWCL after analysis was found to be sub-standard and contravened the provisions of the Insecticides Act, 1968. The matter is pending.
8. Criminal Complaints No. 262 and 263 of 2004 have been filed by Inspector of Agriculture, Guntur against SWCL & others before the First Class Magistrate, Guntur, on the ground that the sample of sulphur after analysis was found to be sub-standard, mis-branded and contravened the provisions of the Insecticides Act, 1968. The matter is pending for trial.

9. Criminal Complaint No. 602 of 2002 has been filed by Inspector of Agriculture, Vijaywada against Sri Satyanarayana Traders and SWCL before the II Additional Metropolitan Special Mobile Court, Vijaywada, on the ground that the sample of super phosphate after analysis was found to be sub-standard, mis-branded and contravened the provisions of the Essential Commodities Act. The matter is pending for trial.
10. Criminal Complaint No. 1134 of 1990 has been filed by Inspector of Agriculture Baroda against SWCL and others before the Judicial Magistrate First Class, Baroda, for violation of the Insecticides Act, 1968 as the insecticides were of a substandard quality. The matter is pending for service of summons.
11. Civil Miscellaneous Appeal No.2771 of 2002 is filed by SWCL against the order dated 10/10/02 made in CP No.6 of 2001 passed by the Company Law Board (CLB). Ms. S. Bhuvaneswari & Others, the minority shareholders of Agro Chemical Industries Limited (ACIL) filed the above CP under section 397/398 of the Companies Act against SWCL group, who was the majority shareholder. CLB directed in its Order the majority shareholders to purchase the shares held by the petitioners. SWCL has settled with the minority shareholders and the aforesaid Civil Miscellaneous Appeal as per the settlement is to be withdrawn. The Civil Miscellaneous Appeal has not yet been withdrawn and is pending.
12. Company Petition No. 81 of 2004 has been filed by Hi Tech Plastics (“HTP”) & Others against ACI Limited (“ACIL”) & SWCL before the High Court, Chennai, for winding up of ACIL on the ground that SWCL and ACIL had failed to pay an amount of Rs.34,16,000/- payable by them to HTP towards various business transactions entered by them from time to time. The High Court heard the matter along with Company Petition 117 of 2003 filed by SWCL for the winding up of ACIL and ordered publication of the winding up petition. The Matter is pending.
13. Complaint No. 3395 of 1985 was filed by ROC before Chief Metropolitan Magistrate Kolkata against SWCL under Section 77(4) of the Companies Act, 1956. It has been alleged in the complaint that SWCL has indirectly given financial assistance to its 3 investment companies to acquire its own (SWCL) shares. On December 17, 2006 SWCL filed Petition under Section 621A of Companies Act to compound the matter. The matter was compounded by CLB. The withdrawal application was filed by ROC which is pending.
14. Criminal Complaint No. 639 of 1995 has been filed by Jayaswal Neco Limited against SWCL before the Judicial Magistrate First Class, Nagpur, under Section 138 of Negotiable Instruments Act, 1881 on account of dishonour of cheques amounting to Rs.50,00,000/- issued by SWCL. The Matter is pending.

Criminal Cases Filed By SWCL

1. Four Criminal Complaints under Section 138 of Negotiable Instruments Act, 1881, being Criminal Complaint Nos. 628 of 2001, 641 of 2001, 644 of 2001 in Magistrate’s Court, Nagpur and 3503 of 2002 in Metropolitan Magistrates Court, Dadar, Mumbai have been filed for penalty and prosecution by SWCL against Vidarbha Traders Enterprises Private Limited (VTEL), as four cheques issued by VTEL amounting to Rs.2,00,000/- each were dishonoured. The three criminal complaints in Nagpur are pending for verification and all the four complaints are pending for issuance of summons. SWCL has recovered an amount of Rs.2,00,000/- out of the said Rs.8,00,000/-. The matters are pending.
2. Mr. A K Baid, entered into a criminal conspiracy with Mr. Mahendra Kr. Goenka and illegally surrendered the sub tenancy of SWCL in respect of 2 flats situated at 11/13 Alipore and prudently converted the tenancy in name of Mr. Satyanarayan Shah and Mr. Manmohan Goenka. Hence Criminal Complaint No. 3458 of 2000 was filed by SWCL before Alipore Court, Kolkata against Mr. A K Baid, Mr. Mahendra Kr. Goenka and Mr. Satyanarayan Shah praying inter alia to the Court to take cognizance of the offence committed by forging documents to surrender the said tenancy of SWCL and subsequently create new tenancy. The Matter is pending.
3. Two Show Cause Notices (SCNs) dated November 06, 1997 and July 26, 2001 were issued to SWCL and its Directors/Executives for contravention of the provisions of the Foreign Exchange Regulation Act, 1973. In the SCN dated 6.11.1997, it has been alleged that SWCL generated unaccounted cash through under invoicing out of export of IMFL made to certain parties during 1989-90 to 1996-97. The said cash was received as commission from the importers by Mr. M. R. Chhabria and/or his nominees resident outside

India in violation of section 9(1)(a) and 16(1)(b) of FERA. In the other SCN dated 26.7.2001, it was alleged that SWCL during the year 1987 to 1989 generated unaccounted cash of Rs.4,25,50,000/- and paid it to Mr. M. R. Chhabria, Dubai in contravention of section 9(1)(a) of FERA. The Special Director of Enforcement vide common order dated 29.3.2004 disposed off the adjudication proceedings and imposed a penalty of Rs.50,000/- each against SWCL in both SCNs and penalty of varying amount against other Directors. Aggrieved by the said order SWCL and Others have preferred appeals before the Appellate Tribunal for Foreign Exchange, New Delhi. The appeals have been admitted and are pending for hearing. Arguments were heard by the Appellate Tribunal on 7.12.2007 and the order is reserved

4. Criminal Complaint No. 567 of 1999 has been filed by SWCL against Durga Fertilizers (“DF”) and others before the IV Additional Metropolitan Magistrate Court, Guntur, under Section 138 of Negotiable Instruments Act, 1881 on account of dishonour of cheque of Rs.1,10,000/- issued by DF on account of agro chemicals goods purchased from SWCL. The case was later renumbered as Criminal Complaint No.4 of 2003. By an Order dated March 6, 2003 passed by the said court, the complaint was allowed. Being aggrieved by the said order DF filed an Appeal No. 124 of 2003 to set aside the said order.
5. Criminal Complaint No.1201 of 2000 has been filed by SWCL against Mr. Jayan Thomas before the Judicial First Class Magistrate – III, Kottayam, under Section 138 of Negotiable Instruments Act, 1881 on account of dishonour of cheque of Rs.1,21,527/-. The case is now considered as a Long Pending case by the Court.
6. Criminal Complaint Nos. 768 of 1996, 1927 of 1996 and 2975 of 1996 have been filed by SWCL against Bee Ess Cargo Forwarders (“BECF”) before the Magistrate Court, Chennai, under Section 138 of Negotiable Instruments Act, 1881 on account of dishonour of cheques amounting to Rs.9,00,000/- issued by BECF towards part payment of airfreight dues payable to SWCL. The Matters are pending.

Civil Cases Filed Against SWCL

1. Suit No. 328 of 1996 has been filed by Casion Finance & Investment (I) Limited (“CFIL”) before Kolkata High Court against SWCL for recovery of Rs.4,11,11,058/- with interest at the rate of 24% per annum on account of non-payment of Inter-Corporate Deposit taken by SWCL from CFIL. Vide order dated November 4, 1997 the Kolkata High Court passed an Order decreeing the suit for Rs.4,11,11,058/-, along with interim interest @ 12% per annum from 3.12.1996. Subsequently, CFIL has gone into liquidation and an Official Liquidator has been appointed. The matter is pending.
2. An application was made by SWCL for registration of Trade Mark “John Ex Shaw” in Class 33 before the Trademarks Registry Calcutta. An order was passed on August 26, 1991 for advertising the above application in Trade Mark Journal. In July 1995 an Opposition No. CAL-2789 was filed before the Trademarks Registry Calcutta by one Chateau De Cognac S.A. Subsequently, the matter has been settled and SWCL has acquired the global rights in respect of the Trade Mark “John Exshaw” from CDC. CDC has thereafter filed an application before the Registry for withdrawal of its opposition.
3. Title Suit 308 of 1989 was filed by Ms.Chhaya Das before the Court of Munsiff, Puri against SWCL for eviction from Ground Floor portion of Haima Nibas, also known as Madhupur House at Chakra Tirtho in Circle No.11, Puri, Orissa of which the SWCL was a sub-tenant. SWCL filed a Title Suit No. 136 of 1989 praying for declaration that SWCL is the statutory tenant. Order of injunction was granted in favour of SWCL which is still in force. Civil Revision No. 81 of 2001 was filed by SWCL before the Court of Munsiff, Puri against Ms. Chhaya Das for analogues hearing of Title Suit 308 of 1989 and Title Suit 136 of 1989. SWCL has filed Miscellaneous Application No.24 of 1997 for the restoration of the Title Suit No.136 of 1989 which was dismissed by the Court for default. The matter is pending for final hearing.
4. SWCL was the lessee of the premises at Plot No. 4/5, Bankshall Street, Kolkata. The Lease Deed dated June 9, 1909 expired in July 1984 but SWCL is still occupying the said premises. The Wakf Board, passed an eviction order against SWCL. SWCL filed a Writ Petition No.1809 of 1996 before the Kolkata High Court where an order was passed on January 9, 2004 allowing the Writ Petition and the Kolkata High Court set aside the order of eviction. Aggrieved by the said Order, the Wakf Board and Wakf Estate have preferred appeals. The Appeals are pending.

5. Nepal Food Corporation (NFC) had filed Suit Nos. 922 of 1979 and 1010 of 1979 before the Calcutta High Court against SWCL claiming compensation for loss of value of goods along with interest and costs amounting to approx. Rs.2 crores. The said suits were decreed in favour of NFC. SWCL filed appeals challenging the decrees and deposited Rs.50 lacs in Court as directed. Vide order dated September 14, 2001 the Calcutta High Court dismissed the appeals filed by SWCL against the decree passed by Single Judge and allowed Nepal Food Corporation to withdraw the amount of Rs.50 lacs with interest accrued thereon deposited by SWCL. Aggrieved by the said order, SWCL filed Special Leave Petitions Nos. 17166 of 2001 and 17163 of 2001 before the Supreme Court of India. Vide an interim Order dated October 5, 2001, the Hon'ble Supreme Court restrained NFC from withdrawing the amount deposited by SWCL. SWCL filed two applications in the execution petition filed by NFC for stay on furnishing of security. The matter has been heard and reserved for judgement.
6. Suit No. 233 of 1996 has been filed by Mr. Hamimull Huda being a co-trustee of the Wakf property situated at 4, Bankshall Street, Kolkata in Kolkata High Court against SWCL inter alia for a decree that SWCL has been occupying the said premises without paying the occupation charges as per the market rate. The Court vide Order dated September 18, 1996 directed SWCL to pay Rs.32,000/- as occupational charges from January 1995 until disposal of the suit. Mr. Hamimull Huda also filed an Injunction application inter alia restraining SWCL from alienating, transferring the premises. The matter is pending.
7. Title Suit No 422 of 1994 has been filled Mr. Santanu Chowdhury before Alipore Court, Kolkata against SWCL for permanent injunction restraining SWCL and its agent from entering into lawn and terrace of premises No.52/4, Ballygunge Circular Road, Kolkata. The said Title Suit was decreed against SWCL. Being aggrieved by the said Order, SWCL filed Title Appeal No.398 of 2001 before Additional District Judge at Alipore. By an Order dated August 30, 2003 passed by the Additional District Judge at Alipore the said appeal was dismissed. Being aggrieved by the said order, SWCL filed appeal bearing SAT No 57 of 2004 before Kolkata High Court to set aside the said Order. SWCL also filed stay petition being CAN No. 133 of 2004 against Mr. Santanu Chowdhury and prayed for injunction for peaceful enjoyment of lawn, portico, outhouses, roof and other tenanted portion and prayed for non-execution of the decree of the lower court. By an order dated February 27, 2004 an exparte injunction was granted in favour of SWCL. Since Mr. Santanu Chaudhury is not allowing free ingress and egress to SWCL, SWCL has filed an application for directing Mr. Santanu Chaudhury to allow free ingress and egress to SWCL, which is pending for disposal.
8. Title Execution No.6 of 1985 has been filed by United Bank of India filed before 10th Assistant District Judge, Alipore, Kolkata against United Flour Mills Company Limited for attachment of rent paid by SWCL to Mr. Santanu Chowdhury in respect to the premises being No.52/4, Ballygunge Circular Road, Kolkata. By an Order passed by 10th Assistant District Judge, Alipore SWCL was directed to pay rent of Rs.650/- which is half the amount of the total rent to Receiver. SWCL has informed that it has paid rent to Receiver till November, 1994 and in month of December, 1994 when the rent was sent to Mr. Sankar Mohan Dhar it was returned, endorsing that Mr. Dhar is dead. SWCL has filed an application on April 10, 1995 before 10th Assistant District Judge, Alipore for direction from the Court as to whom the rent has to be deposited after the demise of Mr. Dhar. The said application is pending. The matter is pending.
9. The Kolkata Municipal Corporation enhanced the Annual valuation of the premises at Bankshall Street, Kolkata from Rs.3,72,600/- to Rs.7,25,120/-. Aggrieved by the order, SWCL filed a Writ Petition bearing No. 471 of 2002 to recall and cancel the order of the Kolkata Municipal Corporation. The Court vide Order dated May 23, 2002 directed SWCL to prefer an appeal before the Kolkata Municipal Corporation and directed Kolkata Municipal Corporation to furnish SWCL with a copy of the assessment order. Accordingly, SWCL filed Municipal Assessment Appeal No. 2163 of 2002. The matter is pending for hearing and arguments.
10. MCL Properties Private Limited (MCL) filed Title Suit No.26 of 2002 (Renumbered as Title Suit No. 317 of 2005) against K R Steel Union before Civil Judge, Alipore Kolkata for declaration and a permanent injunction restraining K.R. Steel Union Limited from alienating and/or transferring the flats at Belvedere Court, Kolkata. Since SWCL is tenant of the said premises, SWCL has been made a party to the suit. The Court vide Order dated March 28, 2000 ordered to maintain status quo in the matter. The matter is pending.

11. Aradhana Credit Private Limited (ACPL) filed Suit No.81 of 2000 against K. R. Steel Union and Others before 2nd Munsiff Alipore Court, Kolkata for declaration and permanent injunction against K R Steel Union Limited restraining them from transferring and alienating the premises at Belvedere Court, Kolkata. Since SWCL is tenant of the said premises. SWCL filed an application for being a party to the said suit, which was dismissed on August 22, 2005. SWCL filed an application on August 30, 2005 for recalling the order. The matter is pending.
12. K R Steel Union Limited filed Suit No.223 of 1999 against SWCL before Alipore Court, Kolkata for permanent injunction restraining SWCL from parting with possession, transfer, and alienate the two flats at Belvedere Court, Kolkata. The Court on June 30, 2000 ordered status quo till the final disposal of the suit. SWCL has filed the written statement and the objection. The matter is pending.
13. Claim No.HQ02X09741 has been filed by Classens International, which was appointed by SWCL for creation of corporate identity and design of labels for its beer products, against SWCL in High Court of Justice Queens Bench Division, London, for recovery of an amount of Pound Sterling 73,716.9 with interest @ 7% p.a. SWCL has filed its defence and Counter Claim for Pound Sterling 22,727.27. The matter is proceeding ex-parte in London since November, 2002. SWCL has decided not to contest the proceedings. The matter is pending.
14. Five Summary Suits being Summary Suit Nos. 3682, 3683, 3684, 3685 & 3686 of 1995 have been filed by Tolani Shipping Company Limited (TSCL) against SWCL in Bombay High Court for the recovery of aggregate Rs.4,25,47,842/- with further interest @ 18% from the date of filing of the suit till realization on account of non-payment of Inter-Corporate Deposit taken by SWCL from TSCL. The payments have already been made by SWCL in the winding up petitions filed by Tolani Shipping Company Limited at Calcutta. However, the disputes between the parties is regarding the amount of interest to be paid as result of which the dispute is still pending. The matters are pending for hearing.
15. Summary Suit No.295 of 1997 has been filed by Patel Airtemp (I) Limited before City Civil Judge, Senior Division, Ahmedabad against SWCL for recovery of an amount of Rs.3,62,544/- with interest @ 21.6% towards the goods supplied by Patel Airtemp (I) Limited to SWCL. The matter is stayed till further order.
16. Summary Suit No.294 of 1997 has been filed by Isopat Engineers before City Civil Judge, Senior Division, Ahmedabad against SWCL for recovery of an amount of Rs.2,50,616/- with interest @ 21% on the principal from the date of the suit till realization towards goods supplied by Isopat Engineers to SWCL. The matter is stayed till further order.
17. Suit No.3772 of 2000 has been filed by Triton Communications Private Limited, in Bombay High Court against SWCL for recovery of Rs.74,61,311/- with interest @ 21% p.a. from the date of the suit till payment or realization on account of non-payment of its dues against production of a TV commercials. The matter is pending for hearing.
18. Suit No.57 of 1999 was filed before the Court of Civil Judge Senior Division, Pune by R.S.Nayyar an erstwhile Distributor of SWCL against SWCL for the return of the Security Deposit of Rs.10,00,000/- lying with SWCL. A Decree dated January 3, 2003 was passed by the Court, for Rs.14,80,000/- along with interest @ 24% p.a and as per the Court's order, SWCL deposited Rs.14,34,090/-. However, being aggrieved by the said order, SWCL preferred an Appeal No 730 of 2003 before High Court of Bombay to set aside the order. The Appeal is pending for hearing.
19. Suit No.1979 of 1983 was filed by Hill Son & Dinshaw Private Limited ("HSDPL") in Bombay High Court against SWCL for recovery of its dues on account of stevedoring charges of Rs.4,86,951/- with 21% p.a. interest. The matter is pending.
20. Suit No.1421 of 1984 was filed by Southern Asbestos Cement Ltd. ("SACL") in Bombay High Court against SWCL for recovery of Rs.2,47,481/- plus 12% p.a. interest for short landing of 600 bags . The matter is pending
21. Suit No.2708 of 1984 was filed by Shree Datta Shelkari Sahakari Sakhar Karkhana in Bombay High Court against SWCL for recovery of an amount of Rs.55,849.83 plus 9% interest p.a. towards short landing of imported 47 bales of waste paper from Singapore. The matter is pending.

22. Suit No.2040 of 1986 was filed by Bombay Port Trust in Bombay High Court against SWCL for recovery of an amount of Rs.13,85,000/- together with 15% p.a. interest as also costs towards port trust charges etc. The matter is pending.
23. A Suit No. 2109 of 1987 was filed by Bombay Port Trust before Bombay High Court against Masood Mahmood & SWCL for recovery of an amount of Rs.4,36,300/- towards pre-confiscation wharfage, demurrage and other charges of the Port Trust for the damaged Mercedes Benz Car remained stranded at Bombay Port Trust premises. The matter is pending for hearing.
24. A Suit No. 282 of 1989 was filed by Bombay Port Trust before Bombay High Court against SWCL and others for recovery of an amount of Rs.6,50,000/- towards pre-confiscation wharfage, demurrage and other charges of the Port Trust. The matter is pending for hearing.
25. A Suit No. 894 of 1991 was filed by Bombay Port Trust before Bombay High Court against Kailash Paper Board & SWCL for recovery of an amount of Rs.3,08,184/- on account of port trust charges, sale expenses and custom duty, since the consignee did not clear part of the consignment. The matter is pending for hearing.
26. Suit No. 1309 of 1992 was filed by Bombay Port Trust before Bombay High Court against Sheel Chandra, SWCL & Gokak Patel Volkart for recovery of an amount of Rs.1,57,154/- on account of wharfage, demurrages and other port charges, since the consignee did not clear part of the consignment. The suit is pending for hearing.
27. Suit No. 2241 of 1991 was filed by Bombay Port Trust before Bombay High Court against Kailash Paper Board Industries, Rajkot & SWCL for recovery of an amount of Rs.68,800/- on account of port charges with interest @ 15% p.a. from the date of the suit till realisation. Suit is disposed off. However, the order is awaited. (Whether this can be deleted) (Can be deleted).
28. Suit No. 577 of 1983 was filed by Bombay Port Trust before Bombay High Court against SWCL for recovery of an amount of Rs.1,40,533/- with interest @ 15% p.a. from the date of the suit till realisation on account of demurrages, custom duty and other port charges, since the consignment was not clear by the consignee. The matter is pending.
29. RAD Suit No. 85 of 1993 was filed by Bharatiya Arogya Nidhi ("BAN") before Small Causes Court, Mumbai against SWCL for eviction of SWCL from Udyog Bhawan, 2nd Floor, 29, Walchand Hirachand Marg, Ballard Estate, Mumbai – 400 038. BAN has also filed an Application for grant of mesne-profits @ Rs.3,35,000/- per month from December 24, 2001. SWCL had filed TE&R No.45/48/02 Suit before Small Causes Court, Mumbai against BAN to restrain them from stopping SWCL to carry out repairs in the said premises. By an Order dated September 4, 2002 the said Suit was dismissed. SWCL filed an Appeal No. 180 of 1993 before Bombay High Court to set aside the impugned order. The matter is pending.
30. Case Nos. 18, 18A, 18B of 2002 were filed by Oriental Insurance Company Limited ("OICL") before Estate Officer, Mumbai against SWCL for eviction of SWCL from the premises of OICL and for arrears of monthly rent/compensation/taxes amounting to Rs.56,41,900/- along with damages of Rs.5,00,949/- per month for unauthorized occupation.. SWCL has made adhoc payment of Rs.10,00,000/- to OICL and handed over the possession of the premises to OICL. The matter is pending.
31. Three suits have been filed under the Specific Relief Act, 1935 by three wholly owned subsidiaries of SWCL i.e. Pennisular Maritime Services Limited. ("PMSL") Seatech Services Limited ("SSL") and Rixebe Estate & Investments Limited ("REIL"), against the purported purchasers of the flats situated in NCPA, Nariman Point, Mumbai. All the 3 companies are no longer subsidiaries. However, SWCL is a second plaintiff in all the 3 suits. The purported purchasers respectively being BDA Ltd., Standard Breweries and Distilleries Ltd., and Tracstar Investments Private Ltd., Mr. Kishore Rajaram Chhabria (KRC), and NCPA have been impleaded as parties to the suit. The above suits have been filed for a declaration that the purported agreements dated March 19,1991 executed between PMSL, SSL and REIL and the purchasers are illegal, null & void and of no effect and are not binding on PMSL, SSL and REIL. The Suits are pending.

32. Suit No 1301 of 2006 was filed by Mr. Kishore Chabbria before Bombay High Court against Dr. Vijay Mallya, Herbertsons Limited, SWCL and others that pending the hearing and final disposal of the suit, Receiver be appointed in respect of 46,72,791 equity shares of Herbertsons Limited and also for the dismissal of the suit No.373 of 1992 pending before the Calcutta High Court. The Notice of Motion for these reliefs has been dismissed by the Single Judge. Even the appeal filed against such order has also been dismissed by the Division Bench. The matter is pending for trial.
33. Shakti Traders had purchased Indian Made Foreign Liquor worth Rs.5,25,750/- from SWCL. Against the said goods, Shakti Traders issued cheques worth Rs.3,17,250/- and Rs.2,08,500/- which were returned unpaid and hence SWCL filed suit No.5B of 1998 against Shakti Traders for recovery of the said amounts. Vide an order dated May 16, 2003 Shakti Traders has been directed to pay the said amount along with interest. Execution Petition No.5B/98 of 2006 has been filed by SWCL and the same is pending.
34. India Brewery & Distillery Limited, (IBD) was a tie-unit of SWCL for manufacture and sale of certain brands of IMFL. Disputes arose because of non-payment of money by IBD to Sales Tax Authorities inspite of SWCL giving money to IBD. SWCL terminated the MOU in 1995 and claimed refund of money. On failure of IBD to refund the money, SWCL initiated arbitration and claimed a sum of Rs.13 crores with interest @ 24% p.a. As a counter blast to the said claim IBD filed a counter- claim for a sum of Rs.30,19,94,630/-. The arbitrator passed an award in favour of SWCL for an amount of Rs.3,99,31,652/- with interest @ 12% from 01.03.1996 till realization rejecting IBD's counter-claims. SWCL filed the award in City Civil Court, Bangalore to obtain decree from the court. IBD objected to the issuance of decree and filed its objections. The matter is pending.
35. Suit No. 2472 of 1984 was filed by Cadila Laboratories ('CL') against Baloise Insurance Company Limited for recovery of Rs.193290.90/- with interest at the rate of 18% p.a. SWCL has been impleaded as Defendant No.4 being shipping agent of the ship owner, Hapag Lloyd (Defendant No.3). The claim is on account of short landing of 10 drums of chemicals at the Port. The matter is pending.
36. Suit No.2934 of 1996 was filed in the Delhi High Court by Diageo Scotland Limited (Diageo) against SWCL and Delta Distilleries Private Limited (bottlers for SWCL) ("Delta") for the infringement of the copyright and the unauthorized imitation and use of the "TANQUEARY Sterling Vodka" trade dress belonging to Diageo. The suit is pending for evidence.
37. A Special Leave Petition No.7363 of 2005 has been filed by SWCL and Another before Supreme Court of India against Union of India (UOI). SLP was filed against the order of the Division Bench of Madras High Court in Appeal No.218 of 1998, affirming the order passed by the Single Judge decreeing the suit filed by UOI against SWCL and another for damages of Rs.35.17 lacs on the ground that the cargo dispatched by it was delivered in damaged condition. SWCL was impleaded being the shipping agent. The SLP has been admitted and is pending for hearing. The Supreme Court while granting special leave vide Order dated 8.12.2005 stayed the operation of the judgement.
38. Suit No.931 of 2004 has been filed by London Stores before Additional District Judge, Udaipur against SWCL for rendition of accounts for the period 1994 to 1996 in relation to supply of beer and money received from various dealers/retailers and in alternative claimed a decree for Rs.29,70,000/-. Vide an Order dated February 27, 2006, the Court directed to appoint a commissioner to determine within three months the amount payable to London Stores. Aggrieved by the said order, SWCL filed an Appeal No. 321 of 2006 before the Jodhpur High Court. The High Court vide order dated May 29, 2006 directed the trial court to take steps for preparation of final decree and also directed that the final decree shall not be passed. The appeal is pending.
39. Universal Cans & Containers ('UCC') filed Suit No.693 of 1990 before High Court of Kolkata against SWCL for recovery of a sum of Rs.197154.40/- towards goods sold and supplied by UCC to Curl Cosmetics. The said goods were supplied in pursuance of verbal guarantees given from SWCL and The Calcutta Chemicals Company Ltd. The suit is pending for disposal.
40. Suit No. 644A of 1991 has been filed by Karur Vysya Bank for a money decree for Rs.4,72,884/- against Genelec India Limited and SWCL (as guarantor) in respect of discounting facilities sanctioned to Genelec India Limited by Karur Vysya Bank. The matter is pending.

41. Original Application No. 252 of 2000 was filed before DRT by State Bank of Patiala against Genelec India Limited and SWCL for recovery of a sum of Rs.13,13,55,145.81. SWCL was made a party in the proceedings on the ground that that a scheme of amalgamation of Genelec India Limited was filed before BIFR by SWCL and the same was sanctioned by BIFR. SWCL has filed an application for expungement of SWCL from the proceeding on the ground that the amalgamation scheme with GN was not pursued further. The matter is pending.
42. Original Application No. 136 of 2001 was filed before DRT by Punjab National Bank against Genelec India Limited and SWCL for a sum of Rs.1,40,70,206.89/- SWCL was made a party in the proceedings on the ground that a scheme of amalgamation of Genelec India Limited was filed before BIFR by SWCL and the same was sanctioned by BIFR. The matter is pending for further arguments.
43. Civil Suit No. 182 of 1999 was filed by Paramount Builders & others against Kamal Babbar and SWCL in High Court, Madras for claiming compensation/damages of Rs.74.02 Lacs with 24% interest per annum from the date of filing of the suit till the date of realisation. It has been alleged in the plaint that SWCL despite receipt of consideration failed to execute the sale deed in respect of its property bearing no.166, Thambu Chetty Street, Chennai in favour of Paramount Builders and Kamal Babbar in time. The consideration amount was received by SWCL between September, 1995 to February, 1996, pursuant to Agreement of Sale dated 30.9.1995, however, the sale deed was executed only on 30.7.1997 after the suit was filed for specific performance by Paramount Builders and Kamal Babbar. It has been further alleged that SWCL had paid the entire compensation amount to Kamal Babbar alone and have thus cheated Paramount Builders. The Madras High Court vide Order dated 15.6.2005 decreed the suit against Kamal Babbar and SWCL and directed them to pay the suit claim of Rs.74.02 lacs along with 24% interest per annum from the date of the plaint till realisation. Aggrieved by the aforesaid order, SWCL and Kamal Babbar filed separate appeals before Madras High Court bearing No. OSA 216/05 and OSA 251/05 respectively. In the appeal filed by Kamal Babbar, High Court has granted stay subject to furnishing of security for the entire decretal amount. The appeals are yet to be listed for final hearing.
44. Original Suit No.7716 of 1997 has been filed by Wimco Limited ("WIMCO") against SWCL in 17th Assistant City Civil Court, Chennai for recovery of an amount of Rs.1,63,837/- towards supply of match boxes in the year 1994 to erstwhile Consumer Products Division. By an Order dated October 18, 2001 the suit was decreed in favor of WIMCO. Execution proceeding has not yet been filed by WIMCO against SWCL.
45. Original Application No.884 of 1999 has been filed by State Bank of Hyderabad *inter alia* against Premier Detergents & Chemicals Private Limited & SWCL in DRT Hyderabad for recovery of Rs.54,80,900/-. DRT has passed an order dated November 9, 2004 allowing Bank's Application as prayed for. When the recovery certificate for Rs.6 crores is issued SWCL filed Appeals before DRAT (URA 54/05, IA 84/05) and the DRAT remanded the case to DRT. DRT Hyderabad completed the trial and argument and in the meanwhile the Presiding Officer of the DRT is transferred. The case is to be argued again before the new Presiding Officer.
46. Consumer Complaint No. CD 163 of 2002 has been filed by Mr. Nandyala Subba Narasiah Kanogudur against SWCL before District Consumer Forum, Cuddapah claiming a compensation of Rs.4 lacs as the VSOP quarter bottle purchased by him contained a foreign object. The case is pending for hearing.
47. Claim Petition No. 280/2002 has been filled by Mr. P. Sekhar of Trichy against SWCL and another before District Consumer Redressal Forum, Trichy seeking compensation of Rs.1,40,500/- on the ground that SWCL did not adhere to the rules of a contest organized on a Haywards Scratch Card. The Matter is pending.
48. Madras Port Trust & another had filed Original Suit No. 1228 of 1990 against SWCL before the City Civil Court for recovery of Rs.42,533/- towards dues/demurrages for uncleared goods. The consignment was left uncleared. The said Suit was dismissed against SWCL by City Civil Court. Madras Port Trust & another have filed Appeal No.536 of 1996 before the Madras High Court. Appeal is pending.
49. Original Suit No. 2258 of 1997 has been filed by Amaravathi Sri Venkateswara Paper Mills against SWCL before City Civil Court, Chennai for recovery of an amount of Rs.70,543/- towards reimbursement of demurrage charges paid to the Port on account of deficiency on the part of SWCL in clearing goods. By an

Order dated June 16, 2000 passed by the said Court, suit was decreed against SWCL. SWCL has filed Appeal being CMA 2 of 2006 and an Application to stay the operation of the said decree. Appeal pending for hearing.

50. Civil Suit No. 576 of 1996 has been filed by Mr. Vijay Modi against SWCL and others before Madras High Court for recovery of Rs.10,55,828/- towards compensation for delayed delivery of cargo. The Suit is pending.
51. The Assistant Commissioner of Customs Chennai issued show cause notice dated February 12, 2002 against SWCL for short landing cargo (Vessel Ranger). An Order was passed by the Commissioner of Customs imposing penalty of Rs.21,41,462/-. SWCL preferred an Appeal No. Customs 782 of 2003 before the Commissioner – Appeal. The Appeal was allowed. The revision application was filed by the Department and was remanded back to the Commissioner (Appeals). In Denova order dated July 29 2005 the Commissioner Appeals upheld the order in original and dismissed the Appeal accordingly. SWCL filed revision against the order and the same was dismissed by order no.7707 dated February 15, 2007. SWCL has filed a writ petition no. 33945 of 2007 against the said order before the High Court of Madras. The matter is pending.
52. Original Suit No. 77 of 1996 has been filed by Union of India against SWCL and others before Sub Court, Tuticorin, for recovery of an amount of Rs.36,245/- towards short landed cargo. By an Order dated October 27, 1998, the suit has been decreed ex-parte against SWCL. The said ex-parte order was set aside on February 26, 2003. The Matter is pending.
53. Original Suit No. 80 of 1996 has been filed by Union of India against SWCL and others before Sub Court, Tuticorin for recovery of an amount of Rs.1,78,528/- towards short landed cargo. By an Order dated March 16, 2004 the said suit was decreed against SWCL. Appeal No, 106 of 2004 has been filed by SWCL against the said Order. The Appeal is pending.
54. Original Suit No.1062 of 1988 has been filed by Union of India against SWCL before Madras High Court for recovery of an amount of Rs.35,17,444/- towards damaged cargo. The said suit has been decreed against SWCL by virtue of an order dated February 25, 1997. Being aggrieved by the said order SWCL preferred an Appeal No.218 of 1997 before the Madras High Court, to set aside the said order. An Order was passed on October 20, 2004 allowing the Order dated February 25, 1997. Being aggrieved by the said order, SWCL filed a Special Leave Petition No. 7363 of 2005 before Supreme Court of India. By an Order dated December 8, 2005, stay was granted on the operation of the Order dated October 20, 2004. The matter is pending.
55. Customs Order-in-original No.2/96 dated January 31, 1996 was passed by Commissioner of Customs against SWCL, whereby Commissioner of Customs imposed a penalty of Rs.1,40,381/- on SWCL under Section 116 of Customs Act for short delivery of cargo. SWCL filed an appeal No.C.49/7 of 1996 challenging the said Order. The order in appeal No. C.49/7/96 dated October 1, 1997 confirmed the order dated January 31, 1996. SWCL has filed Revision Petition against the said Order. The Revision Petition is pending.
56. Commissioner of Customs Customs Notice No. F No. DAP/134/95-96-MCD dated September 04, 2003 imposed a penalty of Rs.1,31,256/- on SWCL under Section 116 of Customs Act towards short delivery of cargo. SWCL has challenged the said Customs Notice in Appeal. The Appeal is pending.
57. Commissioner of Customs vide Customs Order-in-original No.3 /96 dated January 31,1996 imposed a penalty for Rs.1,84,944/- on SWCL under Section 116 of Customs Act towards short delivery of cargo. The matter is pending.
58. Commissioner of Customs vide Customs Notice No. F No. DAP/134/95-96-MCD dated March 5, 2004 IM no.984/87, order-in-original No.5 of 1991 imposed penalty Rs.2,24,800/- under Section 116 of Customs Act toward short delivery of cargo. SWCL has challenged the said Customs Notice in Appeal. The Appeal is pending.
59. Customs Notice No. F No.S37/79/87 Gr. 6 dated July 9, 2004 order-in-original No. 2528 of 2004, The customs made a demand order under Section 28 (1) read with 28(2) of the Customs Act against Elcot

Vistas Ltd who is the importer for the recovery of Rs.4,64,119/- erroneously refunded to Elcot. A copy of the demand notice has also been marked to SWCL. .

60. Original Suit No.4348 of 1992 has been filed by Madras Port Trust against SWCL for recovery of an amount of Rs.55,287/- towards deficit of sales proceeds for uncleared cargo. The suit was decreed against SWCL. Being aggrieved by the said order, SWCL preferred an appeal No. 446 of 2004 before Court of Principal Judge City Civil, Madras. Appeal is admitted on February 4, 2005. The Appeal is allowed.
61. Civil Suit No.264 of 1998 has been filed by Sri Saravana Shipping Services (“SS”) against SWCL before Madras High Court for recovery of an amount of Rs.19,02,299/- towards refund of excess amount collected by SWCL from SS on account of reduction of storage container. The Matter is heard and reserved for judgment.
62. The Madras Port Trust filed OSSR 23440 of 1998 before III Assistant Judge of City Civil Court, Madras against SWCL. When the goods were not cleared the customs confiscated the goods and auctioned. The suit was filed for the recovery of Rs.5,13,900/- towards balance port charges. The matter is pending.
63. Neyveli Lignite Corporation filed Original Suit No. 181 of 1992 before Sub Court, Cuddalore against SWCL for recovery of Rs.1,56,895/-. The suit was decreed against SWCL. SWCL has filed an appeal against the said Order. The Appeal is pending.
64. The Madras Port Trust filed Original Suit No. 1228/90 before City Civil Court, Madras against SWCL for recovery of Rs.42533/- towards the demurrage of uncleared goods. The Suit was dismissed. The Port Trust filed Appeal No.S536 of 1996 against such dismissal. The Appeal is pending.
65. Customs Notice No. F No. S Misc/30/2001/Imp dated November 4, 2003 was issued against SWCL for the alleged short collection of Light House Dues of Rs.3,89,294/-. Notice mentions about 15 vessels that called under Cruikshank agency b/w 22.3.1993 to 6.7.1993. The notice is pending adjudication.
66. Customs notice no. F No.DAP/134/95-95-MCD dated March 5 2004 was issued against SWCL for recovery of penalty of Rs.224800/- for the alleged short landing of cargo. The notice is pending adjudication.
67. Rent Control Original Petition No.13 of 2001 has been filed by Plantools Private Limited (“Plantools”) against SWCL before Rent Control Court, Ooty for fixation of fair rent in respect of sub-lease of Ooty Office premises granted by SWCL to Plantools. Court by order dated 5th July 2004 fixed fair rent as Rs.3,795/- from the date of petition (14th February, 2001). Arrears of rent were deposited in Court by Plantools. SWCL is proposing to file execution proceedings to withdraw the arrears of Rs.1.92 lakhs from the Court.
68. L Moolchand & others filed RCOP 30/92 against SWCL for fair rent of the premises in the District Munsiff and Rent Control Court Coonoor. By order dt 20/12/04, the rent controller fixed the fair rent at the rate of Rs.4817/. Mr.Moolchand also filed OS 48/05 before District Judge of the Nilgiris, Ootacamund for the recovery of the fair rent and balance due of Rs.660591. SWCL filed RCA 10/06 before Sub Judge Nilgiris, Ootacamund against the order dt 20/12/04 in RCOP 30/92. RCA 10/06 remanded back to the Rent Controller to fix the fair rent as per Tamil Nadu Buildings (Lease and Rent Control) Act by order dt 14/10/06. The Scheduled premises was surrendered in Nov 2004. At present RCOP 30/92 and OS 48/05 is pending.
69. Indika Agro filed Company Petition No. 435 of 1996 against SWCL for winding up of SWCL. An order was passed by the Kolkata High Court directing SWCL to pay the principal amount of Rs.25,00,000/- together with agreed rate of interest till filing of the winding up petition and thereafter @ 10% p.a. on the principal amount in monthly installments of Rs.5,00,000/-. SWCL paid amounts as per the Order but Indika Agro adjusted the amounts first towards interest and then towards the principal and as such is claiming an amount of Rs.15,57,438/- as on May 14, 2001 and hence filed an application under Section 450 of the Companies Act, 1956. SWCL has filed its objection being Application No.271 of 2001 wherein SWCL have stated that the entire payment is made according to the order of the High Court. The matter is pending for hearing the application under Section 450 of the Act.

70. Company Petition No.178 of 1995 was filed by Jayaswal Neco Limited (“JNL”) before High Court of Kolkata against SWCL on account of failure on part of SWCL to remit an amount of Rs.1,17,26,689/- payable by SWCL to JNL. By an order dated April 30, 1996, SWCL was directed to pay the claim of the JNL at the rate of Rs.15,00,000/- per month with interest at the rate of 10% on the principal amount and subsequently the said petition was disposed of on the ground that no further order was required in the winding up application in view of the order passed on April 30, 1996. Being aggrieved by the said order JNL filed two appeals against order dated April 30, 1996 and June 17, 1996 but did not proceed with the same. SWCL has paid an amount of Rs.1,50,00,000/- to JNL and a sum of Rs.491263/- is due and payable by SWCL to JNL. JNL is claiming an amount of Rs.10,78,173/-. The Appeal is pending.
71. Mysore Cement Limited (“MCL”) filed a winding up petition against SWCL being Company Petition No. 204/1996 before the Kolkata High Court. The Kolkata High Court vide Order dated August 28, 1996 ordered SWCL to pay the principal amount together with agreed rate of interest till filing of the winding up petition and thereafter @ 10% p.a. on reducing principal balance. MCL pursuant to an Order dated January 10, 2001 of the Kolkata High Court issued a discharge receipt to SWCL for an amount of Rs.1,07,55,893/- as full and final settlement towards their claim. Thereafter, MCL filed an execution application No.2 of 2002 for Rs.20,27,461/- after receiving their claim on January 31, 2001 as per Order dated January 10, 2001 as MCL has adjusted the payments made vide order dated August 28, 1996 first towards interest and then the principal. The execution application was disposed of vide order dated April 19, 2004. Being aggrieved by order dated April 19, 2004 an appeal has been preferred by MCL. The matter is pending for hearing.
72. Suit No.123 of 2002 has been filed by Ghoom Investments Company (India) Limited (“GIPCL”) before High Court, Calcutta against SWCL for the recovery of Rs.1,38,59,747/-, with interest. A part decree was passed in GIPCL’s favour directing SWCL to pay principal sum of Rs.20 lacs with interest @ 20% p.a. from 1.8.1995 until realization. The rest claim shall stand for trial. SWCL filed appeal against the order in High Court and SLP before Supreme Court of India which were rejected. GIPCL filed an execution application claiming Rs.51,33,330/- calculated up to May, 2003 and inter alia sought for an injunction on operation of SWCL’s bank accounts in various banks. SWCL on June 19, 2003 paid Rs.20,00,000/- .The balance amount of Rs.23,05,855/- was also paid along with TDS of Rs.8,95,128/-. However, GIPCL disputed the TDS Certificate and filed a petition in this regard, which is pending for hearing.
73. Rangajaun Tea & Plantation Industries (P) Ltd. (“Rangajaun Tea”) had granted to SWCL a loan of Rs.25 lacs @ 28% p.a by way of Inter Corporate deposit for a period of 92 days. On failure of SWCL to repay the loan, Rangajaun Tea filed a suit being Commercial Suit No.338 of 2000 before Calcutta High Court against SWCL for a sum of Rs.1,42,49,180/- with interest. The Court directed to pay a sum of Rs.42,21,000/- which was paid. Rangajuan filed one application praying for direction upon SWCL to pay Rs. 31,88,008/- along with order of injunction. A/O filed by SWCL. . The matter is pending for the balance claim and hearing of the petition.
74. Arbitration proceedings 196 of 1992 were initiated by SWCL against Babylon Construction Private Limited (BC) to adjudicate disputes in respect to agreement dated October 10, 1987executed by SWCL and BC.. By an award dated May 24, 1990, BC was directed to pay an amount of Rs.13,00,000/- as the principal amount and interest. SWCL has filed Execution proceeding 426 of 2004 before High Court, Kolkata for the execution of the said award. The matter is pending.
75. Mr. N S Chhabria & Mr. S K Basu on behalf of the shareholders of SWCL filed Title Suit No. 292 of 1994 before High Court of Kolkata against SWCL, Mr. Manu Chhabria and others on the ground that sale and subsequent purchase of 137,792 bonus shares of SWCL for amount of Rs.1,48,12,640/- by Chhabria Investments Limited from Hope Private Limited, Kadua Karnam Estate Limited are in contravention to provisions of Section 77 of the Companies Act, 1956 as SWCL is providing financial assistance to buy its own shares. The matter is pending.
76. SWCL filed a suit bearing No. 373 of 1992 inter alia for appointment of a Receiver for all the books, registers and records of BDA Limited; an injunction restraining Kishore R .Chhabria and his associates from exercising any right and interfering with the management of BDA; directing Kishore R.Chhabria and his associates to ratify the register of members and insert Arunava Investments Limited’s name in the register of members in place of Intrust and Mercury for the allotment of additional 2,75,000 bonus equity shares. Herbertsons Limited was also made a party to the suit to direct Herbertsons not to transfer the

shares in BDA Limited to third parties. SWCL have filed an application for the deletion of the name of Arunava Investments Limited as it has now merged with SWCL and deletion of Cruickshank & Co. Limited as it had merged with Shaw Wallace Distilleries Ltd. Further Intrust and Mercury have made applications for the deletion of their names as they have already sold their respective shares. The matter is now pending for further hearing and orders.

77. A Suit bearing No.219/94 was filed by SWCL before High Court of Kolkata against Kishore R.Chhabria and others on the ground that Kishore R.Chhabria's action of transferring shares held by SWCL and its subsidiaries in various companies to Tracstar, Sandhead, Bio-Foods, Jayanti, Super Cosmetics, Budgam, Bankherpur, Ganges Soap, ACI Ltd., Stridewell Leather, Shoes Specialties and BDA Ltd. is serious breach of faith and fiduciary obligation. Matter is pending.
78. Canbank Financial Services Ltd. (CBFS) filed Civil Suit No. 357 of 1996 before High Court of Kolkata against SWCL and Tracstar Investment Private Limited ("TIPL") for recovery of Rs.54,26,661.85 as the principal amount together with interest on the said amount at the rate of 30% p.a. chargeable on compounding basis with monthly rests and for a declaration that CBFS is the owner of the plant and machinery. CBFS had filed an application for sale of the machinery and accordingly by an order dated April 24, 2000 passed by Hon'ble High Court at Calcutta the sale was confirmed to the highest bidder i.e. TIPL for 30,00,000/- and accordingly direction was given to hand over the possession of plant and machinery to TIPL. The matter is pending for evidence.
79. Dhur Galvanising Works (1955) Private Limited supplied galvanized Iron Drums to SWCL. and raised bills for the same for Rs.6,63,622/-. Since the amount was not paid DGWPL filed Suit No.511 of 2004 for recovery of Rs.9,93,222/- along with 18% interest per annum against SWCL. The matter is pending.
80. Mr. Bijoy Kumar Nundy has filed a Suit No.1847 of 2005 before City Civil Court, Calcutta for declaration that he along with his brothers and sisters are the legal heirs of the shares of SWCL belonging to late Mr. Gopal Das Nundy and for a permanent injunction restraining SWCL and MCS Limited from transferring the said shares in the name of Mr. Rahul Gaulechha. An interim Order has been passed against SWCL and MCS Limited from transferring the shares. The matter is pending.
81. The suit P.L.A. No. 301 of 1996 filed by Ms. Mrinal Chakraborty before Calcutta High Court against Mr. Bhagawati Prasad Agarwal & Other (SWCL being the tenent) for probate of the will of the deceased landlady Ms. Sita Chakraborty, in his favour and prayed for direction upon the Receiver, so appointed to give peaceful possession of the property. SWCL was evicted by Mr. Mrinal Chakraborty on January 1996. SWCL has stopped the payment of rent since February 1996. As per Administration department a sum of Rs.76,875/- is due and payable in respect of due rents.
82. Title Suit No. 216 of 2006 has been filed before Guwahati Court by Smt. Kanta Devi Jain for ejectment of SWCL from premises at Jain House, Guwahati and realization of the arrears of rent amounting to Rs.2,20,320/- along with interest @ 15% p.a. SWCL is the monthly tenant in respect of the said premises. SWCL has filed Written Statement. Available original documents were also filed. The matter is pending for hearing application and evidence.
83. Suit No.782 of 1996 was filed before the High Court at Bombay by the Board of Trustees of the Port of Mumbai (BPT) against Eastern Export Enterprises & others claiming a sum of Rs.3,04,000/- with 15% p.a. interest. SWCL was impleaded as Defendant No.3 in the suit as shipping agent. The claim of BPT is to cover the deficit on account of wharfage, demurrage and other port charges after adjusting the sale proceeds. The suit was decreed in favour of BPT by the High Court at Bombay, against which SWCL filed an appeal (Lodge No.706 of 2006) before Division Bench of High Court at Bombay. The Appeal is pending.
84. Suit No.2035 of 1985 was filed before the High Court at Bombay by the Board of Trustees of the Port of Mumbai (BPT) against Nehal International & others claiming a sum of Rs.2,10,000/- with 15% p.a. interest. SWCL was impleaded as Defendant No.2 in the suit as shipping agent. The claim of BPT is to cover the deficit on account of wharfage, demurrage and other port charges after adjusting the sale proceeds. The suit was decreed ex-parte in favour of BPT by the High Court at Bombay. An application was filed by SWCL to set aside the ex-parte decree, which has also been dismissed. Appeal is yet to be filed challenging the said order.

85. Suit No.554 of 1999 was filed before the High Court at Bombay by the Board of Trustees of the Port of Mumbai (BPT) against Impex trading Corporation & others claiming a sum of Rs.1,98,725/- with 18% p.a. interest. SWCL was impleaded as Defendant No.3 in the suit as shipping agent. The claim of BPT is to cover the deficit on account of wharfage, demurrage and other port charges after adjusting the sale proceeds. The suit is pending.
86. Suit No. 2037 of 1994 has been filed by SWCL before High Court of Bombay against Castle Douglas Industries Limited to restrain it from using the numeral “2000” on its beer. The Court passed an Order dated June 20, 1996 restraining Castle Douglas Industries Limited from using the numeral “2000” by itself or in combination with any other word, mark or deceptively similar numeral. The matter is pending.
87. Suit No. 3443 of 2004 has been filed by SWCL before High Court of Bombay against Mohan Rocky Spring Water Breweries Limited (“MRSWBL”) to restrain them from using the SWCL’s registered label mark, of which numeral “5000” is an essential feature. MRSWBL was creating an act of infringement by using Prestige 5000 and Four square 5000 as their mark .By an Order dated November 17,2004 passed by the said court, ad-interim injunction was granted in favour of SWCL. The matter is pending.
88. Suit No. 44 of 1997 has been filed by SWCL against Aurangabad Breweries Limited to restrain them from using the numeral “2000” on its beer. The Court passed an order of interim injunction restraining Aurangabad Breweries Limited from using the numeral “2000” by itself or in combination with any other word, mark or deceptively similar numeral. The matter is pending.
89. MVR Case No.4087 of 2006 has been filed by the State of West Bengal, Motor Vehicle Department against the Car No. WB 02B 4441 under Section 179(2) of the Motor Vehicle Act for violation of the above section. Though the said car was sold a long back by SWCL to a person, the Administration department could not provide us any paper showing to whom the car has been sold. Requested Administration department to provide us papers and documents related to the selling of the car. The matter is fixed on 26.2.2008 for appearance.
90. SWCL has received advocate notice dated May 7, 2007 on behalf of the Lessors Mr. Mohammed Azeezulla and others to surrender possession of the Clopton Guest House at Ootty. SWCL has addressed reply dated October 3, 2007 through its Advocate. Thereafter SWCL has not received any communication from the Lessors or their Advocate.

Civil Cases Filed By SWCL

1. SWCL has filed the Title Suit No. 136 of 1989 before Court of Munsiff, Puri against Mr. Ananta Narayan Singh Deo and Others for declaration that SWCL is the Statutory Tenant in respect of Madhupur House in Puri. SWCL has also filed an application for injunction to restrain Mr. Ananta Narayan Singh Deo and Others from obstructing SWCL for peaceful enjoyment of the said house. The Court passed an Interim Order of Injunction against Mr.Ananta Narayan Singh Deo which was subsequently made absolute till disposal of the suit. The said suit has been ordered to be dismissed for default. SWCL has filed an application for the restoration of the suit, which is pending.
2. SWCL has filed a Company Petition No.191 (17) of 2002 under Section 17 of the Companies Act, 1956 before Company Law Board, Eastern Regional Bench, Kolkata for shifting of the Registered Office from the State of West Bengal to the State of Maharashtra. 41 creditors of SWCL have filed their objections out of which 38 creditors have subsequently filed no objections. SWCL has to file reply against the objections of the remaining 3 creditors. The matter is pending for final adjudication.
3. SWCL has filed Civil Suit No. 105 of 2005 before High Court of Kolkata against UTI, Mr. Mitesh Chandrakant Seth and Stewart & Company for decree directing UTI to transfer the 6.75% tax free bonds and for transfer of 5600 bonus units issued in view of the original 50,000 units and transfer of 5000 bonus units in the name of SWCL and perpetual injunction restraining MCS from receiving any bonus certificates or any dividends together with decree for a sum of Rs.16,90,250.03, interim interest and interest from the date of judgement at the rate of 19% per annum till realization of dues. The matter is pending.

4. SWCL filed Civil Order No.388 (W) of 1986 before High Court of Kolkata against Union of India, Collector of Customs and Others to challenge the validity and legality of penalty of Rs.7,80,508/- levied by Collector of Customs on SWCL on account of short landing of goods at the Port during February to August, 1980. The matter is pending.
5. SWCL had filed C.R No.9502 (W) 1979 before Kolkata High Court to set aside the order dated June 27, 1979 issued by the Collector of Customs wherein a penalty of Rs.1,10,000/- was imposed towards short landing of cargo. By an Order dated March 22, 2001, C.R No. 9502 (W) 1979 was dismissed. Being aggrieved by the said order, SWCL filed Petition No. 451 of 2001 before High Court of Kolkata to set aside the said Order .By an order dated April 22, 2001 the said Petition was also dismissed. SWCL being aggrieved by the said order, filed Appeal No. 1561 of 2001 before Kolkata High Court to set aside the impugned order. By an Order dated May 25, 2001, stay was granted on the impugned order till the disposal of the Appeal. The Appeal is pending.
6. Suit No.62 of 2000 has been filed by SWCL before Alipore Court, Kolkata against Mr. A.K. Baid an ex-employee of SWCL for the recovery of Rs.13,32,767/-, who overstayed in the flat given to him by SWCL. Thus SWCL has filed this Suit for recovery of maintenance charges, electricity and rentals, which were paid by SWCL. A K Baid filed one revisional application before the Hon'ble High Court at Calcutta which is pending for hearing. The matter is pending for evidence in Alipore Court.
7. Suit No. 16 of 1997 has been filed by SWCL before Alipore Court, Kolkata against Balurghat Transport Company claiming a sum of Rs.2,45,243/- for damages. The matter has been decreed by the Court on January 30, 2002. SWCL have filed an execution application being Miscellaneous Execution 1 of 2003. The execution application is pending
8. Suit No.163 of 1996 has been filed by SWCL & Maharashtra Distilleries Limited (now United Spirits Limited) against Purfina Chemicals Private Limited ("PCPL") in Bombay High Court for recovery of an amount of Rs.1,62,71,288/- on account of non-delivery of Vatted Malt Spirit to SWCL, which was in breach of the Agreement between them. The matter is pending.
9. Suit No.691 of 1998 has been filed by SWCL against S.R. Nagpal & Sons ("SRN") in Bombay High Court for recovery of an amount of Rs.1,42,87,123/- . SWCL had given a counter guarantee on behalf of SRN to the Customs Authorities for release of goods imported by SRN for manufacture of Indian Made Foreign Liquor by SWCL. The said counter guarantee was subsequently encashed by the Customs Authorities. The matter is pending.
10. Suit No.3B of 1996 was filed by SWCL against C.R.Vrimani & Company ("CRV") before the District Judge, Dhar (M.P.), claiming therein a sum of Rs.52,89,395/- with interest @ 18% per annum on account of non-payment of dues by CRV against supply of liquor. An ex-parte decree was passed. SWCL has filed execution proceedings, which are pending. In the meantime, CRV has also filed an Appeal No.296 of 1998 against the decree, which is also pending for hearing.
11. Suit No.2748 of 2001 has been filed by SWCL against Scott Wines, in Bombay High Court for recovery of an amount of Rs.68,44,334/- including interest on account of non-payment by Scott Wines for the goods purchased from SWCL. Scott Wines have filed their Written Statement. The matter is pending for hearing.
12. Suit No.275 of 2001 has been filed by SWCL against D.K. Wines, in Bombay High Court for recovery of an amount of Rs.27,28,973/- including interest outstanding on account of non-payment by D.K. Wines for the goods purchased. D.K. Wines have filed its Written Statement. The matter is pending for hearing.
13. Suit No.4B of 1996 has been filed by SWCL against Mr. Shyamlal Jaiswal, the Distributors in District Court Dhar, for recovery of an amount of Rs.39,62,123/- including interest @ 18% per annum. A decree was passed in favour of SWCL for an amount of Rs.51,68,610/- including interest @ 18 % per annum. The Court issued warrants for attachment and sale of properties of Mr. Shyamlal Jaiswal and the firm of which he is a partner. The matter is pending.
14. Suit No.7B of 1996 has been filed by SWCL against Sorabjee & Company & Others, in District Court, Indore, for recovery of an amount of Rs.15,15,006/- including interest. A decree was passed for an amount of Rs.11,25,295/- plus interest @ 6% p.a. An Execution Proceeding was filed by SWCL. SWCL has also

filed application for restraining Sorabjee and Company and others from disposing the assets in case of the failure of the defendant to pay the decretal amount and/or arrest. The matter is pending.

16. Suit No.1179 of 1997 has been filed by SWCL against Suvidha Agencies ("SA"), in Bombay High Court, for recovery of an amount of Rs.2,23,513/- including interest @ 18% p. a. in respect of goods supplied. An ex-parte decree was passed for an amount of Rs.2,23,513/- plus interest @ 12% p.a. from the date of filing of the suit till payment or realisation.
17. Suit No.6335 of 1999 has been filed by SWCL against Pradeep Mathur, the former whole time executive director of SWCL in Bombay High Court, for recovery of an amount of Rs.12,82,572/- with interest @ 18% per annum towards excess remuneration paid to him. The matter has been settled and the suit is yet to be withdrawn.
18. Summary Suit No.1830 of 2004 has been filed by SWCL against G.K.R. Daulat Singh, a recruitment agency, in Bombay High Court, for recovery of an amount of Rs.7,24,442/- given in advance along with interest @ 18% p.a. as the agency failed to provide services as agreed between them. The matter is pending.
19. Suit No.123 of 2001 has been filed by SWCL before Senior Sub Judge, Amritsar against Amritsar Wines and Others for the recovery of Rs.4,94,000/- plus interest the dues against the supply of IMFL. The suit is pending
20. Suit Nos. 345 and 348, 346 and 347, 344 of 1995 were filed by SWCL against Kumar Spirits, Andhra Agencies and Coastal Wines, respectively before the City Civil Court, Secunderabad for recovery of Rs.3,17,807/- and Rs.3,01,823/-, Rs.10,85,337/- and Rs.10,33,344/-, Rs.10,16,084/- respectively, along with interest @ 18% on account of non-payment for goods sold. The Suits were dismissed. SWCL filed the appeals before the Andhra Pradesh High Court to set aside the said dismissal orders. The matter is pending for hearing.
23. Suit No.387 of 1996 has been filed by SWCL before Calcutta High Court (later transferred before Delhi High Court) against Vinedale Distilleries Limited and Others on the grounds that SWCL is the legal and beneficial owner of Vinedale Distilleries Limited and also for declaring that the transfer of 7,65,000 equity shares is illegal and null and void and these shares shall be held for the benefit of SWCL. The suit is pending.
24. Suit No. 1575 of 1996 has been filed by SWCL against Hosiery Harvest & Others before Assistant City Civil Court, Chennai for recovery of Rs.1,63,282/- and interest @ 18% per annum towards freight and forwarding charges. The said suit has been decreed in favour of SWCL.
25. Suit No. 27 of 1996 has been filed by SWCL against M/s Kanakadurga Rythu D. Rajamundhry & others before the II Additional District Judge at Vijayawada for recovery of the principal amount of Rs.4,37,990/- along with interest @24% aggregating to Rs.5,92,520/- towards agricultural goods supplied by SWCL. By an Exparte Order, the Suit was decreed in favour of SWCL for an amount of Rs.5,92,520/-.
26. Suit No. 11 of 2000 has been filed by SWCL against Balanjaneya Traders ("BT") before the IInd Additional District Judge at Vijayawada for recovery of the principal amount of Rs.5,47,951/- and interest@ 24% aggregating to Rs 7,15,726/- towards agricultural goods purchased from SWCL. The Suit was decreed in favour of SWCL for an amount of Rs.7,15,726/-. Execution Proceedings No.46 of 2001 is filed for attachment of the immoveable property of BT and the same are pending.
26. Suit No. 313 of 1996 has been filed by SWCL against Ms. Mahananda and others before the Civil Court, Gulbarga, for recovery of the principal amount of Rs.3,23,346/- and interest @24%, aggregating to a total of Rs.6,61,071/- towards agricultural goods supplied by SWCL. The Suit decreed was in favour of SWCL for an amount of Rs.7,76,467/-.
27. Original Suit No.25 of 1998 has been filed by SWCL against M/s Sri Vijayalakshmi Traders and others before the District Judge, Guntur for recovery of principal amount of Rs.15,82,302/- and interest @24% per annum aggregating to Rs.21,52,567/- towards agricultural goods supplied by SWCL. By an Order dated September 29, 2000, the Suit was decreed in favour of SWCL for an amount of Rs.21,52,567/-.

Execution Proceedings No. 96 of 2001 are filed for the execution of the said decree. The sale of property is confirmed. SWCL has filed an application for delivery of the property. Sale certificate obtained in favour of SWCL. Sale certificate received from the Court.

28. Suit No. 26 of 1998 has been filed by SWCL against M/s. Sande Agro Agencies before Senior Civil Judge, Vijayawada for recovery of principal amount of Rs.6,37,931/- and interest @24% aggregating to Rs.8,67,985/- towards agricultural goods supplied by SWCL. By an Order dated April 26, 2001, the Suit was decreed in favour of SWCL for an amount of Rs.8,67,985/-. Execution Proceedings are to be filed by SWCL.
29. Suit No. 1465 of 1993 has been filed by SWCL against M/s Gopalakrishna Rice & Flour Mills before the IV City Civil Court, at Hyderabad for recovery of the principal amount of Rs.6,50,197/- alongwith interest @19.5% towards agricultural goods purchased from SWCL. The Suit was decreed in favour of SWCL for an amount of Rs.5,86,447/-.
30. Original Suit No.170 of 1997 has been filed by SWCL against Chitta Jayaram before the Additional Senior Civil Judge, Guntur for recovery of principal amount of Rs.5,68,371/- and interest @24% per annum towards agricultural goods supplied by SWCL. By an Order dated November 26, 1999, the Suit was decreed in favour of SWCL for an amount of Rs.5,68,371/-. Execution petition is to be filed by SWCL.
31. Original Suit No. 113 of 95 has been filed by SWCL against Sri Srinivasa Fertilisers before the Sub Court, Kurnool for recovery of principal amount of Rs.1,41,132/- and interest @19.5% per annum towards agricultural goods supplied by SWCL. By an Order dated November 6, 1998, the Suit was decreed in favour of SWCL for an amount of Rs.2,21,798/-.
32. Original Suit No.850 of 93 has been filed by SWCL against Sri Vijaya Fertilisers before the II Additional Sub Judge for recovery of principal amount of Rs.1,39,903/- and interest @19.5% towards agricultural goods purchased from SWCL. By an Order dated April 04, 2000, the Suit was decreed in favour of SWCL for an amount of Rs.2,35,319/-.
33. Original Suit No.11 of 1994 has been filed by SWCL against Kavitha Pesticides before the Sub Court, Khammam for recovery of an amount of Rs.1,77,133/- and interest @19.5% towards agricultural goods purchased from SWCL. The matter is pending.
34. Original Suit No.1093 of 1985 has been filed by SWCL against D. Prabhakar Rao & Co. ("D.P.R.") before the City Civil Court, Warangal for recovery of principal amount of Rs.4,08,571/- and interest @19.5% towards agricultural goods purchased by them from SWCL. By an Order dated August 3, 1993, the Suit was decreed in favour of SWCL for an amount of Rs.4,29,366/-. Execution Proceeding filed and sale of the property is confirmed. SWCL has filed an application for delivery of property. The matter is pending for counter affidavit of D.P.R.
35. Original Suit No. 296 of 1985 has been filed by SWCL against Sri Balaji Traders before the Sub Court, Guntur for recovery of principal amount of Rs.342199/- and interest @19.5% towards agricultural goods purchased from SWCL. By an Order dated November 13, 1990, the Suit was decreed in favour of SWCL for an amount of Rs.4,17,474/-. Execution Proceeding No.152 of 2002 has been filed by SWCL and the same are pending.
36. Original Suit No.295 of 2000 has been filed by SWCL against Krishnamurthy & Co. before the II Additional Senior. Civil Judge, Hyderabad for recovery of principal amount of Rs.3,43,559/- and interest @24% per annum towards agricultural goods purchased from SWCL. The Suit was decreed in favour of SWCL for an amount of Rs.346243/-.
37. Original Suit No.675 of 1997 has been filed by SWCL against Mr. Sudhakar Reddy before the Sub Court, Vijayawada for recovery of principal amount of Rs.196047/- and interest @24% towards agricultural goods supplied by SWCL. The matter is pending.
38. Original Suit No.513 of 1990 has been filed by SWCL against Parameshwara Fertilisers before Additional Sub-Court, Guntur for recovery of principal amount of Rs.1,56,003/- and interest @19.5% towards

agricultural goods purchased from SWCL. The Suit was decreed in favour of SWCL for an amount of Rs.1,86,172/-. Execution Proceedings have been filed by SWCL and the same are pending.

39. Original Suit No.575 of 1993 has been filed by SWCL against Annapoorna Agro Agencies before Senior Civil Judge, Nandigamam for recovery of principal amount of Rs.71,474/- and interest @19.5% per annum towards agricultural goods purchased from SWCL. The Suit was decreed in favour of SWCL for an amount of Rs.1,09,608/-.
40. Original Suit No.86 of 2000 has been filed by SWCL against P. Koteswara Rao Proprietor of Balaji Fertilizers before Additional Senior Civil Judge, Kurnool for recovery of principal amount of Rs.78,910/- and interest @12% per annum towards agricultural goods supplied by SWCL. The Suit was decreed in favour of SWCL for an amount of Rs.1,16,097/-.
41. Original Suit No.137 of 1992 has been filed by SWCL against Ramprasad Agencies & others before Senior Civil Judge, Guntur for recovery of principal amount of Rs.1,22,453/- and interest @19.5% per annum towards agricultural goods supplied by SWCL. The Suit was decreed in favour of SWCL for an amount of Rs.1,40,288/-. Execution proceedings are filed and the same are pending.
42. Original Suit No. 332 of 1994 has been filed by SWCL against Sri Venkateswara Fertilizers & others before Additional Sub-Court, Guntur for recovery of principal amount of Rs.1,77,349/- and interest @19.5% per annum towards agricultural goods supplied by SWCL. The Suit was decreed in favour of SWCL for an amount of Rs.2,65,607/-.
43. Original Suit No. 496 of 1992 has been filed by SWCL against Pragathi Traders before Additional Sub-Court, Guntur for recovery of principal amount of Rs.1,05,256/- and interest @19.5% towards agricultural goods supplied by SWCL. The matter is pending.
44. Original Suit No.12 of 1996 has been filed by SWCL against A. Mallikreddy, Vinayaka Fertilisers & Pesticides before Sub-Court, Kurnool for recovery of principal amount of Rs.1,09,304/- and interest @19.5% towards agricultural goods purchased from SWCL. By an Order dated November 7, 1996, the Suit was decreed in favour of SWCL for an amount of Rs.1,68,145/-.
45. Original Suit No. 890 of 1993 has been filed by SWCL against Lakshmi Fertilisers, Kothapalli ("L.F.K.") before Senior Civil Judge, for recovery of principal amount of Rs.72,993/- and interest @19.5% towards agricultural goods supplied by SWCL. By an Order dated November 16, 2000, the Suit was decreed in favour of SWCL for an amount of Rs.1,25,900/- Gudivada Execution Proceeding has been filed for procurement and sale of L.K.F's property and the same are pending.
46. Original Suit No.68 of 1981 has been filed by SWCL against Durga Fertilisers, before Sub-Court, Khammam for recovery of principal amount of Rs.66,385/- and interest towards agricultural goods supplied by SWCL. Execution Proceeding 2 of 1998 has been filed and the same are pending.
47. Original Suit No. 8644 of 2001 has been filed by SWCL against Krishna Lorry Service, Bangalore ("K.L.S.") before Civil Judge, Bangalore for recovery of principal amount of Rs.2,63,929/- and interest @24% towards agricultural goods supplied by SWCL. By an Order dated March 5, 2004, the Suit was decreed in favour of SWCL for an amount of Rs.3,98,532/-.
48. Original Suit No. 67 of 1995 has been filed by SWCL against K. Amutha Kumar & another ("K.A.K.") before Sub-Court, Ariyalur for recovery of principal amount of Rs.57,587/- and interest @19.5% per annum towards agricultural goods supplied by SWCL. By an Order dated January 28, 2000, the Suit was decreed in favour of SWCL for an amount of Rs.1,18,898/-. Aggrieved by the said decree K.A.K have filed an application before the District Judge to set aside the decree. The District Judge vide Order dated August 29, 2000 set aside the decree. SWCL has filed a Civil Revision Petition No. 1497 of 2005 before the Madras, High Court and the same is pending.
49. Original Suit No. 67 of 1997 has been filed by SWCL against Sree Maruthi Enterprises, Jannagatta, Kolar District before Civil Judge, Kolar. For recovery of principal amount of Rs.53857/- and interest @24% towards agricultural goods supplied by SWCL. The Suit was decreed in favour of SWCL for an amount of Rs.105560/-.

50. Original Suit No.129 of 1992 has been filed by SWCL against M.A. Mahalingam Chettiar & Sons before Sub-Court, Tenkasi for recovery of an amount of Rs.1,80,605/- and interest @19.5% towards agricultural goods supplied by SWCL. The matter is pending.
51. Original Suit No.431 of 1990 has been filed by SWCL against Sekhar Agro Services, before Sub Court, Namakkal for recovery of principal amount of Rs.77,700/- and interest @19.5% towards agricultural goods purchased from SWCL. By an Order dated August 19, 1992, the Suit was decreed in favour of SWCL for an amount of Rs.1,09,841/-. Execution Proceedings have been filed and the same are pending.
52. Original Suit No.849 of 1993 has been filed by SWCL against Sree Venkateswara Manures & General Merchants before Additional Sub Judge, Vijayawada, for recovery of principal amount of Rs.59,014/- and interest @19.5% towards agricultural goods supplied by SWCL. By an Order dated January 19, 2001, the Suit was decreed in favour of SWCL for an amount of Rs.1,00,564/-.
53. Original Suit No. 362 of 2000 has been filed by SWCL against M/s Maruthi Agro Chemicals, before City Civil Court, Secunderabad for recovery of principal amount of Rs.3,65,526/- and interest @24% towards agricultural goods purchased from SWCL. The Suit was decreed in favour of SWCL for an amount of Rs.4,08,981/-.
54. Original Suit No.487 of 2000 has been filed by SWCL against Gangadharan Nair before Sub Court, Kottayam for recovery of principal amount of Rs.1,19,165/- and interest @24% towards agricultural goods supplied by SWCL. The matter is pending.
55. Special Civil Suit No. 734 of 1992 has been filed by SWCL against Pragati Traders and others before Civil Judge at Vadodara for the recovery of Rs.23, 76, 000/- along with Interest @ 20% and or for attachment of the property of Pragati Traders. The matter is pending for hearing.
56. 134 recovery suits aggregating to Rs.69,88,000/- were filed by SWCL against various parties at various Courts for the outstanding dues of the Agrichem division. In some of these cases decrees have been passed but the same could not be executed since the parties are not traceable.
57. The Joint Director of Foreign Trade, Kolkata passed an order against SWCL claiming a sum of Rs.2,22,000/- on the ground of non-furnishing of utilization certificate. SWCL preferred an appeal before the Director General of Foreign Trade ("DGFT"), New Delhi and the hearing took place on October 11, 2006 when the DGFT, New Delhi by condoning the delay admitted the appeal without pre-deposit. The DGFT directed SWCL to file non-utilisation certificate within two months. The Assistant Commissioner of Customs, DEEC Section (Appraising Group VII) informed that the licence has not been registered in the Calcutta Port and hence not been utilized for import purpose. The copy of the said letter has been sent to DGFT New Delhi by SWCL and prayed for appropriate order.
58. Suit No.92 of 2000 has been filed by SWCL against MCL Properties Private Limited & Others ("MCL ") before Civil Judge, Alipore Court, Kolkata inter alia for declaration and decree that SWCL is a tenant. SWCL filed an injunction application restraining MCL from interfering with the possession of the property. The application was dismissed vide Order dated February 6, 2001. Aggrieved by the said Order, SWCL filed Appeal No. 102 of 2001. The Court vide interim Order dated June 17, 2003 directed that SWCL shall remain in possession of the property till final disposal of the suit. The matter is pending.
59. Chateau De Cognac had filed an application before the Trade Marks Registry, Delhi for registration of trademark "John Exshaw" in Class 33. SWCL filed an objection to the same with the Trademarks Registry. Subsequently, the matter has been settled and SWCL has acquired the global rights in respect of the Trade Mark "John Exshaw" from CDC.
60. Writ Petition No.30782 of 2004 has been filed by SWCL against Commissioner of Customs in the High Court of Madras, challenging the notice issued by Commissioner of Customs demanding an amount of Rs.33.64 lacs under Section 116 of the Customs Act, since SWCL as shipping agent, failed to discharge two containers arrived at the Port of Madras. Interim stay was granted by the High Court on October 20, 2004. Writ Petition is still pending for final hearing.

61. RCA No. 20 of 2004 has been filed by SWCL against Plantools before the Sub-Court, Ooty. SWCL filed Eviction Petition against Plantools on the ground of willful default for not paying the rents. SWCL filed Petition under Section 11(4) wherein the Court has passed an order dated 5th July, 2004 directing Plantools to pay the arrears of rent of Rs.85,000/- to SWCL or to deposit the same into Court on or before 20th July, 2004. Plantools has filed an Appeal against the Order. Appeal is pending.
62. Suit No. 115 of 2003 was filed by SWCL before Alipore Court, Kolkata against Ms. Rupamanjari Devi for declaration and injunction restraining Ms. Rupamanjari Devi and others not to create obstruction regarding the use and occupation and peaceful enjoyment of the ground floor flat No.P-557, C.I.T. Scheme No.47, Lake Road Extension, Kolkata 700029. SWCL has filed Rent Control case being Case No. 51221 of 2002 and have been depositing rent with the Rent Controller. SWCL has filed Miscellaneous Case 36 of 2003 before Alipore Court, Kolkata against Ms. Rupamanjari Devi, Landlady for temporary injunction which by virtue of an Order dated 17.6.2003 passed by the said Court was granted in favour of SWCL till the period of July 16, 2003 which has been extended from time to time. SWCL filed an application in the said Court for extension of the injunction period. The matter is fixed for hearing.
63. Suit No.68/B of 1999 has been filed by Mr. Vijaykant Jaiswal against SWCL and Sorabjee & Company, in District Court, Indore, for recovery of an amount of Rs.3,50,000/- including interest for the goods supplied to SWCL. A decree was passed for an amount of Rs.1,42,564/- plus interest @ 6% p.a. SWCL filed an appeal against the said order, which is pending. Execution Proceedings are also filed by Mr. Vijaykant Jaiswal. The matter is pending.

Statutory Suit Filed By SWCL

1. Three Orders dated January 31, 1985, February 25, 1985 and March 1, 1985 were passed by Director General and Assistant Regional Director of the Employees State Insurance Commission and Deputy Insurance Commissioner respectively against SWCL for violations of the provisions of the Employees State Insurance Act, 1948 and penalty of Rs.1,77,700/- was imposed alleging non contribution towards for insurance. Aggrieved by the Orders, SWCL filed a Writ Petition before the Calcutta High Court. The Court vide Order dated April 16, 1985 passed a stay order upon payment of Rs.50,000/-. Thereafter, the matter was dismissed for non-appearance of SWCL. SWCL has filed a restoration application on March 11, 2002 and the matter is not yet listed.

Labour Cases Filed Against SWCL

1. Mr.Kalpataru Das filed Miscellaneous Case No. 179 of 2004 under Section 33C(2) of the Industrial Disputes Act, 1947 before Labour Court Bhubaneswar, Orissa on the allegations non payment of salary due to him during strike period and other claims. SWCL has filed written statement. The matter is fixed for evidence.
2. Writ Petition No. 3910 of 2005 has been filed by Mr. VS Vaidyaraman against SWCL before the Labour Court, Chennai claiming arrears for dearness allowance. The Labour Court vide order dated June 30, 2004 ordered SWCL to make a payment of Rs.1,42,589/-. Aggrieved by the said order, SWCL filed a writ petition before the Chennai High Court. The Chennai High Court vide order dated February 9, 2005 stayed the proceeding of the Labour Court. The matter is pending.
3. Claim Petition No. 752 of 2002 has been filed by Mr. V. Vaidyaraman against SWCL before the Additional Labour Court for claiming pension arrears on dearness allowance being Rs.23,14,120/-. The matter is pending.
4. Claim Petition No. 50 of 2002 has been filed by Mr. N. Palaniappan against SWCL before the Labour Court, Madurai for payment of Rs.4,02,000/- toward his dues. SWCL has filed written argument and reserved for judgment.
5. Claim Petition No.457 of 2003 has been filed by Mr. DSR Sampath and others against SWCL, before the II Labour Court for interest on delayed payment of gratuity of Rs.7,00,000/-. SWCL has filed its counter statement and the matter is pending.

8. Claim Petition No.181 of 2003 has been filed by Mr. DSR Sampath and others against SWCL before II Labour Courts for the dues of the workers. The Labour Court has vide an ex-parte order dated August 28, 2003 ordered SWCL to pay Rs.26,31,396/- to the workers. SWCL has made an interim application to set aside the said order. The matter is pending.

Labour Cases Filed By SWCL

1. Writ Petition No. 9525 of 2005 has been filed by SWCL against Mr. George Dewavaram before the High Court, Chennai for reinstatement with back wages. The Labour Court vide order dated November 19, 2004 ordered SWCL to reinstate him with 50% back wages. Aggrieved by the said order, SWCL preferred an appeal before the High Court, Chennai. The High Court granted a stay on the order dated November 19, 2004 and ordered SWCL to pay 50% of the award decided by the Labour Court. The matter is pending.

Tax Cases Filed Against SWCL

1. Revenue Recovery Case No.55/OP/97-98 is filed by District Collector, Udaipur ("DC") before Office of the Collector, South 24-Pgs. Alipore, against SWCL for recovery of Revenue amounting to Rs.3,10,875/- towards Commercial Tax and/or Sales Tax. SWCL filed the Writ Petition 14486(W) of 2000 before the Kolkata High Court for withdrawal and/or cancellation of the said the Certificate of Demand Notice issued in Recovery Case No. 55/OP/97-98. The said Petition is pending.
2. In the year 2000, the Income-Tax Authority, Calcutta filed 61 complaints against SWCL and the directors of SWCL under Section 276B read with Section 278B of the Income-Tax Act, 1961 for non-payment of tax deducted at source for the year 1996-97. The matter is pending.
3. Appeal No. 172 of 1999 before Authorities of the Customs, Excise and Gold (Control) Appellate Tribunal ("CEGAT") was filed by SWCL challenging Order of Commissioner of Central Excise levying penalty of Rs.10,00,000/- on SWCL. The said Appeal has been disposed and the matter has been remanded back to Commissioner of Central Excise for re- hearing and Department of Excise was directed to return the pre-deposit amount of Rs.3,00,000/- which was deposited by SWCL. Matter is pending before Commissioner, Central Excise for re-hearing.
4. In the year 2004, the Income-Tax Authority, Calcutta filed 120 complaints against SWCL and the directors/executives of SWCL under Section 276B read with Section 278B of the Income-tax Act, 1961 for non-payment of tax deducted at source for the year 1998-99. The matter is pending.
5. In the year 2003, the Income-Tax Authority, Calcutta filed 56 complaints against SWCL and the directors/executives of SWCL under Section 276B read with Section 278B of the Income-Tax Act, 1961 for non-payment of tax deducted at source for the year 1999-2000. The matter is pending.
6. Money Suit No.5 of 1990 has been filed by State of West Bengal, Collector before Chinsurah Court, Hooghly against SWCL for recovery and realization of excise duty amounting to Rs.1,21,69,558.70 towards the excise duty payable by SWCL for the export of foreign Liquor. The matter is pending for evidence.
7. Superintendent of Excise had raised a demand vide demand notice dated 31, July 2001 for Rs.1,25,00,000/- towards redistillation spirit. The said notice is still pending for adjudication. The Additional District Magistrate issued a fresh notice dated August 23, 2004 revising the earlier amount to Rs.1,74,00,000/-. SWCL has filed Case bearing no RN 427 of 2004 before Taxation Tribunal against both the notices. The matter is pending.
8. Superintendent of Excise had raised a demand vide notice dated 29 May, 2001 for Rs.12,50,00,000/- towards label registration fee. SWCL deposited Rs.1.80 lacs on protest and preferred an appeal to Excise Superintendent. The matter is pending.
9. The Additional District Magistrate Hoogly issued Demand Notice No. 1379/E dated August 6, 1997 for Rs.83,11,000/- on account of excess wastages during redistillation / second redistillation of cut Spirit during the period 1993-1994. The matter is pending before Excise Commission for hearing appeal filed by SWCL.

10. Collector of West Bengal issued a demand notice dated March 17, 1983 for Rs 12,75,000/- towards chargeable wastage of spirit. SWCL filed a Writ Petition before the High Court of West Bengal against the said notice. By an order dated May 18, 1987, the matter was remanded back to Excise Commissioner for deciding the matter de-novo on merit within four months from the date of the order. Hearing has been concluded and order is awaited.
11. The Deputy Collector issued notice for recovery of Rs.66,000/- towards duty on Chargeable Wastage. SWCL filed its reply before the Excise Superintendent. The matter was heard but no orders were passed. SWCL has filed representation before the Excise Commissioner. The matter is pending.
12. Superintendent of Excise issued demand notice dated July 11, 1998 for Rs.3,74,000/- towards payment of duty on Indian Made Foreign Liquor lost in transit due to over turn of truck in Assam. SWCL filed its reply before the Excise Commissioner and it is pending.
13. Superintendent of Excise issued demand notice dated March 16, 1993 for Rs.75,810.40/- towards payment of duty on Indian Made Foreign Liquor lost in transit due to over turn of truck in Assam. The Excise Superintendent once again issued demand notice on June 21, 2001 and it is pending for adjudication.
14. District Magistrate issued demand notice for Rs.17,90,000/- dated August 28, 1995 for demand of payment of duty on wastage of extra neutral Alcohol due to accident of the tanker lorry dispatched to SWCL. SWCL has deposited an amount of Rs.90,550/- on October 14, 1995 towards duty under protest. SWCL has filed a reply filed on October 9, 1995. The matter is pending.
15. Excise Commissioner issued demand notice dated August 28, 1995 for demand of payment of Rs .23,86,000/- towards pass fee which was short paid.. Demand was subsequently revised on May 29, 2001. The matter is pending.
16. Collector issued Order dated November 20,2000 on SWCL without any demand notice for payment of Rs 80,27,000/- towards import pass fee. SWCL filed reply to notice on December 8, 2000 and also subsequently filed an appeal before the Excise Commissioner to challenge the demand notice, which was rejected. SWCL therefore, filed an Appeal No. 426 of 2004 before West Bengal Taxation Tribunal. By an order dated January 9, 2000, the Tribunal remanded the matter to Commissioner. SWCL filed Writ Petition before Calcutta High Court against the order of the Tribunal. High Court admitted the Writ but did not stay the order of the Tribunal. Writ is still pending. On remanded matter, the Excise Commissioner vide his order dated November 27, 2003 held that the Collector's order dated November 20, 2000 is not an order and hence appeal is not maintainable against the notice.
17. SWCL filed an appeal before Excise Commissioner. The Tribunal dismissed appeal on February 02, 2005 and directed to exhaust all the remedies before lower authorities. The Excise Commissioner has heard the matter and passed order on June 20,2005 directing Collector to review the demand and realize the same. Being aggrieved by the order, SWCL has preferred an Appeal before Principal Secretary. The matter is pending.
18. SWCL has filed Writ Petition Nos. 6994 of 1984, 5640 of 1989 and 11274 of 1990 before Calcutta High Court to challenge the legality and constitutional validity of the notification No. 329-EX dated March 21, 1984 and an application challenging the inaction and/or omission on the part of the Commissioner of Excise to issue import permits upon furnishing undertakings. The said matter has been transferred to West Bengal Taxation Tribunal and has been renumbered as R.N. 5(T) of 2002, R.N. Nos.449 (T) of 2003 and 398 (T) of 2002. The matter is pending.
19. Writ Petition No. 5129 of 2003 was filed by MDL before the High Court of Orissa against the SOO to challenge the illegal demand of franchise fee. The said petitions along with stay petitions for interim stay of operation of illegal demand was moved before the High Court, Orissa. The Court has stayed the Order. The matters are pending.
20. The Superintendent of Excise raised a demand of Rs.2,01,326/- towards the notional wastage for bottling of Indian Made Foreign Liquor. SWCL vide letter dated October 17, 2000 have sought for withdrawal of the demand raised to which the excise authorities have not yet replied. The matter is pending.

21. The Commissioner of Customs and Excise filed a Civil Appeal being Civil Appeal No.6166-6168 of 2004 against Detergents India Limited, SWCL & Others before the Supreme Court in July 2004. The Appeal has been admitted and is pending for hearing. The appeal was filed against the order dated December 9, 2003 passed by CESTAT, Bangalore, allowing the appeals filed by Detergents India Limited (DIL) and SWCL against the order of Commissioner of Central Excise dated November 7, 2000. The Commissioner of Central Excise by the aforesaid order confirmed the demand of about Rs.212 lacs and imposed a penalty of like amount against DIL treating DIL and SWCL as related persons under section 4 of the Central Excise Act. The Commissioner had also imposed a penalty of Rs.50 lacs against SWCL.
22. An Appeal being Civil Appeal No.4645-4646 of 2004 filed by Commissioner of Central Excise before the Supreme Court of India against SWCL & Others. The Appeal has been admitted and is pending for hearing. The appeal was filed against the order dated . December 9, 2003 passed by CESTAT, Bangalore, allowing the appeals filed by Detergents India Limited (DIL) and SWCL against the order of Commissioner of Central Excise dated July 12th July 2002. The Commissioner of Central Excise by the aforesaid order confirmed the demand of about Rs.85 lacs for the period April, 1995 to September, 1997 and imposed a penalty of like amount against DIL treating DIL and SWCL as related persons under Section 4 of the Central Excise Act. The Commissioner had also imposed a penalty of Rs.5 lacs against SWCL.
23. The Commissioner of Central Excise, aggrieved by the order of the Tribunal filed an appeal before the Supreme Court being Civil Appeal No. 9049-9051 of 2003. The Appeal has been admitted and is pending for hearing. The appeal was filed against the order dated April 22, 2003 passed by CESTAT, Chennai, allowing the appeals filed by Detergents India Limited (DIL) and SWCL against the order of Commissioner of Central Excise dated August 31, 1999. The Commissioner of Central Excise by the aforesaid order confirmed the demand of about Rs.112 lacs for the period March, 1992 to March, 1995 and imposed a penalty of Rs.5 lacs against DIL treating DIL and SWCL as related persons under section 4 of the Central Excise Act. The Commissioner had also imposed a penalty of Rs.5 lacs against SWCL.
24. SWCL had taken Inter-Corporate Deposit from a company called Visisth Chay Vyapar Limited (VCVL), which was not paid back by SWCL in time. VCVL was a defaulter to the Income Tax Department and hence a garnishee notice was issued to SWCL by the Income Tax Authorities directing SWCL to pay the amount payable by it to VCVL. SWCL did not pay the amount as claimed by Income Tax Department and hence the garnishee notices were issued by Income Tax Department to the debtors of SWCL also. The garnishee notices were challenged by SWCL in a writ petition before Calcutta High Court. The Calcutta High Court vide Order dated January 15, 2004 quashed all the garnishee notices issued against SWCL as well as its debtors. Aggrieved by the order dated January 15, 2004, Union of India filed the present Special Leave Petition No.15206-15207 of 2004 against SWCL in the Supreme Court of India. The SLP has been admitted and would come up for hearing in due course. In the meantime, SWCL has cleared the dues of VCVL and, therefore, nothing survives in the civil appeal pending before Supreme Court.
25. The Writ Petition. No. 3387(W) 1997 pending before Calcutta High Court - SWCL being the petitioner filed the instant writ against the Commissioner of Excise & other being aggrieved with the rate of export pass fee imposed by the State of West Bengal. The matter was heard by the Hon'ble High Court. The writ petition was allowed and the Commissioner of Excise and other were restrained from realizing any export pass fee. Commissioner of Excise being aggrieved on the said order files an appeal and stay application which was moved and vide order dated June 8, 1998 the Hon'ble High Court passed an order of stay of the refund. Paper book though directed has not yet been filed. The appeal is pending. The amount involved in the matter is Rs,1,13,70,000/-.
26. The Excise Commissioner, West Bengal imposed transport pass fee of Rs.2,81,844/-, Rs.11,16,288/- and Rs.2,84,600/- on SWCL on the plea that SWCL acted as an agent of MDL, CBDL and PDL respectively for importing vatted malt and grain spirit from Kolkata. Being aggrieved SWCL sent representation dated August 1, 2001 to the Excise Commissioner and the matter was heard at length, but no order was passed. The matter is pending.
27. SWCL received Notice No.Rc7561/06A7 date 22/11/06 for the recovery of ACI sales tax dues of Rs.406,087,747/- .The Sales Tax Department issued further notices dated December 14, 2006 and January 1, 2007 . The reply to the notices has been given.

28. The CIT (Central I) Calcutta has filed an appeal against SWCL in the Calcutta High Court bearing ITP No. 103 of 1999 arising out of an order dated May 27, 1999 passed by Income Tax Appellate Tribunal (ITAT) rejecting the Reference Application filed by the Income Tax Department, which arose out of an order dated September 17, 1998. By the present Appeal, the CIT has prayed for a rule whereby SWCL be called upon to show cause why the ITAT should not be required to draw up a statement of case and refer the same to the court for its opinion on the questions of law arising out of the order dated September 17, 1998. The Appeal is admitted and is pending .
29. The CIT (Central I) Calcutta has filed an appeal against SWCL in the Calcutta High Court bearing ITA No. 492 of 2004 challenging the validity of quashing of the proceedings under Section 147 by the ITAT by its order dated 22nd August, 2003. The Appeal is yet to be admitted. The amount involved is Rs.10,177,458/-
30. The CIT (Central I) has filed a condonation of delay application bearing G A No. 1627/ 03 in Appeal No. 129 of 2003 in Calcutta High Court against the order of the ITAT dated February 25, 2002 for assesment year 94-95.This departmental appeal is on the issues decided in favour of SWCL by ITAT. The appeal is yet to be admitted.
31. The CIT (Central I) has filed an Appeal against SWCL in the Calcutta High Court bearing ITA No. 31 of 2003 challenging the order of the ITAT dated February 28, 2002 relating to the allowance of loss from merged subsidiaries of Rs.211,212,860/-. The appeal is yet to be admitted.
32. The Income Tax department has filed a Miscellaneous Application No MA134/K/06 before ITAT against the order passed in M.A. 221/Kol/2005 dated 19th September, 2005. In this Application the Income Tax department has sought for a review of the previous order of ITAT dated 19th September, 2005 wherein the Assessment were annulled. The amount involved is not quantifiable. ITAT vide order dated 16th November, 2007 has recalled its earlier order dated 19th September, 2005
33. The CIT (Central I) Calcutta has filed condonation of delay applications bearing GA nos. 4259 of 2003, 939 of 2004, 937 of 2005 and 3333 of 2005 in ITA nos. 330 of 2003, 142 of 2004, 84 of 2005 and 430 of 2005 in the Calcutta High Court against ITATs order dated September 12, 2002, July 19, 2002, March 26, 2004 and January 11, 2005 respectively. The appeals are yet to be admitted. SWCL has received only the condonation of delay petitions and accordingly the tax liability is not ascertainable.

Tax Cases Filed By SWCL

1. The appeal bearing No. 201/CCXXVIII/CIT (A) C-I/03-04 has been filed by SWCL before the CIT (Appeals) against the order dated August 27, 1992 passed by the Deputy CIT, Calcutta disallowing deductions claimed on actual payment alleging absence of evidence, and deduction made in respect of donations to certain funds, charitable institutions, etc. in the absence of proper certificates. The total amount of disallowances under the appeal is Rs.9,13,952/-. The total tax liability in this Appeal is Rs.4,93,534/-. The Appeal is pending
2. The appeal bearing No. 258/CCXXVIII/CIT (A) C-I/05-06 has been filed by SWCL before the CIT (Appeals) against the order dated December 12, 2005 passed by Assistant CIT, Calcutta disallowing the claim of Commission and Brokerage totaling to Rs.13,67,050/-. The total tax liability in this Appeal is Rs.6,28,843/-. The Appeal is pending.
3. The appeal bearing No. 272/CCXXVIII/CIT (A) C-I/05-06 has been filed by SWCL before the CIT (Appeals) against the order dated February 6, 2006 passed by Assistant CIT, Calcutta sustaining the disallowance of Club Expenditure and of Advertisement Expenditure totaling to Rs.66,31,362/-. The Appeal is pending.
4. Two appeals bearing Nos. 145/CIT (A) XL and 146/CIT (A) XL have been filed by SWCL before the CIT (Appeals) in respect of the FYs 1997-1998 and 2000-2001, respectively, against the order dated July 14, 2005 passed by Asst. CIT (TDS), Calcutta. The total amount involved is Rs.36.07 Lacs. The Appeals are pending.
5. Two appeal bearing Nos. 168/CIT (A) XL and Appeal No. 167/CIT (A) XL have been filed by SWCL before the CIT (Appeals) against the order dated August 9, 2005 passed by Assistant CIT (TDS), Calcutta disputing TDS liability along with Interest total amounting to Rs.25,94,210/- and Rs.21,58,957/- respectively. SWCL in pursuance of the High Court order dated March 30, 2004 paid an amount of Rs.15,00,000/-. The Appeal is pending.

6. A Writ Petition bearing No. 2129 of 2001 has been filed by SWCL against the CIT (Central I), Calcutta and others in the Calcutta High Court challenging the validity of the order dated August 21, 2001 of the Income Tax Authorities seeking to take action under Section 142 (2A) of the Income- tax Act relating to special audit for the AY 1987-88. The High Court has stayed the proceedings under Section 142 (2A). The Writ Petition is pending.
7. An appeal bearing ITA No. 12 of 2006 has been filed by SWCL against the CIT(Central I), Calcutta in the Calcutta High Court challenging the order dated August 31, 2005 passed by the ITAT for the AY 1989-90 upholding the disallowance as capital expenditure and the payment of Rs.62 lakhs and Rs.21.20 lakhs made by SWCL to the sub-tenant and its distributor, respectively. This Appeal has been admitted and is pending.
8. An appeal bearing ITA No. 160 of 2002 has been filed by SWCL against the CIT(Central I), Calcutta in the Calcutta High Court against the order dated February 25, 2002 passed by the ITAT. The Appeal is regarding the confirmation by ITAT of the disallowances on the issues of non-compete fees, depreciation on transformers and meters, service charges, and brokerage payment and the scope of Assessment. The Appeal has been admitted and is pending.
9. An appeal bearing ITA No. 437 of 2004 has been filed by SWCL against the CIT(Central I), Calcutta in the Calcutta High Court challenging the order dated February 20, 2004 passed by the ITAT upholding the order dated February 25, 1999 / March 1, 1999 passed by the CIT for the AY 1994-95 subjecting the sum of Rs.56,17,800/- received by SWCL pursuant to the agreement with M/s Hapag Lloyd to be taxed as revenue receipt. The Appeal has been admitted and is pending. Subsequently the ITAT vide its order dated March 3, 2005 has quashed the order of CIT under Section 263.
10. An appeal has been filed by SWCL against the CIT (Central I), Calcutta and others in the Calcutta High Court challenging the order dated March 5, 1998 passed by the Hon'ble Justice M H S Ansari in Writ Petition No. 352 of 1998, declining to set aside the orders and notices passed by the CIT, Calcutta and others refusing to grant stay of realization of the disputed demand for the AY 1994-95. The tax liability involved is unascertainable. The Appeal is pending for final hearing.
11. SWCL has filed an appeal bearing No.774 of 2004 before the Calcutta High Court challenging the order of the ITAT dated 28th June, 2004 on the ground that disallowance of non competition fees paid was capital and not revenue in nature.. The tax liability involved is Rs.3,79,96,000/-. The Appeal has been admitted and is pending.
12. SWCL has filed an appeal bearing No.144 of 2002 before the Calcutta High Court challenging the order of ITAT dated 28th February 2002. The grounds taken were on various issues such as advance to Calchem Co, provision for bad debts, APSEB Depreciation, waiver of Interest, certain expenses and interest under Sections 234A and 234B. The tax liability involved is Rs.18,48,93,550/-. The Appeal has been admitted and is pending.
13. SWCL filed a Writ Petition bearing No.1888 of 2006 before the Calcutta High Court against the issuance of notice under Section 148 dated 1st November, 2006 by the Assistant CIT, Central Circle, seeking the quashing of the same. In this petition an interim order was passed on 13th December, 2006 giving the liberty to the Assessing Officer to pass an order but not to communicate nor give effect to the same without the leave of the court. Order of Assessing Officer awaited. The tax liability involved is unascertainable. Against the interim order dated 13th December 2006, SWCL filed an appeal in the Division Bench. The Division Bench has formulated questions of law and has asked the Single Bench to decide the same. The appeal is pending.
14. SWCL has filed an appeal bearing No.29 of 2003 before the Calcutta High Court, against the order of ITAT dated 12th September, 2002. SWCL has claimed a loss for the advance of Rs.2 crore given for the purchase of merchandise. ITAT confirmed the disallowance of this amount. The tax liability involved is Rs.1,08,00,000/-. The Appeal has been admitted and is pending.
15. In respect of FYs 1989-1990, 1991-1992 & 1992-1993, the Assessing Officer has disallowed set off on Packing Material and re-sales of Bottles & Cartons alongwith the products and other miscellaneous issues and raised a demand of Rs.58.01 lacs. SWCL has filed an Appeal No. 1039 of 2001, 775 of 2004 & 652 of 2005 against the demand before the Sales Tax Appellate Tribunal. SWCL has paid Rs.2.99 lacs and adjusted Rs 54.45 lacs out of the refund due to the Co arisen out of Effectual Order for 1991-92, as against the demand of Rs.58.01 lacs. The Appeal pending before Tribunal for hearing.

16. In respect of FYs 1989-90 & 1991-92, the Assessing Officer has raised a demand of Rs.0.65 lacs. SWCL has filed an Appeal No. 1039 of 01 & 775 of 04 against the demand before the Sales Tax Appellate Tribunal. SWCL has paid Rs.11,000/- against the said demand. The Appeal pending before Tribunal for hearing.
17. In respect of FYs 1997 to 2001 the Assessing Officer has taxed on royalty received from tie-up unit. Out of the demand of Rs.118.63 lacs, SWCL has adjusted Rs.48.87 lacs out of the refunds due to SWCL from the department for the periods 91/92, 93/94 & 96/97 and paid balance Rs 10.45 lacs separately towards part payment of the demand (50%) SWCL filed Appeal Nos. AR 857, 858, 859 & 860 of 2006 before the Sales Tax Appellate Tribunal. The matter is Stayed till the final hearing.
18. Demand has been raised by the assessing authority for the period 2001-02 also by revising the original assessment order based on the order of the Deputy Commissioner withdrawing the exemption granted on the turnover of Royalty received from tie-up units. The demand is Rs 86.09 lacs. Appeal has been preferred with the Tribunal and Stay Petition filed with Additional Commissioner that is pending for hearing. SWCL has paid Rs 21.52 lacs as part payment (25%) for getting the Appeal admitted. Vide order dated July 17, 2007, the matter has been stayed subject to SWCL paying 50% of the demand, which SWCL has paid.
19. In respect of FY 2002-2003, the Assessing Officer has taxed royalty received from tie-up unit and demanded Rs.147.24 lacs. For 2002-03, SWCL has filed Writ Petition challenging the demand filed, before the High Court of Andhra Pradesh. The stay has been granted by High Court. The Appeal is pending.
20. In respect of FYs 1989-1990 & 1993-1994, the Assessing Officer has raised the demand of Rs.6.93 lacs for non-production of Form C/F & Form E-1. SWCL has challenged this demand vide Appeal Nos. 1039 & 1038 of 2001 respectively before the Sales Tax Appellate Tribunal. SWCL has paid Rs.5.26 lacs and the balance is Rs.1.67 lacs. The Appeal is pending before Tribunal.
21. In respect of FY 1986-1987 & 1989-1990, the Assessing Officer has disallowed Obsolete Form C received from A1 Wines & Srinivasa Wines, thus raised the demand of Rs.12.91 lacs. SWCL has challenged this demand vide Appeal No. CST TA/218 of 00-01 & 1039 of 2001 before the Sales Tax Appellate Tribunal. The Appeal is pending before Tribunal.
22. In respect of FY 1984-1985 & 1985-1986, the Assessing Officer has raised the demand of Rs.25.68 lacs due to non-payment of Sales Tax on Excise Duty and levied penalty of Rs.33 lacs. Out of the total amount of Rs.58.68 lacs, SWCL has paid Rs.16.00 lacs. SWCL has challenged this demand vide filing Reference Application No. 10 & 11 of 2000 (R) respectively before the High Court at Ranchi. Reference The Appeal is pending before High Court at Ranchi.
23. In respect of FY 1985-86 the Assessing Officer has demanded Rs.2.78 lacs for not paying Sales Tax on Excise Duty. SWCL has challenged this demand vide Reference case No PT 9 of 1995 before the Sales Tax Appellate Tribunal. SWCL has paid Rs.0.69 lacs. The Appeal is pending before Tribunal.
24. In respect of FY 1994-95 the Assessing Officer has levied penalty of Rs.0.23 lacs for delay in payment of CST. SWCL has however not received any demand notice for recovery of the said penalty and hence, SWCL has not paid the said amount. Thereafter, there is no development in the matter.
25. In respect of FY 1997-1998 the Assessing Officer has treated sales of Agrochemicals as Liquor Sales and charged ST sales tax @ 25% instead of 4% thus demanding Rs.21.74 lacs. SWCL has challenged this demand vide Appeal No. A-371 (1994) of 00-01 before the Sales Tax Appellate Tribunal. The case Appeal is pending before the Tribunal.
26. In respect of FY 1997-98 the Assessing Officer demanded Rs.2.64 lacs as Sales Tax as per Balance Sheet. SWCL has challenged this demand before the Assistant Commissioner of Sales Tax who confirmed the demand. SWCL has challenged the said Order in Appeal vide Appeal No. 1493 of 2000-01 before the Sales Tax Appellate Tribunal. SWCL has paid Rs.2.20 lacs out of Rs.2.64 lacs. The Appeal is pending.
27. In respect of Financial Year 1999-00 the Sales Tax Authority raised demand for sale of stocks meant for Defence to private person though such person was given permit by the Defence Department at the time of

dispatch of the consignment. SWCL has challenged this demand vide Appeal No.AA/CU-IE/31 of 01-02 before the Commissioner of Sales Tax Cuttack. SWCL has paid Rs.0.50 lacs out of the demand Rs.1.08 lacs. The Appeal is pending.

28. In respect of Financial Year 2000-01 the Sales Tax Authority raised demand for sale of stocks meant for Defence Department to private person though the dispatch had been made after getting the permit from the Defence Department. The Sales Tax Authorities has demanded Rs.2.33 lacs. SWCL has challenged this demand vide Appeal No.AA/CU-IE/20 of 02-03 before the Commissioner of Sales Tax Cuttack. The Appeal is pending.
29. In respect of Financial Year 1996-97 the Assessing Officer regarded Stock Transfers between two depots of SWCL located in different states as inter state sales. In pursuance of such inference, the Assessing Officer raised a demand of Rs.31.55 lacs. SWCL challenged the said demand vide Appeal No. 53/STT of 2001-2002 AY 1996-97(Central) before the Sales Tax Appellate Tribunal, Delhi. The Tribunal rejected SWCL's Appeal. Aggrieved by the said Order, SWCL preferred a Reference Application NO. STC 12 of 2002. The High Court vide its order dated May 5, .5.2003 directed the Appellate Tribunal to state the case and refer the question as directed by the High Court to the High Court. The Reference has not come up for hearing before the High Court. SWCL has paid Rs.6.75 lacs. The Reference is pending.
30. SWCL for AY 2004-05, 2005-06 and 2006-07 has filed another application in settlement commission for settling its cases for the said years. The commission has heard and has admitted the same.
31. As per the balance sheet of SWCL, certain sales tax demands outstanding are shown as contingent liabilities. The aggregate amount of demand is Rs. 60.47 Lacs. However, no papers are available with SWCL and even the status of these matters is not known.
32. An Appeal has been filed by the CIT(Central I), Calcutta against SWCL in the Calcutta High Court bearing ITA No. 324 of 2007 challenging the recalling of its order dated 25th February, 2002 by the Income Tax Appellate Authority by its order dated 15th September, 2006. The amount involved is Rs.25,70,31,944/-. The Appeal has been admitted and is pending.
33. SWCL has filed a writ petition bearing no. 577 of 2004 against the TRO in the Calcutta High Court challenging the certificates of demand dated 19th September 2003 and 17th February 2004. The High Court vide an interim order dated 30th March 2004 directed SWCL to pay Rs.15 lacs by 15th April 2004 and granted that on payment the matter will be stayed. SWCL has made the payment and the matter is stayed. The writ is pending.
34. Two appeals have been filed by SWCL before the CIT (Appeals) in respect of the FYs 1997-1998 and 2000-2001, respectively, against the orders dated September 28, 2007 passed by Asst. CIT (TDS), Calcutta. The total amount involved is Rs.730 Lacs. The Appeals are pending.
35. SWCL has filed an appeal bearing No.762 of 2007 before the Calcutta High Court challenging the order of ITAT dated 16th November 2007 wherein ITAT has recalled its earlier order dated 19th Septemebr 2005. The Appeal is pending.

UNITED SPIRITS LIMITED (USL)

1. Case No 04 of 2005 has been filed by local public near village of Sahajahanpur, U.P before the Sub Division Judicial Magistrate under Section 133 of Criminal Procedure Code on the ground that USL had constructed tanks and boundary wall on Government Land. Suit is pending.
2. Case No. 8 of 2002 has been filed before Sub Division Judicial Magistrate, Sahajahanpur,U.P by Bhartiya Kissan Union under Section 133 of Criminal Procedure Code on the ground that USL has discharged its factory waste into the river through Government Nalla. Suit is pending.
3. The State of Jharkhand has instituted general case no. 194 of 2001 before the Judicial Magistrate, Hazaribagh alleging illegal transport of liquor to Ramgarh. The liquor in question was ceased by government. USL filled an application for release of the goods, which was rejected by the Judicial Magistrate. Aggrieved by the said order USL filed Criminal Revision No.49 of 2002 against State before

Jharkhand High Court. The High Court has ordered release of goods in question and stayed the proceedings before the Judicial Magistrate. The matter is pending.

4. Appeal being P. S. Case No.445 of 1990, No.446 of 1991 and No.379 of 1984, has been filed by State of Bihar against USL before Judicial Magistrate, Patna for the period 1990 and 1984, respectively. Matters relate to criminal cases instituted against USL on account of export of IMFL on the basis of forged permits. These cases were dismissed. The State of Bihar aggrieved by the said dismissals has filed these appeals praying for conviction of USL on the said charges.
5. Case No.566 of 2006 has been filed by Villagers of Maranchi against USL , before the Sub Division Magistrate, Barh under Section 133 Criminal Procedure Code for alleged nuisance by USL by way of discharge of dirty water in river Ganga and thereby spreading fear of spread of disease in the public. USL has been issued show cause notice to which USL has filed reply. The matter is pending for hearing.
6. Complaint No.1308 of 1996 has been filed by the State of West Bengal against Mr. Laxman Saha and others before the VIII Metropolitan Magistrates at Kolkata alleging contravention of provisions of the Weights and Measures Act by USL. The matter is pending.

Criminal Cases Filed by USL

1. Complaint under Sec. 200 of CrPC filed against M/s.Brilliant Entertainment Network Pvt. Ltd., New Delhi before the court of the XII Additional Chief Metropolitan Magistrate at Bangalore for dishonor of cheque for Rs.19,18,025/- in settlement of the dues in respect of an event management which was proposed to be entrusted to M/s.Brilliant Entertainment Network and subsequently terminated before execution.

Civil Cases Filed AGAINST USL

1. Civil Suit No. 82 of 2004 has been filed by Mrs. Saroja Lacsmeshwar against USL before Civil Judge, Senior Division, Ponda for recovery of Rs.51,556/- along with interest for Provident Fund dues. USL has filed its written statement. The matter is pending for hearing.
2. Second Appeal No.641 of 2000 has been filed by State Government U.P against USL before High Court of Allahabad against the order dated January 10, 2000 passed by the Additional District Judge in First Appeal No. 108 of 1999 filed by USL against State from the order passed in original suit No 325 of 1991, wherein the prayer of State Government for eviction of USL from the disputed property being part of USL's land and in its possession, was partly allowed by Civil Judge (Senior Division) Shahjahanpur. Appeal is pending.
3. Second Appeal No.642 of 2000 has been filed by State Government U.P. against USL before High Court Allahabad to set aside the Order dated January 10, 2000 passed by Additional District Judge in First Cross Appeal No.113 of 1999 filed by USL against the State Government from the order passed in original Suit bearing No. 325 of 1991, wherein the prayer of State government for eviction of USL from the disputed property being part of USL's land and in its possession, was partly allowed by Civil Judge (Senior Division), Shahjahanpur. Appeal is pending.
4. Case Nos.78 of 2005, 120 of 2000 and 123 of 2000 have been filed under Section 122B of Zamindari Abolition & Land Reformation Act by the Revenue Authorities against USL in the Court of Assistant Collector, Judicial / Sub Divisional Magistrate, Sadar, Shahjahanpur on an alleged illegal possession of revenue land being Plot Nos. 507, 589 and 295/294, respectively. The suit is pending adjudication.
5. Appeal No. 605 of 2001 has been filed by New Horizon Sugar Mills Limited against others and USL before High Court of Madras, for damages amounting to Rs.33,87,797 with interest. The Appeal pending for hearing.
6. Case No.1/V-103/01-02/48/B has been filed by Collector of Stamps, MP State against Vitari Distilleries Limited, McDowell Spirits Ltd., before Court of Collector of Stamps, Bhopal to determine the stamp duty in respect of amalgamation of Vitari Distilleries Limited with USL. The Collector had asked share price of USL as on date of amalgamation to be furnished by June 27, 2006. USL has furnished these details to Collector. The matter is pending thereafter.

7. Title Suit No. 12 of 1983 has been filed by Mr. Ravindra Kumar and others against USL before Subordinate Judge II Barh to declare his title and possession over Survey Plot bearing No. 1244. The matter is pending for final arguments.
8. Suit No. 147 of 2004 has been filed by Mrs. Pravati Debi against USL before 1st Munsif, Asansol, on the ground that USL had encroached upon Mrs. Pravati Debi's Land bearing plot no.861. By an order dated September 13, 2004 temporary injunction restraining USL from transferring/alienating the land was granted. The Matter is pending for hearing.
9. Original Suit 1885 of 1988 has been filed by Mr. Somasekhara against Bhagya & Company and others (USL one of the Party) before the Court of Civil Judge, Bangalore for benefits accrued in respect of debentures. Vide Order dated January 24, 2002, the Court ordered USL to pay dividends, benefits and accruals like bonus shares and right shares etc. in respect of the debentures. USL vide its letter dated April 29, 2002 requested the Advocate of Mr. Somasekhara to obtain directions from the Court with regard to payment of redemption amount on maturity of the debentures since the said order was not clear with regard to payment of redemption amount. The matter is pending.
10. Original Suit No.6738 of 2000 has been filed by Ms. Veena Srichand against USL and others before Court of Civil Judge, Bangalore for Judgment and decree that Ms. Veena Srichand is the absolute owner of the shares and for permanent injunction restraining USL and others from transferring the shares. Vide Order dated September 30, 2000 the Court granted interim injunction against the transfer of shares and issued a Show Cause Notice as to why the same should not be made absolute till disposal of the suit. Thereafter, vide order dated January 9, 2001, the Court made the said order absolute till disposal of the suit. The matter is pending.
11. Title Suit No. 941 of 2000 has been filed by Mr. Alok Kumar Dutta against Ms. Mira Rani Pan and others including USL and others before City Civil Court, Kolkata for declaration that Mr. Alok Kumar Dutta is the registered owner of the certain shares and an injunction restraining USL and others from transferring the said shares and directing USL and others to cancel the duplicate share certificates. The matter relates to the shares purchased by Mr. Alok Kumar Dutta which was returned by the Registrar of Share Transfer Agents of USL as the signature of the seller was not matching. The matter is pending.
12. Suit No. 338 of 1995 filed by Mr. Neeraj Mehrotra & Ms. Sarita Mehrotra against USL before the Upper Civil Court, Allahabad for issue of duplicate share certificate along with benefits like bonus and dividend arising out of the certain shares. Vide order dated January 6, 2000 the Court ordered USL to issue duplicate share certificates after taking indemnity bond. In pursuance of this, USL has taken up the matter with the last acquirers requesting them to return the share certificates. The matter is pending.
13. Suit No. 40 of 2005 has been filed by Ms. Mahaboob Neesha Begam and others against Mr. A. Liyakathali and others (including USL) before District Judge, Dindigul, TamilNadu for directing USL to divide the equity shares *inter se* amongst Ms. Mahaboob Neesha Begam and others that they have inherited from their brother and issue new share certificates. USL has filed its written statement to withdraw its name from the suit. The matter is pending.
14. Case No.1024 of 1999 has been filed by Mr. Omprakash Utham and others against several companies including USL (as Defendant No.7) before the Court of Civil Judge, Senior Division, Kanpur for a decree of permanent injunction against USL from transferring the subject shares in favour of any person and issue of duplicate shares along with entire benefit arising out of the shares like rights payment, dividend etc. The matter is pending.
15. Case No.752 of 1999 has been filed by Mr. Omprakash Maheshwari and others against various companies including USL before Additional Civil Judge, Meerut for injunction against USL restraining USL from transferring the shares to any person. Vide order dated January 25, 2002 the said suit was decreed in favour of Mr. Omprakash Maheshwari. Since the order passed is *ex-parte* USL filed an application for setting aside the same which was allowed on June 24, 2006. The matter is pending.
16. Mr. HVK Moorthy has filed Original Application 267 of 1999 in the Court of Principal Civil Judge, Senior Division, Hubli against Vinod Financial Services Limited and others (USL is one of the parties), *inter alia* for a declaration that USL has no authority to transfer the shares to any third person in any manner

whatsoever and for injunction for transferring the shares in the name of any person. The matter is pending.

17. Mr. P. Thyagaraj has moved a Company Petition under Sec 111 of the Companies Act, 1956 with the Company Law Board against the Company and others, for rectification of Register of Members after effecting the transmission of 6000 shares in the name of the applicant. The matter came up before the Hon'ble Company Law Board on October, 30 2007 and the Hon'ble Company Law Board has provided time for the filing of the Counter by November 29, 2007 and the filing of the Re-joinder by December 17, 2007. The Hon'ble Company Law Board has fixed the date of hearing as December 27, 2007. The matter is pending
18. Suit No. 6532 of 2006 was filed by Mysore Sales International Limited (MSIL) and others against USL, for recovery of Rs.81.73 Lacs with interest which was dismissed. The Appeal filed by MSIL has been dismissed by the Karnataka High Court vide order dated October 17, 2005. MSIL has filed a Special Leave Petition before the Supreme Court, which is admitted. The total amount involved is Rs. 119.75 lacs of USL and Rs.246.37 lacs of Pampasar Distilleries (now USL).
19. Special Civil Suit No. 43 of 1987 has been filed by Mr. Devidas B. Devari & others against Mr. Mahadoe Gaonkar & others (USL is one of the parties) before Civil Judge, Senior Division, Ponda for partition and claiming title to the property being Survey nos. 165/2, 167, 166/1 and part of survey no. 166/2, 165/1, 161 and 164 in revenue Village Bethora in Ponda Taluk. The suit is pending for hearing.

Civil Cases Filed By USL

1. Special Leave Petition (Civil) No. 16104 of 2000 was filed by USL against Kanchan Udyog Limited before Supreme Court of India for setting aside the decree dated December 2, 1999 and October 8, 2002 ordering restraining from selling any of the assets USL. The matter which was heard afresh by the High Court of Kolkata, on the direction of the Supreme Court has been dismissed vide Order dated January 14, 2005 whereby the High Court has set aside the decree dated December 2, 1999. Kanchan Udyog has now filed a Special Leave Petition No.12258 of 2005 in the Supreme Court challenging the Order of High Court. The matter is pending.
2. Special Civil Suit No.2 of 1980 has been filed by Comunidadada of Bethora against USL and Mr. Nagesh B Gaude alleging encroachment of land bearing Survey No.168 and praying for injunction against USL from interfering in the property and other reliefs. The suit is pending.
3. Suit No. 13 of 1998 has been filed by USL against Mr. J. P. Mukherjee before Additional District Judge (Special I) Asansol, for encroachment of USL's Land being Plot No.1763 at Asansol by Mr. J. P. Mukherjee. USL has prayed that the encroacher shall be ordered to remove the encroachment. The matter is pending.
4. Suit No. 93 of 1994 has been filed by USL against Mr. S. Burnawal before 1st Munsif, Asansol on the ground of encroachment of USL's land bearing Plot No 1723 by Mr. S. Burnawal. USL has prayed that the encroacher shall be ordered to remove the encroachment. The matter is pending.
5. Suit No. 25 of 1994 has been filed by USL against Mr. B Das before Sub-Judge, Asansol on the ground that Mr. B Das had encroached on USL's land bearing Plot No 1722. USL has prayed that the encroacher shall be ordered to remove the encroachment. The matter is pending.
6. M.P. Case No. 96 of 2006 has been filed by USL against Mr. Sadhu Jadav & B. Jadav before Sub Div Magistrate, Asansol for encroachment of USL's land bearing Plot No. 1760. USL has filed a petition under Section 144 and 107 of the Criminal Procedure Court before the Court of Sub Divisional Magistrate restraining the opponent parties from making any illegal and unauthorized construction over the said land and has also prayed that the encroacher shall be ordered to remove the encroachment. The matter is pending for hearing.
7. C.O 9194(W) of 1995 has been filed by USL against Circle Inspector Asansol (S) & Others before High Court of Kolkata for encroachment of USL's plot Nos. 871, 873, 1699, 1701 /02 /03 /04 /07 /10 /11 /13

/14 /15 /17 /18 /19 /20/21/22/23/24/25/61 of KHT No. 525/526. USL has prayed that the encroacher shall be ordered to remove the encroachment. The matter is pending.

8. Suit No. 47 of 1996 has been filed by USL against Mr. Ajit Sen (“AS”) & Others before 1st Munsif, Asansol for encroachment of USL's Land Plot No.1747 at Asansol. By an Order dated August, 262004 passed by the said Court, suit was decreed in USL’s favour. Execution case is being filed by USL.
9. M. P. Case No.774 of 2005 has been filed by USL against Mr. Prasad Ray & Mr. N. Dutt under Sections 447, 323, 506, 120B of I.P.C. before the A.C.J. 4th Court Asansol for encroachment of its land. USL has prayed that the encroacher shall be ordered to remove the encroachment. The matter is pending.
10. M.P.Case No 211 of 2006 has been filed by USL against Mr. Ramen Dey & Others before Sub Divisional Magistrate Asansol for encroachment of Plot No. 1746. USL has prayed that the encroacher shall be ordered to remove the encroachment. The matter is pending.
11. Case No. 296 of 2004 has been filed by USL before Civil Judge Shahjahanpore against Mr. Munna Lal for recovery of an amount of Rs.1,00,000/- paid by USL to Mr. Munna Lal in respect of an agreement executed by USL and Mr. Munna Lal for purchase of plot of land. Suit is pending.
12. Case No. 295 of 2004 has been filed by USL against Mr. Ramshri before the Civil Judge Shahjahanpore for recovery of an amount of Rs.50,000/- paid by USL to Mr. Ramshri in respect of an agreement executed by USL and Mr. Ramshri for purchase of plot of land. Suit is pending.
13. Original Suit 16662 of 2004 has been filed by USL against R.K. Distilleries, (“RKD”) Medchal Dist., Andhra Pradesh before City Civil Court against RKD for injunction and other reliefs on the ground of infringement of trademark “Duet-Gin N Lime” by RKD through its brand "American Duet - Gin N Lime". The matter is pending.
14. Original Suit 17257 of 2004 has been filed by USL against Bagga Distilleries (“BD”) Hyderabad before City Civil Court, Bangalore for injunction and other reliefs on the ground of infringement caused by BD by using USL’s registered bottled design of No.1 McDowell's Whisky for bottling their product "Ashoka Deluxe Whisky". The matter is pending.
15. Original Suit No.16663 of 2004 has been filed by USL against Brihan Maharashtra Sugar Syndicate Limited (“BMSSL”), Nasik, Maharashtra, before City Civil Court, Bangalore for injunction and other reliefs on the ground of infringement of USL’s registered trademark "Tango" by BMSSL brand "Tango Punch Country Liquor". The matter is pending.
16. Original Suit No. 15651of 2005 has been filed by USL against Radiant Manufacturers Private Ltd. (“RMPL”) Assam, before City Civil Court, Bangalore, for injunction and other reliefs on the ground of infringement of USL’s trademark by RMPL’s brand "White Magic Tango- Gin N Orange". The matter is pending.
17. Original Suit No. 186 of 2004 has been filed by USL against R.K. Distilleries, Medchal Dist. (“RKD”) Andhra Pradesh, before the Hon'ble Chief Judge, City Civil Court, Hyderabad, for injunction and other relief's on the ground of Infringement of label design of No.1 McDowell's Brandy RKD's infringing brand "No.1 Dr. Brandy". The matter is pending.
18. Original Suit No. 185 of 2004 has been filed by USL against Sree Venkateswara Winery and Distillery (“SVWD”) Hyderabad, before the Hon'ble Chief Judge, City Civil Court, Hyderabad, for injunction and other relief's on the ground of Infringement of label design and trademark of Kerala Malted Whisky by SVWD by their Infringing brand "Bullet Malted Whisky". The matter is pending.
19. Original Suit No. 184 of 2004 has been filed by USL against R.K. Distilleries, (“RKD”) Medchal Dist., Andhra Pradesh. Hyderabad, before the Hon'ble Chief Judge, City Civil Court, Hyderabad, for injunction and other relief's against Infringement of label design and trademark of Kerala Malted Whisky by RKD by their Infringing brand "Good Day Malted Whisky". The matter is pending.

20. By an order dated 18th February, 2003 the Supreme Court upheld the constitutional validity of the Bihar Sugar Undertakings (Acquisition) Act, 1985 as amended by the Bihar Sugar Undertakings (Acquisition) Act, 1987 ("the said Act"). As a result, the entire sugar undertaking together with the distillery at Hathua of Shree Krishna Gyanoday Sugar Limited stood vested in the Bihar State Government. A review petition filed by UBDL who is running Hathua distillery, was also dismissed by the Supreme Court of India.
21. With regard to Plant and Machinery of the value of Rs.23,72,281 owned by USL and leased to UBDL by USL. USL has filed a title suit in the Court of Sub Judge-1, Gopalganj, Bihar calling upon the State Government to forthwith hand over the plant and machinery to USL. The USL has also filed a petition for requesting grant of ad interim injunction against the State Government from taking possession of the plant and machinery belonging to USL. The suit was admitted. The matter is pending.
22. AB Mauri India Pvt Ltd. did not vacate the premises measuring 2 Bighas, 13 Cottahs and 13 Chittaks of land though the lease was expired on 13.11.1999. The said land is adjacent to Bengal Distilleries Co. Ltd. presently known as USL. USL has filed the suit for eviction being Title Suit No.103 of 2007 before Chinsurah Court, Hooghly. An injunction application was filed and moved by which the the Court granted show cause against AB Mauri. AB Mauri appeared in the suit and prayed for adjournment for filing their written statement and objection. The matter is fixed on for filing objection.

Consumer case filed against USL

1. One Rani Bala Dasi filed a consumer case being Consumer Protection Case No. 171 of 2006 before Consumer District Redresal Forum at Murshidabad, Beharapur. The allegation is that she paid a sum of Rs.8,51,280/- by a demand draft to USL towards goods purchased which was encashed but the material was not sent. She prayed for the amount along with an interest @18% till payment. In the matter USL and filed an application for dismissal of the complaint on the ground that the demand draft was never sent to USL and there is no contract with USL. The matter is pending for hearing.

Labour Cases Filed Against USL

1. Industrial Dispute No. 455 of 2005 has been filed by Mr. Kuber against USL before Labour Court, Chennai for reinstatement with back wages. USL has filed its written statement and the matter is pending for hearing. The amount is not quantifiable.
2. Industrial Dispute No. 598 of 1988 has been filed by Mysore Wine Products & Allied Workers Union against Saphthaini Distilleries Private Limited (since merged with USL) before II Additional Labour Court, Bangalore claiming wages for lock-out period. The Amount involved is Rs. 7 Lacs.. The matter is posted for final orders.
3. Industrial Dispute No. 71 of 2001, by Mr. Swethadri against USL before Additional Industrial Tribunal, Bangalore for claiming back wages from date of dismissal till reinstatement. The Amount involved is Rs. 0.90 Lacs The matter is posted for final orders.
4. Writ Petition No. 17769 of 2004 has been filed by Ms. Nagamma against USL before High Court, Karnataka for setting aside the order dated June 27, 2003 dismissing her contention that she was forced to resign from the services of USL on January 1, 2000. Being aggrieved by the said order she filed a writ petition before the Karnataka High Court challenging the said order. The matter is pending for hearing.
5. Writ Petition No. 43175 of 2004 has been filed by Mysore Wine Products & Allied Workers Union against Saphthaini Distilleries Private Limited (since merged with USL) before High Court, Karnataka for setting aside the order of the Additional Labour Court. The High Court vide interim order dated February 4, 2005 ordered Saphthaini Distilleries Private Limited to pay 40% of the wages as a pre-condition to stay the order, which Saphthaini Distilleries Private Limited have paid. The matter is pending for hearing.
6. Writ Petition No. 47407 of 2004 filed by the Management of Saphthagiri Distilleries Private Limited being aggrieved by the award dated August 17, 2004 before the Additional Labour Court at Bangalore in Ref. No 99 of 1990 to pay full wages to the workmen for the period of lock out. Saphthagiri Distilleries Private

Limited was the lessee of the distillery at Kumbalgodu belonging to erstwhile Mysore Wine Product & Co. Ltd. which company since been amalgamated with USL. The Writ Petition has been admitted.

7. Conciliation Proceedings ID 205/2006 have been filed by Mysore Wine Products & Allied Workers Union against USL before Assistant Labour Commissioner and Conciliation Officer for permanency of 24 workmen. Union have filed their claim statement. Counter statement by USL to be filed. The matter is pending.
8. Complaint No. 4 of 2000 has been filed by Mathadi Board, Nashik against USL before Labour Court, Nashik for order directing USL to register with the Board and engage hamals who are registered with the Board for loading & unloading work. Written statement has been filed by USL. The matter is pending.
9. Unfair Labour Practice Nos. 16 of 2002 and 194 of 2002 have been filed by Mr. S. N. Kaloghe against USL before Industrial Tribunal, Nashik for reinstatement with back wages from January 5, 2002. The amount involved is Rs. 5.70 Lacs. The Industrial Tribunal Nashik has passed an interim order in Unfair Labour Practice No. 16 of 2002 directing USL to employ Mr. S.N. Kaloghe till December, 2002. An Appeal was filed by USL in the High Court, Mumbai & the Court has ordered to maintain status quo vide its order dated 24th July, 2003. The matters is pending.
10. Case No. 5 (GC) of 1999 has been filed by Superintendent of Labour against USL before Patna High Court under the Minimum Wages Act & Rules on the ground that USL had not paid 84 contract workmen same wages as paid to newly appointed permanent workmen. The matter is pending.
11. Case Nos. 26 to 34 of 2002 have been filed by Mr. Anil Sharma and others against USL before Assistant Labour Commissioner, Patna for refund of their one day wage which was deducted by USL to donate it to Gujarat Relief Fund. Demand by Mr. Anil Sharma is for a day's wage and 10 times compensation. The matter is pending.
12. Reference No. 30 of 2002 has been filed by Mr. Om Prakash Pandey an ex-employee against USL before the Labour Court of Patna to claim overtime. Demand by Mr. Om Prakash Pandey is Rs.3,119.59 plus 10 times compensation.
13. Reference No. 24 of 1991 has been filed by 125 workers against erstwhile Udaipur Distilleries Company Limited ("UDCL") (since merged with USL) before the High Court of Jodhpur against non-reference of the matter and illegal termination by the State Government. Matter is pending.
14. Reference No.4 of 1994 has been filed by Mr. P. K. Joshi against erstwhile UDCL (since merged in USL) before the Supreme Court. Mr. P.K Joshi had retired as per records but he moved an application *inter alia* on the ground that he had not reached the age of retirement and he shall be taken back in employment. Matter is pending.
15. Reference No. 20 of 1995 has been filed by 4 workers against erstwhile UDCL (since merged in USL) before the Industrial Labour Court and Tribunal and Labour Court as the services of 4 workmen had been terminated on the ground that they had assaulted a trainee. Matter is pending

Tax Cases Filed Against USL

1. Appeal No. E/1648 of 2001 has been filed by LG Polymers India Private Limited and others against Commissioner of Central Excise (USL is one of the party) before CEGAT for waiver of penalty and the duty imposed towards supply of Polystyrene to Hytaisun Magnetics Limited. The amount involved is Rs.63.82 Lacs. The matter came up on 27/9/07 and was argued at length. Order reserved without giving specific date.
2. The Excise Commissioner, New Delhi had issued the terms and conditions for grant of License for the year 2001-2002 for wholesale supply of IMFL/Beer calling for the price at which a particular brand of IMFL can be sold in Delhi. One of the conditions was that all IMFL brands excluding beer, prices will be fixed on the basic premise of lowest ex-distillery price net of all duties, discounts/commissions of whatsoever nature allowed in respect of any market in India including Canteen Stores Department as on 31.3.2001

fixed for 2001-2002. Accordingly, USL had submitted in the prescribed form the minimum ex-distillery price per quart case as on 31.3.2001 at Rs.525.10 per quart case for its brand "McDowell No.1 Whisky". However, the price offered by USL was not accepted by the Excise Department on the ground that the net rate of the said brand in the State of Tamil Nadu being sold by another independent company viz. Balaji Distilleries Limited, was Rs.507.16 per quarter Case, and hence there was a dispute with regard to the differential price of Rs.17.94 per quart case, but there has not been any change in the situation since then. Since even after writing to the Excise Commissioner requesting to fix Rs.525.10 as the price of McDowell No.1 Whisky, the Excise department did not reply and therefore USL undertook to deposit the differential in price of Rs.17.94 per quart case as ascertained by the department in a separate bank account and further, USL has filed a Civil Writ No.2067 of 2001 (which is pending) for the Excise Year 2001-2002 before the Hon'ble High Court of Delhi at New Delhi challenging the price fixation order of the commissioner of Excise for the licensing year 2000-2001 and also moved a C.M.No.4237 of 2001 on which the Hon'ble Court was pleased to order directing USL to place the amount in question i.e., Rs.94,01,024.92 in a separate account which will be dealt with in accordance with orders passed by the said Court and the amount in question shall be deposited in the bank within a week, etc. The said amount represents the difference between the amount fixed as the ex-distillery price by the excise authorities and the price declared by USL and USL has continued to deposit the difference in compliance with the order of the Hon'ble High Court in Corporation Bank, CGO Complex, New Delhi, which now stands at Rs.1,07,11,679.28. At the same time, USL had filed an appeal before the Financial Commissioner challenging the action of the Excise authorities. The Financial Commissioner allowed the appeal. Aggrieved by the said order of the Financial Commissioner, the Excise authorities had filed a C.W.P.No.5974 of 2002 to set aside the order of the Financial Commissioner which is also pending.

3. ITA No.9 of 2002 has been filed by CIT, Udaipur against Erstwhile UDCL (since merged with USL) before ITAT, Jodhpur against the order of ITAT whereby direction was given to Assessing Officer to re-compute the short term Capital Loss. The amount involved is Rs.19,50,186/-. The tax liability is Rs. 11.50 Lacs. The matter is pending.
4. ITA Nos.330 to 334 of 2006 have been filed by CIT, Udaipur against erstwhile UDCL (now USL) before CIT, Udaipur against the order of ITAT whereby disallowance was made under Section 43B on account of unpaid bottling fee relating to AY 1987-1988 to 1995-1996 totalling Rs.139.28 Lacs which was challenged by USL. The tax liability is Rs.35.50 Lacs. The matter is pending.
5. ITA Nos.13 to 15 of 2001 has been filed by the Income- tax Department for granting of Interest on Interest is pending before the Karnataka High Court. These Appeals are in respect of AY 1979-80, 1980-81 & 1981-82. The disputed tax under these Appeals amounts to Rs.654.31 Lacs.
6. Two appeals being ITRC No. 428 of 1998 have been filed by the Income-tax Department before the Karnataka High Court in the case of Mysore Wine Products Limited on allowance of Service Charges paid to various companies under Section 37(1) of the IT Act. The Appeals are pending. Amount of tax under dispute is Rs.42.48 Lacs.
7. The Income-tax Department has filed an appeal in the Delhi High Court being ITA 1745 of 2006 challenging applicability of 43B on delayed payment of PF & FPF. The disputed amount is Rs.19.53 Lacs.
8. The Income-tax Department has filed Special Leave Petition in the Supreme Court being ITA Reference SLP No. 14932, 14933 and 14934 of 2004 on the following issues (i) whether the Hon'ble High Court was justified in framing the new question, while deciding the appeal filed by the petitioner department (ii) Whether unpaid amount of bottling fee, was not a fee in technical sense and was allowable as revenue expenditure. The Petition is pending before the Supreme Court.
9. The Income-tax Department has filed Special Leave in the Supreme Court being ITA Reference SLP No. 14937 and 21174 of 2004 on the following issues: (i) whether the Hon'ble High Court was justified in framing the new question, while deciding the appeal filed by the petitioner department? (ii) whether unpaid amount of bottling fee was not a fee in technical sense and was allowable as revenue expenditure. (iii) whether the ITAT is justified in deleting the disallowance of technical service charges is allowable based on subsequent agreement dated April 10, 1992 at higher rate than that based on earlier agreement in December 1990 ? The Petition is pending before the Supreme Court.

10. The Income-tax Department has filed Special Leave Petition in the Supreme Court being ITA Reference SLP No. 12327 of 2004 on the following issues: (i) whether the Hon'ble High Court was justified in framing the new question, while deciding the appeal filed by the petitioner department? (ii) whether unpaid amount of bottling fee, was not a fee in technical sense and was allowable as revenue expenditure. (iii) whether ITAT is justified in deleting the addition being made treating the expenditure incurred in purchase of new transformer as capital expenditure even when old transformer still exist in the block of assets & not sold, discarded or demolished or destroyed ? The Petition is pending before the Supreme Court.
11. USL has preferred an appeal with ITA (case No. not allotted) against the disallowance of bad debts advances written off amounting to Rs.112.47. (expenditure incurred in respect of certain assets in Bangladesh) pertaining to AY 2000-01. USL's appeal is pending before ITAT and the relief sought is Rs.43.30 Lacs.
12. The Income Tax Department had assessed the income of USL under the head income from other sources instead of income from business and hence disallowed salaries, rent, audit fee, travel, professional charges, rates and taxes pertaining to AY 1997-98 /1998-99/2000-01 against which USL has filed two appeals before the ITAT. The amount under dispute is Rs.7.59 Lacs and the relief sought is Rs.2.96 Lacs.
13. The Income-tax Department has preferred two appeals before the ITAT in respect of bad debts disallowance u/s. 40A(b) addition u/s.41(1), 14A, 36(i)(va), 36 (i) (va) for A.Y. 2002-03, 2003-04 and the total amount under dispute is Rs.727.80 and the relief sought is Rs.259.84.
14. Appeal No. 169 of 2004 has been filed by Assistant CIT against USL before the ITAT, Indore against order dated December 24, 2003 passed by CIT (Appeals) for the AY 2000-2001 in respect of dis-allowance of Rs.492.85 Lacs of service charges. USL has filed cross objection in Tribunal at Indore on July 2, 2004. The amount involved is Rs.263.42 Lacs. The matter is pending.
15. Excise Commissioner, Gwalior has demanded Rs.10.13 Lacs on loss of consignment. Plea has been filed by USL on August 8, 2005 with Excise Department for giving relief in the matter since the whole consignment was burnt. Amount involved is Rs.10.13 Lacs of which Rs.5.03 Lacs has been recovered from the transporter. The matter is pending.
16. Excise Commissioner, Gwalior has cancelled CLR-SLM registration in FL9 and converted into FL9A and demanded differential bottling fees from USL. Justification letter has been filed by USL on August 17, 2005, which has been rejected by the Excise Department. The amount involved is Rs.2.45 Lacs. The matter is pending.
17. Petition No. 33615 of 2002(B) has been filed by USL against State of Kerela before High Court of Kerala against the Excise Commissioner imposing a penalty of Rs. 3.35 Lacs on USL towards excise duty on wastage of Rectified Spirit during re-distillation. The High Court has quashed the order of Excise Commissioner vide order dated November 16, 2005 and directed the Excise Commissioner to reconsider the issue. The matter is pending.
18. The Excise Authorities have demanded a sum of Rs.42,82,000/- in the year 1995 towards excess wastages generated during distillation. The Excise Authorities have contended that the wastage has been more than prescribed limit. USL had filed a Writ Petition challenging the said demand. The High Court has remanded the matter back to the Assessing Officer for re-computation. USL has made a deposit of Rs.12,83,000/-and given a Bank Guarantee of Rs.30,00,000/-. The matter is pending.
19. A Civil Appeal No. 5003 of 2006 has been filed by the Commissioner of Central Excise, Bangalore III before the Supreme Court of India against the final orders No. 607 to 610 of 2006 passed by the Customs, Excise & Service Tax Appellate Tribunal (CESTAT), Bangalore holding that there was no nexus between the Royalties received and the food flavours supplied to Contract Bottling Units and that the process of making of Food Flavours did not amount to manufacturing. The total amount of duty is Rs.3545.86 Lacs + Rs.2965.92 Lacs + 434.12 Lacs and penalties is Rs.3545.86 Lacs + Rs.3 Lacs + Rs.434.12 Lacs. The Appeal has been admitted.

20. Special Case No. 1 of 1987 has been filed by State of West Bengal against Dr. Vijay Mallya & Others (USL one of the Party) before Court of Judge, 2nd Special Court demanding payment of excise duties Rs.144.98 Lacs. The matter is pending.

Tax Cases Filed By USL

1. Excise Commissioner had imposed a penalty of Rs.4.24 Lacs on USL towards duty on blending & reducing operation. USL filed Original Petition No.25253 of 2001 challenging the demand. Demand stayed by High Court vide order dated March 13, 2002. The matter is pending.
2. The Excise Authorities have demanded a sum of Rs.42,82,000/- in the year 1995 towards excess wastages generated during distillation. The matter has been remanded to the Assessing Officer for re-computation by the High Court in the Writ Petition filed by USL. USL has made a deposit of Rs.12,83,000/-and given a Bank Guarantee of Rs.30,00,000/-. The matter is pending.
3. Writ Petition No.50 of 1996 has been filed by USL against Commissioner of Excise before High Court, Goa challenging claim for Rs.42,00,000/-. USL has deposited a sum of Rs.12,00,000/- with the High Court and furnished a bank guarantee of Rs.30,00,000/- as per the directions of the High Court. The case has been referred back to the Excise Commissioner for hearing. The matter is pending.
4. A Writ Petition No. 7280 of 1996 has been filed by USL against Commissioner of Prohibition & Excise before Andhra Pradesh High Court against demand of duty of Rs.45,74,654/-. The Commissioner of Prohibition & Excise has to file the written statement. The matter is pending.
5. Civil Writ Petition No.4081 of 1991 has been filed by USL before Patna High Court for disputed duty/Tax Demand for Rs.2,60,100/-. The Amount was not deposited against the demand. The matter is pending.
6. USL has filed Excise Case No.41 of 2000 before Excise Commissioner, Bihar, Patna for Disputed duty/Tax Demand for Rs.16,97,639/-. The amount not deposited against the demand. The matter is pending.
7. Civil Writ Petition No. 4162 of 2001 has been filed by USL before Patna High Court for Disputed duty/Tax Demand for Rs.23,74,731/-. Amount deposited Rs.10,00,000/- against the demand. The matter is pending.
8. Civil Writ Petition No. 2604 of 2003 has been filed by USL before Patna High Court for Disputed duty/Tax Demand for Rs.8,78,041/-. Amount deposited Rs.3,00,000/- against the demand. The matter is pending.
9. Civil Writ Petition No. 3811 of 2006 has been filed by USL before Patna High Court for Disputed duty/Tax Demand for Rs.8,50,080/-. The matter is pending.
10. Civil Writ Petition No. 5741 of 2006 has been filed by USL before Patna High Court for Disputed duty/Tax Demand for Rs.8,61,500/-. Amount was not deposited against the demand. The matter is pending.
11. Civil Writ Petition No. 588 of 2003 has been filed by USL before Patna High Court for Disputed duty/Tax Demand for Rs.81,83,421/-. Amount was not deposited against the demand. The matter is pending.
12. Civil Writ Petition No.2101 of 1995 has been filed by USL before Patna High Court for Disputed duty/Tax Demand for Rs.20,35,948/-. Amount was not deposited against the demand. Bill dated March 3, 1995 raised by the Electricity Board by which notional bill has been raised during the period the meter was defective. The matter is pending.
13. Civil Writ Petition No.10701 of 1998 has been filed by USL before Patna High Court for Disputed duty/Tax Demand for Rs.1,60,000/-. Amount was not deposited against the demand. To declare the section of the Bihar Tenancy Act providing for fixation of Commercial rent on the Distillery Premises as

beyond the power of the State Government as well as set aside the demand notice of Rs.1.60 Lacs. Judgement reserved.

14. Civil Writ Petition No. 8691 of 1994 has been filed by USL before Patna High Court for Disputed duty/Tax Demand for Rs.29,961/-. Amount was not deposited against the demand. Challenge is made to the levy of penalty transit wastage of spirit during the course of transportation amounting to Rs.29961/-. The matter is pending.
15. Excise Appeal No.1 of 2001 has been filed by USL before Collector Patna for Disputed duty/Tax Demand for Rs.80,791.90. Amount was not deposited against the demand. Matter relates to levy of penalty of Rs.80,791.90 on account of wastage of Malt Spirit for the year 1994-95. The matter is pending.
16. Civil Writ Petition No. 1580 of 1979 has been filed by USL before Patna High Court for Refund of Rs.1,90,00,000/-. Amount was not deposited against the demand. Export pass fee on export of IMFL to other states @Rs.0.60 from October 6, 1978 to May, 10, 1979. The matter is pending.
17. Civil Writ Petition No. 3026 of 1992 has been filed by USL before Patna High Court for refund of Rs.5,90,000/- which was paid towards enhancement of license fee for distillery license. The matter is pending.
18. Civil Writ Petition No. 6553 of 1990 has been filed by USL before Patna High Court for Refund of Rs.2,25,000/- which was paid towards export pass fee on export of IMFL to other states @ Rs.2.00 per proof litre. The matter is pending.
19. Excise Appeal has been filed by USL before Excise Commissioner for Disputed duty / Tax Demand which was not deposited against the demand. Low Recovery of Spirit from Molasses. The matter is pending.

Excise Appeal Number	Disputed duty/Tax Demand	For the period
No. 11 of 1990	Rs.15,47,284.50	1982-83
No. 12 of 1990	Rs.32,94,382	1983-84
No. 13 of 1991	Rs.11,95,290	1984-85
No. 139 of 1991	Rs.2,67,84270	1986-87
No. 173 of 1991	Rs.2,98,24214.40	1987-88
No. 158 of 1991	Rs.1,57,00,795	1988-89
No. 159 of 1991	Rs.4,54,44,273.30	1989-90
No. 271 of 1991	Rs.2,30,71,355.25	1987-88
No. 5 of 1993	Rs.2,96,35,980.80	1981-82

20. Excise Appeal No. 33 of 1984 has been filed by USL before Excise Commissioner for Disputed duty/Tax Demand for Rs.1,79,516.25 for the period 1984. Amount was not deposited against the demand. Levy of Penalty on account of missing consignment exported to Solapur. The matter is pending.
21. Excise Appeal No. 12 of 1998 has been filed by USL before Excise Commissioner for Disputed duty/Tax Demand for Rs.10,90,000/- for the period 1998. Amount was not deposited against the demand. Administrative charges on molasses deposited for the period 1995-96. The matter is pending.
22. Excise Appeal No. 12 of 2001 has been filed by USL before Excise Commissioner for Disputed duty/Tax Demand for refund of Rs.4,69,525.95 for the period 2000. Amount was not deposited against the demand. Difference of Excise Duty deposited on account of enhancement of the rate of Excise Duty. The matter is pending.
23. Excise Appeal No. 13 of 2001 has been filed by USL before Excise Commissioner for Disputed duty/Tax Demand for refund of Rs.3,43,784.25 for the period 1996. Amount was not deposited against the demand. Difference of Excise Duty deposited on account of enhancement of the rate of Excise Duty. The matter is pending.

24. Excise Appeal No. 77 of 2001 has been filed by USL before Excise Commissioner for Disputed duty/Tax Demand for Rs.10,000/- for the period 2001. But Amount was not deposited against the Demand. Penalty imposed on account of finding of low strength in Whisky. The matter is pending.
25. Excise Appeal No. 56 of 2002 has been filed by USL before Excise Commissioner for Disputed duty/Tax Demand for Refund of Rs.36,61,875/- for the period 2002. But Amount was not deposited against the Demand. Registration of Bond executed by USL in Form 158. The matter is pending.
26. Writ Petition no 32189 of 2005 has been filed by USL against State of Kerala before High Court to challenge the provisions of Distillery and Warehouse Rules framed under the Akbari Act which provides for the levy of duty on the commodity, when the commodity is not consumable alcohol. High Court vide Judgment dated February 2, 2006 allowed USL's appeal and declared that the provision for levy of duty on transit wastage is *ultra vires* the Constitution and is unauthorized. Matter is pending.
27. Case No. 949 of 1988 filed by Excise commissioner against erstwhile UDCL (now USL) before the High Court of Jodhpur challenging imposition of vend fee against import of HBS and Malt Spirits on USL. The amount involved is Rs.1,52,598/-. Stay granted. The matter is pending.
28. For the AY 1999 -2000, the Sales Tax Authorities have raised a demand for Rs.2,52,000/- vide Order dated March 31, 2004 on account of non-submission of C Forms under the Central Sales Tax Act, 1956. Aggrieved by the said order, USL has filed an appeal before the Commissioner of Sales Tax. The matter is pending.
29. For the AY 1999-2000, the Sales Tax Authorities demanded the differential amount of sales tax increased on the sale of scrap, which was increased with effect from April 2000. USL challenged the demand by filing the Appeal. USL has already paid the differential amount of duty on sale of scrap before filing an appeal with the Commissioner of Sales Tax. The Commissioner of Sales Tax has granted a stay to all the proceedings in the matter till the final disposal.
30. For the AY 2000-2001, the Sales Tax Authorities raised a demand for Rs.13,48,000/- vide order dated March 31, 2004 on account of non-submission of C Forms under the Central Sales Tax Act, 1956. USL challenged the demand by filing the Appeal. The matter is pending.
31. For the AY 2000-2001, the Sales Tax Authorities raised a demand for Rs.1,48,000/- vide order dated March 31, 2004 along with interest and penalty on account of delay in payment of monthly tax for the month of March 2001. Aggrieved by the said demand, USL has preferred an appeal on May 25, 2004 before the Commissioner of Sales Tax (Appeals). The matter is pending.
32. Appeal has been filed by USL before Appellate and Revisional Board, Kolkata for the AY 1993-94 against the Order dated July 25,1995 passed by Assessing officer imposing on USL a penalty of amount of Rs.6,36,543/- towards tax imposed on sale of Motor Car/ Insurance charge and on non-submission for the same. USL has paid Rs.2000/- before filing the appeal. The appeal is pending.
33. Case filed before Assistant Commissioner of Commercial Taxes, Kolkata by USL for the AY 1995-96 against the Order passed by Assessing officer dated July 6,1998 imposing on USL a penalty of amount of Rs.65,731/- towards credit for paid amount which was not given. The matter is pending.
34. C.O No. 1446 of 1989 has been filed by USL against State of West Bengal before Taxation Tribunal, Kolkata to set aside the notification levying import pass fee and issue import permits for import of Rectified Spirit. The matter is pending.
35. C.O No. 2349 of 1990 and 11738 of 1999 has been filed by USL against State of West Bengal before Taxation Tribunal, Kolkata to set aside the notification levying import pass fee and issue import permits for import of Rectified Spirit. The matter is pending.
36. For the AY 1999-2000, the Sales Tax Authorities have vide Order dated March 31, 2004 raised a demand for Rs.2,52,000/- on account of non-submission of C Forms under the Central Sales Tax Act, 1956. Aggrieved by the said order, USL has filed an appeal before the Commissioner of Sales Tax challenging the demand. The matter is pending.

37. For the AY 1999-2000, the Sales Tax Authorities demanded the differential amount of sales tax increased on the sale of scrap, which was increased with effect from April 2000. USL has already paid the differential amount of duty on sale of scrap before filing an appeal with the Commissioner of Sales Tax. The Commissioner of Sales Tax has granted a stay to all the proceedings in the matter till the final disposal.
38. For the AY 2000-2001, the Sales Tax Authorities raised a demand for Rs.13,48,000/- vide order dated March 31, 2004 on account of non-submission of C Forms under the Central Sales Tax Act, 1956. USL challenged the said demand by filing an Appeal. USL has already submitted 7 out of 13 C Forms in original and is in the process of submitting the remaining. The matter is pending.
39. For the AY 2000-2001, the Sales Tax Authorities raised a demand for Rs.1,48,000/- vide order dated March 31, 2004 along with interest and penalty on account of delay in payment of monthly tax for the month of March 2001. Aggrieved by the said demand, USL has preferred an appeal before the Commissioner of Sales Tax (Appeals). The matter is pending.
40. Writ Petition No. 20566 of 1998 has been filed by USL and others against Government of Andhra Pradesh and Others before High Court of Andhra Pradesh, Hyderabad for suspension of the demand notice for Rs.1,48,79,925/-. The High Court has suspended the demand notice in 1999 until further orders. The matter is pending.
41. Special Civil Appeal No.1395 of 1999 has been filed by USL against Chief Controlling Revenue Authority before Gujarat High Court, Ahmedabad for suspension of the demand for the deficit stamp duty of Rs.95,57,804/-. The said appeal has been withdrawn and an appeal has been filed before the Chief Controlling Revenue Authority. The matter is pending.
42. USL has filed five appeals which are pending before the Karnataka High Court in respect of valuation of unused vacant industrial land under Wealth Tax Act for the AY1993-94 to 1997-98. The amount under dispute is Rs.20.54 Lacs.
43. USL has preferred an appeal before CIT(Appeals) for AY 1991-92 being in respect of disallowance of guarantee commission, Interest, giveaways, aircraft expenses, caretaker commission, interest capitalised, investment allowance, miscellaneous expenses. The total amount under dispute is Rs.635.12 Lacs. Appeal is pending before CIT (Appeals).
44. USL has filed an appeal before the CIT(Appeals) under reference ITA 446 of 2006 for A.Y. 2004-05 for reduction in sales tax loan liability tax under section.41(1). The amount under dispute is Rs.952.62 Lacs. The tax relief sought is Rs.341.70 Lacs. – The Appeal is partly allowed by CIT(A).
45. USL has filed an appeal against the decision of Wealth Tax authorities who have levied penalty under Section 18(1)(c) of the I.T. Act for not including the unused industrial land in Vizag in the net wealth of the assessee pertaining to the AY 1993-94 to 1997-98. The relief claimed is Rs.21.59 Lacs.
46. Excise Commissioner had imposed a fee on erstwhile UDCL (now USL) towards excess wastage of bottled liquor exported outside State of Rajasthan for the period of 1985 to 1987. UDCL challenged the said demand before the Excise Commissioner. The amount involved is Rs.15,158/- The matter is pending.
47. Excise Commissioner had imposed a fee on erstwhile UDCL (now USL) towards transit wastage of spirit transported within State of Rajasthan for the period of 1981-1985. The amount involved is Rs.66, 287/-. The matter is pending
48. Excise Commissioner had imposed a fee on erstwhile UDCL (now USL) towards storage wastage of spirit for the period of 1982-1983. UDCL challenged the said demand before the Excise Commissioner. The amount involved is Rs.87,897/- . The matter is pending.

49. Excise Commissioner had imposed a fee on erstwhile UDCL (now USL) towards short yield of alcohol from molasses amounting to Rs. 0.93 Lacs for the year 1980-81 and Rs. 2.06 Lacs for the 1984-85. UDCL has challenged the said demand in an appeal. The matter is pending.
50. Excise Commissioner had imposed a fee on erstwhile UDCL (now USL) towards import of High Bouquet Spirit & Malt Spirit for the period of 1980-1985. The amount involved is Rs.1,36,872/- UDCL has challenged the said demand in an appeal. The matter is pending.
51. Excise Commissioner had imposed a fee on erstwhile UDCL (now USL) for towards transit wastage of malt spirit. The amount involved is Rs.19,470/- . UDCL has challenged the said demand in an appeal. The Matter is pending.
52. Case No.5 of 1998 has been filed by erstwhile UDCL (now USL) against Excise Commissioner before the High Court of Jodhpur challenging imposition of fee on USL towards liquor wastage. The amount involved is Rs.32,172/- . The matter is pending.
53. An Appeal has been filed by USL before the Commissioner of Excise, Board of Revenue, Thiruvananthapuram against the order dated June 10, 1996, of the Circle Inspector of Excise in respect of belated payment of overtime fees for the period April 1991 to February 1996 amounting to Rs.44,420/- The collection of amount has been stayed.
54. Writ Petition No.1583 of 2003 has been filed by USL against Excise Commissioner before High Court of Kerala to set aside the interest charged on belated payment of duty on transit wastage of Indian Made Foreign Liquor to KSBC. The amount involved in Rs. 2.21 lacs. By an Order dated June 10, 2004 passed by the Court, the operation of demand has been stayed by the High Court. The matter is pending.

Consumer Cases Filed Against USL

1. Complaint No.768 of 2000 has been filed by Subash K. Mehta against USL & Others before the Consumer Disputes Redressal Forum, Bombay for delay in demat credit of shares and opportunity loss of Rs.59,492/-. The Registrar and Share Transfer Agents of USL have filed written reply with the Forum. The matter is pending.
2. Application for Injunction No.147 of 2000 has been filed by Ms. Manisha Khaitan against Share Aids Private Limited & Others (USL one of the Party) before the Court of the Munsif, Dhanbad requesting a decree against USL and others declaring the title to the subject shares and return the original certificate or issue duplicate share certificates and restraining USL from transferring the said shares. No injunction order has been passed. However, on the basis of Injunction Application filed by Ms. Manisha Khaitan stop transfer against the share certificates has been marked by the Registrars of USL. The matter is pending.
3. Complaint No. 211 of 2000 has been filed by Mrs. Usha & Mr. Dinesh Agarwal against USL before District Consumer Disputes Redressal Forum, Nizamabad District requesting for order directing USL to send share certificates which Mrs. Usha and Mr. Dinesh Agarwal have purchased in their names and for damages of Rs.2,000/- and costs of complaint. As per the records of USL, the share certificates purchased by the Agarwal's are not valid certificates since new share certificates have been issued against those shares in view of an amalgamation of McDowell and McDowell India Spirits (Now USL). The Consumer Forum has vide its order dated 12th December 2002, ordered transfer of 500 shares in favour of Mrs. Usha and Mr. Dinesh Agarwal and payment of cost, which USL has already paid. USL has transferred 400 shares in the name of Mrs. Usha and Mr. Dinesh Agarwal. In respect of 100 shares in demat mode, NSDL has requested for revised order specifically providing for transfer of said 100 shares in favour of Mrs. Usha and Dinesh Agarwal in as much as the original owner of those shares has demated the shares in his account. Accordingly USL has informed Mrs. Usha and Dinesh Agarwal to obtain revised order. The matter is pending.
4. Consumer Complaint No.27 of 2007 has been filed by Mrs. P.L. Sultania and others against USL before the District Consumer Dispute Redressal Forum, Lucknow. Mrs. Sultania seems to have sent share certificate in respect of 100 shares of USL, which was returned back to her. The envelope containing the

said shares was returned undelivered to USL. USL sent new certificate to the original holder, which was subsequently transferred to some third party. Mrs. Sultania has claimed that 100 shares of USL be transferred in her favour and compensation of Rs.10,000/- be given to her. The matter is pending.

5. Consumer Dispute case no. 24 of 2000 has been filed by Mrs. Asha Singh Lal against USL before the District Consumer Disputes Rederessal Forum, Sundergarh II, Rourkela. The matter is pending.
6. Case No.434 of 2000 has been filed Archana Securities Limited against USL before the City Civil Court at Kolkata for the declaration that it is the owner of the 1000 equity shares duly transferred and restraining USL from transferring the said shares in the name of any person as also issuing duplicate share certificate to Archana Securities Limited. The matter is pending.

HERBERTSONS LIMITED (HL) (NOW MERGED WITH USL)

Civil Suit Against HL

1. Opposition No.85349 has been filed by Chivas Brothers' (America) before the TM Registry, Mumbai in respect of HL's Application No.707390 for registration of the mark 'INDIAN SALUTE' in Class 33. The matter is pending.
2. M. S. NO. 31 of 1996 was filed by Associated Pigments Limited (APL) against HL in the High Court of Kolkata for recovery of Rs.66,16,387.82 (including interest on delayed payments) and other ancillary relief's in 1996 in respect of alleged supplies to the erstwhile UB Mec Batteries Limited, a division of HL. Due to the amalgamation HL not required to meet its liabilities of the erstwhile UB Batteries Limited. HL has filed a counter claim of Rs.54,66,115/- plus interest @ 24% p.a. for delayed supplies, loss on conversion of materials and price variation, against APL. The matter is pending.
3. Suit No.82A of 1999 has been filed by Mr. Damodar Maheshwari against HL in Civil Court, Indore. It has been prayed that HL be restrained from transferring the subject shares. HL has received the subject shares for transfer. No orders are passed in the matter. However, as abundant caution HL (now USL) has not given the shares of USL pursuant to the merger of HL with USL and even the dividends are not paid on the subject shares.
4. Title Suit No.91 of 1995 has been filed by Kishore Kumar Nandhani against HL with regard to title of certain shares held by him in HL before the Court of 2nd Munsif, Bhagalpur. Vide order dated June 30, 1995, the Court ordered status quo to be maintained with regard to the subject shares. HL has noted stop transfer on the subject shares. Thereafter, HL is merged with USL. However new certificates are issued so far. Even the dividend is not paid on the subject shares. The *status quo* continues.
5. Suit No.204 of 1994 has been filed by Chanchal Rani and others against Computech Sharecap Limited (the Registrars and share transfer agents of HL) and others before the Court of the Senior Sub Judge, Tis Hazari Courts Delhi for permanent injunction restraining Computech Sharecap Limited and others from transferring the subject shares. The matter is pending.
6. Civil Suit No.1727 of 2006 has been filed by Mr. Amrutlal Seth against Computech Sharecap Limited and another (Registrars of HL) before the Senior Civil Judge, Delhi for permanent injunction, possession and declaration. The said Mr. Seth has prayed that Computech Sharecap Limited and another be restrained from transferring the subject shares. HL received the subject shares i.e. 100 shares of HL for transfer from Mr. O.P. Gupta who is also a defendant to the suit. No orders are passed in the matter. However, as abundant caution Computech Sharecap Limited has not transferred the shares to Mr. Gupta's name and even the dividends are not paid on the subject shares.

Civil Suit Filed By HL

1. Suit No.351 of 2000 has been filed by HL against Deejay Distilleries Private Limited ("DDL") in the Bombay High Court on ground of infringement of labels design of 'Bagpiper' to 'Bonpiper' by DDL. DDL has not filed its written statement. The Suit is pending.

2. Opposition No. MAS- 169289 has been filed before the TM Registry, Chennai by HL in respect of Khoday Breweries Limited's application No.646767 for registration of the mark 'RHUMNOFF' in Class 33. Notice of Opposition is pending. Pleadings are complete.
3. Civil Suit No. 1 of 2001 was filed by HL against Crag Martin Distillery Private Limited ('CMDL') in the Court of Additional District Judge, South Goa at Margao against infringement of registered design of HL and to obtain a perpetual injunction order restraining CMDL from using any design of HL in relation to their products, not to infringe the designs and to destroy all articles bearing and containing the trademark SONATA and /or the impugned bottle. The suit is pending.
4. Civil Suit No. 2 of 2003 was filed by HL against Crag Martin Distillery Private Limited (CMDL) in the High Court of Bombay against infringement of registered design of HL. CMDL has filed a Counter Claim in the matter. The High Court has vide its order granted ad interim order restraining CMDL from using HL's designs. The Commissioner has recorded evidence of witnesses in the matter.
5. Civil Suit No. 1556 of 1998 was filed by HL against Indrayani Agro Industries Private Ltd. & Ors (IAI) in the Bombay High Court for recovery of Rs.3,538,819/- from IAI. The suit is pending.
6. By an order dated 18th February, 2003 the Supreme Court upheld the constitutional validity of the Bihar Sugar Undertakings (Acquisition) Act, 1985 as amended by the Bihar Sugar Undertakings (Acquisition) Act, 1987 ("the said Act"). As a result, the entire sugar undertaking together with the distillery at Hathua of Shree Krishna Gyanoday Sugar Limited stood vested in the Bihar State Government. A review petition filed by UB Distilleries Limited, who is running Hathua distillery was also dismissed by the Supreme Court of India. With regard to the plant and machinery of the value of Rs.826,90,839.36 owned by HL and leased to UB Distilleries Limited by HL, HL has filed a title suit in the Court of Sub Judge-1, Gopalganj, Bihar calling upon the State Government to forthwith hand over the plant and machinery to HL. HL has also filed a petition for requesting grant of ad interim injunction against the State Government from taking possession of the plant and machinery belonging to HL. The Suit and the petition are pending.

Labour Cases Filed Against HL

1. Mohan Lal was a permanent worker who retired from HL w.e.f. May 10, 2000. He filed a suit being Case No. 206 of 2001 before the Labour Court, Alwar for the difference in gratuity amount from the effective date of settlement to his retirement from March 2000 to April 2000. The amount involved is Rs.15,556/-.The matter is pending.

Criminal Case Filed By HL

1. A Complaint under Section 138 of the Negotiable Instruments Act, 1881 has been filed by HL against Superior Trading Company before the Judicial Magistrate, Alwar for dishonour of cheques for Rs.1,28,336/- issued by Superior Trading Company. The matter is pending.

Tax Cases Filed Against HL

1. The State Excise Department raised the demand for excise duty of Rs.16,579.25, due to fall in strength of Rectified Spirit, which HL received from various distilleries during 1985-86. HL challenged the order in Appeal No. 177 of 2002 before Tribunal and obtained stay. Subsequently the matter was transferred to Rajasthan High Court- Jaipur as Government abolished the Tribunal. The matter is pending.
2. During the audit the auditor raised the dispute for excise duty of Rs.1,57,764 /- against the fall in strength of Rectified Spirit, which HL received from various distilleries during 1984-85. HL challenged the order in Appeal No. 521 of 2002 before Tribunal from where HL obtained stay. Subsequently the matter was transferred to Rajasthan High Court- Jaipur as Government abolished the Tribunal. The matter is pending.
3. The Excise Department raised the demand for excise duty of Rs.1,54,625.36/- on wastage of concentrated IMFL during transit, which we received from other State during 1991-1992. HL challenged

the order in Appeal No. 509 of 2002 before Tribunal from where the stay was granted. Subsequently the matter was transferred to High Court as Government abolished the Tribunal.

4. The Excise Department raised the demand for excise duty of Rs.54040.80/- on variance in strength of Rectified Spirit during 1990-1991 & 1991-1992. HL challenged the order in Appeal No. 07 of 2002 before Tribunal from where the stay was granted. Subsequently the matter was transferred to High Court as Government abolished the Tribunal.
5. In the year 1996 the Excise Department raised a demand of Rs.2,95,000/-for brand fee for manufacturing of IMFL for the year 1991 to 1994. HL challenged the order before Tribunal in Appeal No. 518 of 2002 from where the stay was granted. Subsequently the matter was transferred to High Court as Government abolished the Tribunal.
6. In the year 1999 HL received the notice from Excise Department for license renewal fees of Rs.1, 76,000/- for the year 1994 - 1995 due to change in the name of Distillery i.e. from Sona Distilleries A unit of Herbertsons Ltd., Alwar to Herbertsons Ltd. Unit Sona Distilleries. HL challenged the order in Appeal No. 1149 of 1999 and obtained the stay. The matter is pending.
7. The Excise Department raised the demand for excise duty of Rs.2, 26,944/-due to fall of strength of malt spirit during the period of maturation from 1991-94. HL challenged the order before in Appeal No.2737 of 1999 Tribunal from where stay was granted. Subsequently the matter was transferred to High Court as Government abolished the Tribunal.
8. The Excise Department increased the bottling fees, the same was challenged by HL in the High Court by filing writ petition. The writ petition was dismissed by High Court. Eventually HL filed SLP, which was dismissed. HL has now received a demand notice from Excise department for Rs.1,20,87,363 with interest on bottling fee from 1984 to 1995. HL challenged the order before High Court and obtained stay thereon. The matter is pending.
9. The Excise Department increased the permit fee on Rectified Spirit. HL challenged the increase in permit fee before the High Court, Jodhpur based on exemptions given to Ganganagar Sugar Mills against such increase. The High Court dismissed the Appeal. Accordingly HL filed an Appeal No. 1000 of 1998 before Divisional Bench of High Court, Jodhpur. The Appeal is pending.

BARAMATI GRAPE INDUSTRIES LIMITED (BGIL) (NOW MERGED WITH USL)

Labour Cases Filed Against BGIL

1. BGIL employed security personnel supplied by the Contractor. The said security personnel formed Rastrawadi Suraksha Rakshaka Sanghthana (Union) (Union of Security Guard under Contractor) and filed an application to The Industrial Court at Pune for regularization of their services. The Court dismissed the Application. The Union filed a Writ Petition in High Court for abolition of contract system. The High Court ordered the Government to take decision in 3 months. State Government of Maharashtra passed an order to abolish the contract system in Security at BGIL. BGIL filed Writ Petition No.5031 of 2002 challenging the decision of the Government in 2003, which was dismissed for default. BGIL has filed a Civil Application 4872 of 2006 in High Court, Mumbai for restoration of the Writ Petition.
2. Under the Contract Labour (R & A) Act, 1970, by Notification CLA/2001/CR-5164/LAB-1 dated September 092001, State Government passed an order to abolish the contract system in Security at BGIL. On September 09, 2002 , the Labour Officer, Mr. Chouray visited the factory & carried out the inspection and made remarks that inspite of abolition of the Contract System in respect of Security Guard, it was seen from the interrogation of Security Guards that the Contract System is still carried BGIL in respect of Security Workers and alleging a breach of the Notification. The Labour Commissioner has filed this case against BGIL for violation of Contract Labour Act.
3. Rastrawadi Suraksha Rakshaka Sanghthana (Union) (Union of Security Guard under Contractor) has filed petition before the Industrial Tribunal for regularisation of their employment with BGIL. Industrial Tribunal dismissed the Petition. Union has challenged the said Order by filing an Appeal No. 6476 of 2006 in the High Court, Mumbai. The matter is pending.

4. Mr. A. M. Dhawan (AMD) was a Supervisor with BGIL. BGIL terminated services of some employees by paying all legal dues. AMD challenged the same under conciliation proceedings and then the matter was referred to Labour Court at Pune for adjudication. The matter was dismissed by Labour Court on July 23, 2004, for default. AMD has made the Application to set aside the Award dated July 23, 2004 & to restore the original matter Ref. (IDA) No.871 /2002).BGIL has submitted its Written Submissions to Labour Court on May 24, 2006. The matter is pending.
5. Mr. S. B. Tanpure (SBT) was a Supervisor with BGIL. BGIL terminated services of some employees by paying all legal dues. SBT challenged the same under conciliation proceedings and then the matter was referred to Labour Court for adjudication. The matter was dismissed by Labour Court on July 23, 2004, for default. SBT has made the Application to set aside the Award dated July 23, 2004 & to restore the original matter Ref. (IDA) No.871 /2002). BGIL has submitted its Written Submission to Court on May 24, 2006. The matter is pending.
6. On March 5, 1997, total 6 workmen were charged with theft in the factory premises of BGIL. Out of 6 workmen 3 workmen were dismissed. Out of the dismissed workmen, Mr. S M Deokate has approached to Court by filing I.D.A. 72 of 1999 for reinstatement. The matter is pending.

TRIUMPH DISTILLERS & VINTNERS PRIVATE LIMITED (TDV) (NOW MERGED WITH USL)

Tax Cases Filed Against TDV

1. The Deputy Commissioner of Trade Tax, Khatauli (UP) raised a demand of Rs.5.70 Lacs on TDV @5% on Rs.11.40 Lacs received from Sir ShadiLal Distillery Chem Works considering the payment as brand Royalty for use of Trademark. Deputy Commissioner, of Trade Tax Khatauli passed an order dated March 8, 2005 imposing a demand of Rs.570218/- asking TDV to deposit the same within 30 days. An Appeal before the Joint Commissioner (Appeal), Trade Tax Muzaffarnagar was filed by TDV but the same was rejected on the ground that the said Assessment Order is not ex-parte. TDV has filed appeal challenging the same. The Appeal is pending.
2. Trade Tax Department raised demand of Rs.2644759/- against TDV towards trade tax TDV has filed an Appeal before Joint Commissioner (Appeal) II, Trade Tax, Sharanpur HO Muzaffarnagar (UP) challenging the demand. The matter is pending.

SHAW WALLACE DISTILLERIES LIMITED (SWDL) (NOW MERGED WITH USL)

Civil Cases Filed By SWDL

1. Summary Suit No.604 of 2005 has been filed by SWDL against Maharaja Enterprises & Others before District Court, Amritsar for recovery of Rs.35,44,288/- and/or attachment of the property. SWDL have also filed an interim application requesting order restraining order on Maharaja Enterprises from transferring, alienating the immovable property owned by them. The suit is pending for hearing. .
2. A Suit No.68 of 2005 has been filed by SWDL against Raja and Company & others before District Court, Amritsar for recovery of Rs. 30,80,000/- plus interest and/or attachment of the property. SWDL have also filed an interim application requesting order restraining Raja & Company from transferring, alienating the immovable property owned by them. The suit is pending and for hearing. .
3. A Suit No.272 of 2005 has been filed by SWDL against Gurdaspur Traders before District Court, Gurdaspur for recovery of Rs. 36,84,000/- together with interest and/or attachment of the property. SWDL have also filed an interim application requesting order restraining Gurdaspur Traders from transferring, alienating the immovable property owned by them. The suit is pending for hearing.
4. A Suit has been filed by SWDL against Garg Wines before District Court, Amritsar for recovery of Rs.14,13,000/- with interest. The suit is pending.
5. A Suit No.64 of 2005 has been filed by SWDL against United Traders before District Court, Jalandhar for recovery of Rs. 60,39,000/- with interest and/or attachment of the property. SWDL have also filed an

interim application restraining United Traders from transferring, alienating the immovable property owned by them. The suit is pending for hearing. .

6. A Suit No.28 of 2005 has been filed by SWDL against House of Wines before District Court, Jalandhar for recovery of Rs. 5,87,000/- with interest and/or attachment of the property. SWDL have also filed an interim application restraining House of Wines from transferring, alienating the immovable property owned by them. The suit is pending for hearing. .
7. A Suit No.139 of 2004 has been filed by SWDL against Adarsh Enterprise before District Court, Jalandhar for recovery of Rs.15,85,000/- with interest. The suit is pending for evidence of SWCL. The matter is pending for hearing. .
8. A Civil Suit No.49 of 2005 has been filed by SWDL against Bhel Wines Private Limited before High Court of Himachal Pradesh at Shimla for recovery of Rs. 24,92,000/-with interest and/or attachment of the property. SWDL have also filed an interim application restraining Bhel Wines from transferring, alienating the immovable property owned by them. An application for change of name has been filed. Notice yet to be served. The suit is pending.
9. A Civil Suit No.124 of 2001 has been filed by SWDL against Amritsar Wines before Senior Sub Judge, Amritsar for recovery of Rs.25,09,000/- with interest. The Suit is pending.
10. Suit No.264 of 1997 has been filed by Central Distillery and Breweries Limited ("CDBL") (since merged with SWDL) against Mr.S.L Garg before Civil Judge for the advances Mr.S.L. Garg taken from CDBL. The matter is pending for Additional Issues.
11. Suit No.346 of 1994 has been filed by SWDL against RK Malhotra before 6th Civil Judge, Meerut for recovery of Rs.40,000/- along with interest. The matter is pending for evidence.
12. Suit No.1800 of 1993 has been filed by SWDL against BDA Limited before Bombay High Court, claiming ownership of the brand "OCW". The suit has now been transferred to the Delhi High Court. Issues have been framed and now the suit is fixed for evidence.
13. Case Nos.389 and 390 of 1995 have been filed by CDBL (since merged with SWDL) against Nagar Nigam before 9th Additional District Judge, Meerut challenging Property tax enhanced by Nagar Nigam. The matter is pending.
14. Case No.878 of 1996 has been filed by Mr. R. Singh against SWDL before State Consumer Forum Jaipur against the order of District Consumer Forum in Connection sedimented Bottles of Liquor. Liability upto 2 Lacs. The matter heard and judgement awaited.
15. A Suit No. 3891 of 1997 has been filed by Maharashtra Distilleries Ltd. (now SWDL) against Finacord Chemicals Private Ltd. before High Court of Judicature at Bombay for recovery of Rs. 3,78,06,807/- towards supply of goods. Finacord has filed written statement. The matter is pending for hearing.
16. A Summary Suit No. 3713 of 1995 was filed by Maharashtra Distilleries Ltd. (now SWDL) before High Court, Mumbai for recovering Rs. 23,66,392.53/- with interest at 18% per annum from August 15, 1995 till realization. the matter is pending.
17. Appeal No.TA/303/2004/TM/KOL/2540 of 2000 has been filed by Cruickshank & Company Limited (now SWDL) against BDA Limited and Deputy Registrar of Trade Marks, Kolkata before Intellectual Property Appellate Board, Kolkata for cancellation of Registration of the mark "OCW" in the name of BDA. The appeal decreed against SWDL. Being aggrieved of the order SWDL filed a writ petition before Calcutta High Court which is pending for hearing.
18. Civil Suit No.710 of 2001 was filed by SWDL against Amritsar Wines before Senior Sub Judge, Amritsar for recovery of Rs. 346000/- plus interest on account of non-payment towards supply of IMFL made to Amritsar Wines. The Suit is decided against SWDL. SWDL has filed an appeal against the same in the Court of Additional District Judge, Amritsar and the matter is pending.

19. A Civil Suit No. 639 of 2006 has been filed by SWDL against M/s Brahamputra Drinks, Meerut and their partners Mr. Harish Kumar, Mr. Pankaj Rastogi, Mr. Vijay Kumar Gupta, Mr. Naveen Kumar, Mr. Sachin Sharma and Mr. Prakash Rastogi for recovery of Rs. 998768.80 with interest @ 18% p.a. on account of non-payment towards supply of IMFL made to Brahamputra Drinks. The suit is pending.
20. Arbitration Case filed by SWDL against Scotch & Company before the Arbitrator Mr. A. B. Palkar, Mumbai for recovery of Rs.131.70 lacs. Scotch & Company has also filed a counter claim against SWDL for Rs. 784.70 lacs. The matter is pending.
21. A Civil Case No.111/06 dated 24.04.06 filed in the court of Civil Judge(Junior Division), Pathankot by SWDL: Unit VRV Breweries & Bottling Ind. Pathankot against Swaran Dass S/o Sh. Sant Ram, suit for permanent injunction restraining the defendant from interfering of the plaintiff being the lawful owner the land. Permanent injunction is granted and further appeal filed for vacation of the stay of Mr. Swaran Dass on back side boundary wall of the factory. The matter is pending for hearing .
22. An Appeal under Section 3(G)(5) of National Highway Act, 1956 filed before the Arbitrator Appointed by the Government for modifying the Award dated 28.02.2007 passed by the Competent Authority – cum – Land Acquisition Collector, PWD, Jalandhar(Pb.), by virtue of which certain plots of land were acquired by the Government and compensation was offered. USL has filed this appeal challenging the amount of compensation. This appeal has been filed at Chandigarh Hearing date has not been fixed. The matter is pending

Civil Cases Filed Against SWDL

1. Suit No.1799 of 1993 has been filed by BDA Limited against SWDL before the City Civil Court, Bombay to restrain SWDL from using the trademark "OCW". The Suit has now been transferred to the Delhi High Court. Issues have been framed and now the suit is fixed for evidence.
2. Suit No.533 of 2000 has been filed by Distillery Union against SWDL before Civil Judge, Meerut for the labour settlement in SWDL and avail the benefits of the settlement. The matter is pending for evidence.
3. A Suit No.532 of 1997 was filed by BDA against Cruickshank & Company Limited (now SWDL) before Civil Judge, Senior Division, Aurangabad for realization of its dues amounting to Rs 3,18,95,356/- inclusive of interest @ 18 % p.a. The matter is pending.
4. First Appeal No.60 of 2000 has been filed by Kandla Port Trust against Cruickshank & Company Limited before High Court of Judicature Ahmedabad for recovery of Rs.12.13 lacs. The matter is pending.
5. Special Civil Suit No.373 of 2004 has been filed by Kishore Bottle Mart ("KBM") against Rajaram Bapu Patil Sahakari Sakhar Kharkana Limited before Civil Court Kolhapur for recovery of Rs.1.98 lacs. The matter is posted for filing of affidavit of examination in chief by KBM.
6. Special Civil Suit No. 505 of 2004 has been filed by Sharayu Industries ("SI") against Rajaram Bapu Patil Sahakari Sakhar Kharkana Limited & SWDL before Civil Court Kolhapur for recovery of Rs.4.64 lacs. Written Statement has been filed by SWDL. The matter is pending.
7. Special Civil Suit No.330 of 2004 has been filed by Dolphin Impressions Private Limited against SWDL before Civil Judge, Nasik for recovery of Rs.77.25 lacs. SWDL has filed its written statement and the matter is pending for hearing.
8. Special Civil Suit No.331 of 2004 has been filed by Astra Packaging against SWDL before Civil Judge, Nasik for recovery of Rs.31.94 lacs. SWDL has filed its written statement and the matter is pending for hearing.

9. Special Civil Suit No.332 of 2004 has been filed by Indus Packaging against SWDL before Civil Judge Nasik for recovery of Rs.9.38 lacs. SWDL have filed its written statement and the matter is pending for hearing.
10. Arbitration Case Appeal No.454 of 2003 filed by SWCL and SWDL against Delta Distilleries Limited before Arbitrator Mrs. Sujata Manohar, Mumbai for recovery of Rs.263.04 lacs. Delta Distilleries Limited has also filed a counter claim against SWDL for Rs. 409.48 lacs. The matter is pending.
11. Original Suit No.6856 of 2005 has been filed by The Bangalore Credit Co-operative Society Limited against SWDL before City Civil Judge, Bangalore for eviction of SWDL from the premises at 215 and 23/46 at New Thargupet, Bangalore. SWDL is a tenant of the said premises. SWDL has filed its written statement. Issues are to be framed.
12. Customs Notice No. F No. S Misc/30/2001/Imp dated November 4, 2003 was issued against SWDL for the alleged short collection of Light House Dues of Rs.3,89,294/-. Hearing has taken place. The notice is pending adjudication.
13. C.S. No. 794 of 1978 G.A. No. 3126 of 1997 has been filed by Durgapur Chemical Limited (DCL) against Compagine Des Messageries Maritimes & Others (including SWDL one of the parties) before High Court, Kolkata for claim of Rs.16,85,403/-. SWDL have filed an application for dismissal of the execution application. The matter is pending.
14. USL, Meerut had been served with a demand notice from U.P. Electricity Board amounting to Rs. 51.55 Lacs as penalty on electricity shared with SAB MILLER INDIA (earlier known as SKOL Breweries) for the period Nov, 2004 to April, 2005. The same was challenged by filing an application before the Electricity Regulatory Commission and simultaneously before the High Court. In view of the undertaking given by the counsel of Electricity Board that they will not take any coercive action against USL in pursuance of the recovery proceeding till the disposal of the case by the regulatory commission, accordingly the High Court directed the Regulatory commission to decide the case within 15 days. Based on the direction of the High court the Electricity Commission issued to USL a notice for hearing. The regulatory commission disposed the case without giving an opportunity, against which USL moved to the high court. The High court directed the Regulatory commission to hear the plea of customer on legal ground and till then Electricity Board was directed not take any action. The Electricity Board filed another application for modification in the order; accordingly the next date in the matter is 08.07.08.
15. In relation to the trade mark Officers Choice Whisky (OCW), large number of suits were filed by BDA Limited against various tie up units and Cruickshank & Company Limited (now SWDL) before various Courts, seeking injunction restraining the tie-up units from manufacturing and marketing OCW brand. All the suits were transferred in the year 1993 before Delhi High Court by the Supreme Court and which are pending adjudication. In those suits, against interim orders, appeals and revisions were filed before respective Appellate Courts, which were also transferred by the Supreme Court to Division Bench of Delhi High Court. Details of those suits and appeals/revisions are under:

**LIST OF OTHER SUITS BY AND/OR AGAINST TIE-UP UNITS/DEALERS
(OCW MATTER)**

Sr. No.	Case No.	Parties Involved
1	1666/93 (Old No.643/92)	BDA Vs. KCT and C&C
2	266/92	BDA Vs. Kedia Leather and C&C
3	2003/92	BDA Vs. Rainbow and C&C
4	6278/92	Tracstar Vs. C&C, IBDL and BDA
5	1950/93 (Old No.721/92)	Bhankerpur Simbhaoli Vs. BDA and C&C
6	1521/97 (Old No.32/93)	Bhankerpur Simbhaoli Vs. BDA and C&C
7	2269/93 (Old No.1820/92)	Sunveer Eshant Wine Traders Vs. C&C
8	1802/93 (Old No.928/92)	Mahalaxmi Traders Vs. Tracstar, BDA and C&C

9	2558/92	BDA, Ramon Distillery Vs. State of Maharashtra and Commissioner of State Excise
10	14/93	Chhabria Marketing Vs. C&C and BDA Limited
11	Suit No.2731 of 1996	BDA Vs. C&C and KCT
12	260/93	SWC Vs. Chhabria Marketing, BDA and Others
13	1653/93	BDA Vs. Candy Wines and 26 Others
14	543/93	London Liquor, Kaviraj, Sahayog Vs. State of Maharashtra, Commissioner of Excise, Tracstar, BDA & Sincare (P)
15	1954/93	Rainbow Distilleries Vs. State of Maharashtra and Commissioner of State Excise
16	133/92	Scotch & Company Vs. Tracstar and BDA
	ARBITRATION SUITS	
17	1794/93 (Old No.6944/92)	BDA Vs. Kerala Distilleries and Products Limited
18	1795/93 (Old No.6945/92)	BDA Vs. Rajasthan Bapu Sahakari Sakkar Karkhana
19	1796/93 (Old No.6946/92)	BDA Vs. SKOL Breweries
20	1797/96 (Old No.6947/92)	BDA Vs. Bhankerpur Simbhaoli Beverages
21	1798/96 (Old No.6948/92)	BDA Vs. Doburg Lager Breweries Limited
22	1803/93 (Old No.6949/92)	BDA Vs. Vinedale Distilleries
23	1804/93 (Old No.6950/92)	BDA Vs. Vin Bros. & Co.

**DETAILS OF APPEALS/REVISIONS PENDING BEFORE
DIVISION BENCH OF DELHI HIGH COURT (OCW MATTER)**

Sr. No.	Case No. and Parties Involved
1.	Arising out of Suit No.1799 of 1993:-
1.a)	FAO 196 of 1993, BDA Vs. C&C
1.b)	FAO 422 of 1996, Cruickshank & Company Limited Vs. BDA, KLL and Others
1.c)	FAO 424 of 1996, KLL Vs. BDA, C&C, Satish Kaul, Arun Kumar, RKJ and ASM
2.	Arising out of Interim Order passed in Suit No.OS 14 of 1993:-
2.a)	FAO 213 of 1993 (Old No.FAO 779 of 1993), C&C Vs. Chhabria Marketing & BDA
2.b)	CR No.639 of 1993 (Old No.901 of 1993), KCT Vs. CML, C&C, BDA, Vinedale, Vinbros., BSB, Kerala Dist., Rajaram Bapu Sahakari, Rainbow Distilleries, KLL
2.c)	CR No.640 of 1993 (Old No.1160 of 1993), KLL Vs. CML, C&C, BDA, Vinedale, Vinbros., BSB, Kerala Dist., Rajaram Bapu Sahakari, Rainbow Distilleries, KCT
3.	Arising out of Interim Order passed in Suit No.2558 of 1992:-
3.a)	CR No.588 of 1993 (Old No.128 of 1993), C&C Vs. BDA, Ramon, State of Maharashtra, Commissioner of Excise
3.b)	CR No.636 of 1993 (Old No.275 of 1993), State of Maharashtra Vs. BDA & Ors.
4.	Arising out of Interim Order passed in Suit No.2003 of 1992:-
4.a)	CR No.638 of 1993 (Old No.122 of 1993), BDA Vs. Rainbow and C&C
4.b)	CR No.637 of 1993 (Old No.121 of 1993),

	C&C & Rainbow Vs. BDA
5.	Arising out of Interim Order passed in Suit No.657 of 1992:-
5.a)	FAO 189 of 1993 (Old No.657 of 1992), C&C Vs. KLL & BDA
6.	Arising out of Interim Order passed in Suit No.6278 of 1992:-
6.a)	FAO 212 of 1993 (Old No.804 of 1993), C&C Vs. Tracstar, India Brewery and Distillery Limited (IBD) and BDA
7.	Writ Petition filed against the Order passed by Secretary (Excise), State of Maharashtra:-
7.a)	CWP 5403 of 1993, (Old No.1739 of 1993), C&C Vs. State of Maharashtra, B.K.Aggarwal (Sec.-Excise), Ramon, BDA, SWC, Rainbow, Commissioner of Excise
8.	Writ Petition filed against the Order passed by Secretary (Excise), State of Maharashtra:-
8.a)	CWP 3946 of 1993 (Old No.1664 of 1992), KLL & V.Raghavan Vs. Commissioner of Excise (M.P.), SWC, J.Bhargava, C&C and S.Roy, Tracstar

Consumer Case Filed Against SWDL

1. One Sanjay Khanna filed a consumer case being Consumer Complaint No.763 of 2007 before District Consumer Redressal Forum, K.G.Marg, New Delhi. It is alleged that he had purchased Antiquity Premium Whisky 750 ml bottle from Connaught Place, New Delhi and during consumption found that some visible substance was floating in the bottle. After issuing notice, the aforesaid complaint was filed praying for compensation of Rs.4,50,000/- alongwith cost of litigation. The matter is pending.

DETAILS OF CRIMINAL CASES

Criminal Cases Filed Against SWDL

1. A Criminal Petition No.3456 of 2002 has been filed by The Inspector of Legal Metrology, Thane II against M. C. Gupta & others of Maharashtra Distilleries Limited (now SWDL) before Judicial Magistrate First Class Aurangabad for setting aside the Order dated 6th June, 2003 whereby SWDL was acquitted from charges. The matter is pending.
2. Case No.C/173 of 1998 has been filed by Additional Registrar of Companies (ROC) against Cruickshank & Company Limited (now SWDL) before Chief Judicial Magistrate Alipore, Kolkata for summoning Cruickshank & Company Limited and punish them. SWDL and the other accused persons filed application under Section 621A of the Companies Act, which has been allowed by the Company Law Board (CLB). Registrar of Companies at Kolkata (ROC) has to now withdraw the criminal complaint.
3. Case No. C/3394 of 1985 has been filed by Registrar of Companies (ROC) against SWDL (formerly known as Cruickshank & Company Limited and its directors before 3rd Metropolitan Magistrate Court, Kolkata for Summoning SWDL and punish under Section 205 of Criminal Procedure Code. SWDL and the other accused persons filed application under Section 621A of the Companies Act, which has been allowed by the CLB. ROC has to now withdraw the criminal complaint.
5. The UP pollution control board filed a case against the central Distilleries and Breweries and its Directors / Management in the year 1983 under Section 44 of the Water (Prevention & Control) Act 1974 before the CJM , Meerut. After formation of Special Magistrate Pollution the case was transferred to Lucknow. The allegation against USL was that USL was discharging its polluted effluent without treatment to Honkers Nala, which joins Abbu Nala. The matter is pending.

Criminal Cases Filed By SWDL

- 1 3 Complaints have been filed by VRV Breweries Limited (now SWDL) against Gurdaspur Traders, Gurdaspur under Section 138 of the Negotiable Instruments, Act, 1881 for dishonour of two cheques for

an amount of Rs.5,00,000/- each and one cheque for Rs.16,00,000/- before Judicial Magistrate, Chandigarh. Complaints are pending for summoning of Gurdaspur Traders.

2. 10 Show Cause Notices were issued under Section 36 read with Section 80 of Punjab Excise Acton CDBL (now SWDL) for non-supply of country liquor as per the quota fixed in violation of conditions no.21 and 22 of the terms and conditions of the License as well as Rule 21 of the Delhi Country Liquor Bonded Warehouse Rules, 1976. In defence, CDBL took the plea that on account of non-allocation of alcohol by U.P. Government and strike and labour problems, supply could not be made. The Collector Excise rejected the defence taken by CDBL and levied penalty of Rs.17,04,165/- in respect of all the 10 Show Cause Notices under Rule 21. 8 Appeals filed by CDBL before the Commissioner have also been dismissed vide common order dated September 17, 2004. The case for the month of May, 1992 is pending in the High Court, in which the stay granted is continuing. The penalty amount involved in the High Court is Rs.4,89,600/-. In respect of the 10th Show Cause Notice where the penalty amount was only Rs.5,400/-, a Bank Guarantee has been furnished to the Collector.
3. Suit No.5585 of 2002 has been filed by State against Mr. Ashok and Others before Judicial Magistrate Meerut for the violence in SWDL. The matter is pending for evidence of the State.
4. Suit No.6197 of 2002 has been filed by State against Prakash and 2 others before Judicial Magistrate, Meerut for the violence in SWDL. The matter is pending for evidence of the State.
5. Suit No.238 of 2003 has been filed by Mr.Rahimuddhin against Mr. P.M. Pandey before Additional Chief Judicial Magistrate for threat and intimidation. The matter is pending.
6. Complaint No.4103/SS of 2005 has been filed under Section 138 of Negotiable Instruments Act by SWDL against Mr. Raj Chainani, (Vidarbha Liquors, Nagpur) before Ballard Pier Court, Mumbai for penalty and prosecution. The case is transferred to Special Metropolitan Magistrate of Small Causes Court, Mumbai. The matter is pending.
7. Complaint No.1709/SS of 2005 has been filed under Section 138 of Negotiable Instruments Act for dishonour of cheque by SWDL against Mr. Raj Chainani (Vidarbha Liquors, Nagpur) before 33rd Ballard Pier Court, Mumbai for penalty and prosecution. The matter is pending.
8. Criminal Complaint No.5196/SS of 2005 has been filed under Section 138 of the Negotiable Instruments Act by SWDL against Syndicate Associate Private Limited before 7th Court Dadar for Penalty and prosecution for dishonour of cheques amounting to Rs.13,49,000/-. The matter is pending for service of summons to the accused. SWDL has also filed civil suit against them (Suit No. 66 of 2005 at Pune). The matter is pending.
9. Complaint Nos.5424/SS of 2005, has been filed by SWDL against Spear Trading ("ST") before 28th Metropolitan Magistrate Court, Esplanade Mumbai, for penalty and prosecution for dishonour of 3 cheques for Rs.5 lacs each issued by ST. The matter is pending.
10. Suit No.219 of 1994 has been filed by Malleswara Finance Investment Company Ltd. ("MFIC") (since merged with SWDL), against Mr.K.R. Chhabria ("KRC") and others before High Court, Kolkata, alleging various fraudulent acts of KRC. The matter is pending.

TAX PROCEEDINGS

Cases Filed Against SWDL

1. Show Cause Notice was issued by Delhi Excise office and whereunder SWDL was ordered to pay Rs.4,80,895/- on account of interest @ 18%. SWDL challenged the demand. The matter is before Excise Commissioner. The matter would be listed in due course.
2. Civil Writ Petition No.4686 of 2002 has been filed by Commissioner of Excise against SWDL before Delhi High Court against the order dated December 28, 2001 passed by Financial Commissioner, Delhi, allowing the appeal filed by CDBL (SWDL) against the order dated July 9, 2001 of Excise Commissioner

reducing the Ex-Distillery Price (EDP) of Director's Special Black Whisky for Excise Year 2001-02 to Rs.731.71 from Rs.823/- per quart case. Appeal has been admitted. The matter is pending.

3. Commissioner of Excise has filed a Civil Writ Petition No.4687 of 2002 against SWDL before Delhi High Court against the order dated December 28, 2001 passed by Financial Commissioner, Delhi, allowing the appeal filed by Balbir Distilleries Limited (SWDL) against the order dated June 28,2001 of Excise Commissioner reducing the Ex-Distillery Price (EDP) of Old Tavern Whisky for Excise Year 2001-02 to Rs.316.11 from Rs.362.80 per quart case. Appeal has been admitted. The matter is pending.
4. Commissioner of Excise has filed a Civil Writ Petition No.4782 of 2002 against SWDL before Delhi High Court against the order dated December 28,2001 passed by Financial Commissioner, Delhi, allowing the appeal filed by Balbir Distilleries Limited (SWDL) against the order dated June 28, 2001 of Excise Commissioner reducing the Ex-Distillery Price (EDP) of Director's Special Whisky for Excise Year 2001-02 to Rs.390.00 from Rs.433.44 per quart case. Appeal has been admitted. The matter is pending.
5. A notice dated 29th July, 1999 was issued to CDBL under Section 213(c) of U.P. Municipal Authorities Act revising the Property Tax before Additional District Judge, Meerut. CDBL challenged the same in terms of Appeal. The matter is fixed for final arguments.
6. Office of Commissioner of Customs, Chennai vide a show cause notice against Cruickshank & Company Limited (now SWDL) demanded Rs.3,89,294/- for short collection of dues for various vessels. SWDL have not yet replied to the show cause notice. The matter is pending.
7. Commissioner of Excise has filed a Writ Petition No.4156 of 2002 against SWDL before Delhi High Court. The Writ Petition has been filed against the Order dated February 2, 2002 passed by the Financial Commissioner, allowing the appeal filed by SWDL against the Order of Excise Commissioner reducing the EDP of RCW for excise year 2000-01. The writ petition has been admitted and is pending for hearing.
8. A Show Cause Notice was issued on January, 24,2001 to CDBL (now USL) to show cause why action should not be taken for not maintaining the required stock in terms of Clause 7.3 (c) of the Policy of RCW after December 30, 2000. A detailed reply has been submitted by USL. The matter is pending.

Tax Cases Filed By SWDL

1. Case No.RN427 of 2004 has been filed by SWDL against Excise Superintendent and Additional District Magistrate before Taxation Tribunal Kolkata for illegal claim of Rs.174.64 lacs. The matter is pending.
2. An Appeal No. 94 of 2006 has been filed by SWDL against Assistant Commissioner of Custom. Custom sanctioned the refund of Rs.1,46,64,500/- and ordered it to be credited to the Consumer Welfare Fund instead of SWDL. SWDL has filed an appeal against the order passed by the customs. Matter has been heard and Order was passed on July 28, 2006 against SWDL. Against the said Order, an Appeal No. C/1250 of 2006 MUM has been filed by SWDL against Assistant Commissioner of Custom. The matter is pending.
3. An Appeal No. C/1033 of 2006 has been filed by SWDL against Assistant Commissioner of Custom. Custom sanctioned the refund of Rs.2,55,06,326/- granted and ordered it to be credited to the Consumer Welfare Fund instead of SWDL. SWDL has filed an appeal against the order passed by the customs. The matter is pending.
4. Writ Petition Nos. 5128 of 2003 & 5129 of 2003 before High Court Orissa – have been filed by Maharashtra Distilleries Ltd. (now SWDL) against State of Orissa and Commissioner of Excise & Others challenging the illegal levy of licence fee for bottling of IMFL and illegal demand of franchise fees. Stay petitions were also filed by which the court directed to serve notice to the State of Orissa and others. The matter is pending.
5. In July, 1999, Government of Maharashtra demanded Rs.3/- bulk litre from Maharashtra Distilleries Limited (now SWDL) as transportation fees for transport of rectified spirit used in manufacture of IMFL.

In the Writ Petition No.1865 of 2001 filed by MDL before Aurangabad Bench of Mumbai High Court, the High Court admitted the writ petition, but directed MDL to deposit the transportation fees. MDL filed SLP No.17169 of 2002 before Supreme Court, which is pending. The Supreme Court vide Order dated August 29, 2002 stayed the operation of the Order subject to furnishing an undertaking by MDL. The matter is pending.

6. SWDL has filed an appeal before CIT (A) for A.Y.2004-05 in respect of depreciation disallowed, professional fee treated as capital, unsecured loan tax u/s.68, advertisement and sales promotion, bonus or commission claimed under Section 37(1) treated as not allowable under Section 36(1) (ii), adhoc provision, advances written off, disallowance under Section 14A, 43B and stamp duty treated as capital. The amount under dispute is Rs. 2222.70 lacs. and the tax relief sought is Rs.797.39 lacs.

Labour Cases Filed Against SWDL

1. Case No.309 of 1994 has been filed by Mr. Tejpal against SWDL before Labour Court, Meerut for Reinstatement with back wages amounting to Rs. 11,21,900/-. The matter is pending for Mr. Tej Pal's evidence.
2. Case No. 310 of 1994 has been filed by Mr. Babulal against SWDL before Labour Court, Meerut, for Reinstatement with back wages amounting to Rs.11,21,900/-. The matter is pending for Mr. Babulal's evidence.
3. Case No.16 of 1994 has been filed by Mr. Ram Nath against SWDL before Labour Court, Meerut for Reinstatement with back wages amounting to Rs.11,21,900/-. Mr. Ram Nath died in the year 2001, and his wife has filed an application before the Labour Court for making her a party in the matter. The matter is pending.
4. Case No.117 of 1994 has been filed by Shiv Dutt against SWDL before Labour Court, Meerut for Reinstatement with back wages amounting to Rs.11,21,900/-. The matter is pending for SWDL's evidence.
5. Case No.118 of 1994 has been filed by Mr. Dhani Ram against SWDL before Labour Court, Meerut for Reinstatement with back wages amounting to Rs.11,21,900/-. The matter is pending for SWDL's evidence.
6. Case No.120 of 1994 has been filed by Mr. Awadesh Pandey against CDBL before Labour Court IInd, Meerut for Reinstatement with back wages amounting to Rs.11,21,900/-. The matter is pending for SWDL's evidence.
7. Case No.92 of 1993 has been filed by Mr. Sher Singh against CDBL before Industrial Tribunal for Reinstatement with back wages amounting to Rs.4,05,152/-. The matter is fixed for Sher Singh's evidence.
8. Case No.94 of 1995 has been filed by Mr. Vinod against CDBL before Industrial Tribunal for Reinstatement with back wages amounting to Rs.4,05,152/-. The matter is fixed for Vinod's evidence.
9. Case No.95 of 1995 has been filed by Mr. Papoo against CDBL before Industrial Tribunal for Reinstatement with back wages amounting to Rs.4,05,152/-. The matter is fixed for Papoo's evidence.
10. Case No.97 of 1995 has been filed by Mr. Kishan against CDBL before Industrial Tribunal for Reinstatement with back wages amounting to Rs.4,05,152/-. The matter is fixed for Kishan's evidence.
11. Case No.41 of 2001 has been filed by Mr. Murari Lal against CDBL before Labour Court 1st, Meerut for Reinstatement with back wages amounting to Rs.5,20,200/-. The matter is pending.
12. Case No.126 of 2003 has been filed by Mr. Satpal against SWDL before Industrial Tribunal, Meerut for Reinstatement with back wages amounting to Rs.1,29,000/-SWDL has to file its written statement.
13. Case No.313 of 1994 has been filed by Mr. Yogender Giri against CDBL before Labour Court 1st, Meerut for Reinstatement with back wages amounting to Rs.4,60,138. The matter is pending for CDBL's evidence.

14. Case No.47 of 1996 has been filed by Distillery and Chemical Mazdoor Union against SWDL before Labour Court, Meerut for Reinstatement with back wages amounting to Rs.9,88,500/-. The matter is pending for Union's evidence.
15. Case No.57 of 1998 has been filed by Union against CDBL before Labour Court 1st, Meerut to decide the matter in favour of CDBL. The matter was decided Ex-parte in favour of CDBL. Mr. Kishan Pal has filed Restoration application, which is to be disposed off.
16. Case No.10 of 2000 has been filed by Mr. Yogesh before Industrial Tribunal for payment of farm land allowance amounting to Rs.44,520/-. The matter is pending for Yogesh's evidence.
17. Case No.1 of 2002 has been filed by CDBL (now SWDL) for approval of termination of Mr. Yogesh Kumar before Industrial Tribunal. The matter is pending for CDBL's evidence.
19. Case No.6 of 2002 has been filed by Mr. Yogesh against CDBL before Industrial Tribunal for Reinstatement with back wages amounting to Rs.4,84,200/-. The matter is pending.
20. Case No.40 of 2001 has been filed by Mr. Bhartiya Mazdoor Sangh against SWDL before Additional Labour Court, Meerut, Demand for medical allowance, leave travel allowance aggregating approximately to Rs.72,000/-. The matter is pending.
21. Case No.77 of 2003 has been filed by Mr. Narendra against SWDL before Labour Court, Meerut for Reinstatement with continuity in service and back wages amounting to Rs. 3,00,100/-. The matter is pending.
22. Case No.3 of 2002 has been filed by SWDL against Mr. Subhash Aggarwal before Industrial Tribunal, Meerut for reinstatement with continuity in service and back wages amounting to Rs.3,20,100/-. The matter is pending.
23. Case No.76 of 2003 has been filed by Mr. Omkar Singh before Labour Court Ist, Meerut for Reinstatement with back wages amounting to Rs.2,60,100/-. The matter is fixed for Written Statement.
24. Case No.6 of 2002 has been filed by Mr. J. P. Sharma against SWDL before Industrial Tribunal, Meerut for reinstatement with back wages. The matter is pending for Sharma's evidence.
25. Case No.97 of 2000 has been filed by Mr. Subhash Chand before Labour Court IInd, Saharanpur for reinstatement with back wages. The matter is transferred to Meerut Court. The matter is pending.
26. Case No.03 of 2001 has been filed by Union against CDBL before Industrial Tribunal for reinstatement with back wages amounting to Rs.17,09,375/-. The matter is pending.
27. Case No.08 of 2002 has been filed by CDBL against Piplani before Industrial Tribunal for terminating RC Piplani. The matter is fixed for filing documents and issues to be framed.
28. Case No.15 of 2004 has been filed by Mr. Piplani against CDBL for reinstatement with back wages amounting to Rs.3,07,000/-. The matter is pending for filing Written Statement of CDBL.
29. Case No.55 of 1995 has been filed by Yogesh Rastogi against CDBL before Labour Court, Bareilly for reinstatement with back wages amounting to Rs.9,96,705/-. The matter is fixed for evidence.
30. Case No.2914-15 of 2005 has been filed by Yogesh Kumar against SWDL before DLC, Meerut for reinstatement with back wages amounting to Rs.79,253/-. Matter heard. The Judgement is awaited.
31. Case No.2916-17 of 2005 has been filed by Kishan Pul against SWDL before DLC, Meerut for the recovery of previous settlement dues amounting to Rs.1,10,650/-. Matter is heard and the Judgment is awaited.
32. Case No. 39198 of 2005 has been filed by Mr. Jagpal against CDBL. Mr. Jagpal was working for contractor M/s. R K Aggarwal who was engaged by CDBL (now SWDL) for loading, unloading and washing purposes. His services were terminated by the contractor in the year 1992. Mr. Jagpal filed an application before the Labour Court bearing case no ID 107 of 1994 for his illegal termination and claimed that he was an employee of CDBL He won the case by an award dated October 11, 2004 i.e., re-instatement w.e.f January 01, 2001 with full back wages and 25% of the wages from 1992 till 1996

and 50% of the wages from 1997 till 2000 CDBL filed a writ petition before the High Court at Allahabad for the stay on the operation of award dated October 11, 2004. (The stay on back wages was granted with the condition that he should be re-instated within 1 month from the date of the order and also that CDBL should pay back wages from October 11, 2004 till date of reinstatement. CDBL re-instated Jagpal and paid him his last drawn wages of Rs.750/- per month. Mr. Jagpal further moved an application before Deputy Labour Commissioner (DLC) for non-implementation of High court order regarding the backwages and settlement of the balance amount due. The DLC passed an order stating that he should be given minimum wages of UP Govt. SWDL has obtained the stay from the High Court against the order of DLC with the condition that amount to be deposited in the office of DLC in the form of FD. SWDL has complied with the order.

33. Notice under Section 6H of Industrial Disputes Act, 1947 ("ID Act") has been filed by Mr. Gurchran against CDBL before Assistant Labour Commissioner, Meerut for the benefits of settlement amounting to Rs.2,51,529/-. The Judgement is awaited.
34. Notice under Section 6H of Industrial Disputes Act, 1947 ("ID Act") has been filed by Mr. Shanti Swroop against CDBL before Assistant Labour Commissioner Meerut for the benefits of settlement amounting to Rs.2,50,506/-. The Judgement is awaited.
35. Notice under Section 6H of ID Act has been filed by Mr. Shyam Lal against CDBL before Assistant Labour Commissioner, Meerut for the benefits of settlement amounting to Rs.2,50,805/-. The Judgement is awaited.
36. Notice under Section 6H of ID Act has been filed by Mr. J.P. Sharma against CDBL before Assistant Labour Commissioner, Meerut for benefits of settlement amounting to Rs.2,43,326/-. The Judgement is awaited.
37. Case No.18106 of 1999 has been filed by Mr. Suman Pal against CDBL before Allahabad High Court for alleged termination. Case is settled in Deputy Labour Commissioner's office and the Parties will file a settlement in High Court, Allahabad.
38. Case No.14645 of 2001 has been filed by Union against CDBL before Allahabad High Court against the registration of Staff settlement in Deputy Labour Commissioner's office. The matter is pending for final hearing.
39. Case No.37761 of 1992 has been filed by the Workers Union against CDBL before Allahabad High Court for Reinstatement with back wages amounting to Rs.1,20,000/-. The matter is pending for final hearing.
40. Case No.26539 of 2001 has been filed by Mr. Komal Singh and Mr. S.C Agarwal against CDBL before Allahabad High Court against transfer to Baddi. The matter is pending for final hearing.
41. Case No.39198 of 2005 has been filed by Mr. Jagpal against CDBL before High Court, Allahabad for permanent employment in CDBL. The matter is pending for hearing.
42. AP 118 to 127 of 2003 are pending before the Assistant Labour Commissioner (Central) Chennai and before the Controlling Authority under the Payment of Gratuity Act 1992 filed by 8 workers against Cruickshank and Company Limited. The matter was not taken up for hearing, since a writ petition was pending in the Chennai High Court on similar facts pertaining to other workers, which has since been dismissed.
43. Case No. 423 of 2003 has been filed by Mr. Rajendra Kumar against SWDL in Delhi Labour Court for his alleged termination by SWDL. Mr. Rajinder Kumar was working with M/s. Eagle Hunter Security Services and posted at Vasant Vihar office of SWDL. After the closure of Vasant Vihar office, he didn't turn up for duty for other places and later on he filed an application before the labour court for illegal termination of his service by SWDL. SWDL filed its reply and the matter is still pending.
44. Case No.253 of 2003 has been filed by Mr. Akhilesh Kumar against SWCL. Mr. Akhilesh Kumar filed an application before the labour court for illegal termination of his service by the Shaw Wallace management and stated that he never received overtime, house rent, workman uniform and Bonus and claimed for reinstatement with full back wages and unemployment allowance. His service was

terminated by the management on April 22, 2003 SWCL replied that Mr. Akhilesh Kumar was working with M/s. Eagle Hunter Security Services and was not employed by SWCL. The matter is pending.

45. Case No. 778 of 1999 has been filed by Mr. Surinder Singh & 9 others against SWDL. Mr. Surinder Singh and 9 others were working with C&F Agent for transporting of goods. Their services were discontinued by the C&F Agent. Thereafter they filed an application before the Labour authority for illegal termination of the services by SWDL. The Government of Delhi referred the matter to the Labour Court for adjudication. Proceeding are over and the judgment of the Court is awaited.
46. Case No. 254 of 2004 has been filed by Mr. Roshan Lal before Labour Court Delhi, challenging his termination by SWDL. The matter is fixed for evidence.
47. Case No. 93 of 2004 has been filed by Ravinder Kumar, Ex-Sales Representative against SWDL. Mr. Ravinder Singh was working with Shaw Wallace & Company Limited as a sales representative. Mr. Ravinder Singh later joined SWDL on the same employment terms and conditions with continuity of services on January 01, 2001. After that he filed a claim before Mr. Kuldip Singh, Additional District and Session Judge, Jalandhar that he has been paid less wages from the period 1995 to 2003 which aggregates to Rs.1,43,696 and interest accrued thereon at the rate of 18%p.a. SWDL has filed its reply. The matter is pending.
48. Case No.125 of 2005 has been filed by Mr. Suresh Beri (SB) against SWDL. SB was working as a Sales Officer of SWDL. His services were terminated with effect from October 31, 2002. SB filed a civil suit before Mr. Vimal Kumar Yadav Addl. District Judge, Tis Hazari Courts, Delhi, challenging his termination and claiming a sum of Rs.20 lacs as compensation with 12% interest p.a accrued thereon. Despite service of the summons, SWDL failed to appear and the Court ordered to proceed ex-parte in the matter. In the meantime, SWDL filed an application for setting aside of the aforesaid exparte order and proceedings.

Labour Cases Filed By SWDL

1. Miscellaneous Case No.4 of 2002 has been filed by Chief Executive Poonam Distilleries Limited (now SWDL) against Smt. Tara Devi before The Presiding Officer, Industrial Tribunal Orissa, Bhubaneswar for discharge of Workwoman. The Industrial Tribunal had dismissed the case vide an order dated December 30, 2005 for non-appearance. SWDL filed an application for restoration which was allowed. The matter is pending for further hearing.
2. Miscellaneous Case No.3 of 2002 has been filed by Chief Executive Poonam Distilleries Limited (now SWDL) against Smt. Binati Behera before The Presiding Officer, Industrial Tribunal Orissa, Bhubaneswar for discharge of Workwoman. The matter is pending for hearing.
3. Miscellaneous Case No.2 of 2002 has been filed by Chief Executive Poonam Distilleries Limited (now SWDL) against Mr. K. Jagannath Rao before The Presiding Officer, Industrial Tribunal Orissa, Bhubaneswar for discharge of workman. The Industrial Tribunal had dismissed the case vide an order dated December 30, 2005 for non-appearance. SWDL filed an application for restoration which was allowed and the matter is pending for further hearing.

GOVERNMENT / STATUTORY, BUSINESS APPROVALS AND LICENCES

In view of the approvals listed below, our Company can undertake this Issue and its current business activities and no further material approvals are required from any Government authority to continue such activities. It must, however, be distinctly understood that in granting these consents / licenses / permissions / approvals, the Government does not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed. Our Company has received the following Government approvals/licenses/permissions that are material to its business. Unless otherwise stated, these approvals are all valid as of the date of this Letter of Offer.

Approvals for the Business

We require various approvals to carry on our business in India. The approvals that we require include the following:

In India

Incorporation

Certificate of Incorporation No.14509 of 1969-70 dated January 12, 1970 issued by the Registrar of Companies, Maharashtra.

Approvals from Tax Authorities

- The Company's Permanent Account Number is AAACU1363K and its Tax Deduction Account Number under the I.T. Act is PNEU05807E
- Registration under the Sales Tax Acts of various states in India for local sales tax. At present the Company has local sales tax registrations in Maharashtra, Karnataka, Tamilnadu, Andhra Pradesh, Madhya Pradesh, Orissa, Madhya Pradesh, Chattisgarh, Jharkhand, West Bengal, Gujarat, Rajasthan, N.C.T. of Delhi, Haryana, Bihar, Uttar Pradesh and Punjab. Following are the details of all sales tax related registration:

Sr. No	Issuing Authority	License No	Nature of the License	Validity
1.	Sales Tax Department, Maharashtra (Registration) Pune	VAT TIN: 27290015454 V	Certificate of Registration under Bombay Sales Tax Act, 1959	1 st of October to 31 st October 2006. Permanent VAT No. allotted hence renewal not required.
2.	Central Sales Tax Department, (Registration) Pune	CST TIN:27290015454 C	Certificate of Registration under Central Sales Tax Act.	1 st of October to 31 st October 2006. Permanent VAT No. allotted hence renewal not required.
3.	Government of Karnataka, Commercial Tax Department (Bangalore Office)	29470121537	Provisional VAT Registration.	With effect from 1 st April, 2003 One time Registration
4.	Government of Tamil Nadu, Commercial Taxes Department (Chennai Office)	33061080590	Certificate of Registration under Rule 5(1)(a) of Tamil Nadu Value Added Tax Act, 2006	With effect from 1 st January, 2007 One time Registration.

5.	Government of Andhra Pradesh, Commercial Taxes Department (Visakapatnam)	28727623659	Certificate of Registration section 18(1)(a) (Rule10(a) & 12 of Andhra Pradesh Value Added Tax Rules,2005)of Andhra Pradesh Value Added Tax Act,2005.	With effect from 1 st May, 2006 One time Registration
6.	Madhya Pradesh, Jabalpur	23116102175	Certificate under The Madhya Pradesh VAT Act 2002	Permanent VAT No. allotted hence renewal not required.
7.	Chattisgarh	22424602595	Certificate of Registration under Bihar Finance Act, 1981.	Permanent No. allotted hence renewal not required.
8.	Government of Jharkand, Commercial Taxes Department, (Jamshedpur office)	20691000433	Certificate of Registration under Bihar Finance Act, 1981.	One time Registration
9.	Assistant Commissioner Commercial Taxes Department, (Beliaghata office)	19401927003	Certificate of Registration under The West Bengal Value Added Tax Rules,2005	With effect from 1 st April, 2005 One time Registration
10	Gujarat Sales Tax Office. (Ahmedabad office)	24309900016	Certificate under Gujarat Sales Tax Act, 1969	With effect from 1 st July, 2002 One time Registration
11.	Kota	08402951703	Certificate under Rajasthan VAT Act 2003	Permanent No. allotted hence renewal not required.
12.	Department of Trade and Taxes, Government of N.C.T of Delhi.	07790116098	Certificate under Delhi VAT Act 2005	Permanent VAT No. allotted hence renewal not required.
13.	(Haryana) Panipat	7170	Certificate under Delhi VAT Act 2005	Permanent VAT No. allotted hence renewal not required.

14.	Government of Commercial Taxes Department, Bihar (Purnia office)	10490710051	Bihar VAT Ordinance 2005	Permanent VAT No. allotted hence renewal not required.
15.	Government of Commercial Taxes Department, Bihar (Purnia office)	10490710148	Bihar VAT Ordinance 2005	Permanent VAT No. allotted hence renewal not required.
16.	(Uttar Pradesh) Modinapor	MO-0020628	Uttar Pradesh VAT Act 2002	Registration Certificate not available.
17.	(Punjab) Bhatinda	86615013	Certificate of Registration under section 7(1) IT(2) OF Central Sales Tax ,1956	With effect from 28 th March, 2005 One time Registration

C. Service Tax

Statement showing details of place of Registration under Finance Act 1994:

Sr. No	Issuing Authority	License No	Nature of the License	Validity
1.	Central Excise Commissioner ate, Pune	AAACU 1363 KST 007 for a) Commissioning & Installation b) Maintenance and Repair Services	Certificate of Registration under Section 69 of the Finance Act.1994	Till the time the Company carries on the activity for which the certificate has been issued
2.	Central Excise Commissioner ate, Pune	AAACU 1363 KST 007 for Goods Transport Agency	Certificate of Registration under Section 69 of the Finance Act.1994	Till the time the Company carries on the activity for which the certificate has been issued
3.	Excise Officer, Ropar	ST-2/UBEL/MRS/ST C/8/RPR/2004 for Maintenance and Repair Services	Certificate of Registration under Section 69 of the Finance Act.1994	Till the time the Company carries on the activity for which the certificate has been issued

4.	Superintendent, Central Excise Division, Chandrapur	40/MRS/CND/200 4-05 for Maintenance and Repair Services	Certificate of Registration under Section 69 of the Finance Act.1994	Till the time the Company carries on the activity for which the certificate has been issued
5.	Office of the Superintendent Central Excise Range, Bhatinda	25/MRS/BTT/04 for Maintenance and Repair Services	Certificate of Registration under Section 69 of the Finance Act.1994	Till the time the Company carries on the activity for which the certificate has been issued
6.	Office of the Superintendent Central Excise Range, Jamnagar	MRS-310/ S TAX- 2003-04 for Maintenance and Repair Services	Certificate of Registration under Section 69 of the Finance Act.1994	Till the time the Company carries on the activity for which the certificate has been issued
7.	Office of the Superintendent Central Excise Range, Waidhan	Maintenance & Rep/157/WDN/20 03-04 for Maintenance and Repair Services	Certificate of Registration under Section 69 of the Finance Act.1994	Till the time the Company carries on the activity for which the certificate has been issued
8.	Office of Professional Tax Officer	PT/R/2/2/6/25/11	Professional Tax Registration.	One time registration

D. Labour Licenses

Statement showing Labour Licenses obtained by our Company:

Sr. No	Issuing Authority	License No	Nature of the License	Validity
1.	Office of Licensing Officer & Asst. Labour Commissioner Adipur, Kutch	ALC/ADP/ L:257/RIL/ 2006	Licence for Structure Fabrication Work and Other Allied Construction Activities at Reliance Industries Ltd Site.	11.09.2008
2.	Office of the Licensing Authority Officer, Bilaspur	BSP/46/ (49)/2006- ALC	License under section 12(1) of the Contract Labour (Regulation and Abolition Act) 1970.	30.05.2008
3.	Licensing Officer, Shaktinagar, U.P.	22	License under Contract Labour Act (Regulation and Abolition) under Section 12(1) of 1970	12.07.2008
4.	Licensing officer Chandrapur, Maharashtra	193/92	License under Contract Labour Act (Regulation and Abolition) under Section 12(1) of 1970	31.12.2007
5.	Licensing Officer, M.P., Sub Division Singrali	762/L/SWIL/90	License under Contract Labour Act (Regulation and Abolition) under Section 12(1) of 1970	31.12.2007
6.	Licensing. Officer, Jagdapur, M.P.	114/JDP/2004	License under Contract Labour Act (Regulation and Abolition) under Section 12(1) of 1970	31.12.2007

7.	Asst. Labour Commissioner Licensing Officer under O.L. (A&A) Act Vijaywada	49/2005	License under Contract Labour Act (Regulation and Abolition) under Section 12(1) of 1970	28.06.2008
8.	Licensing Officer, Chaibasa, Jharkhand.	2136	License under Contract Labour Act (Regulation and Abolition) under Section 12(1) of 1970	16.05.2008
9.	Commissioner of Employees' Provident Fund	MH/11278	Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952	Permanent.
10.	Office of Licensing Officer Jalgaon, Maharashtra	5/D11/2002	License under Section 12(2) of the Contract Labour (Regulation & Abolition Act 1970	31.12.2007
11.	Zillha Karyalaya, Raigarh, Chhatisgarh	467/RGH/2605	License under Contract Labour Act (Regulation and Abolition) under Section 12(1) of 1970	31.12.2007
12.	Office of Licensing Officer Mumbai, Maharashtra	046	License under Section 12(2) of the Contract Labour (Regulation & Abolition Act 1970	31.12.2007
13.	Office of the Licensing Officer Faridabad	46(L-163)/2007/ALF	License under Section 12(1) of the Contract Labour (Regulation & Abolition Act 1970	30.8.2008
14.	Office of Licensing Officer & Asst. Labour Commissioner Adipur, Kutch	ALC/ADP/L:199/2007	Licence for Electrical & Instrumentation Jobs At Reliance Jamnagar Infrastructure Ltd.	13.04.2008
15.	Office of Licensing Officer & Asst. Labour Commissioner Adipur, Kutch	ALC/ADP/L:37/RIL/2004	Licence for Occasional Fabrication & Maintenance, Erection and Other Allied Jobs At Reliance Site.	19.02.2008
16.	The Republic of Sudan, Ministry of Justice, Commercial registrar General	5	Registration of branch at Khartoum, Sudan	One time registration

OTHER REGULATORY AND STATUTORY DISCLOSURES

Eligibility for the Issue

Our Company is an existing company listed on Bombay Stock Exchange Limited (Designated Stock Exchange). Our Company is eligible to offer this Rights Issue in terms of Clause 2.4.1 (iv) of the SEBI (Disclosure and Investor Protection) Guidelines, 2000 and amendments thereto ("SEBI Guidelines").

Our Company has received 'in-principle' approval from the Bombay Stock Exchange Limited where the Equity Shares offered through this Letter of Offer are proposed to be listed vide BSE's letter no. DCS/PREF/SM/IP-RT/794/07-08 dated July 03, 2007.

Prohibition by SEBI

Neither our Company, nor its Directors or the Promoter Group Companies, or companies with which our Company's Directors are associated with as directors or Promoters have been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI. Further, none of the directors or person(s) in control of the Promoters (as applicable) has been prohibited from accessing the capital market under any order or direction passed by SEBI.

DISCLAIMER CLAUSE

AS REQUIRED, A COPY OF THIS DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI). IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. LEAD MERCHANT BANKER, AMBIT CORPORATE FINANCE PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (DISCLOSURES AND INVESTOR PROTECTION) GUIDELINES IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT, WHILE THE ISSUER COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, AMBIT CORPORATE FINANCE PRIVATE LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JUNE 15, 2007, IN ACCORDANCE WITH SEBI (MERCHANT BANKERS) REGULATIONS, 1992 WHICH READS AS FOLLOWS:

- "I. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIALS IN CONNECTION WITH THE FINALISATION OF THE OFFER DOCUMENT PERTAINING TO THE SAID ISSUE;**
- II. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PROJECTED PROFITABILITY, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS MENTIONED IN THE ANNEXURE AND OTHER PAPERS FURNISHED BY THE COMPANY;**

WE CONFIRM THAT:

- (A) THE OFFER DOCUMENT FORWARDED TO SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
- (B) ALL THE LEGAL REQUIREMENTS CONNECTED WITH THE SAID ISSUE, AS ALSO THE GUIDELINES, INSTRUCTIONS, ETC. ISSUED BY SEBI, THE GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; and
- (C) THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE.
- (D) WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THIS LETTER OF OFFER ARE REGISTERED WITH SEBI AND TILL DATE SUCH REGISTRATION IS VALID.”

AS PER CLAUSE 5.1.2 OF THE SEBI (DIP) GUIDELINES, 2000 THE LIABILITY OF THE LEAD MANAGER SHALL CONTINUE EVEN AFTER COMPLETION OF THE ISSUE PROCESS.

THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR 68 OF THE COMPANIES ACT, 1956 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MERCHANT BANKER ANY IRREGULARITIES OR LAPSES IN THE LETTER OF OFFER.

Caution

The Company, the Lead Manager and the Experts/Advisers accept no responsibility for statements made otherwise than in the Letter of Offer or in the advertisements or any other material issued by or at the instance of the Company and that anyone placing reliance on any other source of information would be doing so at their own risk.

All information shall be made available by the Lead Manager and the Issuer to the shareholders and no selective or additional information would be made available for a section of the shareholders or investors in any manner whatsoever including at presentations, research or sales reports etc after filing the Offer document with SEBI. In addition to the Lead Manager and the Company is also obliged to update the Offer Document and keep the public informed of any material changes till the listing and trading commencement of the Equity Shares offered through this Issue.

Disclaimer with respect to Jurisdiction

This Letter of Offer has been prepared under the provisions of Indian Law and the applicable rules and regulations there under. The distribution of this Letter of Offer and the offering of the securities on a rights basis to persons in certain jurisdictions outside India may be restricted by the legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer may come are required to inform themselves about and observe such restrictions. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Pune, India only.

Disclaimer Clauses of Bombay Stock Exchange Limited (Designated Stock Exchange)

The Bombay Stock Exchange Limited (‘the Exchange’) has pursuant to its letter no. DCS/PREF/SM/IP-RT/794/07-08 dated July 03, 2007, given its permission to the Company to use the Exchange’s name in this Letter of Offer as one of the stock exchanges on which the Company’s securities issued in terms of this Issue are proposed to be listed. The Exchange has scrutinized the Letter of Offer for their limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- (a) warrant, certify or endorse the correctness or completeness of any of the contents of this Letter of Offer; or
- (b) warrant that the Company's securities will be listed or will continue to be listed on the Exchange; or
- (c) take any responsibility for the financial or other soundness of the Company, its Promoters, its management or any scheme or project of the Company.

and it should not for any reason be deemed or construed that this Letter of Offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription or acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Filing of Letter of Offer

A copy of this Letter of Offer has been filed with SEBI, SEBI Bhavan, Plot No. C-4A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051 for its observation. This Letter of Offer has also been filed with the BSE. All the legal requirements applicable till the date of filing this Letter of Offer with the Stock Exchanges have been complied with.

Listing

The existing Equity Shares of our Company are listed on Bombay Stock Exchange Limited (Designated Stock Exchange). Our Company has made applications to the BSE for permission to deal in and for an official quotation in respect of the Equity Shares being offered in terms of this Letter of Offer.

Our Company has received "in-principle" approval from the Designated Stock Exchange pursuant to its letter no. DCS/PREF/SM/IP-RT/794/07-08 dated July 03, 2007. Our Company will make applications to the stock exchanges for permission to deal in and for an official quotation in respect of the Equity Shares arising from this Issue. If the permission to deal in and for an official quotation of the Equity Shares is not granted by the stock exchanges mentioned above, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of this Letter of Offer. If such money is not repaid within eight days after our Company becomes liable to repay it (i.e. 42 days after closure of the Issue), then our Company and every director of our Company who is an officer in default shall, on and from expiry of eight days, be jointly and severally liable to repay the money, with interest as prescribed under subsections (2) and (2A) of Section 73 of the Act.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68A of the Companies Act, 1956 which is reproduced below:

"Any person who

- c) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or**
- d) otherwise induces a company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years."**

Consents

Consents in writing of the Auditors, Lead Manager, Legal Advisors, Registrars to the Issue and Banker to the Issue to act in their respective capacities have been obtained and filed with SEBI, along with a copy of the Letter of Offer and such consents have not been withdrawn up to the time of delivery of this Letter of Offer for registration with the stock exchange.



The Auditors of our Company have given their written consent for the inclusion of their Report in the form and content as appearing in this Letter of Offer and such consents and reports have not been withdrawn up to the time of delivery of this Letter of Offer for registration with the stock exchange.

M/s V.P. Mehta & Company, auditors have given their written consent for inclusion of income tax benefits in the form and content as appearing in this Letter of Offer, accruing to our Company and its members.

To the best of our Company's knowledge there are no other consents required for making this Issue. However, should the need arise, necessary consents shall be obtained by our Company.

Expert Opinion, if any

No expert opinion has been obtained by our Company.

Expenses of the Issue

The expenses of the Issue payable by our Company including brokerage, fees and reimbursement to the Lead Manager, Registrars, printing and distribution expenses, publicity, listing fees, stamp duty and other expenses is 3.35% of the total Issue size and will be met out of the proceeds of the Issue.

Fees Payable to the Lead Manager to the Issue

The fees payable to the Lead Manager to the Issue will be as stated in the Job Arrangement Letter entered into by our Company with Ambit Corporate Finance Private Limited, copy of which is available for inspection at the Registered Office of our Company and reimbursement of their out of pocket expenses.

Fees Payable to the Registrars to the Issue

The fee payable to the Registrars to the Issue is as set out in the relevant documents, copies of which are kept open for inspection at the Registered Office of our Company and reimbursement of their out of pocket expenses.

Underwriting commission, brokerage and selling commission

No Underwriting commission, brokerage and selling commission is payable by our Company for this Issue.

Other Expenses of the Issue

Please refer to the para "Issue Expenses" on page 30 under the section titled "Objects of the Issue" of this Letter of Offer.

Companies Under the same Management within the meaning of Section 370(1B) of the Act

There are no companies under the management within the meaning of section 370(1B) of the Companies Act, 1956, other than the subsidiaries, details of which are provided in the section titled "Subsidiary of Our Company" on page no. 63 of this Letter of Offer.

Promise versus Performance

Our Company has not made any issue of shares in the last ten years

Previous Issues by our Company

Our Company has not made any issue of shares in the last ten years

Commission and brokerage on previous issues

No sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since its inception.

Issue for Consideration Other than Cash

Our Company has not issued Equity Shares for consideration other than cash or out of revaluation reserves within the two years preceding the date of this Letter of Offer. For issues prior to that, investors are requested to refer to the built-up of the Capital Structure on page 16 of this Letter of Offer.

Option to Subscribe

Our Company has not given any option to subscribe for any shares of our Company. Investors shall have an option either to receive the security certificates or to hold the securities with a depository

Outstanding Debentures, Bonds and Preference Shares

As of date of filing this Letter of Offer, our Company does not have any outstanding Debentures, Bonds or Preference shares.

Stock Market Data for Equity Shares of our Company

Our Equity Shares are listed on the BSE. The high and low closing prices recorded on the BSE for the preceding three years and the number of Equity Shares traded on the days the high and low prices were recorded is stated below:

Calendar Year	Highest	Lowest	Average	Date		Volume Traded		
				Highest	Lowest	Day of Highest	Day of Lowest	No of shares
2004	14.47	2.50	8.49	02-12-04	29-07-04	75273	396	3459191
2005	50.10	8.00	29.05	30-08-05	24-01-05	409601	3830	14493352
2006	97.40	26.10	61.75	04-05-06	31-07-06	128789	8995	9856546

The high and low prices and volume of Equity Shares traded on the respective dates during the last six months is as follows:

Month	Highest	Lowest	Average	Date		Volume Traded		No of Shares
				Highest	Lowest	Highest	Lowest	
June – 07	53.00	39.50	46.25	25-06-07	12-06-07	80492	89099	791906
Jul – 07	62.30	41.90	52.10	31-07-07	04-07-07	558843	41275	2164265
Aug – 07	95.70	60.10	77.90	13-08-07	01-08-07	984418	790080	9153288
Sept – 07	87.20	68.00	77.60	21-09-07	10-09-07	131317	34883	1175667
Oct – 07	138.00	68.10	103.05	31-10-07	09-10-07	15546	25990	1009798
Nov - 07	173.90	124.40	149.15	07-11-07	27-11-07	259024	22352	1889312

Source (www.bseindia.com)

The market price on the Bombay Stock Exchange Limited as on March 05, 2007, the trading day immediately following March 02, 2007 i.e. the day on which the Board of Directors approved the Issue was:

Opening price: Rs. 41.00 and Closing price: Rs.39.50

The Equity Shares of our Company were trading cum-rights till December 14, 2007 and started trading on ex-rights basis from December 17, 2007 on BSE. The ex-rights closing price was Rs.156.45 on BSE.

Mechanism Involved For Redressal of Investor Grievances

All matters pertaining to investors' grievances are being handled by the Registrar and Transfer Agents, Computech Sharecap Limited. At the Registrar's end, our Company's investors' related issues are being handled by a team of professionals headed by the General Manager for handling various complaints. The

share transfer requests received are processed by them and a memorandum of transfer is sent to our Company for approval by Committee of Directors.

The average time taken for processing share transfer requests including despatch of share certificates is 15-20 days, while it takes a minimum of 15 days for processing dematerialization requests. The Registrars and our Company regularly monitor and supervise the functioning of the system so as to ensure that there are no delays or lapses in the system. The average time taken by the Registrars for attending routine grievances is 15 days from the date of receipt. In case of non-routine grievances where verifications by the other agency are involved, it is endeavour of the Registrars to attend to them as expeditiously as possible. Our Company undertakes to resolve its investors' grievances in a time bound manner.

Our Company's investors' grievances arising out this Issue will be handled by **Computech Sharecap Limited**, 147, Mahatma Gandhi Marg, 3rd Floor, Opp. Jehangir Art Gallery, Fort, Mumbai – 400 001. All grievances relating to the Issue may be addressed to the Registrars to the Issue giving full details such as Folio No., name and address of the first applicant, number of Equity Shares applied for, application form serial number, amount paid on application and the Bank Branch Form serial number where the application was deposited, along with a photo copy of the acknowledgement slip. In case of renunciation, the same details of the renounee should be furnished.

Our Company has also appointed Mr. V.M. Pendse, its Company Secretary as a Compliance Officer who can be contacted in case of any pre-Issue/ post-Issue related problems. To the best of our knowledge, the name of our Company has not appeared in the Press Release issued by SEBI relating to maximum number of investors complaints received during the last six months. Further, as on September 30, 2007, all the grievances received have been suitably responded and none of the complaints were pending to be responded for a period of more than one month from the date of their receipt.

Mechanism Involved For Redressal of Investor Grievances of Group Companies

For details, please refer to the section "Group Companies" on page no. 130 of this Letter of Offer.

Changes in the Auditors during the last three years

There has been no change in Statutory Auditors of our Company during the last three years except for the details given below:

Name of our Previous Statutory Auditors	Name of the Current Statutory Auditors	Reason for Change
Narkar & Associates	V. P. Mehta & Company	At the AGM held on September 14, 2007 our shareholders passed a resolution appointing M/s V.P. Mehta & Company, Chartered Accountants, to hold office upto the conclusion of the next AGM in place of M/s Narkar & Associates, consequent to sudden demise of Mr. V.D. Narkar.

Capitalisation of reserves or profits

Our Company has not capitalized any of its reserves or profits for the last five years. However, there have been bonus issues made by us. For details, please refer to the built-up of capital structure on page 16 of this Letter of Offer.

Revaluation of assets, if any

Our Company has not revalued its assets in the last five years preceding the date of this Letter of Offer except for the year ended 31st March, 2005, as detailed below:

Particulars	Amount Added on Revaluation (Rs. In Lacs)
Land	298.76
Buildings	274.41
Plant & Machinery	1569.19
Total	2142.36

Issue Programme

The subscription list will open at the commencement of banking hours and will close at the closure of banking hours on the date mentioned below or such extended date (subject to maximum of 60 days) as may be determined by the Board of Directors of our Company.

Issue Opens on:	January 09, 2008
Issue Closes on:	February 07, 2008
Last date for receiving request for split forms:	January 24, 2008

SECTION VII – ISSUE RELATED INFORMATION

The Equity Shares, now being issued, are subject to the terms and conditions contained in this Letter of Offer, the enclosed Composite Application Form (“CAF”), the Memorandum and Articles of Association of our Company, the provisions of the Companies Act, approvals from the RBI, guidelines issued by SEBI, approvals from the Stock Exchanges where Equity Shares of our Company are listed, FEMA, guidelines, notifications and regulations for issue of capital and for listing of securities issued by Government of India and/or other statutory authorities and bodies from time to time, terms and conditions as stipulated in the allotment advice or letter of allotment or security certificate, the provisions of the Depositories Act, to the extent applicable and any other legislative enactments and rules as may be applicable and introduced from time to time.

Authority for the Issue

This Issue is being made pursuant to the resolution passed by the Board of Directors of our Company under Section 81(1) of the Companies Act at its meeting held on March 2, 2007 and by the shareholders of our Company at its extraordinary general meeting held on March 26, 2007.

Basis for the Issue

The Equity Shares are being offered for subscription for cash to those existing Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the depositories in respect of the Equity Shares held in the electronic form and on the register of members of our Company in respect of Equity Shares held in the physical form at the close of business hours on the Record Date, i.e., December 26, 2007 fixed in consultation with BSE.

The Equity Shares are being offered for subscription in the ratio of 5 Equity Shares for cash at Rs.126/- for every 13 Equity Shares held by the Equity Shareholders on the Record Date.

Principal Terms and Conditions of the Issue

Face Value

The Face Value of Equity Shares of our company is Rs.10/-.

Issue Price

Each Equity Share is being offered at a Price of Rs.126 (including a premium of Rs.116)

Terms of Payment

Full amount i.e. Rs.126 per Equity Share (Rs. 10/- face value + Rs.116 share premium) is payable on application. Where an applicant has applied for additional Equity Shares and is allotted lesser number of Equity Shares than applied for, the excess application money paid will be refunded.

Rights Entitlement Ratio

As your name appears as beneficial owner in respect of the Equity Shares held in the electronic form or appears in the register of members as an Equity Shareholder of our Company as on the Record Date i.e. December 26, 2007. You are entitled to the number of Equity Shares in Block I of Part A of the enclosed Composite Application Form, in the ratio of 5 Equity Shares for cash at Rs.126 for every 13 Equity Share held as on the Record Date.

Fractional Entitlements

Fractional entitlement will be ignored. Equity shareholders whose fractional entitlement are being ignored would be given preferential allotment of one additional equity share, if they apply for additional Equity Shares.

Those Equity shareholders having holding less than 3 Equity shares and therefore entitled to zero Equity Shares under the Rights Issue shall be despatched a CAF with zero entitlement. Such Equity Shareholders



are entitled to apply for additional Equity Shares. However, they cannot renunciate the same to third parties. CAF with zero entitlement will be non negotiable/non renunciable.

Joint-Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint-holders with benefits of survivorship subject to provisions contained in the Articles of Association of our Company.

Ranking of Equity Share

The Equity Shares allotted pursuant to this Issue shall be subject to the Memorandum and Articles of Association of our Company and the Companies Act, 1956 and shall rank *pari passu* with the existing Equity Shares in all respects including dividend. For more details see "Main Provisions of our Company's Articles of Association" on page 295 of this Letter of Offer.

Rights of Equity Shareholders

The Shareholders are entitled to receive dividend, as and when declared and bonus and rights shares, as and when issued. Further, the rights of the above and other holders of shares are subject to the provisions of the Companies Act, 1956 the Memorandum and the Articles of Association of the Company, the terms of this Letter of Offer and other laws as applicable from time to time.

Printing of Bank Particulars on refund orders

As a matter of precaution against possible fraudulent encashment of refund orders due to loss or misplacement, the particulars of the applicant's bank account are mandatorily required to be given for printing on refund orders. Bank account particulars will be printed on the refund orders / refund warrants, which can then be deposited only in the account specified. Our Company will in no way be responsible if any loss occurs through these instruments falling into improper hands either through forgery or fraud.

Notices

All notices to the Equity Shareholder(s) required to be given by our Company shall be published in one English national daily with wide circulation, one Hindi national daily and one regional language daily newspaper and/or, will be sent by ordinary post/ to the registered holders of the Equity Share from time to time.

Market lot

The Equity Shares of our Company are tradable only in dematerialized form. The market lot for Equity Shares in dematerialised mode is 1 (one). In case of holding of Equity Shares in physical form, our Company would issue to the allottees one (1) certificate for the Equity Shares allotted to one (1) folio ("Consolidated Certificate"). In respect of the Consolidated Certificate, our Company will, upon receipt of a request from the Equity Shareholder, split such Consolidated Certificate into smaller denomination within six (6) weeks time from the receipt of request of the Equity Shareholder. No fee would be charged by our Company for splitting the Consolidated Certificate.

Nomination facility to the Investor

In terms of Section 109A of the Act, nomination facility is available in case of Equity Shares. The applicant can nominate any person by filling the relevant details in the CAF in the space provided for this purpose.

The sole Equity Shareholder or first Equity Shareholder, along with other joint Equity Shareholders (being individual(s) may nominate any person(s) who, in the event of the death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the Equity Shares. Person(s), being a nominee, becoming entitled to the Equity Shares by reason of the death of the original Equity Shareholder(s), shall be entitled to the same rights to which he would be entitled if he/she were the registered holder of the Equity Shares. Where the nominee is a minor, the Equity Shareholder(s) may also make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s), in the event of death of the said

holder, during the minority of the nominee. A nomination shall stand rescinded upon the sale/disposal of the Equity Share by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. When two or more persons hold the Equity Share(s), the nominee shall become entitled to receive the shares only on the demise of all the holders.

Fresh nominations can be made only in the prescribed form available on request at the Registered Office of our Company, Sahyadri Sadan, Tilak Road, Pune - 411 030 or such other place at such addresses as may be notified by our Company. The applicant can make the nomination by filling in the relevant portion in the CAF.

Only one nomination would be applicable for one folio. Hence, in case the shareholder(s) has (have) already registered the nomination with our Company, no further nomination need to be made for Equity Shares to be allotted in this Issue under the same folio. However, new nominations, if any, by the Equity Shareholder(s) shall operate in super session of the previous nomination, if any.

In case the allotment of Equity Shares is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be allotted in this Issue. Nominations registered with respective Depository Participant of the applicant would prevail. If the applicant requires changing the nomination, they are requested to inform their respective Depository Participant.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue, our Company shall forthwith refund the entire subscription amount received within forty two (42) days from the date of closure of the Issue. If there is a delay in the refund of subscription beyond eight days after the date from which our Company becomes liable to pay the subscription amount (i.e. forty two (42) days after the date closure of the Issue), our Company shall pay interest for the delayed period at rates prescribed under sub-sections (2) and (2A) of Section 73 of the Companies Act, 1956.

The Rights Issue will become undersubscribed after considering the number of Equity Shares applied as per entitlement plus additional Equity Shares. The undersubscribed portion, if any, shall be applied for only after the close of the Issue. Devi Investments Private Limited, one of our promoters has confirmed that it will not subscribe to its entitlement in the rights issue and would renounce its entitlement to United Breweries (Holdings) Limited ("UBHL"). UBHL and McDowell Holdings Ltd (earlier known as McDowell India Spirits Limited), our other two Promoters, have confirmed that they would subscribe to their respective entitlements in this Rights Issue in full. Further, UBHL has confirmed that they would subscribe to the renounced entitlement of Devi Investments Private Limited and would also subscribe to the unsubscribed portion, if any, in this Rights Issue such that the entire Issue is subscribed, as per the relevant provisions of the law. Subscription by UBHL to the extent of its entitlement in the Issue and acquisition of additional Equity Shares by UBHL in case of under-subscription, if any, will not result in change of control of the management of the Company and shall be exempt in terms of proviso to Regulation 3(1)(b)(ii) of the Takeover Code. As such, other than meeting the requirements indicated in the section on "Objects of the Issue" on page 26 of this Letter of Offer, there is no other intention/purpose for this Issue.

The Promoter have confirmed that in case the Rights Issue of our Company is completed with their subscribing to equity shares over and above their entitlement and as a result, if the public shareholding in the Company after the Issue falls below the permissible minimum level as specified in the listing condition or listing agreement, they will make an offer for sale of their holdings so that the public shareholding is raised to the minimum level specified in the listing agreement or in the listing conditions within a period of 3 months, as per the requirements of sub-clause 17.2 of SEBI (Delisting of Securities) Guidelines, 2003 or as per any amendment thereto

The above is subject to the terms mentioned under the section titled 'Basis of Allotment' on page 284 of this Letter of Offer.

Disposal of odd Lots

Our Company has not made any arrangements for the disposal of odd lot Equity Shares arising out of this Issue. Our Company will issue certificates of denomination equal to the number of Equity Shares being allotted to the Equity Shareholder.

Restrictions on transfer and transmission of shares and on their consolidation/ splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue.

Issue of Duplicate Equity Share Certificate

If any Equity Share Certificate(s) is/are mutilated or defaced or the pages for recording transfers of Equity Shares are fully utilized, our Company against the surrender of such Certificate(s) may replace the same, provided that the same will be replaced as aforesaid only if the Certificate numbers and the Distinctive numbers are legible.

If any Equity Share Certificate(s) is/are destroyed, stolen, lost or misplaced, then upon production of proof thereof to the satisfaction of our Company and upon furnishing such indemnity/ surety and/or such other documents as our Company may deem adequate, duplicate Equity Share Certificate(s) shall be issued.

Offer to Non-Resident Equity Shareholders/ Applicants

Applications received from NRIs and other NR shareholders for allotment of Equity Shares shall be, inter alia, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of receipt and refund of application moneys, allotment of Equity Shares, issue of Letter of Allotment / share certificates, payment of interest, dividends, etc. General permission has been granted to any person resident outside India to apply shares offered on rights basis by an Indian Company in terms of FEMA and regulation 6 of notification No. FEMA 20/2000-RB dated May 3, 2000.

Vide notification dated June 18, 2003, bearing number FEMA 94/2003, RBI has granted general permission to Indian companies to issue rights/bonus shares to existing non-resident shareholders. The existing non-resident shareholders may apply for issue of additional shares and our Company may allot the same subject to the condition that the overall issue of shares to non-residents in the total paid up capital does not exceed the sectoral cap. In other words, non-residents may subscribe for additional shares over and above shares offered on rights basis by our Company and renounce the shares offered in full or part thereof in favour of a person named by them. Residents may subscribe for additional shares over and above the shares offered on rights basis by our Company and also renounce the shares offered either in full or part thereof in favour of a person named by them.

The Equity Shares issued under the Rights Issue and purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriability as are applicable to the previously held Equity Shares against which Equity Shares under the Rights Issue are issued. However, as per the provisions of AP DIR circular No. 14 dated September 16, 2003 (issued by the RBI), such shareholders who have been allotted the Equity Shares as OCBs would not be permitted to participate in the Rights Issue. Accordingly, shareholders/ applicants who are OCBs and wishing to participate in the Rights Issue would be required to submit approvals in relation thereto from the FIPB and the RBI.

The Board of Directors may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the allotment of Equity Shares, payment of dividend etc. to the Equity Shareholders who are non - resident.

Acceptance of the Rights Issue

You may accept the Issue and apply for the Equity Shares offered, either in full or in part by filling Block III of Part A of the enclosed CAF and submit the same along with the application money payable to the bankers to the Issue or any of the branches as mentioned on the reverse of the CAF before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by the Board thereof in this regard. Applicants at centers not covered by the branches of collecting banks can send their CAF together with the demand draft, net of demand draft and postal charges, payable at Mumbai to the Registrar to the Issue by registered post. Such applications sent to anyone other than the Registrar to the Issue are liable to be rejected.



The CAF should be complete in all respects, as explained in the INSTRUCTIONS indicated in the CAF. The CAF should not be detached under any circumstances; otherwise the application(s) will be rejected forthwith.

Options available to the Equity Shareholders

The Equity Shareholders will be having the following five options:

- Apply for his entitlement in part
- Apply for his entitlement in part and renounce the other part
- Apply for his entitlement in full
- Apply for his entitlement in full and apply for additional Equity Shares
- Renounce his entire entitlement

Renounees for Equity Shares can apply for the Equity Shares renounced to them and also apply for additional Equity Shares.

Additional Equity Shares

You are eligible to apply for additional Equity Shares over and above the number of Equity Shares you are entitled to, provided that you applied for all the Equity Shares offered without renouncing them, in whole or in part, in favour of any other person(s).

If you desire to apply for additional Equity Shares, please indicate your requirement in the place provided for additional shares in Part A of the CAF. Applications for additional Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, in consultation, if necessary with the Designated Stock Exchange and in the manner prescribed under the section titled 'Basis of Allotment' on page 284 of this Letter of Offer. The renounees applying for all the Equity Shares renounced in their favor may also apply for additional Equity Shares

In case of application for additional Equity Shares by Non-Resident Equity Shareholders, the allotment of additional securities will be subject to the permission of the Reserve Bank of India.

Where the number of additional Equity Shares applied for exceeds the number available for allotment, the allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

In case of change of status of holders i.e. from Resident to Non-Resident, a new demat account shall be opened for the purpose.

You may exercise any one of the following options with regard to the Equity Shares offered to you, using the enclosed CAF:

Option	Option Available	Action Required
A.	Accept whole of your entitlement without renouncing the balance.	Fill in and sign Part A of the CAF (All joint holders must sign)
B.	Accept your entitlement in full and apply for additional Equity Shares	Fill in and sign Part A including Block III relating to the acceptance of entitlement and Block IV relating to additional Equity Shares (All joint holders must sign)
C.	Accept only a part of your entitlement of the Equity Shares offered to you (without renouncing the balance)	Fill and sign Part A of the CAF (All joint holders must sign)
D.	Renounce your entitlement in full to one person (Joint renounees not exceeding three are considered as one renounee) with out applying for any Equity Shares offered to you	Fill in and sign Part B (all joint holders must sign) indicating the number of Equity Shares renounced and hand over the entire CAF to the renounee. The renounees must fill in and sign Part C of the CAF (All joint renounees must sign)
E.	Accept a part of your entitlement and renounce the balance or part of it to one renounee or renounce all the Equity Shares offered to you to more than one renounee	<p>Fill in and sign Part D (all joint holders must sign) requesting for Split Application Forms. Send the CAF to the Registrar to the Issue so as to reach them on or before the last date for receiving requests for Split Forms. Splitting will be permitted only once.</p> <p>On receipt of the Split Form take action as indicated below.</p> <p>(i) For the Equity Shares you wish to accept, if any, fill in and sign Part A of one split CAF.</p> <p>(ii) For the Equity Shares you wish to renounce, fill in and sign Part B indicating the number of Equity Shares renounced and hand over the split CAFs to the renounees.</p> <p>(iii) Each of the renounees should fill in and sign Part C for the Equity Shares accepted by them.</p> <p>(iv) Send the entire CAF to the Registrar to the Issue</p>
F.	Accept a part of the Equity Shares offered to you and Renounce the balance to more than one renounee(s) (Joint renounees are deemed as one person).	Follow the procedure stated in (E) above for obtaining the required number of Split Application Forms and on receipt of Split Application Forms follow the procedure as stated in (E) (ii), (iii) and (iv) above
G.	Introduce a joint holder or change the sequence of joint holders	This will be treated as a renunciation. Fill in and sign Part B and the renounees must fill in and sign Part C.

Applications for Equity Share should be made only on the CAF, which are provided by our Company. The CAF should be completed in all respects as explained under the head "INSTRUCTIONS" indicated on the reverse of the CAF before submission to the Banker to the Issue at its collecting branches mentioned on the reverse of the CAF on or before the closure of the subscription list. Non Resident Shareholders/Renouncee should forward their applications to Banker to the Issue as mentioned in the CAF for Non-Resident Equity Shareholders. No part of the CAF should be detached under any circumstances otherwise the application is liable to be rejected.

Applicants must provide information in the CAF as to their savings / current / NRE / NRO / FCNR bank account and the name of the bank with whom such account is held to enable the Registrar to print the said details in the refund orders after the name of the payees.

Shareholders cannot utilize both Part A and Part B simultaneously i.e. accepting the offer as well as renouncing the offer. If all the parts are filled in, in that case, the allotments will be made under Part B and C i.e. to the renouncee only and the entry in Part A shall be ignored.

Please check the number of shares registered in your name. In case of any discrepancy in the number of shares held by you as appearing in the CAF, our Company shall be entitled to amend the same on the basis of the entry in the Register of Members and the information provided by the Depositories.

Renunciation

This Issue includes a right exercisable by you to renounce the Equity Shares offered to you either in full or in part in favour of any other person or person(s) subject to the approval of the Board. Such renouncees can only be Indian Nationals (including minor through their natural/legal guardian) / limited companies incorporated under and governed by the Companies Act, 1956, statutory corporations / institutions, trusts (registered under the Indian Trust Act, 1882), societies (registered under the Societies Registration Act, 1860 or any other applicable laws) provided that such trust / society is authorized under its constitution/bye laws to hold Equity Shares in a company and cannot be a partnership firm, foreign nationals or nominees of any of them (unless approved by RBI or other relevant authorities) or more than three persons including joint-holders HUF, any person situated or having jurisdiction where the offering in terms of this Letter of Offer could be illegal or require compliance with securities laws of such jurisdiction or any other persons not approved by the Board.

Any renunciation from resident Indian Shareholder(s) to Non-Resident Indian(s) or from Non-Resident Indian Shareholder(s) to Resident Indian(s) or from Non-resident Indian Shareholder(s) to other Non-Resident Indian(s) is subject to the renouncer(s)/renouncee(s) obtaining the approval of the FIPB and/ or necessary permission of the RBI under the Foreign Exchange Management Act, 1999 (FEMA) and other applicable laws and such permissions should be attached to the CAF. **Applications not accompanied by the aforesaid approval are liable to be rejected.**

By virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies ("OCBs") have been derecognised as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Accordingly, the existing Equity Shareholders of our Company who do not wish to subscribe to the Equity Shares being offered but wish to renounce the same in favour of renouncees shall not renounce the same (whether for consideration or otherwise) in favour of OCB(s). The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated nonresident entities. Thus, OCBs desiring to participate in this Issue must obtain prior approval from the RBI. On providing such approval to our Company at its registered office, the OCB shall receive the Letter of Offer and the CAF.

The Board reserves the right to reject the request for allotment to renouncees in its sole and absolute discretion without assigning any reasons thereof.

Part A of the CAF must not be used by any person(s) other than those in whose favour this offer has been made. If used, this will render the application invalid. Submission of the enclosed CAF to the Bankers to the Issue or to any of their designated branches or at the Collection Centres specified on the reverse of the CAF with the Form of Renunciation (Part B of the CAF) duly filled in shall be conclusive evidence for our Company

of the person(s) applying for Equity Shares in Part C to receive allotment of such Equity Shares. The renounees applying for all the Equity Shares renounced in their favour may also apply for additional Equity Shares. Part A must not be used by the renounee(s) as this will render the application invalid. Renounee(s) will also have no right to renounce any Equity Shares in favour of any other person. Renouner will not be entitled to apply for additional Equity Shares.

Your attention is drawn to the fact that our Company will not consider application for allotment of any Equity Shares renounced in favour of:

- i. more than three persons as joint holders (including the first holder), in case of renounees
- ii. a partnership firm
- iii. an Hindu Undivided Family
- iv. a Trust or Society (unless such trust or society is registered under the Societies Registration Act, 1860 and it is authorized under its Memorandum and Articles of Association and/or its Rules and Bye Laws to hold shares/ Equity Shares in a company)
- v. a minor (unless application is made through a guardian)

Procedure for Renunciation

(a) To renounce the whole offer in favour of one renounee:

If you wish to renounce this offer in whole, please complete Part B of the CAF. In case of joint holders, all joint holders must sign this part of the CAF in the same order as per the specimen signatures recorded with our Company. The person in whose favour renunciation has been made should complete and sign Part C of the CAF. In case of joint renounees, all joint renounees must sign this part of the CAF.

(b) To renounce in part/or to renounce the whole to more than one person(s):

If you wish to either accept this offer in part and renounce the balance or renounce the entire offer in favour of two or more renounees, the CAF must be first split into requisite number of forms by applying to the Registrar to the Issue, Computech Sharecap Limited, 147, Mahatma Gandhi Marg, 3rd Floor, Opp. Jehangir Art Gallery, Fort, Mumbai – 400 001.

Please indicate your requirement of Split Forms in the space provided for this purpose in Part D of the CAF and return the entire CAF to the Registrar to the Issue, so as to reach them latest by the close of business hours on the last date of receiving requests for split forms. On receipt of the required number of split forms from the Registrar, the procedure as mentioned in para (a) above shall have to be followed.

In case the signature of the Equity Shareholder(s), who has renounced the Equity Shares, does not agree with the specimen registered with our Company, the application is liable to be rejected.

(c) Renounee(s)

The person(s) in whose favour the Equity Shares are renounced should fill in and sign Part C of the Composite Application Form and submit the entire Composite Application Form to the Bankers to the Issue on or before the Issue Closing Date along with the application money in full. However, this right of renunciation is subject to the express condition that the Board / Committee of Directors shall be entitled in its absolute discretion to reject the request for allotment from the renounee(s) without assigning any reason thereof.

Please note that:

- a. Part A of the CAF must not be used by any person(s) other than the Equity Shareholder to whom this Letter of Offer has been addressed. If used, this will render the application invalid.
- b. Request by the applicant for the split application form should reach our Company on or before January 24, 2008.
- c. Only the Equity Shareholder to whom this Letter of Offer has been addressed shall be entitled to renounce and to apply for split application forms. Forms once split cannot be split further.
- d. Split form(s) will be sent to the applicants(s) by post at the applicant's risk.

(d) Change and/or introduction of additional holders:

If you wish to apply for Equity Shares jointly with any other person, or persons, not more than three, who is/are not already joint holders with you, it shall amount to renunciation and the procedure as stated above for renunciation shall have to be followed. Even a change in the sequence of the name of joint holders shall amount to renunciation and the procedure, as stated above shall have to be followed viz. Part B & C of the CAF will have to be filled in.

Renunciation by a resident Shareholder to a non-resident or vice-versa is subject to the Renouncee(s)/Renouncer(s) obtaining the necessary approval of the Reserve Bank of India and the said permission should be attached to the CAF, failing which the application will be rejected. In case of Non-Residents renouncing their rights without consideration, a declaration to that effect should be attached to the CAF, failing which the application is liable for rejection.

How to Apply**For Resident Indian Shareholders**

Application should be made only on the enclosed CAF provided by our Company. The enclosed CAF should be completed in all respects, as explained in the instructions indicated in the CAF. Applications will not be accepted by the Lead Manager or by the Registrar to the Issue or by our Company at any offices except in the case of postal applications as per instructions given in the Letter of Offer.

Payment should be made in cash (not more than Rs.20,000) or by cheque/bank draft/ drawn on any bank (including a co-operative bank) which is situated at and is a member or a sub-member of the bankers clearing house located at the centre where the CAF is submitted and which is participating in the clearing at the time of submission of the application. Outstation cheques/money orders/postal orders will not be accepted and CAFs accompanied by such cheques/money orders/postal orders are liable to be rejected.

The CAF consists of four parts:

Part A: Form for accepting the Equity Shares offered and for applying for additional Equity Shares

Part B: Form for renunciation

Part C: Form for application for renouncees

Part D: Form for request for split application forms

For Non-Resident Shareholders

Applications received from the Non-Resident Equity Shareholders for the allotment of Equity Shares shall, inter alia, be subject to the conditions as may be imposed from time to time by the Reserve Bank of India, in the matter of Refund of application moneys, allotment of Equity Shares, issue of Letters of Allotment/ certificates/ payment of dividends etc.

For NRIs holding shares on non-repatriation basis, payment may also be made by way of cheque drawn on Non-Resident Ordinary (NRO) Account maintained in Mumbai or Rupee Draft purchased out of NRO Account maintained elsewhere in India but payable at Mumbai. In such cases, the allotment of Shares will be on non-repatriation basis. If the payment is made by a draft purchased from an NRO account, an Account Debit Certificate from the bank issuing the draft, confirming that the draft has been issued by debiting the NRO account, should be enclosed with the CAF. In the absence of the above, the application shall be considered incomplete and is liable to be rejected.

All cheques/bank drafts accompanying the CAFs should be crossed. The CAF duly completed together with the amount payable on application must be deposited with the collecting bank/collection centers indicated on the reverse of the CAF, during banking hours on or before the Issue closing date. A separate cheque or bank draft must accompany each CAF. Reference number of CAF should be mentioned on the reverse of the Cheque/Draft. New Demat account shall be opened for holders who have had a change of status from Resident Indian to NRI.

For applicants residing at places other than designated Bank Collection Centres

Shareholders residing at places other than the cities where the bank collection centers have been opened or the Collection Centres as mentioned in the CAF and applicants who wish to send their applications by post are requested to send their applications by **registered post** directly to the Registrars to the Issue, **Computech Sharecap Limited**, 147, Mahatma Gandhi Marg, 3rd Floor, Opp. Jehangir Art Gallery, Fort, Mumbai – 400 001 together with their Demand draft of amount net of bank and postal charges, for the full application amount, drawn in favour of “**UBEL - Rights Issue**” and crossed “A/c Payee only” payable at Mumbai directly to the Registrar to the Issue by registered post so as to reach them on or before Issue Closing Date. The date of mailing by the applicant and / or the date of Demand Draft / Banker’s Cheque will not be the criteria for acceptance.

Our Company and the Bankers to the Issue will not be liable for any postal delays and applications received through mail after the Issue Closing Date are liable to be rejected and returned to the applicants. Applications by mail should not be sent in any other manner except as mentioned above. In the interest of the members, it is advised that such applications be sent by Registered Post. Our Company is not responsible for any postal delay/ loss in transit on this account.

No receipt will be issued for the application money. However, the Bankers to the Issue and / or their branches / Collection Centres receiving the applications will acknowledge the receipt of the application by stamping and returning to the applicant the acknowledgement slip at the bottom of each CAF.

The CAF along with application money must NOT be sent to our Company or the Lead Manager to the Issue or the Registrar to the Issue except as mentioned above. The applicants are requested to strictly adhere to these instructions.

In case the original CAF is misplaced or is not received by the applicant, the applicant may request the Registrar to the Issue, for issue of a duplicate CAF, by furnishing the registered folio number, DP ID Number, Client ID Number and his/her full name and address.

In case the original and duplicate CAFs are lodged for subscription, allotment will be made on the basis of the duplicate CAF and the original CAF will be ignored.

Availability of duplicate CAF

In case the original CAF is misplaced or is not received by the applicant, the Registrar to the Issue will issue a duplicate CAF on request of the applicant who should furnish the registered folio number, DP ID Number, Client ID Number and his/her full name and address to the Registrar to the Issue. Please note that those who are making the application in the duplicate form should not utilize the original CAF for any purpose including renunciation, even if it is received/ found subsequently.

Application under Power of Attorney

In case of applications under Power of Attorney or by Limited Companies or Bodies Corporates or Societies registered under the applicable laws, a certified copy of the Power of Attorney or the relevant authority, as the case may be, along with the certified copy of the Memorandum and Articles of Association or Bye-laws, as the case may be, must be lodged separately by registered post at the office of the Registrar to the Issue simultaneously with the submission of the CAF, indicating the serial number of the CAF and the name of the bank and the branch office where the application is submitted within 10 days of closure of the offer, failing which the application is liable to be rejected.

In case the Power of Attorney is already registered with our Company, then the same need not be furnished again. However, the serial number of the Registration under which the Power of Attorney has been registered with our Company must be mentioned below the signature of the Applicant. In no case should these papers be attached to the application submitted to the Bankers to the Issue or at its collection centres.

Application on Plain Paper

An Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF may make an application to subscribe to the Issue on plain paper, along with an Account Payee Cheque/Demand Draft payable at Mumbai net of bank and postal charges to be drawn in favour of '**UBEL - Rights Issue**' in case of resident shareholders and non-resident shareholders applying on non repatriable basis and in favour of '**UBEL - Rights Issue – NR**' in case of non-resident shareholders applying on repatriable basis and marked '**A/c Payee Only**' and send the same by registered post directly to the Registrar to the Issue so as to reach them on or before the closure of the Issue. The envelope should be super scribed "**UB Engineering Limited - Rights Issue**" in case of resident shareholders and non-resident shareholders applying on non repatriable basis and '**UB Engineering Limited - Rights Issue – NR**' in case of non-resident shareholders applying on repatriable basis. The application on plain paper, duly signed by the applicants including joint holders, in the same order as per specimen recorded with our Company, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

1. Name of Issuer, being UB Engineering Limited
2. Name and address of the Equity Shareholder including joint holders
3. Registered Folio Number/DP ID and Client ID
4. Number of shares held as on the Record Date
5. Certificate numbers and distinctive numbers, if held in physical form.
6. Number of Rights Equity Shares entitled
7. Number of Rights Equity Shares applied for
8. Number of additional Equity Shares applied for, if any
9. Total number of Equity Shares applied for
10. Total amount paid on application at the rate of Rs.126/- per Equity Share
11. Particulars of cheque/demand draft
12. Savings/Current Account Number and name and address of the bank where the Equity Shareholder will be depositing the refund order. **In case of Equity Shares allotted in Demat mode, the bank account details shall be obtained from the information available with the depositories.**
13. PAN, photocopy of the PAN card/PAN communication/Form 60/Form 61 declaration for the applicant and for each applicant in case of joint names.
14. Signature of Equity Shareholders to appear in the same sequence and order as they appear in the records of our Company.
15. In case of Non Resident Shareholders, NRE/FCNR/NRO A/c No. Name and Address of the Bank and Branch.
16. If payment is made by a draft purchased from NRE/ FCNR/NRO account, as the case may be, an Account debit certificate from the bank issuing the draft, confirming that the draft has been issued by debiting NRE/ FCNR/ NRO Account.

Attention of the shareholders is drawn to the fact that those shareholders making the application otherwise than on a CAF i.e. on plain paper shall not be entitled to renounce their rights and should not utilize the CAF for any purpose including renunciation even if it is received subsequently. If the applicant violates any of these requirements, he/she shall face the risk of rejection of any one or both the applications. Our Company shall refund such application amount to the applicant without any interest thereon.

Last date of Application

The last date for submission of the duly filled in CAF is February 07, 2008. The Board or any committee thereof will have the right to extend the said date for such period as it may determine from time to time but not exceeding 60 (sixty) days from the Issue Opening Date.

If the CAF together with the amount payable is not received by the Banker to the Issue/ Registrar to the Issue on or before the close of banking hours on the aforesaid last date or such date as may be extended by the Board/ Committee of Directors, the offer contained in this Letter of Offer shall be deemed to have been declined and the Board/ Committee of Directors shall be at liberty to dispose off the Equity Shares hereby offered, as provided under the section entitled "Basis of Allotment".

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES OF OUR COMPANY CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.

Mode of Payment

The completed CAF (duly signed by all joint holders, if any), together with the cheque/demand draft for the amount payable on application at the rate of Rs.126/- per Equity Share should be forwarded to any of the Bankers to the Issue or their designated branches or the Collection Centres as mentioned in the CAF, on or before February 07, 2008. Application(s) will NOT be accepted by the Lead Manager to the Issue or by our Company directly at any of their offices.

(i) Resident Shareholders

Applicants who are applying through CAF and residing at places where the bank collection centers have been opened by our Company for collecting applications, are requested to submit their applications at the corresponding collection centre together with a local Cheque/Demand Draft of amount net of bank charges, for the full application amount favouring '**UBEL - Rights Issue**' and marked 'A/c Payee only'.

Applicants who are applying through CAF and residing at places other than places where the bank collection centers have been opened for collecting applications, are requested to send their applications together with a Cheque/Demand Draft of amount net of bank and postal charges, for the full application amount favouring '**UBEL - Rights Issue**' and marked 'A/c Payee only' payable at **Mumbai** directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.

Applicants who are applying on plain paper, are requested to send their applications on plain paper together with a local Cheque/Demand Draft of amount net of bank and postal charges, for the full application amount favouring '**UBEL - Rights Issue**' and marked 'A/c Payee only' payable at **Mumbai** directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.

You are requested to mention the Folio number, Client ID / DP ID (as may be applicable) and the CAF number on the reverse of the Cheque /Demand Draft.

No person shall make an application for subscription to Equity Shares in cash, if on the date of making the application, the applicant has any deposit or loan (including Debentures) whether originally paid in cash or otherwise remaining unpaid (whether payment has fallen due or not) which by itself or taken together with the present application is Rs. 20,000/- or more, in terms of Section 269 SS of the Income Tax Act, 1961.

Particulars of applicant's Savings Bank/Current Account must be given in the space provided for in the CAF, so as to enable the Registrars to print the same on the refund order, if any. Applications without such details are liable to be rejected.

The applicant or in the case of application in joint names, each of the applicants should mention his/her Permanent Account No/ GIR No. allotted under the Income Tax Act, 1961. In case where the Permanent Account No. / GIR No. has not been allotted, the fact of non-allotment should be mentioned in the Application Form. **Without this information, the Application Form will be considered incomplete and will be liable to be rejected.**

A separate cheque or bank draft must accompany each application form. All application forms duly completed together with cash/ cheque/ demand draft for the amount payable on application at Rs.126/- per Equity Share must be submitted before the close of the Subscription List to the Bankers to the Issue named herein or to any of their designated branches or the Collection Centres mentioned on the reverse of the CAF and NOT to our Company, the Lead Manager to the Issue or the Registrars to the Issue.

(ii) Non-Resident Shareholders including NRIs/OCBs/FIIs

Applications received from Non-Resident Indian(s)/Persons of Indian Origin resident abroad/OCBs/non-residents/FIIs/foreign shareholders, for allotment of Equity Shares shall be, inter-alia, subject to the conditions as may be imposed from time to time by the Reserve Bank of India in the matter of refund of application moneys, allotment of Equity Shares, issue of letters of Allotment/ Equity Share Certificates, payment of interest, dividends etc.

As per Notification No. FEMA 20/2000-RB dated May 3, 2000 of the RBI, the RBI has given general permission to Indian companies to issue shares on rights basis to Non-Residents. As per Circular No. 14 dated September 16, 2003 issued by the RBI, overseas corporate bodies (“OCBs”) have been derecognised as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Accordingly, OCBs shall not be eligible to subscribe to the Equity Shares. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated nonresident entities. Thus, OCBs desiring to participate in this Issue must obtain prior approval from the RBI. On providing such approval to our Company at its registered office, the OCB shall receive the Letter of Offer and the CAF.

However, the right shares would be subject to the same conditions, including restrictions in regard to repatriability as are applicable to the original shares against which right shares are issued. The Board of Directors may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the allotment of shares, payment of interest etc. to the NR Shareholders.

. You are requested to mention the folio number and the CAF number on the reverse of the cheque/demand draft.

The source for making investment by Non-Resident Indian(s)/Persons of Indian Origin resident abroad/OCBs/non-residents/FIIs/foreign shareholders will depend on whether the Equity Shares held by them and the Equity Shares to be allotted to them are on repatriation or non-repatriation basis.

On Repatriation basis

Payment is to be made by such NRIs/OCBs/FIIs/Foreign Investors in any of the following modes:

- a) Indian Rupee Draft purchased from abroad drawn on any bank in India and made payable at Mumbai or
- b) Cheques drawn on Non-Resident External Account (NRE Account) with any Bank at Mumbai or
- c) Indian Rupee Draft purchased out of NRE/FCNR accounts maintained anywhere in India and payable at Mumbai
- d) Payments by FIIs must be paid through the Special Non Resident Rupee deposit Account
- e) Applicants seeking allotment of the Equity Shares on repatriation basis should note that the payments for such allotment have to be made through external source only and that the payments through NRO accounts shall not be permitted
- f) In case of applications by overseas companies and other corporate bodies owned predominantly by Non-Resident Individuals of Indian nationality/origin, a certificate in the prescribed form OAC/OAC-1 from an overseas auditor/chartered accountant/certified public accountant should be submitted along with the application
- g) In case of NRIs who remit their application money through Indian rupee drafts from abroad, refunds, payment of interest and other disbursements, if any, will be made in the relevant foreign currencies at the rate of exchange prevailing at such time subject to the permission of the RBI. Our Company will not be liable for any loss on account of exchange fluctuations for converting their rupee amount in any foreign currency. In case of those NRIs who remit their application money from funds in NRE/FCNR accounts, refund, payment of interest and other disbursements, if any, shall be credited to such account, details of which account should be furnished in the appropriate column of the CAF.
- h) All cheques/drafts submitted by non-residents applying on repatriable basis have to be made through external source only and should be drawn in favour of “UBEL – Rights Issue - NR” payable at Mumbai and crossed ‘A/c Payee only’ for the amount payable.

Non-repatriation basis

Payments are to be made by such NRIs either as mentioned above or by Cheques drawn on NRO/NRE/FCNR/NRSR/NRNR A/c maintained in Mumbai or Rupee Demand Draft purchased out of NRO/NRE/FCNR/NRSR/NRNR A/c maintained anywhere in India, but payable in Mumbai.

Application being made for the Equity Shares is on non-repatriation basis, a separate cheque/demand draft must accompany each CAF. All instruments must be crossed "**Account Payee only**" and drawn in favour of "**UBEL - Rights Issue**". You are requested to mention the folio number and the CAF number on the reverse of the cheque/demand draft.

The application should be accompanied by a non-repatriation undertaking as per the forms prescribed by RBI. In case shares are allotted on non-repatriation basis, the dividend/sale proceeds of the shares cannot be remitted outside India

If the payment is made by a draft purchased from an FCNR/NRE/NRO account, an Account Debit Certificate from the bank issuing the draft confirming that the draft has been issued by debiting FCNR/NRE/NRO accounts or foreign Inward Remittance Certificate (FIRC) from the authorized dealers along with the CAF otherwise the application may be considered incomplete and liable for rejection.

Our Company or the Registrar to the Issue will not be responsible for postal delays or loss of application in transit, if any

In no circumstances should the CAF be delivered to the Lead Manager to the Issue or to our Company.

Note:

In case where repatriation benefit is available, dividend and sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to Income-tax Act, 1961.

In case, the Equity Shares are allotted on non-repatriation basis and refund, dividend, interest and other disbursement, if any, will be payable in Indian Rupees only.

The CAF duly completed together with the amount payable on application must be deposited with the Collecting Bank indicated on the reverse of the CAF before the close of Banking Hours on the aforesaid Issue Closing Date. A separate Cheque or Bank draft must accompany each CAF

In case application received from Non Residents, allotment, Refunds and other distributions, if any will be made in accordance of the guidelines/rules prescribed by RBI as applicable at the time of making such allotment, remittance and subject to necessary approvals.

Payment by means of Stockinvest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003-04 dated November 05, 2003, the Stockinvest Scheme has been withdrawn with immediate effect. Hence, payment through Stockinvest would not be accepted in this Issue.

Basis of Allotment

Subject to the provisions contained in this Letter of Offer, the Articles of Association of our Company and the approval of the Designated Stock Exchange, the Board will proceed to allot the Equity Shares in the following order of priority:

- a) Full allotment to those Equity Shareholders who have applied for their rights entitlement either in full or in part and also to the renounees who have applied for Equity Shares renounced in their favour either in full or in part (subject to other provisions contained under the paragraph titled "Renunciation").

- b) Wherein fractional entitlement is ignored, allotment of one additional Equity Share each to the shareholders whose fractional entitlement have been ignored and have applied for additional Equity Shares.
- c) Allotment to the Equity Shareholders who having applied for their full rights entitlement of Equity Shares offered to them have also applied for additional Equity Shares provided there is a surplus available after full allotment under (a) and (b) above and shall be at the absolute discretion of the Board or the Share Transfer Committee of our Company authorized in this behalf by the Board and the decision of the Board or the Share Transfer Committee shall be final and binding. The allotment of such additional Equity Shares will be made as far as possible on an equitable basis with reference to the number of Equity Shares held by them on the Record Date in consultation with the BSE, as part of the Issue and not preferential allotment.
- d) To the renouncee(s) who having applied for all the Equity Shares renounced in their favour and have also applied for additional Equity Shares, provided there is surplus available after making full allotment under (a), (b) and (c) above. The allotment of such additional Equity Shares will be made on a proportionate basis at the sole discretion of the Board/ Share Transfer Committee but in consultation with the Designated Stock Exchange, as a part of the Rights Issue and not preferential allotment.
- e) Allotment to any other person as the Board may in its absolute discretion deem fit provided there is surplus available after making full allotment under (a), (b), (c) and (d) above.

After taking into account allotment to be made under (a) and (b) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed' for the purpose of regulation 3(1)(b)(ii) of the Takeover Code which would be available for allocation under (c), (d) and (e) above. In the event of under subscription, our Promoters intend to apply for additional Equity Shares. If allotted to the Promoter shall be in terms of proviso to regulation 3(1)(b)(ii) of the Takeover Code and will be exempt from the applicability of regulation 11 and 12 of Takeover Code. This disclosure is made in terms of the requirement of Regulation 3(1)(b)(ii) of the Takeover Code. Further this acquisition will not result in change of control of management of our Company.

After such allotments as above and to the Promoters, including the application for rights/renunciation and additional Equity Shares, any additional Equity Shares shall be disposed off by the board or committee of the Board of Directors authorized in this behalf by the Board of Directors of our Company, in such manner as they think most beneficial to our Company and the decision of the Board or committee of directors of our Company in this regard shall be final and binding. In the event of oversubscription, allotment will be made within the overall size of the Issue.

In the event of oversubscription against the Rights Issue, allotment will be considered on an equitable basis with reference to the number of Equity Shares held on the Record Date, within the overall size of the Rights Issue at the sole discretion of the Board but in consultation with the Designated Stock Exchange. No oversubscription shall be retained by our Company. Even in the event of under subscription, the allotment will be made in consultation with the Designated Stock Exchange.

To the Equity Shareholders who have applied for their full rights entitlement of Equity Shares, have applied for additional Equity Shares, provided there is a surplus after making the allotment under (a), (b), (c), (d) & (e) above. The allotment of such additional Equity Shares shall be made as far as possible on equitable basis with reference to the number of Equity Shares held on Record date December 26, 2007, within the overall size of Rights Issue at the sole and absolute discretion of the Board of Directors or Committee thereof in consultation with the Designated Stock Exchange.

Our Company expects to complete the allotment of Equity Shares within a period of 42 days from the date of closure of the Issue in accordance with the listing agreement with Bombay Stock Exchange Limited.

Allotment letters / Refund Orders

Our Company will issue and dispatch letters of allotment/ share certificates/ demat credit and/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of six (6) weeks from the Issue Closing Date. If such money is not repaid within eight days from



the day our Company becomes liable to pay it, our Company shall pay that money with interest as stipulated under Section 73 of the Act.

Applicants residing at 15 centers where clearing houses are managed by the Reserve Bank of India (RBI) will get refunds through ECS only (Electronic Clearing Service) except where applicants are otherwise disclosed as applicable/eligible to get refunds through direct credit and RTGS. The bank account details will be directly taken from the depositories database/mandates. The applicants are required to ensure that bank details including MICR code (a 10 digit code which appears in the cheque leaf) maintained at the depository level are updated. Shareholders at other centres will continue to get refunds through registered/ordinary post.

In case of those applicants who have opted to receive their Rights Entitlement in dematerialized form using electronic credit under the depository system, an advice regarding their credit of the Equity Shares shall be given separately. Applicants to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within a period of six (6) weeks from the Issue Closing Date.

In case of those Applicants who have opted to receive their Rights Entitlement in physical form and our Company issues letter of allotment, the corresponding share certificates will be kept ready within three months from the date of allotment thereof or such extended time as may be approved by the companies Law Board under Section 113 of the Companies Act or other applicable provisions, if any. Allottees are requested to preserve such letters of allotment, which would be exchanged later for the share certificates. For more information please refer to the section titled 'Letters of Allotment/ Share Certificates/ Demat Credit' beginning on page 287 of this Letter of Offer.

The letter of allotment / refund order exceeding Rs.1,500 would be sent by registered post/speed post to the sole/first applicant's registered address. Refund orders up to the value of Rs.1,500 would be sent under certificate of posting. Such refund orders would be payable at par at all places where the applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in favour of the sole/first applicant. Adequate funds would be made available to the Registrar to the Issue for this purpose.

As regards allotment/ refund to non-residents, the following further conditions shall apply:

In case of non-residents, who remit their application monies from funds held in NRE/ FCNR accounts, refunds and/ or payment of interest/ dividend and other disbursement, if any, shall be credited to such accounts, details of which should be furnished in the CAF. Subject to the approval of the RBI, in case of non-residents, who remit their application monies through Indian Rupee draft purchased from abroad, refund and/ or payment of dividend/ interest and any other disbursement, shall be credited to such accounts (details of which should be furnished in the CAF) and will be made net of bank charges/ commission in US Dollars, at the rate of exchange prevailing at such time. Our Company will not be responsible for any loss on account of exchange fluctuations for converting the Indian Rupee amount into US Dollars. The share certificate(s) will be sent by registered post at the Indian address of the non-resident applicant.

Payment of Refund

Applicants should note that on the basis of name of the applicants, Depository Participant's name, Depository Participant- Identification number and Beneficiary Account Number provided by them in the Composite Application Form, the Registrar to the Issue will obtain from the Depositories, the applicant's bank account details including nine digit MICR code.

Hence, applicants are advised to immediately update their bank account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in credit of refunds to applicants at the applicant's sole risk and neither the Lead Manager nor our Company shall have any responsibility and undertake any liability for the same.

The payment of refund, if any, would be done through various modes in the following order of preference:

- 1) **ECS:** Payment of refund shall be undertaken through ECS for applicants having an account at any of the following 15 centres: Ahmedabad, Bangalore, Bhubaneswar, Kolkata, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna and Thiruvananthapuram. This mode of

payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. One of the methods for payment of refund is through ECS for applicants having a bank account at any of the abovementioned 15 centers.

- 2) **NEFT:** Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method.
- 3) **Direct Credit:** Applicants applying through the web/internet whose service providers opt to have the refund amounts for such applicants being by way of direct disbursement by the service provider through their internal networks, the refund amounts payable to such applicants will be directly handled by the service providers and credited to bank account particulars as registered by the applicant in the demat account being maintained with the service provider. The service provider, based on the information provided by the Registrar, shall carry out the disbursement of the refund amounts to the applicants.
- 4) **RTGS:** Applicants having a bank account at any of the abovementioned 15 centers and whose refund amount exceeds Rs. 1 million, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the Bid-cum-Application Form. In the event the same is not provided, refund shall be made through ECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by such applicant opting for RTGS as a mode of refund. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.

Only or all the other applicants excepts for whom payment of refund is possible through 1), 2), 3) and 4), the refund orders would be despatched "Under Certificate of Posting" for refund orders less than Rs.1,500/- and through Speed Post/Registered Post for refund orders exceeding Rs.1,500/-.

For shareholders opting for allotment in physical mode, bank account details as mentioned in the CAF shall be considered for electronic credit or printing of refund orders, as the case may be. Refund orders will be made by cheques, pay orders or demand drafts drawn on the Refund Bank(s) and payable at par at places where the applications were received and will be marked account payee and will be drawn in the name of Sole/First Applicant. The bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centers will be payable by the Applicants.

Letters of allotment or refund orders

Equity Share certificate(s)/Letter(s) of Allotment or Letter(s) of Regret together with refund orders exceeding Rs 1,500/-, if any, will be dispatched by registered post/speed post at the sole/first named applicant's address within 42 days from the date of the closing of the Issue.

Mode of payment of refund would be made as mentioned in the clause dealing with the "Payment of Refund" on page 286 of this Letter of Offer.

Company shall ensure despatch of refund orders, if any, by under the Certificate of Posting or registered post or speed post or through modes as mentioned in the section on "Issue Related Information" in the clause dealing with "Payment of Refund" on page 286 of this Letter of Offer, as applicable, only at the sole or First Applicant's sole risk within 42 days of closure of the Rights Issue, and adequate funds for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Issuer.

In case of those shareholders who have opted to receive their Right Entitlement Shares in dematerialised form by electronic credit under the depository system, an advice regarding the credit of the Equity Shares shall be given separately.

Refunds will be made by cheques or pay orders drawn on the Collection Bank(s) and payable at par at the places where applications are accepted. Bank charges, if any, for encashing such cheques or pay orders will be borne by the Applicants.

Allotment of Equity Shares to non-residents and the issue of letters of allotment/share certificates to non-residents shall be done as mentioned on page 274 of this Letter of Offer.

For Non-Resident Applicants, refunds, if any, will be made as under:

- a) Where applications are accompanied by Indian Rupee Drafts purchased abroad and payable at New Delhi, India, refunds will be made in convertible foreign exchange equivalent to Indian Rupees to be refunded. Indian Rupees will be converted into foreign exchange at the rate of exchange, which is prevailing on the date of refund. The exchange rate risk on such refunds shall be borne by the concerned applicant and our Company shall not bear any part of the risk.
- b) Where the applications made are accompanied by NRE/FCNR/NRO cheques, refunds will be credited to NRE/FCNR/NRO accounts respectively, on which such cheques are drawn and details of which are provided in the CAF.

Letters of Allotment / Share Certificates / Demat Credit

Letter(s) of allotment/ share certificates/ demat credit or letters of regret along with refund order will be dispatched to the registered address of the first named applicant or respective beneficiary accounts will be credited within 6 (six) weeks, from the date of closure of the subscription list. In case our Company issues letters of allotment, the relative share certificates will be dispatched within three months from the date of allotment. Allottees are requested to preserve such letters of allotment (if any) to be exchanged later for share certificates. Export of letters of allotment (if any)/ share certificates/ demat credit to non-resident allottees will be subject to the approval of RBI.

Refund payment to Non-Resident

Where applications are accompanied by Indian Rupee drafts purchased abroad and payable at Mumbai, refunds will be made in convertible foreign exchange equivalent to Indian rupees to be refunded. Indian rupees will be converted into foreign exchange at the rate of exchange, which is prevailing on the date of refund. The exchange rate risk on such refunds shall be borne by the concerned applicant and our Company shall not bear any part of the risk.

Where the applications made are accompanied by NRE/FCNR/NRO cheques, refunds will be credited to NRE/FCNR/NRO accounts respectively, on which such cheques were drawn and details of which were provided in the CAF.

Option to receive Equity Shares in Dematerialized Form

Applicants to the Equity Shares of our Company issued through this Issue shall be allotted the securities in dematerialized (electronic) form at the option of the applicant. Our Company and the Registrar have signed tripartite agreements dated October 10, 2006 and October 28, 2006, with CDSL and NSDL respectively, which enables the Investors to hold and trade in securities in a dematerialized form, instead of holding the securities in the form of physical certificates. The ISIN No. of our Company's equity shares for NSDL & CDSL is INE328C01013.

In this Issue, the allottees who have opted for Equity Shares in dematerialized form will receive their Equity Shares in the form of an electronic credit to their beneficiary account with a depository participant. The CAF shall contain space for indicating number of shares applied for in demat and physical form or both. Investor will have to give the relevant particulars for this purpose in the appropriate place in the CAF. Applications, which do not accurately contain this information, will be given the securities in physical form. No separate applications for securities in physical and/or dematerialized form should be made. If such applications are made, the application for physical securities will be treated as multiple applications and is liable to be rejected. In case of partial allotment, allotment will be done in demat option for the shares sought in demat and balance, if any, will be allotted in physical shares. The Equity Shares of our Company will be listed on the BSE.

Procedure for availing the facility for allotment of Equity Shares in this Issue in the electronic form is as under:

- Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is exhibited in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as with our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. **Those Equity Shareholders who have already opened such Beneficiary Account (s) need not adhere to this step.**
- For Equity Shareholders already holding Equity Shares of our Company in dematerialized form as on the Record Date, the beneficial account number shall be printed on the CAF. For those who open accounts later or those who change their accounts and wish to receive their Equity Shares by way of credit to such account, the necessary details of their beneficiary account should be filled in the space provided in the CAF. It may be noted that the allotment of Equity Shares arising out of this Issue may be made in dematerialized form even if the original Equity Shares of our Company are not dematerialized. Nonetheless, it should be ensured that the Depository Account is in the name(s) of the Equity Shareholders and the names are in the same order as in the records of our Company.
- Responsibility for correctness of information (including applicant's age and other details) filled in the CAF vis-à-vis such information with the applicant's depository participant, would rest with the applicant. Applicants should ensure that the names of the applicants and the order in which they appear in CAF should be the same as registered with the applicant's depository participant.
- If incomplete / incorrect beneficiary account details are given in the CAF or where the investor does not opt to receive the Rights Equity shares in dematerialized form, the applicant will get Equity Shares in physical form.
- The Rights Equity Shares pursuant to this Issue allotted to investors opting for dematerialized form, would be directly credited to the beneficiary account as given in the CAF after verification. Allotment advice, refund order (if any) would be sent directly to the applicant by the Registrar to the Issue but the applicant's depository participant will provide to him the confirmation of the credit of such Equity Shares to the applicant's depository account.
- Renounees will also have to provide the necessary details about their beneficiary account for allotment of securities in this Issue. In case these details are incomplete or incorrect, the application is liable to be rejected.

Last date for submission of Composite Application Form

The last date for submission of the duly filled in CAF is February 07, 2008. The Board or any committee thereof will have the right to extend the said date for such period as it may determine from time to time but not exceeding 60 (sixty) days from the Issue Opening Date.

If the CAF together with the amount payable is not received by the Banker to the Issue/ Registrar to the Issue on or before the close of banking hours on the aforesaid last date or such date as may be extended by the Board/Committee of Directors, the offer contained in this Letter of Offer shall be deemed to have been declined and the Board/Committee of Directors shall be at liberty to dispose off the Equity Shares hereby offered, as provided under the section entitled 'Basis of Allotment'.

Option to Subscribe

The Equity Shareholders are given the option either to receive the security certificates or to hold the securities with a depository.

Utilisation of Issue Proceeds

The funds received against this Issue will be kept in a separate bank account and our Company will not have any access to such funds unless it satisfies Bombay Stock Exchange Limited, the Designated Stock Exchange with suitable documentary evidence that the minimum subscription of 90% of the Rights Issue has been received by our Company.

The Board of Directors declares that:

- 1) The funds received against this Issue will be transferred to a separate bank account other than the bank account referred to sub-section (3) of Section 73 of the Companies Act, 1956.
- 2) Details of all moneys utilized out of the Issue shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such moneys have been utilized.
- 3) Details of all such unutilized moneys out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized moneys have been invested.

For further instructions, please read CAF carefully.

General instructions for applicants

- a) Please read the instructions printed on the enclosed CAF carefully.
- b) Application should be made on the printed CAF, provided by our Company except as mentioned under the head Application on Plain Paper and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/ or which are not completed in conformity with the terms of this Letter of Offer are liable to be rejected and the money paid, if any, in respect thereof will be refunded without interest and after deduction of bank commission and other charges, if any. The CAF must be filled in English and the names of all the applicants, details of occupation, address, father's / husband's name must be filled in block letters.
- c) Payments should be made in cash/cheque/demand draft drawn on any bank which is situated at and is a member of sub-member of the banker's clearing house located at the centre where application is accepted. Outstation cheques/ demand drafts will not be accepted and application(s) accompanied by such cheques/ demand drafts will be rejected. The Registrar will not accept cash along with CAF.
- d) The CAF together with cheque/demand draft should be sent to the Bankers to the Issue/Collecting Bank or to the Registrar to the Issue and not to our Company or Lead Manager to the Issue. Applicants residing at places other than cities where the branches of the Bankers to the Issue have been authorized by our Company for collecting applications will have to make payment by Demand Draft payable at Mumbai of amount net of bank and postal charges, and send their application forms to the Registrar to the Issue by REGISTERED/SPEED POST. If any portion of the CAF is/are detached or separated, such application is liable to be rejected.
- e) PAN/ GIR Number: All applications, the applicant or in the case of application in joint names, each of the applicants, should mention his/ her PAN allotted under the Income-Tax Act, 1961 and also submit a photocopy of the PAN card(s) or a communication from the Income Tax authority indicating allotment of PAN ("PAN Communication") along with the application for the purpose of verification of the number. Applicants who do not have PAN are required to provide a declaration in Form 60/Form 61 prescribed under the I.T. Act along with the application. **Application Forms without this photocopy/ PAN Communication/ declaration will be considered incomplete and are liable to be rejected.**
- f) Bank Account Details: It is mandatory for applicants to provide information as to their savings/current account number and the name of our Company with whom such account is held in the CAF to enable the Registrar to the Issue to print the said details in the refund orders, if any, after the names of the payees.

Application not containing such details is liable to be rejected. **Shareholders may please note that for shares held in DEMAT mode, the bank account details shall be obtained from the depositories. Shareholders may ensure that the bank account details are updated with the depositories.**

- g) Payment by cash: The payment against the application should not be effected in cash if the amount to be paid is Rs. 20,000 or more. In case payment is effected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon. Payment against the application if made in cash, subject to conditions as mentioned above, should be made only to the Bankers to the Issue.
- h) Signatures should be either in English or Hindi or in any other language specified in the Eight Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/ her official seal. The Equity Shareholders must sign the CAF as per the specimen signature recorded with our Company or depositories.
- i) In case of an application under power of attorney or by a body corporate or by a society, a certified true copy of the relevant power of attorney or relevant resolution or authority to the signatory to make the relevant investment under this Issue and to sign the application and a copy of the Memorandum and Articles of Association and / or bye laws of such body corporate or society must be lodged with the Registrar to the Issue giving reference of the serial number of the CAF. In case the above referred documents are already registered with our Company, the same need not be furnished again. In case these papers are sent to any other entity besides the Registrar to the Issue or are sent after the Issue Closing Date, then the application is liable to be rejected. In no case should these papers be attached to the application submitted to the Bankers to the Issue.
- j) In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with the Company. Further, in case of joint applicants who are renounees, the number of applicants should not exceed three. In case of joint applicants, reference, if any, will be made in the first applicant's name and all communication will be addressed to the first applicant.
- k) Application(s) received from Non-Resident/NRIs, or persons of Indian origin residing abroad for allotment of Equity Shares shall, *inter alia*, be subject to conditions, as may be imposed from time to time by the RBI under FEMA in the matter of refund of application money, allotment of Equity Shares, subsequent issue and allotment of Equity Shares, interest, export of share certificates, etc. In case a Non-Resident or NRI Equity Shareholder has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF.
- l) All communication in connection with application for the Equity Shares, including any change in address of the Equity Shareholders should be addressed to the Registrar to the Issue prior to the date of allotment in this Issue quoting the name of the first / sole applicant Equity Shareholder, folio numbers and CAF number. Please note that any intimation for change of address of Equity Shareholders, after the date of allotment, should be sent to Registrar to our Company; Computech Sharecap Limited, 147, Mahatma Gandhi Marg, 3rd Floor, Opposite Jehangir Art Gallery, Fort, Mumbai – 400 001, Maharashtra in the case of Equity Shares held in physical form and to the respective depository participant, in case of Equity Shares held in dematerialized form.
- m) Split forms cannot be re-split.
- n) Only the person or persons to whom Equity Shares have been offered and not renounee(s) shall be entitled to obtain split forms.
- o) Applicants must write their CAF number at the back of the cheque/demand draft.
- p) Only one mode of payment per application should be used. The payment must be either in cash or by cheque/demand draft drawn on any of the banks, including a co-operative bank, which is situated at and is a member or a sub member of the Bankers Clearing House located at the centre indicated on the reverse of the CAF where the application is to be submitted.

- q) A separate cheque/draft must accompany each CAF. Outstation cheques/demand drafts or post-dated cheques and postal/money orders will not be accepted and applications accompanied by such cheques/demand drafts/money orders or postal orders will be rejected. The Registrar will not accept payment against application if made in cash. (For payment against application in cash please refer point (g) above)
- r) No receipt will be issued for application money received. The Bankers to the Issue/Collecting Bank/Registrar will acknowledge receipt of the same by stamping and returning the acknowledgment slip at the bottom of the CAF.
- s) An applicant which is a mutual fund can make a separate application in respect of each scheme of the fund and such applications shall not be treated as multiple applications. The application made by the asset management company or custodian of a mutual fund shall clearly indicate the name of the concerned scheme for which the application is made.

Grounds for Technical Rejections

Applicants are advised to note that applications are liable to be rejected on technical grounds, including the following:

- Amount paid does not tally with the amount payable for;
- Bank account details (for refund) are not given;
- Age of first applicant not given;
- PAN photocopy/PAN Communication/Form 60/Form 61 declaration not given with the application for the applicant and for each applicant in case of joint names;
- In case of Application under power of attorney or by limited companies, corporate, trust, etc., relevant documents are not submitted;
- If the signature of the existing shareholder does not match with the one given on the Application Form and for renounees if the signature does not match with the records available with their depositories;
- If the Applicant desires to have shares in electronic form, but the Application Form does not have the Applicant's depository account details;
- Application Forms are not submitted by the Applicants within the time prescribed as per the Application Form and this Letter of Offer;
- Applications not duly signed by the sole/joint Applicants;
- Applications by OCBs; unless accompanied by specific approval from the RBI permitting the OCBs to invest in the Issue;
- Applications accompanied by Stockinvest;
- In case no corresponding record is available with the Depositories that matches three parameters, namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity;
- Applications by US persons;
- Applications by ineligible Non-residents (including on account of restriction or prohibition under applicable local laws) and where last available address in India has not been provided.
- Multiple applications

Disposal of application and application money

No acknowledgement will be issued for the application moneys received by our Company. However, the Bankers to the Issue / Registrar to the Issue receiving the CAF will acknowledge its receipt by stamping and returning the acknowledgement slip at the bottom of each CAF.

The Board reserves its full, unqualified and absolute right to accept or reject any application, in whole or in part, and in either case without assigning any reason thereto.

In case an application is rejected in full, the whole of the application money received will be refunded. Wherever an application is rejected in part, the balance of application money, if any, after adjusting any money due on Equity Shares allotted, will be refunded to the applicant within 30 days from the closure of the Issue.

Interest in Case of Delay in Despatch of Allotment Letters/ Refund Orders

Our Company agrees that as far as possible the allotment of the Equity Shares shall be made within thirty (30) days of the closure of Issue. Our Company further agrees that it shall pay interest at the rate of 15% per annum if the allotment has not been made and/or the refund orders have not been despatched to the investors or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within thirty (30) days from the date of closure of the Issue.

Undertaking by our Company

We hereby undertake that:

- a) The complaints received in respect of the Issue shall be attended to by the Issuer Company expeditiously and satisfactorily;
- b) All steps for completion of the necessary formalities for listing and commencement of trading at all stock exchanges where the securities are to be listed will be taken within 7 working days of finalisation of basis of allotment;
- c) The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue.
- d) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 30 days or 15 days of closure of the Issue, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
- e) The certificates of the securities/refund orders to the non-resident Indians shall be dispatched within specified time.
- f) No further issue of securities affecting equity capital of our Company shall be made till the securities offered through this offer document are listed or till the application moneys are refunded on account of non-listing, under subscription, etc.
- g) Our Company accepts full responsibility for the accuracy of information given in this Letter of Offer and confirms that to best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.
- h) All information shall be made available by the Lead Manager and the Issuer to the investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road shows, presentations, in research or sales reports etc.

The Issuer and Lead Manager shall update this Letter of Offer and keep the investors informed of any material changes till the listing and trading commences of the securities offered through this Letter of Offer.

Important

- Please read this Letter of Offer carefully before taking any action. The instructions contained in the accompanying Composite Application Form (CAF) are an integral part of the conditions of this Letter of Offer and must be carefully followed; otherwise the application is liable to be rejected.
- All enquiries in connection with this Letter of Offer or accompanying CAF and requests for Split Application Forms must be addressed (quoting the Registered Folio Number/ DP and Client ID number, the CAF number and the name of the first Equity Shareholder as mentioned on the CAF and super scribed 'UB Engineering Limited - Rights Issue' on the envelope) to the Registrar to the Issue at the following address:

Computech Sharecap Limited

147, Mahatma Gandhi Marg,
3rd Floor, Opposite Jehangir Art Gallery,



Fort, Mumbai – 400 001.

- It is to be specifically noted that this Issue of Equity Shares is subject to the section entitled 'Risk Factors' beginning on page ix of this Letter of Offer.
- Our Company will not be liable for any postal delays and applications received through mail after the closure of the Issue, are liable to be rejected and returned to the applicants.
- The Issue will not be kept open for more than 30 days unless extended, in which case it will be kept open for a maximum of 60 days.

SECTION VIII

MAIN PROVISION OF THE ARTICLES OF ASSOCIATION OF OUR COMPANY

Pursuant to Schedule II of the Companies Act and the SEBI Guidelines, the important provisions of the Articles of Association of our Company relating to members, voting rights, lien on the Equity Shares and process for modification of such rights, forfeiture of Equity Shares, restrictions on transfer and transmission of Equity Shares and debentures and on their consolidation and splitting are detailed below.

Capitalized terms used in this section have the meaning that has been given to such terms in the Articles of Association.

CAPITAL AND INCREASE AND REDUCTION IN CAPITAL

Amount of Capital

The Authorised share capital of the company is Rs. 50,00,00,000/- (Rupees Fifty Crores) divided into 5,00,00,000 (Five Crores) equity shares of Rs.10/- (Rs. Ten) each with power to increase or to reduce or modify the capital of the company and to divide the shares for the time being into several classes (being those specified in the Companies Act 1956) and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being in force and to vary, modify, enlarge, abrogate, any such rights, privileges or conditions in such manner as may be permitted by the Companies Act 1956 or provided by the Articles of the Company for the time being in force and to consolidate or subdivide the shares of higher or lower denominations.

Increase of capital by the Company and how carried into effect

The Company in General Meeting may, from time to time increase the authorized capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the resolution shall prescribe and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company and with a right of voting at General Meetings of the Company in conformity with Section 87 of the Act. Whenever the capital of the company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 97 of the Act.

New capital same as existing capital

Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue Preference Shares which are or at the option of the Company are liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.

Redeemable Preference Shares

On the issue of Redeemable Preference Shares under the provisions of Article 7 hereof the following provision shall take effect:

- (a) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption.
- (b) no such shares shall be redeemed unless they are fully paid;
- (c) the premium if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed;
- (d) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall,

except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid up share capital of the Company.

Reduction of capital

Subject to the provisions of Sections 78,80,100 to 105 (inclusive) of the Act, the Company in General Meeting may, from time to time, by Special Resolution, reduce its capital and any Capital Redemption Reserve Account or Premium Account in any manner for the time being authorised by law, and in particular, capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.

Sub-division and consolidation of shares

Subject to the provisions of Section 94 of the Act, the Company in General Meeting may from time to time sub-divide or consolidate its shares and the resolution whereby any shares are sub-divided may determine that as between the holders of the shares resulting from such sub-division one or more of such shares shall have some preference of special advantage as regards dividend, capital or otherwise over or as compared with the others or other subject as aforesaid, the Company in General Meeting may cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Modification of Rights

Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 106 and 107 of the Act, be modified, commuted, affected or abrogated, dealt or varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the issued shares of that class and all the provisions hereinafter contained with respect to General Meeting, shall mutatis mutandis, apply to such meeting.

SHARES AND CERTIFICATES

Further issue of capital

- (a) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares, then such further shares shall be offered to the persons who, at the date of the offer, are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the capital paid up on those shares at that date. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than 15 days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. Such offer shall be deemed include a right exercisable by the person concerned to renounce the share offered to him or any of them in favour of any other person and the notice referred to hereinabove shall contain a statement of this right. After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given if he declines to accept the shares offered, the Board may dispose of them in such manner as they think most beneficial to the Company.
- (b) Notwithstanding anything contained in the preceding clause, the Company may
- (i) by a special resolution, or
 - (ii) where no such special resolution is passed, if the votes cast (whether on a show of hands, or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any cast against the proposal by members so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.

offer further shares to any person or persons, and such person or persons may or may not include the persons, who, at the date of the offer, are the holders of the Equity Shares of the Company.

- (c) Notwithstanding anything contained in clause (a) above but subject however to Section 81(3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to debentures issued or loans raised by the Company to convert such debentures or loans into shares or to subscribe for shares in the Company.

Shares under control of Board

Subject to the provisions of these Articles and of the Act, the shares (including any shares forming part of any increased capital of the Company) shall be under the control of the Board, who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times as the Board thinks fit and subject to the sanction of the Company in General Meeting with full power to give any person the option to call for or be allotted shares of any class of the Company either, subject to the provisions of Sections 78 and 79 of the Act, at a premium or at par or at a discount and such option or right to call of shares being exercisable for such time and for such consideration as the Board shall think fit. The Board shall cause to be made the returns as to allotment provided for in Section 75 of the Act.

Power also to company in General Meeting to issue shares

In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 14 and 15, the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the company) shall be offered to such person (whether Members or not) in such proportion and on such terms and conditions and either, subject to compliance with the provisions of Section 78 and 79 of the Act, at a premium or at par or at a discount, as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option to call for or be allotted shares of any class of the company either subject to compliance with the provisions of Sections 78 and 79 of the Act, at a premium or at par or at a discount such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.

Share certificates

- (a) Every Member or allottee of shares shall be entitled, without payment, to receive one certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Every such certificate shall be issued under the Seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and the two Directors or their attorneys and the Secretary or other person shall sign the share certificate; provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than the Managing Director, if any, or a whole time Director, if any. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupee one. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued, indicating the date of issue.
- (b) Any two or more joint allottees of a share shall for the purpose of this Articles, be treated as a single Member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all them. The Company shall comply with the provisions of Section 113 of the Act.
- (c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography but not by means of a rubber stamp, provided that the Directors shall be responsible for the safe custody of such machine equipment or other material used for the purpose.

Renewal of share certificates

- (a) No certificate of any share or shares shall be issued either in exchange for those which are subdivided or consolidated or in replacement of those which are defaced torn or old, decrepit, worn out or where the cages on the reverse for recording transfers have been duly utilized, unless the certificate in lieu of which it

is issued is surrendered to the Company. No fee shall be charged for a certificate issued in terms of this Article.

- (b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Issued in lieu of share certificate No - sub divided/replaced/ on consolidation of shares."
- (c) If a share certificate is lost or destroyed a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on payment of such fee, not exceeding Rupees two as the Board may from time to time fix and on such terms if any as to evidence and indemnity as to payment of out of pocket expenses incurred by the Company in investigating evidence, as the Board think fit.
- (d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Duplicate issued in lieu of share certificate No --". The word "Duplicate" shall be stamped or punched in bold letters across the face of the share certificate.
- (e) Where a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates indicating against the names of the person to whom the certificate is issued, the number and date of issue of the share certificate is lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross references in the "Remarks" column.
- (f) All blank forms to be issued for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine numbered and the forms and the blocks engravings facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may appoint for the purpose; and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- (g) The Managing Director, if any, for the time being or if the Company has no managing director every Director shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of share certificates referred to in clause (f) of this Article.
- (h) All books referred to in clause (g) of this Article shall be preserved in good order permanently.

First named joint holder deemed sole holder

If any share stands in the name of two or more persons, the person first named in the Register of Members shall as regards receipt of dividends or bonus or service of notice and all or any other matter connected with the Company, except voting at meeting and the transfer of the shares, be deemed the sole holder thereof, but the joint holders of a share shall be severally as well as jointly liable for the payment of all installment and calls due in respect of such share, and for all incident thereof according to these Articles.

CALLS

Board may make calls

The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such call as it thinks fit upon the Members in respect of any moneys unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) and each Member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by installments. A call may be revoked or postponed as the Directors may determine.

Notice of calls

Fifteen day's notice in writing of any call shall be given by the company specifying the amount of call, the time and place of payment, and the person or persons to whom such call shall be made.

Liability of joint holders

The joint-holders of the share shall be jointly and severally liable to pay all calls in respect thereof.

Calls to carry interest

If any Members fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not



exceeding 12 per cent per annum, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member.

LIEN

The Company shall have a first and paramount lien upon every share not being fully paid up registered in the name of each Member (whether solely or jointly with others), and upon the proceeds of sale thereof for moneys called or payable at a fixed time in respect of such share whether the time for payment shall actually have arrived or not and no equitable interest in any share shall be created except upon the footing and condition that Article 23 hereof is to have full effect. Such lien shall extend to all dividends from time to time declared in respect of such share. Unless otherwise agreed the registration of a transfer of a share shall operate as a waiver of the Company's lien, if any on such share.

FORFEITURE OF SHARES

If money payable on share not paid notice to be given to Member

If any Member fails to pay may call or installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter during such time as the call or installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

Terms of notice

The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or installment and such interest thereon at such rate not exceeding 12 per cent per annum as the Board shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

In default of payment shares to be forfeited

If the requirements of any such notice as aforesaid shall not be complied with every or any share in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interest and expenses due in respect thereof be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.

Cancellation of share certificates in respect of forfeited shares

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, certificate or certificates originally issued in respect of the relative shares shall unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member, stand cancelled and become null and void and of no effect, and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

TRANSFER AND TRANSMISSION OF SHARES

Register of transfers

The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share.

Form of transfer

Shares in the Company may be transferred by an instrument in writing in the usual common form or in such other form as shall from time to time be approved by the Directors provided that if so required by the provisions of the Act, such instrument of transfer shall be in the form prescribed and shall be duly stamped and delivered to the Company within the prescribed period.

To be executed by transferor and transferee

Every such instrument of transfer shall be executed both by the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.

Transfer books when closed

The Board shall have power on giving not less than seven days previous notice by an advertisement in a newspaper circulating in the district in which the Office is situate to close the Register of Members or Register of Debenture-holders at such time and or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as to it may seem expedient.

Board may refuse to register transfers

Subject to the provisions of Section 111 of the Act, the Board may at its own absolute and uncontrolled discretion and without assigning any reason decline to register or acknowledge any transfer of shares (notwithstanding that the proposed transferee be already a member). If the Board refuses to register the transfer of any shares, the Company shall, within two months from the date on which the instrument of transfer was lodged with the Company send to the transferee and the transferor notice of the refusal to register such transfer and return the documents lodged as aforesaid to the transferor, Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the shares.

Notice of Application when to be given

Where in the case of partly paid shares an application for registration is made by the transferor the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act.

Death of any or more joint holders of shares

In the case of the death of any one or more of the persons named in the Register of Members as the joint-holders of any share the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such share but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.

Title to shares of deceased Member

The executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased Member (not being one of two or more joint-holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such Member and the Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate or the legal representative unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India; provided that in any case where the Board in its absolute discretion thinks fit, it may dispense with production of Probate or Letters or Administration or Succession Certificate, upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and under Article 60 register the name of any person who claims to be absolutely entitled to the shares standing in the nature of a deceased Member, as a Member.

Registration of persons entitled to shares otherwise than by transfer

Subject to the provisions of Articles 58 and 59 any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Member, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title, as the Board thinks sufficient either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board registered as such holder; provided, nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the shares.



Persons entitled may receive dividends without being registered as Member

A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or moneys as hereinafter provided be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the share.

Transfer to be presented with evidence of title

Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor and his right to transfer the shares, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

Conditions of registration of transfer

Save as provided in Section 108 of the Act, before the registration of a transfer, the certificate of the share to be transferred or, if no such certificate is in existence, the Letter of Allotment of such share must be delivered to the Company along with a properly stamped and executed instrument of transfer.

The company not liable for disregard of a notice prohibiting registration of a transfer

The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

BORROWING POWERS

Power to borrow

Subject to the provisions of Sections 292 and 293 of the Act and of these Articles, the Board may from time to time at its discretion, by resolution passed at a meeting of the Board, accept deposits from Members, either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the Company. Provided, however where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board shall not borrow such moneys without the consent of the Company in General Meeting.

MEETINGS OF MEMBERS

Annual General Meeting and Annual Summary

The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year. All General Meetings other than Annual General Meeting shall be called Extraordinary General Meeting. The first Annual General Meeting shall be held within eighteen months from the date of incorporation of the Company and the next Annual Meeting shall be held within Six months after the expiry of the financial year in which the first Annual General Meeting was held and thereafter an Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 166(1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours, on a day that is not a public holiday, and shall be held at the Office or at some other place within the city in which the Office is situate as the Board may determine and the notice calling the meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting. Every member shall be entitled to attend either in person or by proxy and the Auditor of the company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting there shall be laid on the table the Directors' Report and Audited Accounts and Balance Sheet, Auditors'



Report (if not already incorporated) in the Audited Accounts and Balance Sheet the Proxy Register with proxies and the Register of Director's Share holdings which latter Register shall remain open and accessible during the continuance of meeting. The Board shall prepare the annual list of Members, Summary of Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar, in accordance with Sections 159, 161 and 220 of the Act.

Extraordinary General Meeting

The Board may, whenever it thinks fit call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any Member or Members holding in the aggregate not less than one-tenth of such of the paid up capital as at that date carries the right of voting in regard to the matter in respect of which the requisition has been made.

Quorum at General Meeting

Five Members present in person shall be a quorum for a General Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act.

If Quorum not present meeting to be dissolved or adjourned

If within half an hour from the time appointed for holding a Meeting of the Company a quorum shall not be present, the Meeting if convened by or upon the requisition of Members, shall stand dissolved, but in any other case, the Meeting shall stand adjourned to the same day in the next week

Chairman of General meeting

The Chairman, if any of the Board of Directors shall be entitled to take the chair and every General Meeting whether Annual or Extraordinary. If there be no such Chairman of the Board of Directors or if or any meeting he shall not be present within ten minutes of the time appointed for holding such meeting or shall decline to take the Chair, then the Member present shall elect another Director as Chairman and if no Director be present or if all the Directors present decline to take the chair, then the Members present shall elect one of their number to be Chairman.

VOTES OF MEMBERS

Members in arrears not to vote

No Members shall be entitled to vote either personally or by proxy at any General Meeting or at a Meeting of any class of shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right of lien.

Numbers of votes to which Member entitled

Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every Member not disqualified by the last preceding Article shall be entitled to be present and to speak and vote as such meeting and on a show of hands, every Members present in person shall have one vote and upon a poll the voting right of every member present in person or by proxy shall be in proportion to his share of the paid up Equity Capital of the Company. Provided however if any preference shareholders be present at any meeting of the Company then save as provided in clause(b) of sub-section (2) of Section 87 of the Act, he shall only have a right to vote in respect of such preference shares on resolutions placed before the meeting which directly affect the rights attached to his preference shares.

Casting of votes Member entitled to more than one vote

On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy or other person entitled to vote for him as the case may be need not if he votes use all his votes or cast in the same way all the votes he uses.

How members non compos menties and minor may Vote

A Member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian; and any such committee or guardian may, on poll, vote by proxy; if any Member be a minor, the vote in respect of his share or shares shall be exercised by his guardian, or any one of his guardians, if more than one to be selected in case of dispute by the Chairman of the Meeting.

Votes of joint Members

If there be joint registered holders of any shares any one of such persons may vote at any Meeting or may appoint another person (whether a Member or not) as his proxy in respect of such shares as if he were solely entitled thereto, but the proxy so appointed shall not have any right to speak at the Meeting and, if more than one of such joint-holders be present at any meeting that one of the said persons so present whose name stands higher on the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other or others of joint-holders shall be entitled to be present at the Meeting. Several executors or administrators of a deceased Member in whose name shares stand shall for the purpose of these Articles be deemed joint holders thereof.

Voting in person or by proxy

Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act; and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member.

Votes in Respect of shares of deceased and insolvent Member

Any person entitled under Article 60 to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the Meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the Board of his right to transfer such shares and give such indemnity, if any as the Board may require or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

Chairman of any Meeting to be the judge of validity of any vote

The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

DIRECTORS

Number of Directors

Until otherwise determined by the Company in General Meeting the number of Directors of the Company (excluding Alternate Director, Debenture Directors or Directors appointed by Government or Public Financial Institutions) shall not be less than three not more than fifteen.

Power to appoint ex-officio Directors

Whenever the Directors enter into a contract with any Government Central State or Local any bank or financial institution or any person or persons (hereinafter referred to as "the appointer") for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever, the Directors shall have subject to the provisions of Section 255 of the Act, the power to agree that such appointer shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer or entitled to appoint or nominate them and the appointer may appoint another or others in his or their places and also fill in any vacancy which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The Director appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.

Appointment of Alternate Director

The Board may appoint an Alternate Director to act for a Director (hereinafter called the "Original Director") during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily hold. An alternate Director appointed under this Article shall not hold office as such for a longer period than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to that State. If the term of office of the Original Director is determined before he so returns to that State, any provision in the Act or in these Articles for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.

Directors may fill and add to their number

Subject to the provisions of Section 260, 262, 264, and 284(6) of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy or as an addition to the Board, but so that the total number of Directors shall not at any time exceed the maximum fixed as above.

Qualification of Directors

No share qualification shall be necessary for any Director.

Disclosure of interest

A Director who in any way, whether directly or indirectly concerned or interested in a contract or arrangement entered into, or a proposed contract or arrangement to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299(2) of the Act; Provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the Directors of the Company or two or more of them together holds or hold not more than two percent of the paid-up share capital in any such other company or the Company, as the case may be. A general notice given to the Board by the Director, to the effect that he is a Director or Member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may after the date of the notice, be entered into with that body corporate or firm shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

MANAGEMENT

The Company shall not appoint or employ at the same time more than one of the categories of managerial personnel named in Section 197A of the Act.

THE SECRETARY

The Board may from time to time appoint and, at its discretion, remove any individual, having the qualification prescribed under the Act, (hereinafter called the "Secretary") to perform any function which by the Act are to be performed by the Secretary, and to execute any other purely ministerial or administrative duties which may from time to time be assigned to the Secretary by the Board. The Board may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company.

THE SEAL

- (a) The Board shall provide a Common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.
- (b) The Company shall also be at liberty to have an official seal in accordance with Section 50 of the Act for use in any territory, district or place outside India.

Every deed or other instrument to which the Seal of the Company is required to be affixed shall, unless the same is executed by a duly constituted attorney, be signed by two Directors or one Director and some other person appointed by the Board for the purpose.

DIVIDENDS**Division of profits**

The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles, shall be divisible among the Members in proportion to the amount of capital paid up on the shares held by them respectively.

Dividends only to be paid out of profits

No dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 205 of the Act or out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both Provided that:

- (a) if the Company has not provided for depreciation for any previous Financial Year or years it shall, before declaring or paying dividend for any Financial Year provide for such depreciation out of the profits of that Financial Year or out of the profits of any other previous Financial Year or years;
- (b) if the Company has incurred any loss in any previous Financial Year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any previous Financial Year or years arrived at in both cases after providing for depreciation in accordance with the provision of Section 205(2) of the Act or against both.

Interim Dividend

The Board may from time to time pay to the Members such interim dividend as in their judgement the position of the Company justifies.

Dividends etc to joint holders

Any one of several persons who are registered as the joint holders of any share may give effectual receipt for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such share.

Dividends how remitted

Unless otherwise directed any dividend may be paid by cheque or warrant or by a payslip or receipt having the force of a cheque or warrant sent through the post to the registered address of the Member or person entitled or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint holding. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or payslip or receipt or receipt lost in transmission, or for any dividend lost to the Member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any payslip or receipt or the fraudulent recovery of the dividend by the other means.

Unclaimed Dividend

No unclaimed dividend shall be forfeited by the Board and the Company shall comply with the provisions of Section 205(A) of the Act in respect of any unclaimed or unpaid dividend.

No interest on Dividends

No unpaid dividend shall bear interest as against the Company.

Capitalisation

- (a) The Company in General Meeting may, upon the recommendation of the Board resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Account, or in the hands of the Company and available for dividend (or representing premiums received on the issue of shares and standing to the credit of the Share Premium Account), be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full, either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture-stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares or debentures or debenture-stock, and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum Provided that Share Premium Account and a Capital Redemption Reserve Account, may for the purpose of this Article, only be applied in the paying up of unissued shares to be issued to Members as fully paid bonus shares.

- (b) A General Meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same or any other undistributed profits of the Company not subject to charge for income-tax distributed among the Member on the footing that they receive the same as capital.
- (c) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that such cash payments shall be made to any Members upon the footing of the value so fixed or that fractions of less value than Rs.10 may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalised fund as may seem expedient to the board. Where requisite a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 the Act and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividends or capitalised fund, and such appointment shall be effective.

WINDING-UP

Liquidator may divide assets in specie

- (a) If the Company shall be wound up and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the shares held by them respectively. And if in a winding-up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the time of the winding-up the excess shall be distributed amongst the Members in proportion to the capital paid up at the commencement of the winding-up or which ought to have been paid up on the share held by them respectively, But this clause is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.
- (b) The Liquidator on any winding-up (whether voluntary, under supervision, or compulsory) may, with the sanction of a Special Resolution but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the Liquidator, with the like sanction, shall think fit.

INDEMNITY AND RESPONSIBILITY

Subject to Section 201 of the Act every officer or agent for the time being of the Company shall be indemnified out of the assets of the Company against liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.

SECRECY CLAUSE

- (a) Every Director, Manager, auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions and affairs of the Company, including (without limitations) those with the customers and the state of the accounts with individuals and in matter relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions of the Act or these Articles.
- (b) No Members shall be entitled to visit or inspect any works of the company without the permission of a Director or to require discovery of or any information respecting any detail of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The contracts mentioned below (not being contracts entered into in the ordinary course of business carried on by our Company) are or may be deemed to be material contracts. These contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company situated at Sahyadri Sadan, Tilak Road, Pune - 411 030, Maharashtra from 11.00 a.m. to 2.00 p.m. on any working day from the date of this Letter of Offer until the Issue Closing Date.

A. Material Contracts

1. Job Arrangement Letter dated September 11, 2006 for appointment of Ambit Corporate Finance Private Limited as Lead Manager to the Issue respectively.
2. Memorandum of Understanding dated May 14, 2007 between our Company and Ambit Corporate Finance Private Limited.
3. Memorandum of Understanding dated March 27, 2007 between our Company and Computech Sharecap Limited, appointing them as Registrar to the Issue.
4. Engagement Letter dated September 13, 2006 issued by our Company appointing Kanga & Co., as Legal Advisors to the Issue.
5. Tripartite Agreement dated October 10, 2006 between our Company, Computech Sharecap Limited and CDSL.
6. Tripartite Agreement dated October 28, 2006 between our Company, Computech Sharecap Limited and NSDL.

B. Documents for Inspection

1. Memorandum and Articles of Association of our Company, as amended till date.
2. Certificate of Incorporation dated January 12, 1970 issued by the Registrar of Companies, Maharashtra, in the name of Western India Erectors Private Limited.
3. Fresh Certificate of Incorporation dated January 06, 1972 issued by the Additional Registrar of Companies, Maharashtra, upon conversion into a public limited company.
4. Fresh Certificate of Incorporation dated January 15, 1986 issued by the Registrar of Companies, Maharashtra, consequent to change of name to Western India Enterprises Limited.
5. Fresh Certificate of Incorporation dated October 21, 1993 issued by the Additional Registrar of Companies, Maharashtra, consequent to change of name to UB Engineering Limited.
6. Copy of the Resolution u/s 81 of the Companies Act, 1956 passed by the Board of Directors in their meeting held on March 02, 2007 and passed by the members in the EGM held on March 26, 2007.
7. Resolution passed by the shareholders of the Company in their meeting held on September 14, 2007 confirming the appointment of Mr. J K Sardana as "Manager".
8. Consents from the Auditors, Lead Manager to the Issue, Registrar to the Issue, Legal Advisor to the Issue, Bankers to the Issue, Bankers to our Company, Directors, Compliance Officer (Company Secretary) to include their names in this Letter of Offer and to act in their respective capacities.
9. Audit report by the statutory auditors of our Company dated December 10, 2007 included in this Letter of Offer.

10. Certificate dated December 10, 2007 from the statutory auditors of our Company detailing the tax benefits.
11. Loan utilization certificate dated December 10, 2007 issued by the statutory auditors of our Company.
12. Annual Reports of our Company for the last five financial years.
13. Application dated June 15, 2007 for in-principle listing approval addressed to BSE.
14. Copy of the in-principle listing approval letter no. DCS/PREF/SM/IP-RT/794/07-08 dated July 03, 2007 from BSE.
15. SEBI Observation letter no. CFD/DIL/ISSUES/PR/106043/2007 dated October 12, 2007 for the Issue.
16. Due Diligence certificate dated June 15, 2007 to SEBI issued by Ambit Corporate Finance Private Limited as Lead Manager to the Issue.
17. Copy of the in-seriatim reply to SEBI observations filed by Ambit Corporate Finance Private Limited as Lead Manager to the Issue, with SEBI vide letter dated December 17, 2007.



DECLARATION

To the best of the Company's knowledge, no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act and the rules made there under, and all legal requirements connected with the said Issue as also the guidelines, instructions etc., issued by SEBI, the Government and any other competent authority in this behalf have been duly complied with.

Since the date of the last financial statement disclosed in the Letter of Offer, there have been no circumstances that materially and adversely affect or are likely to affect the trading or profitability of the Company or the value of its assets or its ability to pay its liabilities within the next 12 months except as stated under the section Management Discussions and Analysis.

The Company accepts no responsibility for statements made otherwise than in this Letter of Offer or in the advertisement or any other material issued by or at the instance of the Company and that anyone placing reliance on any other source of information would be doing so at their own risk.

We hereby certify to our knowledge that all the disclosures contained in this Letter of Offer are true and correct in all material respects.

Yours faithfully
For UB Engineering Limited

Mr. S. D. Lalla
Chairman

Mr. Naval Choudhary
Director

Mr. A Harish Bhat
Director

Mr. Sudhir Goyal
Director

Mr. N. Srinivasan
Director

Mr. K. K. Rai
Director

Mr. J. K. Sardana
Manager & Chief Operating Officer

Mr. O. P. Aggrawal
Chief Financial Officer

Mr. V. M. Pendse
Company Secretary & Compliance Officer

Date: December 28, 2007

Place: Pune

Enclosure: Composite Application Form

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